



TOWNSHIP OF NEWTOWN

**RESOLUTION 2016-34
PREPAYMENT OF INVOICES**

WHEREAS, the Second Class Township Code section 704 (3) requires that the Board of Supervisors direct paying out of all monies of the Township; and

WHEREAS: the Board of Supervisors desires to pay invoices without occurring a late fee or being delinquent; and

WHEREAS: even when the Board meets twice a month there are times when invoices are paid late due the time when the invoice arrives, the time it takes for processing the payment and when the Board meets again; and

WHEREAS: Several of the vendors charge late fees even when told the timing makes it impossible to process the payment and obtain prior Board approval prior to paying the invoice; and

WHEREAS: Policy 2016-07 Allow for Pre-paid Invoices, addresses the Board's policy and desired procedure for pre-paid invoices;

WHEREAS: The Board wishes to direct the Treasure to pay the invoice according to Policy

NOW, THEREFORE, the Board of Supervisors, Newtown Township, adopts Policy 2016-07 Allow for Pre-paid Invoices, which is attached, as the policy and procedure to be followed and directs the Treasurer to process the payment of invoices according to the policy and procedure.

RESOLVED, this 11th day of July, 2016.

**BOARD OF SUPERVISORS
TOWNSHIP OF NEWTOWN**

BY: _____

John Nawn, Chairman

ATTEST:


Stephen M Nease, Secretary/Township Manager



Newtown Township Policy

Title: Invoice Payment Prior to Board Approval

Policy: 2016-07	Replaces: NEW	Issue Date: July 11, 2016
Section: FINANCE	Distribution: STAFF & BOARD	Effective Date: July 11, 2016
Chapter: TBD	Issued By: Board of Supervisors	Review Date: July 2017

Purpose:

Establish a policy for paying invoices that have twenty (20) day payment cycle or less and for any months which the Board only meets once which invoices would be late even if the payment cycle is over 20 days. The primary reason for the policy is to eliminate the late charges associated with such payment cycles.

Definitions:

Pre-paid – Payments made prior to Board of Supervisor Approval

Ratified – Action taken by the Board to approve an action already taken place

Policy:

All Invoices that have a twenty (20) day payment cycle or less, that are received less than ten days prior to a scheduled meeting and have a due date less than five days after a meeting will be processed for payment and released to the vendor in time to be paid prior to the due date. All invoices that would be late with payment cycles over 20 days in months that the Board only has one meeting. All such payments must have sufficient remaining dollar amount available in the budget to cover payment. Payment cannot cause the category to be over budget. Vendors must be pre-approved and payment may not be over the maximum listed as part of the approval.

Vendors for 20 day cycle.

Utility Vendors

PECO – up to \$15,000

Aqua - up to \$20,000

Comcast – up to \$1,000

Sprint – up to \$500

Verizon – up to \$1,000

Total Fund by Hasler (Postage) – up to \$1,000

Line Systems Industries – Up to \$1,500

Store/Procurement Cards

Home Depot – up to \$2,500

Staples – up to \$2,500

Office Basics – up to \$2,500

PLIGIT Procurement Card – up to \$250,000

Lease Agreements

Ricoh – up to \$2,000

De Lage Financial – up to \$2,000

Repair Service

Bergy Truck Center – up to \$5,000

All vendors that charge a late fee in months with no second meeting.

A list of payments must be submitted electronically to the Board of Supervisors at least twenty-four hours before being released. If a Board Member objects to a payment that payment will be pulled from the list and printed checks prior to release. All items paid in this matter will be on the next meeting agenda for ratification of payment.

Procedures:

Applicable invoices will be processed for payment. A complete list will be sent to the Board of Supervisors 24 hours prior to release. Board members will review and let the staff know of any payment objections.

One of the Board members with check signing privileges will come in review payments and sign checks.

A complete list of pre-paid invoices will be presented at the next meeting scheduled meeting for ratification by the Board of Supervisors.

Responsibilities:

Accounts Payable Clerk – Processes all payments and prints all checks

Finance Manager – notifies Board of Supervisors and Copies in the Township Manager.

Board of Supervisors – Review payments upon receipt of the email. If able to sign checks, come in and review payments and sign checks.