

**CITY OF SPRUCE GROVE
CITY POLICY**

**NUMBER
3010**

REFERENCE:

RES. NO. 312-95

**ADOPTED BY
CITY COUNCIL**

DATE: 11 SEP 1995

**SUPERSEDES
"REVISED"**

Page 1 of 2

REFERENCE:

ACCOUNTS PAYABLE

POLICY STATEMENT

To ensure that only authorized expenditures as set out under Section 248 of the Municipal Government Act are paid. These expenditures are described as items which are:

- a. Included in an operating budget, interim operating budget or capital budget or otherwise authorized by Council;
- b. for an emergency; or
- c. legally required to be paid.

The City of Spruce Grove recognizes that proper internal accounting controls promote the safeguarding of the City's assets. Accordingly, proper authorization is to be ensured before payments are made.

The City of Spruce Grove also recognizes that timely payment is necessary to maintain the high standards of business practice referred to in the General Purchasing Policy (#10,000). The City of Spruce Grove is a "Net 30 Days" account. Accordingly, it is the responsibility of each Department to ensure that vendors are aware of the City's terms and to properly complete and forward all required documentation to the Treasury Department on a timely basis to allow the expedient processing of payments to vendors.

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THE PURPOSE OF THIS POLICY IS TO-:

1. Only authorized expenditures as set out under Section 248 of the Municipal Government Act are paid.
2. Authorized payments are processed in an expedient manner while maintaining the "Net 30 Days" account to maximize the City's cash flow position.

* This policy is subject to any specific provision of the Municipal Government Act or other relevant legislation or Union Agreement.

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POLICY STATEMENT

Required documentation for payments to vendors shall include:

1. Purchase Orders which are properly authorized in accordance with Authority to Purchase Policy #10,001.
2. Vendor invoices authorized by the Department Manager and/or Supervisor signifying goods/services that have been received and supported by Purchase Orders (except for routine payables - eg. utilities bill, lease payment, etc.)
3. Workers' Compensation Board clearance letters as in accordance with the Hiring of Contractors Policy #9001.
4. Routine payables which are supported by Cheque Requisitions along with vendor invoices, when applicable.

Petty cash shall be provided to each department on an as required basis. Purchases with a value of less than \$20.00 should be made using petty cash funds. Each department is responsible for reconciling the Petty Cash fund regularly with Treasury Department by providing supporting receipts from purchase orders.

THE PURPOSE OF THIS POLICY IS TO-:

* This policy is subject to any specific provision of the Municipal Government Act or other relevant legislation or Union Agreement.