

SECTION: Finance		POLICY #: FIN-001
Date Approved: December 2, 2013		Accounts Payable Procedures
Revision Date:	Review Date:	
Authority:		

PURPOSE

To maintain the integrity of the accounts payable process and establish efficient payment and control processes for invoice and other payment requests.

GENERAL

This policy is established in accordance with the authority provided under Part VII, Financial Administration, of the Municipal Act, 2001.

MATERIAL REQUISITION/PURCHASE ORDERS

Purchasing is to take place in accordance with the Town of Hanover Procurement of Goods and Services Policy.

PROCEDURE

1. All invoices shall be date stamped upon receipt and have the Payment Authorization stamp applied to each invoice.
2. Invoice and payment requisitions shall be coded to the appropriate general ledger account (if known) by the Accounts Payable Clerk or designate and distributed to the relevant Department Head daily. Where the general ledger account is unknown, the department head or their designate will be responsible for account coding.
3. Department heads (or designate) will review all invoices relevant to their own department and investigate any irregularities or concerns. No bill is to be approved unless the Department Head is satisfied that the items and/or services on the invoice have been received and are in good condition.
4. Once the Department Head (or designate) has determined the correctness of the invoice, he/she shall approve it for payment by placing his/her initial on the invoice.
5. Approved invoices are to be forwarded to the Accounts Payable Clerk for processing as soon as possible, preferably within two (2) working days of receiving the invoice.
6. Department heads shall be responsible for including a brief description of the invoice item/service if it cannot be clearly determined from the invoice detail.
7. Any approved expenses that are recoverable are to be identified accordingly on the invoice along with the amount of recovery.
8. Approval of the Department Head or Council is not necessary to pay monthly, recurring invoices for services such as hydro, telephone, gas, etc.

9. Payment will be made from an original invoice. Packing slips, quotes, sales order and statements will not be accepted for payment.
10. Cheques will be issued for approved invoices by the Accounts Payable Clerk on a bi-weekly basis in order that they may be distributed on the last working day of that week. Approved invoices must be submitted to the Accounts Payable Clerk by noon on Wednesday to ensure inclusion in the biweekly cheque run.
11. Cheques required outside of the regular processing dates, e.g. due dates, discounts, and/or emergencies, will be considered for processing on an individual basis.
12. The Accounts Payable Clerk will process a monthly cheque register summary for Council's approval before the 1st regular Council meeting each month. Prior to distribution to Council, the Director of Corporate Services shall be provided with a copy of the report for review and verification before forwarding it to the CAO Administrative Assistant/Deputy Clerk for inclusion in the Council agenda.