



Policy No.: 1200.03

Topic: <p style="text-align: center;">Expenditure & Disbursement Policy</p>	Effective Date: <p style="text-align: right;">July 1, 2005</p>
	Approved By: <p style="text-align: right;">Council RES 182 -06-28-05</p>
Subject Area: <p style="text-align: center;">Corporate Services</p>	Date of Next Review: <p style="text-align: right;">June 2010</p>
	Date(s) Revised: <p style="text-align: right;">May 18 2007</p>

<p>Policy Statement:</p> <p>Council recognizes the annually approved operating budget as the primary expenditure control document and that all expenditures not so authorized must be returned to Council by the Administration for approval prior to the expenditure being incurred.</p> <p>The Council recognizes that it is in the best interest of the region to encourage local supply of required goods and services and is therefore committed to purchasing from suppliers within the corporate boundaries of the County where cost and quality are competitive and comparable.</p> <p>Council has a responsibility to its taxpayers to maximize the value of the tax revenue when purchasing goods and services for use by the County.</p>
<p>Principle:</p> <p>The Council recognizes that the need for forthright payment of accounts may not always coincide with regular meetings of Council and delegate the authority to disperse funds for all budget approved operational and capital expenditures to the Chief Administrative Officer or his designates.</p> <p>The Council authorizes the following persons to commit the County to all purchases related to the operation of the County that have been approved in the annual budget as follows:</p> <ul style="list-style-type: none"> • To a maximum of \$20,000 – Staff appointed by Department Directors and Chief Administrative Officer (Schedule A attached). • To \$200,000 – Department Managers or as designated by the Chief Administrative Officer (Schedule A attached). • To \$500,000 – Department Directors or as designated by the Chief Administrative Officer • Unlimited – Chief Administrative Officer to the maximum as allocated in the annual budget. <p>Estimates that exceed the annual approved budget by more than ten percent or to a maximum of \$50,000, must be approved by the Chief Administrative Officer or his designate. If the over expenditure does not remain within the total budget of that department or if the lowest tender has not been accepted it will have to be brought back to Council for approval by resolution.</p> <p>The following Items must be approved by Council:</p> <ul style="list-style-type: none"> • Items that were not contemplated in the annual approved budget;



- Budgeted capital expenditure tenders exceeding \$100,000;
- All budgeted road construction tenders.

The County reserves the right to accept or reject any or all tenders and to waive any and all irregularities and formalities at its discretion. The lowest or any tender will not necessarily be accepted.

Managerial Guidelines:

The overall responsibility for budget implementation and monitoring rests with the Chief Administrative Officer. The Director of Corporate Services has the overall responsibility for budget reporting and to ensure all expenditures are a legitimate claim against the County; are within established authorities; have been either authorized in the annual estimates or approved by resolution of the Council. During emergencies the Chief Administrative Officer is authorized to exceed the expenditure limits otherwise stipulated in this policy to the extent necessary to meet the emergency. When the expenditure policy is exceeded the Chief Administrative Officer shall as soon as practical notify the Council designate and file a report at a subsequent meeting of the Council.

That Yellowhead County implement the expenditure approval based on the following:

- Depending on availability, purchases with an aggregate value of \$2,500 would not generally require quotations.
- Purchases with an aggregate value greater than \$2,500 shall be purchased by either obtaining quotations or the more formal tendering process, either open or invitational.
- Purchases with an aggregate value in excess of \$100,000 and of construction over \$250,000 would follow the requirements as set out by the Federal Government and Provincial Government or Alberta.
- Contracted projects may require a bid bond, deposit, or certified Irrevocable Letter of Credit as determined by the Chief Administrative Officer or Director.
- Sealed Tenders or Quotations must be advertised for a minimum of two weeks.
- Bids will be opened in public on the advertised date and time.
- Two County employees will be present at the bid opening and minutes taken.

That Yellowhead County implement the disbursement of funds based on the following terms of reference:

- No invoices are processed without proper authorization. Invoices are paid within a 30 day payment cycle, and cheque batches processed on a weekly basis.
- A cheque register is generated which identifies the vendors, cheque number, amount and date. A monthly listing is provided to Council as information for their review.
- Cheques issued on behalf of the County shall be signed by two duly authorized individuals, one of which must be administrative. Authorized individuals are to include the positions of: Reeve, Deputy Reeve, CAO, Directors and Accounting Supervisor. The primary Administrative signing authorities shall consist of the CAO, Director of Corporate Services and the Accounting Supervisor. The secondary signing authorities shall consist of the Directors of Infrastructure, Planning and Community Services and these individuals shall sign upon written delegation of the CAO.
- The setting up of pre-authorized payments to be made directly from the County's bank account may be approved by any authorized Administrative signing officer for Yellowhead County under the discretion of the Director of Corporate Services.
- Funds used to pay the operating expenses will be dispersed in such a manner as to maximize discounts and avoid penalties.



CAO Delegation of Authority/Limitations/Expectations:

When the Chief Administrative Officer appoints an employee in an acting capacity, the employee will assume the expenditure guidelines of the position during the term of appointment.

Council Will:

Council will review the terms of reference every five years.

CAO Signature

Date



SCHEDULE A

EXPENDITURE OFFICER DESIGNATION

YELLOWHEAD COUNTY

EMPLOYEE

EMPLOYEE SIGNATURE

EMPLOYING DEPARTMENT

JOB TITLE

AUTHORITY

EFFECTIVE DATE:

____ / ____ / ____

SIGNING AUTHORITY TO A MAXIMUM OF:

\$ _____

THE EMPLOYEE CAN AUTHORIZE EXPENDITURES WITHIN THE PARAMETERS OF THEIR POSITION. FOLLOWING THE PRINCIPLES AND MANAGERIAL GUIDELINES AS DEFINED IN THE EXPENDITURE & DISBURSEMENT POLICY 1200.03 FOR YELLOWHEAD COUNTY, COPY ATTACHED.

APPROVAL

RECOMMENDED

DEPARTMENT DIRECTOR

RECOMMENDED

DIRECTOR OF CORPORATE SERVICES

APPROVED

CHIEF ADMINISTRATIVE OFFICER

SIGNED AND SEALED THIS _____ DAY OF _____, 200__.