

RESOLUTION 2018-39

TO BE ENTITLED: "A RESOLUTION TO AMEND CITY OF FRANKLIN DISBURSEMENTS POLICY TO UPDATE VENDOR PAYMENT REQUIREMENTS AND DEFINITIONS"

WHEREAS, the City of Franklin implemented a Disbursements Policy on June 28, 2016; and

WHEREAS, the policy established vendor payment requirements and definitions; and

WHEREAS, the Finance Department is proposing updates to reflect vendor payment best practices; and

WHEREAS, the Board of Mayor and Aldermen believes it is in the best interest of the citizens of the City of Franklin to make this change.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF FRANKLIN, TENNESSEE, AS FOLLOWS:

SECTION 1. ADD FINANCE PROVIDES GUIDANCE ON PAYMENT FEES

Update Policy Section 4. Payment Fees.

The following language shall be inserted at the end of the section:

Finance provides guidance for the approved fee limits and/or for approval to accept payment fees beyond the fee limits.

SECTION 2. UPDATE WORDING FOR PAYMENTS OF \$100,000 OR MORE

Update Policy Section 5. Authorized Approvers:

The current language, which reads as follows, shall be deleted in its entirety:

Payment requests over \$100,000 are to be approved by the department director or higher.

The following language shall be inserted:

Payment requests of \$100,000 or more are to be approved by the department director or higher.

SECTION 3. UPDATE TO INCLUDE ITEMIZED BEFORE INVOICES

Update Policy Section 7. Disbursements Documentation:

The current language, which reads as follows, shall be deleted in its entirety:

It shall be the responsibility of the department to provide sufficient and accurate documentation to the Finance Department for prompt payment. Such documentation shall include invoices, packing lists, and receiving forms or other evidence of receipt.

The following language shall be inserted:

It shall be the responsibility of the department to provide sufficient and accurate documentation to the Finance Department for prompt payment. Such documentation shall include itemized invoices, packing lists, and receiving forms or other evidence of receipt.

SECTION 4. UPDATE TO INCLUDE REQUISITION NUMBER AND CONTRACT NUMBER

Update Policy Section 7. Disbursements Documentation:

The current language, which reads as follows, shall be deleted in its entirety:

For Non-Construction-Related Procurement Payments

Inclusion of the purchase order number (where applicable) and receiving document (or similar document.)

The following language shall be inserted:

For Non-Construction-Related Procurement Payments

Inclusion of the purchase order number (where applicable) or requisition number and contract number.

SECTION 5. UPDATE TO INCLUDE CONTRACT PAYMENT REQUEST FORM

Update Policy Section 7. Disbursements Documentation:

The current language, which reads as follows, shall be deleted in its entirety:

For Construction-Related Procurement Payments

Inclusion of the project number (where applicable), contract number, and contractor's payment application (or similar document) with remaining contract balance.

The following language shall be inserted:

For Construction-Related Procurement Payments

Inclusion of the contract payment request form with project number, contract number, and contractor's payment application (or similar document) with remaining contract balance.

SECTION 6. UPDATE TO INCLUDE TIME PERIOD ON EMPLOYEE REIMBURSEMENTS

Update Policy Section 7. Disbursements Documentation:

The current language, which reads as follows, shall be deleted in its entirety:

For Employee Reimbursement Payments

Inclusion of employee identification number and/or name. (Where applicable, state and federal requirements, such as HIPAA privacy regulations, will be followed).

The following language shall be inserted:

For Employee Reimbursement Payments

Inclusion of employee identification number and/or name. (Where applicable, state and federal requirements, such as HIPAA privacy regulations, will be followed). The time period for submittal is shown in the travel policy.

SECTION 7. UPDATE TO INCLUDE ADDITIONAL CRITERION TO TIMEFRAME

Update Policy Section 9. Timeframe for Vendor Payments:

The current language, which reads as follows, shall be deleted in its entirety:

The City of Franklin does not make invoice payments prior to the due date and/or completed service or goods received unless it is specified in an agreement prior to the procurement.

The following language shall be inserted:

The City of Franklin does not make invoice payments prior to the due date and/or completed service or goods received unless it is specified in an agreement prior to the procurement or if moving the payment to an AP date closer to net 30 would make the invoice payment late.

It is therefore RESOLVED this the ____ day of _____, 2018.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

By: _____
Eric S. Stuckey
City Administrator

By: _____
Dr. Ken Moore
Mayor

Approved as to form:

Shauna R. Billingsley, City Attorney