

TOWN OF FAIR HAVEN
CASH DISBURSEMENT PROCEDURE
May 20, 2014

GENERAL:

- This procedure is applicable to all Town staff persons, elected officials, committee members, and other volunteers/members of the public conducting business on behalf of the Town of Fair Haven.
- Purchases shall be authorized by an approved purchase order (PO) before placing an order for goods or contracting for a service.
- If contracting with an individual, the person must complete a W-9, submit proof of Liability insurance, and complete a Non-Employee Work Agreement with the Town Accountant before starting work.
- Purchase orders shall be submitted complete to the Town Accountant with, at least, the following information:
 - o Vendor name and address
 - o Department listed under "SHIP TO"
 - o Date of order
 - o List of items and shipping charges
 - o Total amount
 - o Appropriation account number (e.g., 010-3000-10.00)
 - o Signature(s)
 - o Supporting documentation (e.g., original order, vendor cost estimates, etc.)
- Town department heads may authorize purchase orders up to \$200. PO's over \$200 must be approved by the Town Manager.

Note: The Selectboard's *Purchasing Policy* establishes policy/procedure for cost ranges (i.e., items estimated between \$2,000-5,000 require at least two quotes, items estimated between \$5,000-7,500 require at least three quotes, and items estimated over \$7,500 require a formal "*Request for Proposals*" process). All quotes need to be included as supporting documentation with a submitted PO. Please refer to the board policy for additional information.

- Volunteers/members of the public conducting business on behalf of the Town must obtain Town Manager approval on all purchase orders.
- All cash disbursements are approved by the Selectboard (bi-weekly by warrant) and then paid by check only.
- All computer checks are pre-numbered.
- Voided checks are destroyed in the signature area and filed numerically.
- Signing checks in advance is prohibited.
- The Town forbids making checks payable to:
 - o Cash
 - o Bearer

OFFICE (INTERNAL):

Checks are signed by the Town Treasurer or Assistant Town Treasurer only.