

# PROCESS FOR SPENDING CORPORATION OF HARPERS FERRY FUNDS

Approved by Town Council on May 11, 2015

The Corporation of Harpers Ferry adheres to State Code and best fiscal practices in the expenditure of public funds. Processes for expending municipal funds depend on whether funds have been itemized in the annual budget, the dollar amount, if it is an emergency expenditure, and if the request comes from inside or outside Town government.

## Access to funds for non-emergency expenditures

### For departments, commissions, and committees of the Town

Departments, commissions and committees may spend monies for items, events or projects that fall within the scope of their purview. If in doubt whether a particular purchase can properly be paid for within the budget limitations assigned to your department, commission, or committee, you should first check with the Treasurer before making the purchase. Keep in mind that only the Mayor may sign contracts obligating town funds.

**Budgeted purchases under \$500:** First check with the Treasurer to determine that the item falls within the allocation in the budget for the current fiscal year and that there is enough left in the specific budget line item to make the purchase. The Treasurer will advise the purchaser how best to make the purchase (i.e., use the P Card, buy locally, get quotes first) and how to apply for any reimbursements.

**Budgeted items, events, or projects over \$500:** Municipal policy requires that any single purchase or expense of funds over \$500 be approved before any monies may be expended. First check with the Treasurer to determine that the item, event, or project falls within the allocation in the budget for the current fiscal year and that there is enough left in the specific budget line item to make the purchase. (For purchases or expenditures above \$2500 State procurement practices (WV Code of State Rules Title 148Series 1\*) must be followed.) Prepare a detailed budget and submit it to the Treasurer who may seek advice from the Budget and Finance Committee which advises Council. The Treasurer, the Budget and Finance Committee or the purchaser must present the request to Council and secure its approval before any monies may be expended.

Some categories of purchases and expenses of funds are approved as part of the annual budgeting process and may proceed as approved throughout the fiscal year. These categories typically allow for the regular and ordinary administration of town business, including the business of the Water Department and the Police Department. These include the regular payout of budgeted salaries and related payroll liabilities; payment of utilities; annual audit if proper procurement/contracting procedures\* have been followed and a multiple-year audit bid has been approved by the Council and the State of West Virginia; leases, rents or contracts that have already been approved by Council; payments to the town's legal counsel; services of interns; and services of contractors if proper procurement/contracting procedures\* have been followed. In all such instances, these purchases and expenditures must stay below the approved budgeted ceiling.

Water Department expenses for regular and ordinary materials, services, and supplies greater than \$500 do not require Council approval unless the expenditures exceed the amounts allocated in the current fiscal budget. These include periodic bulk purchase of chemicals necessary to run the plant and contracted services if proper procurement / contracting procedures\* have been followed and such work is regular and ordinary. All non-regular repair and maintenance must be presented to Council for approval, including a requested revision of the budget, if needed.

### **For organizations outside of Town government**

Funding requests from organizations outside of Town government for any event, project, or purchase shall be submitted to the Budget and Finance Committee by completing a Funding Request Form (found on the Town website) and attaching a budget. With advice from the Treasurer, the Committee will make a recommendation to Council, which will approve or disapprove the request. If approved, the Treasurer will advise the requester how best to make the purchase or solicit quotations.

## **Access to funds for emergency expenditures**

### **Budgeted Items**

When a situation requires immediate action to ensure the health and safety of Town residents, employees, and visitors, the Mayor, in consultation with the Treasurer, may authorize the release of budgeted funds over the amount of \$500. Invoices for emergency expenditures shall be marked as such and documentation shall be presented to the Council at the next scheduled meeting for review and consideration.

### **Non-budgeted Items**

When a situation requires immediate action to ensure the health and safety of Town residents, employees, and visitors, the Mayor, in consultation with the Treasurer, may authorize the release of budgeted funds over the amount of \$500. Invoices for emergency expenditures shall be marked as such and documentation shall be presented to the Council at the next scheduled meeting for review, consideration, and State-required budget revision.

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*\*...Services that are expected to cost \$2,500 or less require no bids; however, competition is always encouraged. For purchases \$2,500.01 to \$5000, three (3) verbal bids are required, where possible, and the lowest bid meeting specifications must be awarded the purchase order/contract. Purchases \$5,000.01 to \$25,000 require three (3) written bids, where possible, the lowest bid meeting specifications must be awarded the purchase order/contract.*