

# Crystal Township

## Expenditure Procedures/Policy

### **Summarized Process for Departmental Spending**

- Verify availability of funds in appropriate line item.
- Implement the quote/bidding process, if necessary.
- Board Approval-if necessary-expenditures over \$3000 or over budget amount

### **Equipment & Vehicle Purchases**

Items with a unit cost between \$3,000 and \$15,000 may be purchased after obtaining three (3) price quotes. All price quotes must be submitted. Items costing over \$15,000 will require competitive bids based on specifications developed by the Department Head. The Department shall be responsible for requesting bids from vendors; however, the bids must be received, via mail or hand delivery, by the Clerk's Office prior to opening. Bids shall be approved by the Township Board, upon verification of available funds.

### **Asset Capitalization**

It shall be the policy of the Township that all purchases in excess of \$3,000 (per unit) for building, equipment, and vehicle expenditures shall be considered a capital asset of the Township and need Board approval.

### **Request for Proposal (RFP) - Services**

Any vendor receiving in excess of \$15,000 for services on an annual basis shall be evaluated, on or about a three (3) year schedule, by the Clerk's Office and the Department Head. If it is mutually determined that an RFP is necessary, then it is up to the Department Head to follow through with the bidding process as previously set forward.

### **Advanced Payment of Bills Prior to Warrant Approval**

The Clerk's Office is authorized to issue a check prior to the board audit for the payment of such bills and invoices with a due date prior to the next meeting of the Board. Those bills and invoices may include, but are not limited to: phone bills, fuel bills, utility bills, postage invoices, credit card bills, maintenance contract invoices, and employee benefit billings.

### **Warrant Procedures**

a. ***Vendor Bills*** - are paid on an itemized invoice only. The Board will disallow claims submitted on a statement of account. This is to permit the Board to ascertain that a charge is for township use. This invoice must contain a description of supplies, service, materials or equipment charged, as well as the cost.

c. ***Personal Expense Reimbursement*** - must be submitted on a Township Travel Expense Voucher. A receipt must be attached to the voucher to support all reimbursement claims for meals, lodging and public transportation.

**Meals** - the Township will reimburse for meal expenses for employees who must be outside of Crystal Township because of township business.

**Mileage** - the Township will reimburse employees who drive their personal vehicle for township business. Normal travel between the employee's home and place of work is not a permitted expense. Therefore, all mileage claimed must describe the point of departure and the employee's destination, as well as the exact mileage between these two points. Claims for mileage reimbursement shall show travel originating from the employee's official work station, (in most cases this would be Crystal) to the travel destination. Travel must terminate back at the employee's official work station. This rule does not mean that an employee must always drive to their work station prior to beginning township travel, nor does this mean that employees must always return to their work station after finishing township travel. However, mileage reimbursement shall only be made from the work station to travel destination, and return to the work station. The only exception to this rule would be if the employee's home is closer in proximity to the desired destination and they are starting their workday at the destination. Then travel may be calculated from the employee's home.

**Exception:** Salaried (not hourly) employees who must report to their work station at a time other than normal working hours, (i.e. meetings, maintenance issues) may request reimbursement for travel from home to the work station and return home. Hourly employees do not receive travel for overtime work because they must receive compensatory time off or be paid at the time and one-half wages for any work over forty (40) hours per week.

### **Conference Travel**

Expenses related to township personnel attending a pre-arranged conference, seminar, workshop, etc. relating to and benefiting both the employee and the Township as a whole. Expenses budgeted for conference travel should include any or all of the following (as appropriate): lodging, meals, mileage, parking.

Requests for conference travel funds to be included in a departmental budget must be made annually during the budget hearings. Approved conference travel will be listed by department in the budget. Conferences attended by employees that do not have the prior funding authorization will be at the employees own expense.

Township personnel may obtain advance funds to attend conferences. Requests for advances must be made no later than one (1) week prior to the date of the conference. Upon returning from a conference, an expense voucher must be prepared and submitted to the Township Board at their next scheduled meeting with receipts attached detailing actual expenses plus any expenses incurred in addition to the advance payment.

Payment cannot be made for conference travel expense that would exceed the authorized line item total without prior committee and Board approval and the transfer of appropriate funds. Conference travel expenses cannot be charged to other departmental line items.

### **One-Time Revenue Spending**

It shall be the policy of the Township that any/all revenue deemed to be received on a "OneTime basis" shall not be utilized in a manner in which to fund operating expenses that will have perpetual costs/consequences for years to come.

### **Emergency Purchasing**

- \* Requires immediate action to prevent or mitigate the loss or impairment of life, health, Property, or essential services
- After normal working hours, weekends, holidays the Supervisor has the authority to approve. Treasurer is the back up if the Supervisor is not available.

### **Deficit Spending in Line Items**

Under no circumstance may a department head over-spend the budget allocations, whether by account or activity. Approval of line item transfers by the Clerk/Administrator does not constitute approval to increase the overall budget allocation. As soon as a department head realizes that spending will exceed a budget allocation, a request for a budget supplement should be prepared for the Township Board, stating the amount and the reason for the overrun.

Approved October 9, 2024  
Pat Baker-Marek  
Clerk