

Ordinance No. 10-14

AN ORDINANCE ESTABLISHING PURCHASING PROCEDURES

BE IT ORDAINED BY THE SOUTH SANGAMON WATER COMMISSION, AS FOLLOWS:

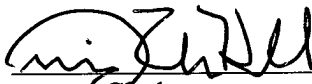
SECTION 1: The attached Purchasing Procedures are hereby adopted by the Commission.

SECTION 2: This Ordinance is effective immediately.

PASSED this 18 day of May, 2010


CHAIRMAN

ATTEST:


Clerk

AYES: MCCORD, PFEFFER

NAYS: -

PASSED: 5/18/10

APPROVED: 5/18/10

ABSENT: HALL

SOUTH SANGAMON WATER COMMISSION PURCHASING PROCEDURES

PURPOSE

The purpose of this document is to establish reasonable and workable procedures for the processing of all receipts for services provided and payments for services incurred to the South Sangamon Water Commission "Commission". These procedures are established so that all funds of the Commission are accounted and expended for in a consistent and proper manner and that a "dual control" mechanism is in place.

The procedures shall also compliment the implementation of the Investment Policy.

RECEIPTS

All receipts should be forwarded to the Clerk or his or her designate.

Cash receipts are discouraged, but may be unavoidable. If possible, cash shall be counted by the Clerk or his or her designate, and one other Commission employee.

All receipts will be deposited the day they are received and entered accordingly into the accounting system.

ACCOUNTS RECEIVABLE

Accounts Receivables will be originated by the Clerk or his or her designate and entered accordingly in the accounting system.

Accounts will be payable by the 15th day of each month. An account over 15 days past due is considered in default and will be assessed the greater of \$100.00 or 10% of the defaulted amount.

All accounts in default will be reported to the Commission at its next regularly scheduled meeting.

PURCHASE ORDERS

Purchase Orders "POs" are to be administered by the Clerk or his or her designate. Purchase orders are to be numbered and include at least the following information:

- Date
- Vendor
- Item to be purchased
- Unit cost per Item
- Total amount requested
- Area for Official Signature of approval or denial.

All expenditures over \$50.01 will be initiated with a PO. POs are to be executed by the Chairman or his or her designate. Purchase orders for over \$1,000.00 must be approved by the Commission prior to execution by the Chairman. Facsimile or electronic copies of signed POs will be considered acceptable affirmations of approval.

In emergency situations only, POs for over \$1,000.00 and not previously approved by the Commission must be executed by the Chairman and either the Clerk or one other Commissioner. POs executed for emergency situations will be reported to the Commission at the next regularly scheduled meeting.

Periodic re-curing bills, including but not limited to utility bills, need not be supported by a purchase order.

These procedures do not pertain or apply to capital projects under contract.

INVOICE and CHECK PROCESSING

All prior approved purchases presented for payment must be supported by an original invoice. Said invoices will be presented to the Commission for formal approval prior to payment.

Invoices approved for payment will be entered as an account payable by the Clerk or his or her designate and a check will be generated for payment within payment terms.

All checks, for any amount, must be signed by both the Chairman and the Treasurer or their respective designate.

RECONCILEMENTS

At least 15 days following a statement cycle, the Treasurer, or his or her designate, will reconcile and balance all accounts. All checks or drafts must be accounted for. Any and all discrepancies will be reported immediately to the Chairman and Clerk.

PETTY CASH FUND

The Petty Cash Fund shall be administered by the Clerk or his or designate.

A Petty Cash Fund of \$100.00 has been established to handle payments for services rendered in amounts of \$50.00 or less.

Submission of payment from the Petty Cash Fund must be supported by an original invoice.

The Treasurer will report all petty cash activity to the Commission on a monthly basis.

EMPLOYEE PAYROLL PROCESSING

Payroll checks will be processed twice a month on the 15th and the 30th of each month "Processing Cycle".

All employees exempt or non-exempt must submit a signed time card to the Clerk or his or her designate prior to processing and payment. It will be the Clerk or his or her designates responsibility to verify the accuracy of all time cards. The Chairman will approve respective time cards. Payroll time cards will be processed by the Clerk or his or her designate. Time cards should be presented to the Clerk at least five days prior to the processing cycle to allow for processing.

WIRE TRANSFERS

All out going transfers of funds may be initiated by the Clerk or his or her designate and the Treasurer, and will be processed through the customary invoice and check processing procedures noted above.

Wire instructions must be in writing and directed to and conducted through a commercial bank which is a member of either the Federal Reserve Bank of Chicago or the Federal Deposit Insurance Corporation (F.D.I.C.).

These written instructions must include the name of the payee, payee's bank, payee's bank ABA number, payee's account to be credited and invoice number.

All incoming wire transfers will be reported to the Clerk or Treasurer or their designates. All incoming funds will be deposited directly to the appropriate account. Under no circumstances whatsoever will funds wired to the Commission be converted to cash.

Under no circumstances will Commission funds be converted to cash and be wired out of a Commission account.

TRANSFERS OF FUNDS BETWEEN FINANCIAL INSTITUTIONS

Transfers of funds between financial institutions shall be made by wire transfer, or by draft.

Telephone transfers are prohibited.

INTERNET BANKING

It is permissible to establish access to the Commission's account information via the Internet, subject to the following conditions:

- Access protocols, including but not necessarily limited to user or customer Names, and passwords, will be established by the Treasurer and Clerk. These protocols are to be kept secure and not made readily available to the public.
- Allowable activities are limited to account access for balance and historical information purposes and account transfers between accounts of that same financial institution.
- Internet transfer of funds between institutions is prohibited via the Internet.

CONTROL OF COLLUSION

In the event that the Treasurer or his or her designate, in the process of performing his or her routine duties, and in conformance of these procedures, verifiably determines that any Commission member or employee is or has engaged in an act of collusion; whereby Commission funds have been converted for private and non-public use, he or she shall report the act immediately upon becoming aware of the act, in writing to the Chairman and Clerk. If the act involves either the Chairman and or the Clerk, the Sangamon County State's Attorney shall be notified in writing immediately.

SAFEKEEPING RECEIPTS

The Treasurer will maintain a safekeeping receipt file in order to track securities pledged by financial institutions for funds on deposit in excess of FDIC or SIPC limits.

Safekeeping limits and receipts will be monitored on a monthly basis.

EXCEPTIONS

Any exception to these procedures will be immediately presented to the Chairman and Clerk in writing and report it to the Commission at the next regularly scheduled Commission meeting.

ADOPTION AND REVIEW OF THE INTERNAL PAYMENT CONTROL POLICY

These procedures shall be reviewed on an annual basis by the Treasurer and any modifications made thereto must be approved by the Commission.

These procedures have been adopted by Ordinance No. 10- 14, this 18th
 , of May, 2010.

Del M. McCord, Chairman

Attest:



Craig R. Hall, Clerk

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

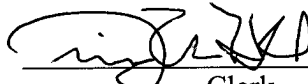
I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the South Sangamon Water Commission.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 10-14, adopted by the Chairman and Board of Commissioners of said Commission on the 18th day of May, 2010, said Ordinance being entitled:

AN ORDINANCE ESTABLISHING PURCHASING PROCEDURES

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Commission where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Commission this 18th day of May, 2010.


_____ Clerk