

Purpose:

- 1 To outline the Accounts Payable (AP) payment practice(s) for The City.

Policy Statement(s):

- 2 The City recognises the need for prompt payment of accounts and delegates the authority to disperse funds for all budget approved operational expenditures to the Chief Financial Officer (CFO) and/or designates.
- 3 City expenses are paid only after the appropriate approval has been received by AP, adequate supporting documentation has been received, receipt of goods and/or services has been verified, and payment terms have been met.
 - (1) The authority to approve and/or restrict payments is determined based on the Expenditure Approval thresholds as approved by policy.
- 4 The City disperses payments on a weekly basis according to pre-arranged vendor payment terms defined in the contract, within the following restrictions:
 - (1) Canadian vendors are paid weekly; and
 - (2) The US cheque run is completed at the end of each month.
- 5 Unless noted otherwise as invoice payment terms, The City makes payments within 30 days from the date of claim, depending on the AP payment terms.
- 6 The City takes advantage of any discount offered for early payment according to the terms established by the vendor.
- 7 **Payment Methods:**
 - (1) **Primary Payment Methods:**
 - (a) Payment by Cheque is the default method of payment.
 - (b) Payments through Electronic Fund or Wire Transfers are made at the Corporate Controller's discretion.
 - (2) **Right of Set-Off:**
 - (a) If a payee owes money to The City, these funds may be deducted from any payments issued by The City.
 - (b) Set-offs must be authorized by the originating business unit and be reviewed by AP.
 - (3) **Third-Party Demands:**
 - (a) Third-party demands must be forwarded to AP for review and processing.
- 8 All authorized employee purchases are reimbursed through an employee expense voucher after necessary approval from the department head/supervisor.
- 9 Advance payments or partial payments can be made at the discretion of the department head.

Definitions:

- 10 Set-Offs: The authority of The City to seize a debtor's deposits when they default on a payment.
 - 11 Third-Party Demands: Legal requests made by external parties for funds to be deducted from payment issued to a debtor by The City.
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References/Links:

- 1 5303-CA Corporate Procurement
- 2 5304-CA Travel & Business Expense Reimbursement

Scope/Application:

- 1 This policy applies to all employees responsible for or impacted by payment activity.

Authority/Responsibility to Implement:

- 1 Chief Financial Officer

Inquiries/Contact Person:

- 1 Corporate Controller: Financial Services.
- 2 Financial Services Supervisors

Policy Monitoring and Evaluation:

- 1 This policy will be reviewed every three years with revisions made as required.

Document History:

Date:	Approved/Reviewed By:	Title:
June 20, 2017	"Craig Curtis"	City Manager

Administrative Revision:

Date:	Description:
September 20, 2017	Updated to the current format.