CITY OF VINELAND

ORDINANCE NO. 2019- 42

ORDINANCE AMENDING ORDINANCE NO. 2009-47, AS AMENDED, CHAPTER 19, OF CODE OF THE CITY OF VINELAND, ENTITLED CLAIMS APPROVAL.

WHEREAS, on November 23, 1976 City Council of City of Vineland adopted Ordinance 1048, as amended, setting forth the procedures for the submission of invoices for payment of vendors and the payment process therefore; and

WHEREAS, N.J.S.A. 40A:5-16.5 permits all local units to utilize standard electronic funds transfer (EFT) technologies for payment of claims and demands electronically, including but not limited to Automated Clearing House (ACH) transactions, wire transfers, e-checks and Procurement Cards (P-Card) provided all transactions are in accordance with the Local Public Contracts Laws N.J.S.A. 40A:11-1 et. seq. ; and

WHEREAS, in lieu of paper checks, City Council may adopt policies and procedures permitting specific officers and employees of the City to pay claims electronically which shall require the Chief Financial Officer (CFO) to ensure that the controls encompassed in the policies and procedures as well as state statute are in place and adhered to; and

WHEREAS, P-Card are electronic Procurement systems incorporating access restrictions determined by the City in their use; and

WHEREAS, the use of P-Cards are permitted provided certain administrative regulations are promulgated to set fourth standers governing their use and sound fiscal management in accordance with N.J.A.C. 5:30-9A and N.J.S.A. 40A:5-16.5, including the appointment of program manager, the adoption of policies and procedures, setting a monetary limit and providing for training on the P-Card system as well as all requirements as are set forth in accordance with N.J.A.C. 5:30-9A; and

WHEREAS, ACH payments must follow rules set forth by the National Automated Clearing House Association (NACHA) and City Council finds it to be in the best interest of the City to establish policies and procedures governing the use of ACH payments including the execution of an ACH Origination Agreement with the City's financial institutions; and

WHEREAS, in accordance with N.J.S.A. 40A:5-14, City Council is required to annually adopt a Resolution approving a Cash Management Plan (Plan) which specifies the basis for the deposits and investments of public funds of the City; and

WHEREAS, the Cash Management Plan shall include therein the Policies and Procedures for the use of all EFT's, including ACH transactions and the use of P-Cards, approved by City Council, without which the use of ACH transactions or P-Cards shall not be permitted.

WHEREAS,

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Vineland that Chapter 19 of the Code of the City of Vineland shall be amended as follows.

1.
   § 19-4 REVIEW BY CONTROLLER shall be deleted in its entirety and replaced as follows:

   §19-4   REVIEW BY CHIEF FINANCIAL OFFICER

   THE CHIEF FINANCIAL OFFICER (CFO) shall cause all invoices to be examined and shall approve the same for payment if it is determined that all calculations are correct, all procedures in place have been followed, and that efficient funds are available for payment.

2.
   §19-5 REVIEW BY BUSINESS ADMINISTRATOR shall be amended as follows:

   § 19-5   REVIEW BY BUSINESS ADMINISTRATOR

   The Chief Financial Officer shall thereafter forward the properly itemized tabulated and certified invoices for review and approval by the Business Administrator.

3.

§19-7   RESOLUTION OF COUNCIL; PAYMENT shall be deleted in its entirety and replaced as follows:

§ 19-7   RESOLUTION OF COUNCIL; PAYMENT

A. The Chief Financial Officer shall systematically list without preference, invoices received from various vendors on a resolution that is to be presented to the City Council for consideration at the next regularly scheduled City Council meeting. All bills, claims, or demands approved by City Council by resolution shall then be processed by the Chief Financial Officer as provided by law.

B. Notwithstanding with procedures set forth in subsection A above, the Chief Financial Officer may approve certain claims between City Council meetings. However the approval of any claim between City Council meetings shall be presented to City Council at its next meeting for ratification. Only the following claims may, at the discretion of Chief Financial Officer, be approved in accordance with this subsection:

(1.)   All purchased power and fuel obligations for the Department of Municipal Utilities, such as weekly utility payments PJM interconnection..

(2.)   Any payments regarding the administration of workers compensation   claims.

(3.)   Payment to acquire property based on a settlement agreement that has already been authorized by City council in a separate action.

(4.)   Regular utilities of the City of Vineland, such as phone, natural gas and fuel.

C. The Chief Financial Officer shall ascertain the existence of proper and sufficient appropriations for the payments to be made and shall determine that there is legal authority for the payment.

4.

§19-8   Shall be added as follows:

§19-8 METHOD OF PAYMENTS AND DISBURSEMENTS

A. WIRE TRANSFER. At the discretion of the Chief Financial Officer disbursements of moneys or payments under subsection B may be made by wire transfer.

B. STANDARD ELECTRONIC FUNDS TRANSFERS. Subject to the adoption of a resolution approving a Cash Management Plan incorporating therein general policies and procedures for all EFT payments, Automated   Clearing House (ACH) transactions shall be permitted in accordance with   N.J.S.A. 40A:5-16.5.

C   PAYMENT BY PROCUREMENT CARD (P-CARD) P-Cards may be used subject to the adoption of a resolution approving a Cash Management Plan incorporating therein policies and procedures for all Electronic Funds Transfers (EFT) as well as specific policies and procedures for the use of Procurement Cards (P-Cards). The policies specific to P-Cards shall include the authorizing of certain purchases and payments for the use of P-Cards as maybe used for the   payments of all bills and demands against the City of Vineland. Said use shall be based upon a contractual agreement with a banking institution approved by the City of Vineland, a cooperative purchasing agreement with either the New Jersey Treasury Department's Division of Purchase and Property or another legally operating purchasing co-op, or by way of the competitive contracting process, following the requirements of N.J.S.A. 40A:11-4.1 et seq. Policies and procedures promulgated in accordance with resolution adopted as specified herein must include the ability to institute but not be limited to the following controls:

(1) Control limits and review current activity online and in ` real time.

(2) The appointment and designation of the Qualified Purchasing Agent for the City of Vineland as the Program Manager,

(3) Establish, change or delete limits on each card in individually.

(4) Restrict the use of individual P-Cards to the Qualified Purchasing Agent (QPA) or such other officer or employee who shall be authorized by the Business Administrator, in consultation with the CFO and Program Manager. Further, the Program Manager shall be responsible for day to day oversight management of supervisor review of the P-Card usage provided the Program Manager remains a qualified purchasing agent as specified herein above. At no time shall the Chief Financial Officer be program manager.

(5) The QPA acting as the Program Manager shall develop and administer a supervisor review process identifying and managing all risks associated with P-Card use and engage in any other oversight and management   duties required to ensure proper utilization.

BE IT FURTHER ORDAINED that should any portions of this Ordinance be deemed invalid by a competent Court of Law the balance hereof shall remain in full force in effect.

BE IT FURTHER ORDAINED that any Ordinance or portion thereof that is inconsistent herewith shall be void to the extent of its inconsistency.

This Ordinance shall take effect upon adoption and publication according to law.

Passed first reading:

Passed final reading:

_____
President of Council

ATTEST:

_____
City Clerk