

TOWN OF MIDDLETON CODE A - GENERAL ADMINISTRATION	
Subject: Payment of Invoices	Number: 1.5
Coverage: Staff	Approved by: Council & CAO
Effective Date: September 8, 1993	Revision Date: August 8, 2006

Rationale

The following policy regarding payment of invoices is written to maximize the investment return on bank balances of the Town, and to outline exceptions to the established practice of invoice payments.

Policy Statement

- 1) The Town shall clear cheques for payment of invoices at the latest date stipulated in the terms for payment so as to maximize the investment return on bank balances of the Town. Where no terms of payment are stated, the standard 30 days from date of invoice shall be used as the payment date.
- 2) Invoices shall be expensed when cleared in accordance with the Town's Purchasing Procedures Policy. The "Cheque Print" date applied at the time of expensing the invoice shall be the last Thursday before the expiry of payment period or the second Thursday of the month, whichever date is earlier.
- 3) Cheques printed on the second Thursday of the month shall be held as long as possible without violating the deadline for terms of payment.
- 4) Exceptions to this procedure shall be allowed when dealing with
 - a. refunds on overpayment of accounts,
 - b. re-establishing petty cash balances,
 - c. accounts where discounts are offered for early payment of invoices,
 - d. travel and training expense reimbursements,
 - e. where payment is required on delivery of goods, and
 - f. other administrative expenses.
- 5) Advance part payments may be made on work orders when requested by local suppliers to assist with inventory expenses for project.

References

Town of Middleton - policy A.1.3. Purchasing Procedures.

Previous Policy

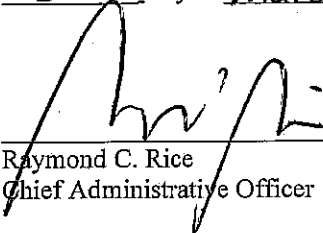
The previous policy 1/41 "Payment of Invoices", approved September 7, 1993, is hereby amended.

Certification

THIS IS TO CERTIFY that this policy was duly passed by a majority vote of the whole Council at a duly called Council meeting held on the 8th day of August, 2006.

GIVEN under the hand of the CAO and under the seal of the Town of Middleton this

5th day of March, 2007


Raymond C. Rice
Chief Administrative Officer