

SALEM COUNTY IMPROVEMENT AUTHORITY

RESOLUTION 2019-36

April 11, 2019

**RESOLUTION OF THE SALEM COUNTY IMPROVEMENT AUTHORITY
AMENDING THE POLICY FOR PAYMENT OF CLAIMS
REGARDING THE CLAIMANT'S CERTIFICATION FOR PAYMENT**

WHEREAS, N.J.S.A. 40A:5-16 requires that the governing body of any local unit shall not payout monies for claims unless:

- (a) the person claiming or receiving payment first presents a detailed bill of items or demand, specifying particularly how the bill or demand is made up (the Invoice), with the certification of the party claiming payment that the bill or demand is correct (the Claimant Certification).
- (b) the payment carries a written or electronic certification of some officer or duly designated employee of the local unit having knowledge of the facts that the goods have been received by, or the services rendered to, the local unit (certification of the user department); and

WHEREAS, N.J.A.C. 5:30-9A.6 and N.J.A.C. 5:31-4.1 gives local units discretion to not require claimant certification by enacting a standard policy by resolution for vendors or claimants who do not provide such certification as part of its normal course of business; and

WHEREAS, generally, vendors do NOT provide such certification as part of the normal course of business which has created unnecessary confusion and delay in processing claims for payment; and

WHEREAS, the claimant certification cannot be waived for reimbursement of employee expenses, or for services provided exclusively and entirely by an individual; and

WHEREAS, the Executive Director has communicated internal accounting controls as follows and has determined same to be sufficient to avoid errors and fraud in the processing of claims for payment:

- 1) No goods or services will be procured without a valid Purchase Order reviewed for account number, proper amount, and compliance with applicable purchasing statutes.
- 2) All purchase orders are authorized and signed by the Executive Director.
- 3) Prior to processing payment, receipt of goods or services has been acknowledged by an employee with applicable knowledge of said receipt.

WHEREAS, N.J.S.A. 40A:5-16.5 allows the governing body of a local unit to adopt policies for the payment of claims pursuant to N.J.S.A. 40A:5-17 through the use of one or more standard electronic funds transfer technologies in lieu of payment through the use of signed checks or warrants; and

WHEREAS, pursuant to N.J.S.A. 40A:5-16.5, the Authority authorizes, where deemed appropriate or necessary to effectuate payment, the use of wire transfer, ACH, or any other necessary method via electronic funds transfer; and

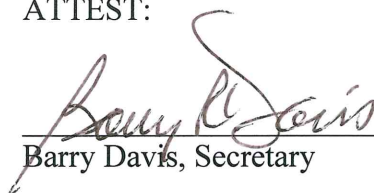
WHEREAS, the Executive Director has documented and implemented internal control policies sufficient to ensure safe and proper use of the electronic funds transfer system and mitigate the potential for fraud and abuse.

NOW, THEREFORE, BE IT RESOLVED BY SALEM COUNTY IMPROVEMENT AUTHORITY, that the internal accounting controls presented above by the Executive Director are adopted as Authority Policy for Payment of Claims.

BE IT FURTHER RESOLVED that pursuant to N.J.S.A. 40A:5-16.5, the Authority hereby adopts a policy allowing the use of the above mentioned electronic funds transfer methods to effectuate payment and that pursuant to N.J.A.C. 5:30-9A.6 the Authority exercises its discretion to not require claimant certifications except as required for reimbursement of employee expenses, or for services provided exclusively and entirely by an individual.

BE IT FURTHER RESOLVED that this resolution is effective immediately.

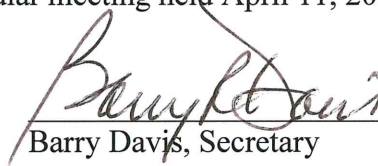
ATTEST:


Barry Davis, Secretary


Cordy Taylor, Chairman

CERTIFICATION

I hereby certify the above to be a true copy of a resolution adopted by the Salem County Improvement Authority Board at their regular meeting held April 11, 2019.


Barry Davis, Secretary