

**Amendment to the Town of Atlantic Beach
Purchasing and Contracting Policy
Appendix 1**

Policy Outlining Procedures for Pre-Auditing Obligations That Will Be Incurred by Electronic Payments and for Disbursing Public Funds by Electronic Transaction

The Atlantic Beach Town Council has authorized the Town of Atlantic Beach to engage in electronic payments as defined by G.S. 159-28 by adoption of Resolution 18-06-03. As required by NC Administrative Code 20 NCAC 03 .0409 and NC Administrative Code NCAC 03 .0410, this policy outlines procedures for pre-auditing obligations that will be incurred by electronic payments and procedures for disbursing public funds by electronic transaction.

Procedures for Pre-Auditing Obligations That Will Be Incurred by Electronic Payments

1. Credit Cards

The use of Town-issued credit cards for purchases does not eliminate the need to follow purchasing and pre-audit procedures outlined in this policy, and the use of competitive pricing, purchase requisitions, and purchase orders is still required.

The Finance Officer shall retain all Town-issued credit cards and distribute these cards for use on a case-by-case basis when requested, unless the permanent issuance of a credit card is authorized by the Town Manager. Town personnel shall request use of a Town-issued credit card through the Finance Officer, and town personnel shall be required to sign-out the credit card before usage. The credit card shall be returned to the Finance Officer after use, along with receipts for all transactions completed using the credit card. Town personnel placing credit card orders via telephone or the internet, thus requiring only the credit card number, must still request the use of the credit card through the Finance Officer. Town personnel shall be required to sign-out the credit card in the same manner as if the actual card is used. Orders placed using the Town credit card via telephone or the internet shall be documented with an order confirmation obtained from the vendor. The order confirmation shall be submitted to the Finance Officer after the order has been placed.

2. Fuel Cards

The use of Town-issued fuel cards for purchases does not eliminate the need to follow purchasing and pre-audit procedures outlined in this policy, and the use of competitive pricing, purchase requisitions, and purchase orders is still required. Any fuel purchase over \$500 shall require a Purchase Order.

3. Electronic Funds Transfers

The Town does not generally engage in purchasing or incurring obligations by electronic funds transfers, whether these are in the form of e-checks, ACH payments, or wire payments. However, the Town does make ACH payments or wire transfers to pay certain payroll deductions such as child support and tax garnishments, and sales tax remittances. These transactions must be pre-audited and the pre-audit language required in G.S. 159-28(a1) affixed to the documentation.

Procedures for Disbursing Public Funds by Electronic Payments

The Town does not currently pay its invoices that are processed through its accounts payable system by creating an ACH file for transmittal. Certain payroll deductions and sales tax remittances are made by ACH or wire transfers. These payments will have already been pre-audited with the pre-audit language required in G.S. 159-128(a1) affixed to the documentation.

In order to ascertain that the Town has sufficient cash to cover the payment, these planned payments are included in computing cash requirements prior to disbursement.



**RESOLUTION AUTHORIZING THE
TOWN OF ATLANTIC BEACH, NORTH CAROLINA
TO ENGAGE IN ELECTRONIC PAYMENTS
AS DEFINED BY NCGS 159-28**

WHEREAS, it is the desire of the Atlantic Beach Town Council that the Town of Atlantic Beach is authorized to engage in electronic payments as defined by G.S. 159-28;

WHEREAS, it is the responsibility of the Finance Officer to adopt a written policy outlining procedures for pre-auditing obligations that will be incurred by electronic payments as required by NC Administrative Code 20 NCAC 03 .0409;

WHEREAS, it is the responsibility of the Finance Officer to adopt a written policy outlining procedures for disbursing public funds by electronic transaction as required by NC Administrative Code 20 NCAC 03 .0410;

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of the Town of Atlantic Beach the following:

Section 1. Authorizes the Town of Atlantic Beach to engage in electronic payments as defined by G.S. 159-28 or G.S. 115C-441;

Section 2. Authorizes the Finance Officer to prepare and adopt a written policy outlining procedures for pre-auditing obligations that will be incurred by electronic payments as required by NC Administrative Code 20 NCAC 03 .0409;


Section 3. Authorizes the Finance Officer to adopt a written policy outlining procedures for disbursing public funds by electronic transaction as required by NC Administrative Code 20 NCAC 03 .0410; and

Section 4. This resolution shall take effect immediately upon its passage.

This the 25th day of June, 2018.


A. B. Cooper, III

ATTEST:


Katrina Tyer
Town Clerk

