

**RESOLUTION 15-R-28** approving the process for making payments using the new ERP (Enterprise Resource Planning) software and replacing Resolutions 11-R-15 and 14-R-23.

**WHEREAS**, Resolution 11-R-15 specified the process for paying bills, approving invoices and authorizing the use of funds in accordance with general State law, the City Charter, and the Council adopted Financial Policies; and,

**WHEREAS**, Resolution 14-R-23 modified certain provisions of Resolution 11-R-15; and,

**WHEREAS**, State purchasing laws, including Chapter 457 of the Public Acts of 2015, have changed since the adoptions of Resolution 11-R-15 and Resolution 14-R-23; and,

**WHEREAS**, pursuant to Chapter 457 of the Public Act of 2015 the City may increase the amount over which three (3) written quotations shall be required from \$7,500 to \$10,000 notwithstanding Section 42(10) of the City Charter; and,

**WHEREAS**, the City has acquired and, on or after July 1, 2015, is implementing ERP (Enterprise Resource Planning) software for its financial functions; and,

**WHEREAS**, the City has created a Purchasing Department and employed a Purchasing Director since the adoptions of Resolution 11-R-15 and Resolution 14-R-23; and,

**WHEREAS**, the City desires to fully utilize the efficiencies available by state law and its new technology, systems and structure and to do so will require modification of some of the approval systems established by Resolution 11-R-15 and modified by Resolution 14-R-23 and to incorporate these changes in one policy which shall replace the two prior Resolutions and which shall be referred to as the City's "ERP Payment Policies".

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MURFREESBORO, TENNESSEE, AS FOLLOWS:**

SECTION 1. The City Council hereby adopts the following policies:

**ERP Payment Policies**

- A. Written quotations required.
  - 1. Purchases based on price competition between the amounts of \$10,000 and \$25,000 shall, when possible, require three written quotations.
- B. Payment for procurements.
  - 1. All payments for procurements shall be in accordance with procurement policies.
  - 2. Invoices of \$10,000 or less must be approved by the City Recorder (Finance Director) unless the invoice is to be paid by Water and Sewer Department funds. In such event, the invoice must be approved by the Water and Sewer Department's Assistant Director of Finance & Administration.
  - 3. Invoices of more than \$10,000 must be approved by either the City

Recorder or the Assistant Director of Finance & Administration and the City Manager.

4. The City Recorder may designate, share and delegate the City Recorder's approval authority to the Assistant Finance Director and, with the City Manager's approval, may designate, share and delegate such approval authority as to invoices of \$10,000 or less to Finance Department staff members.
5. The Assistant Director of Finance & Administration may designate and share approval authority with the Director of the Water and Sewer Department and, with the City Manager's approval, may designate, share and delegate such authority as to invoices of \$10,000 or less to Water and Sewer Department staff members.
6. The City Manager may designate, share and delegate the City Manager's approval authority to an Assistant City Manager.
7. The approval of the City Manager, or a duly designated Assistant City Manager, shall be sufficient if the City Recorder, Assistant Director of Finance & Administration, or one of their designees is absent.
8. Any such payment approval should be documented electronically using the ERP software. The Council recognizes that certain transactions, including but not limited to those begun but not completed before full utilization of the ERP, may require manual approval and documentation.

C. Other payments.

1. Payment of invoices for certain recurring expenditures are authorized without City Council or City Manager approval regardless of amount. These expenditures include: utilities (water, repurified water, sewer, stormwater, electricity, gas, telephone, cell phone, internet); software licenses; postage; subscriptions; memberships; payments to outside agencies as approved in the budget; required payments to other governments; deposit refunds; and, transfers from one City account to another. Such payments may be approved by the City Recorder or designee.
2. Payments for payroll and ancillary payroll-related deductions or amounts (eg. insurance premiums, garnishments) are authorized without City Council approval regardless of amount.
3. Payment of invoices for benefits funded by the Insurance Fund (eg. health, "stop loss", long term disability, life insurance) are authorized without City Council approval regardless of amount if approved by the City Recorder and either the Human Resources Director or Assistant Human Resources Director.
4. Payment of invoices from the Self-Insurance Fund are authorized without City Council approval regardless of amount if approved by the Risk Manager and the City Attorney, provided that invoices over \$10,000 shall also require the approval of the City Manager.


5. Invoices for mileage, travel reimbursements, registrations and travel advances may be approved by the department head if the amount is budgeted and, if required, the travel has been approved by the City Manager.
6. Payments of invoices over \$25,000 are authorized without Council approval if the expenditure is within the Council approved budget and the Council approved the contract.
7. Any payment authorized in this Section 2 may be paid based on an invoice and does not require the issuance of a purchase order or other procedures applicable to procurements.
8. The City Manager, Assistant City Managers, City Recorder and Assistant Finance Director shall be able to view all payment records and invoices discussed herein regardless of the assignment of approval authority.

D. Procedures.

1. The City Manager, City Recorder, and Purchasing Director shall adopt and implement any additional policies, procedures and methods they deem necessary to protect the financial wellbeing of the City while implementing the authority delegated herein.

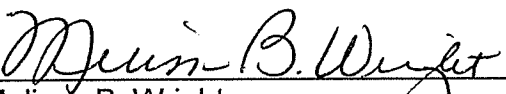
SECTION 2. This Resolution shall be effective July 1, 2015, the public welfare and the welfare of the City requiring it.

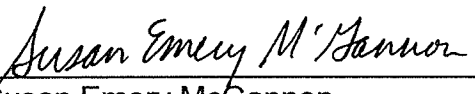
Passed: June 25, 2015

  
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 Shane McFarland, Mayor

ATTEST:

APPROVED AS TO FORM:

  
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 Melissa B. Wright  
 City Recorder

  
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 Susan Emery McGannon  
 City Attorney