

**RESOLUTION 22-04**

**A RESOLUTION TO ESTABLISH AN INVOICE APPROVAL POLICY STATEMENT  
FOR THE CITY OF SPRING HILL**

**WHEREAS**, the State of Tennessee, Comptroller of the Treasury requires that all Cities adopt an Invoice Approval Policy; and

**WHEREAS**, the City of Spring Hill, Board of Mayor and Aldermen previously adopted a Purchasing Policy via Resolution 18-42 to establish parameters by which invoices are approved; and

**WHEREAS**, the City of Spring Hill, Board of Mayor and Aldermen desire to amend the previously adopted policy to improve the invoice approval process by providing clear direction as to the steps and authorizations required prior to issuing payment to vendors, and

**WHEREAS**, the Budget and Finance Advisory Committee, and City Staff recommends the invoice approval policy; and

**NOW, THEREFORE BE IT RESOLVED**, that the City of Spring Hill Board of Mayor and Aldermen hereby approves the Amended Debt and Financial Policy Statement, as it is attached and part of this Resolution herein.

Passed and adopted this 3<sup>rd</sup> day of January, 2022.

  
\_\_\_\_\_  
Jim Hagaman, Mayor

ATTEST:

  
\_\_\_\_\_  
April Goad, City Recorder

LEGAL FORM APPROVED:

  
\_\_\_\_\_  
Patrick Carter, City Attorney

**City of Spring Hill**  
**Invoice Approval Policies**  
**Rules, Regulations and Procedures**  
**Created 12-29-21**

The City of Spring Hill Purchasing Manual as updated March 2018 and approved in Resolution 18-42 dated the 16<sup>th</sup> day of April, 2018, delineates the requirement for purchases for the City of Spring Hill. In addition to this manual the City wishes to document the Invoice Approval Policies used to authorize payments.

All vendors, suppliers, individuals should email invoices directly to a designated AP mailbox which is [payables@springhilltn.org](mailto:payables@springhilltn.org) rather than any specific employee or representative of the City of Spring Hill. The Accounts Payable Specialist and the Finance Director will have access to this mailbox and it will provide a central location where invoices are received. This will allow the Accounts Payable Specialist to be able to monitor those invoices to insure they are being approved and processed on a timely basis.

The Accounts Payable Specialist will monitor this mailbox regularly throughout the day and will forward invoices to the appropriate department head for approval which needs to be an original signature, no stamped signatures will be accepted. If department head is out of town, and email from the Department head stating specifically what is being approved for payment will be acceptable. The department is also responsible for providing GL coding, and to provide backup documentation. Backup documentation should include, if applicable, a copy of the purchase order, purchase order number, quote, copy signed Board Resolution, packing slips, receipts, and/or proof of delivery. The goal is to achieve a 3-way match, one document authorizing the order or purchase, a second verifying the invoice amount is accurate and matches the order, and a third document showing the items or services were received or provided. In order to process payments on a timely basis, invoices should be approved on a weekly basis and returned to the Accounts Payable Specialist for processing.

All invoices under One thousand Dollars (\$1,000.00) will also be approved and signed by the Finance Director. All invoices from One thousand Dollars up to Nine Thousand, Nine Hundred and Ninety-Nine Dollars and 99 Cents (\$1,000.00-\$9,999.00) must have 3 quotes, an approved purchase order, and this number must be on the invoice documentation. These invoices must be approved by the Department Head as well as the Finance Director. All invoices Ten Thousand Dollars (\$10,000.00) or more must have gone through the RFP process which includes competitive sealed bids reviewed by staff and submitted via a resolution to be approved by the Board of Mayor and Alderman (BOMA). The invoices must be approved by the Department Head, Finance Director, and the City Administrator.

<b>Dollar Amount of Purchase</b>	<b>Requirement for Purchase</b>	<b>Invoice Approvals Required</b>
\$0.00 to \$999.99	No Quotes/bids necessary, pay as direct charge with Department Head Approval	Department Head Finance Director
\$1,000 to \$9,999	3 written or emailed quotes when possible	Department Head Finance Director
\$10,000 and over	Competitive sealed bids Approval from BOMA	Department Head Finance Director City Administrator

Utility bills are an exception to the above policy as far as the required signatures. The City Administrator has issued an email stating that since utility bills are a monthly occurrence and must be paid on a timely basis, that only the Finance Director and/or the City Recorder need to approve these invoices. The email from the City Administrator is incorporated into the signature file for backup.

If any issues arise during the approval process, these will be addressed with the appropriate department prior to approval. If any anomalies are still outstanding, they should be brought to the attention of the Finance Director, The City Administrator, Mayor and/or Board of Mayor and Aldermen.