

CHAPTER 22: FINANCIAL ADMINISTRATION

§22.01 PROCEDURE FOR DISBURSEMENT

(A) In accordance with the Local Government Budget and Fiscal Control Act, no bill or claim against the town may be paid unless it has been approved by the officer or employee responsible for the function or agency to which the expense is charged. No check or draft of the town shall be valid unless it bears on its face the certificate of the Finance Officer as follows:

“This disbursement has been approved as required by the Local Government Budget and Fiscal Control Act.”

(B) No contract, agreement, or purchase order shall be valid unless it bears the Finance Officer’s certificate as follows:

“This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.”

Statutory reference:

Preaudit of disbursements required, see G.S. 159-28

§22.02 DELEGATING AUTHORITY FOR CONTRACT APPROVAL (Adopted 8-14-18)

Grant of Authority. Subject to the restrictions and conditions thereafter provided, when purchasing apparatus, supplies, materials, equipment, construction services, or professional services, for use by the Town in addition to such authority as may be provided by law and/or otherwise delegated by the Town Council, the Town Manager shall have the authority to:

- (a) Prepare, or cause to be prepared, plans and/or specifications setting forth a complete description of the item(s) to be purchased and the characteristics, features and/or requirements therefor;
- (b) Include, where appropriate in specifications for the item(s) to be purchased, an opportunity for bidders to purchase as trade-in specified personal property owned by the Town;
- (c) Advertise, or otherwise secure bids, for such item(s), if required under applicable law;
- (d) Award contracts for the purchase of the item(s), and, where applicable, award contracts for the purchase of the item(s) and the sale of trade-in-property up to the thresholds provided for by this Ordinance;

- (e) Reject bids;
- (f) Re-advertise to receive bids;
- (g) Waive bid bond or deposit requirements;
- (h) Waive performance and payment bond requirements; and,
- (i) Execute and deliver the purchase contract(s).

Report. At the first meeting of the Town Council following the award of any contract(s) in the informal and formal range pursuant to this Ordinance, the Town Manager shall submit a report to the Town Council summarizing the bids received and the contract(s) awarded. Such report shall be included in the Minutes of the meeting at which it is received.

Extent of Authority. Except in cases of sole source purchases pursuant to N.C. Gen. Stat. 143-129(f) and cases of purchases from established contracts pursuant to N.C. Gen. Stat. 143-129(g), unless otherwise provided by law, the provisions of this Ordinance shall apply to all contracts required for use by the Town.

No Limitation of Other Authority. The provisions of this Ordinance are not intended to limit, restrict or revoke, in any manner, authority otherwise granted and/or delegated to the Town Manager by statute, law or action of the Town Council.

Appropriation Required. No purchase shall be made by the Town Manager under authority of this Ordinance unless an appropriation for such purpose has been authorized in the annual budget, or by supplemental appropriation or budget appropriation amendment duly adopted by the Town Council.

Application of General Statutes. In acting pursuant to the authority delegated by this Ordinance, the Town Manager shall comply with the requirements of Article 8, Chapter 143 of the North Carolina General Statutes, as from time to time amended, modified, supplemented, revised, or superseded, to the same extent as would have otherwise applied to the Town Council.

Contract Approval. Town Council must approve all contracts that meet the following criteria:

1. Contracts greater than \$30,000 with or without budgetary authority.
2. Contracts exceeding budgetary approval, which require a budget amendment.
3. Contracts with terms greater than one year.
4. Contracts subject to statutory informal or formal bid thresholds.
5. Contracts suggesting a significant policy change as determined by the Town Manager.

6. Project change orders that exceed approved cost of the contract and budgeted funds.

The Town Manager may execute contracts without additional Town Council approval, if the contract meets all of the following conditions:

1. Contracts less than \$30,000 that have been authorized by Town Council through direct award or budget authorization.
2. Contracts that are less than one year.
3. Equipment leases or rentals for less than one year, which require a budget amendment.
4. Project change orders that do not exceed the total capital budget and are not a significant change in project scope or design.

Department Heads or designee may execute purchase, maintenance or service contracts if the contracts meet all of the following conditions:

1. Contracts less than \$5,000 that have been authorized by direct award or budget authorization.
2. Contracts or agreements less than one year.
3. Upon utilization of standard contract document or contract review process.
4. Equipment leases or rentals for less than one year, which do not require a budget amendment.

Contract Documents. All contracts for which the contractor will perform work or provide services for the Town of Lake Lure, must be accompanied by the standard Town of Lake Lure contract form or a contract approved by the Town Attorney. The contract must follow all procedures and contain all necessary insurance and payment options. A copy of the completed and signed contract must be forwarded to the Town Clerk and if necessary to the Finance Department for requisition approval. The Town will not enter into contractual agreements that are subject to automatic renewal and will attempt to structure contracts to coincide with the fiscal year.

Contract Review Form. Unless a department is utilizing the standard Town of Lake Lure contract, all contracts must be circulated through the utilization of the Contract Review Form (CRF) (attached). The contract cannot be executed until all applicable parties have signed the CRF. The Town Manager or Department Head will execute or authorize the execution of the contract once they are satisfied that all review have been completed.

Finance Officer Review. Regardless of form, no contract may be executed unless the Town of Lake Lure Finance Director has pre-audited the contract in the manner required by the Local Government Budget and Fiscal Control Act.

Contracts funded with federal grant or loan funds must be procured in a manner that conforms with all applicable Federal laws, policies, standards, including those under the Uniform Guidance (2 C.F.R. Part 200).

Authority. This Ordinance is enacted pursuant to the provisions of N.C. Gen. Stat. 143-129(a).

Effective Date. This Ordinance shall be effective upon adoption.



CONTRACT REVIEW FORM

This new contract form has been reviewed and approved by the following:

Department Head	_____	_____
	Initial	Date
Town Manager	_____	_____
Shannon Baldwin	Initial	Date
Town Attorney	_____	_____
William Morgan	Initial	Date