

## 5:31-4

## LOCAL AUTHORITIES – APPROVAL AND PAYMENT OF CLAIMS

**5:31-4.1 Payment of authority moneys; approval of claims**

- (a) All persons submitting a claim for payment from authority moneys shall present a detailed bill of items or demand, specifying how the bill or demand is made up, with the certification of the party claiming payment that it is correct, except payments may be made without certification by the vendor or claimant as to the bill or demand being correct under the following circumstances:
1. When payment to vendors is required in advance of the delivery of the following materials or services, if those materials or services cannot be obtained from any other source at comparable prices, including:
    - i. For such purposes as may be permitted pursuant to N.J.S.A. 40A:5-16.2 and 16.3;
    - ii. Payment obligations to the State or Federal governments;
    - iii. Membership in a nonprofit organization;
    - iv. Educational courses, including, but not limited to, those where continuing education credits are awarded;
    - v. Registration for a convention hosted by a nonprofit organization; and
    - vi. Website hosting, including registration and maintenance of a domain name.
  2. When ordering, billing, and payment transactions for goods or services are made through a computerized electronic transaction utilizing standard electronic funds transfer technologies; and
  3. Where an authority institutes a standard policy by resolution not to require a vendor or claimant certification if said vendor or claimant does not provide, as part of its normal course of business, a certification from an individual with knowledge of the transaction that a bill or demand is correct. In instituting such a policy, the authority shall have the discretion to require vendor or claimant certification as the authority deems necessary and appropriate.
- (b) The provisions of (a)2 and 3 above shall not apply to the reimbursement of employee expenses or payment for personal services.
1. No employee expenses shall be reimbursed by an authority unless the employee provides a detailed statement, certified in writing by the employee, along with documentation in support of each expense. Under no circumstances shall an authority reimburse an employee for purchases of alcohol or other recreational intoxicating substances.

2. For purposes of this section, a "personal service" shall be a service provided exclusively and entirely by the individual seeking payment.
  - (c) An authority shall not require vendor or claimant certification before payment is made for debt service or the services set forth under N.J.S.A. 40A:5-16(d).
  - (d) A certification pursuant to N.J.S.A. 40A:5-16.a that a bill or demand is correct must feature either an original signature, signature stamp, facsimile signature, or electronic signature of the individual making the certification.
  - (e) All claims shall carry a certification of an official or designated employee of the authority having knowledge of the facts that the goods have been received by, or the services rendered to the authority
  - (f) The governing body shall approve or disapprove all claims in accordance with regulations adopted by the authority.
  - (g) All claims approved for payment by the governing body shall be recorded in the minutes of the authority meetings and shall, upon approval of the minutes, be open to the public.
  - (h) Payment of claims shall be by check drawn on the authority, signed by the governing body chairman and the chief financial officer and countersigned by such other officer or official as designated by the resolution. Disbursements utilizing standard electronic funds transfer technologies shall be initiated and authorized pursuant to N.J.A.C. 5:30-9A. N.J.A.C. 5:31-4 Local Authorities Current as of January 30, 2018
  - (i) The governing body shall by resolution, passed by not less than a majority of the full membership, designate the manner in which and the time in which salaries, wages, or other compensation for services shall be paid.

#### **5:31-4.2 Signature on checks drawn upon treasury of authority; initiation and authorization of electronic funds transfers**

Every authority shall at each organizational meeting designate by resolution the individuals whose signatures shall appear on checks drawn upon the treasury of the authority and the individuals who shall initiate and authorize transactions utilizing standard electronic funds transfer technologies.