



Corporation of the Municipality of Temagami

Memo No.
2020-M-092

Memorandum to Council

Subject: Electronic Payments

Agenda Date: August 6, 2020

Attachments:

RECOMMENDATION

BE IT RESOLVED THAT Council accept the protocol for electronic payments;

AND FURTHER THAT Council directs Staff to develop a policy for payments of accounts through cheques, electronic fund transfers and preauthorized payments.

INFORMATION

Presently, the majority of our payments to suppliers and other agencies are made by cheque. The municipal signing officers are the Mayor, Deputy Mayor, Treasurer/Administrator and the Deputy Treasurer. As restrictions came into place as part of the pandemic response, a protocol was established whereby the list of cheques were emailed weekly to the Mayor and Deputy Mayor and, once a response was received, were prepared and signed by the Treasurer/Administrator and the Deputy Treasurer. This was to ensure there was Council oversight while cheques were issued.

There are some accounts such as Ontera, Hydro One, and MPAC where balances are paid with direct debit. These are not part of the weekly list but, rather, are included in the accounts in the appropriate function.

Recently, we have received a few requests to submit payments through electronic fund transfer. Our banking agreement is able to accommodate this as is our accounting system. With the old system we would have to type all the detail for payments to be made and then transfer the file to the bank while now we can identify those invoices to be paid through electronic transfer and the system will, on command, prepare a file that we can transfer to the bank which reduces the chance of error and time to complete payments in this fashion.

From an internal control perspective, whether items are paid by cheque or electronic fund transfer does not really matter. It is more important to ensure the procurement policy and departmental approval is followed prior to the invoice being submitted for payment.

This report is to do two things. First, to inform Council that Staff are working towards being able to pay funds electronically to our suppliers. This will progress unless Council has an objections which we can discuss at the meeting. The second is to note that the protocol to ensure Council oversight remains in the payment function will be altered to include the provision of two lists, one list for items paid by cheque and the other for items paid by electronic fund transfer.

Building on that, and as part of our larger cash management area, Staff will develop/refresh policies related to cash management for Council's consideration.

Respectfully Submitted:
Craig Davidson
Treasurer/Administrator