

Township Spending & Procurement Policy

1. Purpose

To ensure fiscal responsibility, transparency, and accountability in the use of public funds while maintaining operational efficiency.

2. One-Time Transaction Limits

These limits apply to individual, non-recurring purchases (equipment, repairs, supplies).

Spending Threshold	Approval Requirement	Documentation Needed
Up to \$500	Department Head / Clerk	Receipt only.
\$501 – \$3,000	Township Supervisor	2 written quotes (whenever possible).
\$3,001 – \$10,000	Full Board Approval	3 written quotes + Board Resolution.
Over \$10,000	Full Board + Formal Bid	Formal RFP process and sealed bids.

Note on Emergencies: In cases where public safety or essential services are at risk (e.g., a water main break), the Supervisor may authorize up to **\$5,000** without prior board approval, provided the board is notified within 24 hours.

3. Recurring Charges & Subscriptions

To prevent "subscription creep," all recurring charges (software, utilities, maintenance contracts) are subject to the following:

- **Initial Approval:** Any new recurring contract must be approved by the Full Board, regardless of the monthly cost.
- **Annual Audit:** All active subscriptions and recurring contracts must be reviewed by the Clerk and presented to the Board during the annual budget workshop.
- **Automatic Renewals:** Contracts with "evergreen" or automatic renewal clauses exceeding **\$1,000/year** must be flagged and re-authorized every two years.
- **Prohibited Charges:** Personal memberships (e.g., Amazon Prime, gym memberships) are strictly prohibited on township accounts.

4. Credit Card & Reimbursement Rules

- **Point of Sale:** Township credit cards must only be used for items within the \$500 threshold unless pre-authorized.
- **Submission:** All receipts must be submitted to the Treasurer within **10 business days**.
- **Sales Tax:** As a government entity, the township is tax-exempt. Employees must provide a tax-exempt certificate at the time of purchase; the board will not reimburse sales tax on personal out-of-pocket purchases.

5. Enforcement

Failure to follow this policy may result in the denial of reimbursement or, in the case of elected officials, a formal censure and public reporting of the unauthorized expenditure.

This policy shall be recorded in the minutes and kept on file with the Township Clerk.

Adopted: April 20, 2026

Millington Township Clerk:



Lorah Cameron