

58 Blue Heron Drive
Hanover, PA 17331
August 27, 2015

Board of Supervisors
Berwick Township
85 Municipal Road
Hanover, PA 17331

Gentlemen:

At the August meeting of the Board of Supervisors, I asked about the review and approval process for invoices from payees listed on the Township's automatic bill payment list, also known as the recurring bill list. After much evasion on the Board's part, it became clear that there is no oversight or system for checks and balances concerning these invoices. Several of you said that Berwick Township's system of payment of these bills was the same as every other municipality.

Intrigued, I conducted some research to verify or disprove those statements. You might be interested to know the following:

- The Borough of New Oxford's system is for each invoice to be entered into the computer when received and paid when due. Certain bills, such as utility bills or emergency purchases, are paid automatically without prior approval. However, and this is critical to our dialog at the last meeting, other bills go through an approval process before being paid. The bills that require such approval include the borough's solicitor and engineer. Two reports are given to the council members at their monthly meeting, a financial report and a vendor balance detail. The council accepts the reports and votes on the bills at that time.
- Oxford Township has an ordinance for their automatic bill list and it provides what bills can be paid online. With some exceptions, bills are approved by the board after they are paid and this includes utility and similar bills. The exceptions are invoices for vendors such as the township solicitor and engineer. Such invoices are approved when the checks are being signed at the board meeting and three signatures are required, two supervisors and either the secretary or treasurer.
- The Borough of Abbottstown approves bills once a month. The secretary has the authority to pay certain bills, such as utilities, prior to the monthly approval. With bills such as their Staples or VISA accounts, the secretary gives the council members a heads up that she has made or will make a purchase and the cost is X dollars and then she proceeds to pay the bill so as to not incur a late fee. With a small business owner who submits what to them is a large bill, she again notifies the council and then pays the bill. All bills, pre-paid and those needing approval, are on the bill list in each councilman's binder. Additionally, a copy of the bill list and all invoices for those bills are in a folder on the table for the councilors to review before approving for payment. Invoices for vendors such as the borough solicitor and engineer are included in the ones that need approval before payment.

I want to again be clear that in my line of questioning, I was not suggesting or implying there was malfeasance or deliberate "fudging" of bills on any payee's part. As I and others stated at the meeting, we are aware, as you should be, that there is always the possibility of someone inadvertently making an error on their invoices. It appears that under your current system, no one would catch that error. The

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bill would be paid and the error might not be discovered for months, if ever, costing the citizens of the Township untold dollars.

Those of us in the audience who were involved in this discussion were simply trying to get you to see that there are flaws in your current system of paying certain bills. We suggested then and I suggest now that you review the payees on your automatic bill payment list and consider removing some of them from that list, specifically the solicitor, engineer and others whose invoices may vary widely in amounts from month to month. Along with that action, it is suggested that you develop and institute an approval process, or apply an approval process already in place, for these specific vendors, so there is a clear checks and balance system in place. Having all invoices in a folder for review by any supervisor at your monthly meeting would be a good step to include in such a process.

Please acknowledge this letter during the Correspondence portion of the September meeting, which recognition should include your plans to address this issue.

Sincerely,

A handwritten signature in cursive script that reads "Bea Haskins".

Bea Haskins
Resident and Concerned Citizen