

# Arkansas Municipal League



## Getting Started and Staying in Compliance

✓ A Checklist to Assist You in Managing Your Municipality





# Getting Started and Staying in Compliance

## A Checklist to Assist You in Managing Your Municipality

Managing your municipal government can be a daunting task. However, there are certain steps you can take and policies you can adopt that will make the task of managing your municipality much easier. When these policies are adopted by the mayor and council at the beginning of the year, then potential conflict and controversy can often be avoided.

This is not an all-encompassing checklist or treatise; rather it is a helpful and practical tool. The intent of this booklet is to provide you with suggested checklists regarding policies and rules—things you must know and be aware of to manage your municipality's day-to-day operations.



# Getting Organized

Arkansas Code Annotated (A.C.A.) § 14-43-501 requires that, in January of each year, you meet and set policy on how you want to conduct your council meetings. Listed on the next page is a checklist of activities that, if adhered to, will assist you in avoiding future controversy.


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Getting Organized Checklist	✓
Has every required municipal official taken the oath of office? (A.C.A. § 14-42-106)	
Does every elected city official have a copy of the Arkansas Freedom of Information Act? (A copy of the FOIA can be obtained by contacting League headquarters at (501) 374-3484 or visiting <a href="http://www.arml.org">www.arml.org</a> .)	
Do you have agreed upon procedural rules? If not, then adopt some type of parliamentary procedural rules for conducting your council/board meetings. (The League has available <i>Procedural Rules for Municipal Officials</i> , a guide of recommended rules. For a free copy call (501) 374-3484 or visit <a href="http://www.arml.org">www.arml.org</a> .)	
Do you know your municipal classification? (A.C.A. § 14-37-101 through 14-37-114) <ul style="list-style-type: none"> <li>• City of the First class</li> <li>• City of the Second class</li> <li>• Incorporated Town</li> </ul>	
Do you have rules for setting the council agenda? <ul style="list-style-type: none"> <li>• When is it set?</li> <li>• Who sets the agenda?</li> <li>• How do you get an item on the agenda?</li> </ul>	
Do you have rules for public speech (comments from the public) during your public meetings? This should include: <ul style="list-style-type: none"> <li>• To allow or not to allow citizen comments?</li> <li>• How long one will be allowed to talk; and what part of the agenda do you allow citizen comment(s) – beginning or end?</li> <li>• Before or after motion on a particular item?</li> </ul>	
Does everyone understand what constitutes a meeting quorum and when the mayor can be counted towards the quorum and when the mayor can vote? (A.C.A. § 14-43-501, 14-44-107, 14-45-101(b) and 14-45-105)	

# Personnel Policies

It is critical that everyone understand their role in municipal personnel matters. It is also critical that the mayor and council understand their municipality's personnel policies. The absence of a clear understanding is an invitation for lawsuits.

<h2 style="text-align: center;">Personnel Policies Checklist</h2>	
<p>Does everyone understand A.C.A. § 14-42-110, which says department heads are appointed and removed by the mayor? The council cannot appoint and remove department heads. However, the council can override the mayor's appointment or removal with a two-thirds vote.</p>	
<p>Do you have a policy on hiring and firing of non-department heads? Who is responsible for this task: the mayor, the department head or the council?</p>	
<p>Do you have a policy statement on "at-will employment?" If you choose not to be an "at-will" employer then make sure everyone understands the meaning of due process. (The absence of an at-will employer policy may exclude you from Municipal Legal Defense Program coverage in some employment cases.)</p>	
<p>Do you have an updated personnel policy handbook that has been read and signed by all employees?</p>	
<p>Do you have a policy outlining how you will go about hiring employees? For example, how will you advertise for, interview and select your employees? Who has authority to hire or fire those employees who are not department heads?</p>	
<p>Do you have job descriptions for all full-time employees? Do they state the essential functions for each position?</p>	
<p>Do you have a federally-approved drug testing policy for all employees who are required to have a Commercial Driver's License?</p>	

# Policies for Your Uniformed Employees

Understand that employee benefits differ for your uniformed employees.



Policies for Your Uniformed Employees Checklist	✓
<p>Do you know and understand federal and Arkansas state law regarding your uniformed employees?</p> <ul style="list-style-type: none"> <li>• Sick Leave (A.C.A. § 14-52-107, 14-53-108)</li> <li>• Holiday Pay (A.C.A. § 14-52-105, 14-53-106)</li> <li>• Vacation days (A.C.A. § 14-52-106, 14-53-107)</li> <li>• Overtime and Compensatory time</li> </ul> <p>For more information, please refer to League publications <i>Sample Personnel Handbook for Arkansas Cities and Towns</i> and <i>Understanding Municipal Personnel Law and Suggestions for Avoiding Lawsuits</i>.</p>	
<p>Does your police department have a written policy on “deadly force?”</p>	
<p>Does your police department have a written policy on “pursuit driving?”</p>	
<p>Are all of your uniformed officers properly certified in compliance with Arkansas law?</p>	
<p>Do you have a racial profiling policy? (A.C.A. § 12-12-1403)</p>	

# Record Keeping

It is important that your city have record keeping policies that everyone understands and agrees to follow.


<b>Record Keeping Checklist</b>	✓
Do you have a policy on who signs city checks?	
Do you have a policy that requires two signatures on each check issued by your city government? (A.C.A. § 14-59-105(b))	
Do you have a policy on where records (minutes and ordinances) will be kept?	
Do you have a designated keeper of the records?	
Do you have a policy to process FOIA requests?	
Do you have a record retention policy? (A.C.A. § 14-2-203)	






# Budgeting and Finance

Your budget is the principal policy management tool for governing your municipality. It is necessary that the mayor and council understand each other's role and responsibility in managing your municipal budget.

<h2 style="text-align: center;">Budgeting and Finance Checklist</h2>	
<p>Have you prepared an annual budget calendar?</p>	
<p>Have you passed an annual balanced budget by resolution on or before February 1st? (A.C.A. § 14-58-202)</p>	
<p>Is your street turnback revenue properly separated from your general revenue? (A.C.A. § 14-59-104(b))</p>	
<p>Have your city's finances been audited, or have steps been taken to have your city's finances audited annually by a legally approved auditing firm? (A.C.A. §§ 14-58-101, 14-58-307 [first-class cities])</p>	
<p>Are you properly withholding all of your legally required payroll accounts and making the required payments?</p>	
<p>Have you certified your municipal property tax rate to the county clerk prior the Quorum Court meeting at which taxes are levied? The Court may hold this meeting in either November or December, so check to make sure which it is. (A.C.A. § 26-73-202, 14-14-904(b)). Note: this must be done annually.</p>	
<p>Have you enacted a resolution approving a contract for the sale, purchase or lease of real or personal property? (A.C.A. § 14-54-302(c))</p>	
<p>Are all expenditures within a budget appropriation or an authorizing ordinance or resolution? (A.C.A. § 14-55-204, 14-58-203)</p>	
<p>Have you published your city's annual financial statement by April 1? (A.C.A. § 14-59-116)</p>	

# Purchasing and Bidding

It is important that you have a clear, established and well understood purchasing policy. Cities of the second class and incorporated towns have no requirements for bidding, although they could pass an ordinance to require such. However, it should be understood that all public improvement projects estimated to cost over \$20,000 must be bid. (A.C.A. § 22-9-203)

<h2 style="text-align: center;">Purchasing and Bidding Checklist</h2>	
<p>Do you have a purchasing ordinance? Does your purchasing policy describe the details of how you go about purchasing all budgeted items for your city? (A.C.A. § 14-58-303)</p>	
<p>Do you use the appropriate non-bidding procedures in contracting for professional services? Professional services include contracts for legal and financial advisory, architectural and engineering services, construction management and land surveying. (A.C.A. § 19-11-801 through A.C.A. § 19-11-807)</p>	
<p>For first class cities, do you have a policy that details expenditure amounts that may be made without council approval? (A.C.A. § 14-58-305)</p>	
<p>Do you have a procedure to document the approval of the mayor or his/her authorized representative for each expenditure? (A.C.A. § 14-58-303(a))</p>	
<p>For first class cities, are purchases over \$20,000 bid unless waived by ordinance or otherwise excepted? (A.C.A. § 14-58-104, A.C.A. § 14-58-303) Construction contracts over \$20,000 are required to be bid in all towns and cities, regardless of classification. (A.C.A. § 22-9-203)</p>	
<p>The governing body may enact an ordinance granting bidding preferences of up to five percent (5%) for certain businesses within the city or town. The preference will not apply when federal or state rules or regulations conflict. (Act 1059 of 2015; A.C.A. 14-58-105)</p>	







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