



STATE OF ARKANSAS
City of Brookland

Ordinance 2024-17

AN ORDINANCE ESTABLISHING PROCEDURES AND MEASURES FOR ELECTRONIC FUNDS TRANSFERS (“EFT”) AND PAYMENTS AND OTHER RELATED PURPOSES.

WHEREAS, Arkansas Code Annotated §14-59-105 establishes procedures for municipal payments and receivables by means of electronic funds transfer provided certain measures with proper accounting controls, documentation, and oversight is hereby adopted by ordinance; and

WHEREAS, the City of Brookland (“City”) recognizes the use of various electronic payment methods as a safe and efficient method to process certain disbursements. The City is committed to establishing specific controls and procedures for the utilization of electronic fund transfers; and

WHEREAS, the procedures outlined below delineate how the City should engage in the proper accounting procedures to be followed in accordance with State statute and according to regulations laid out by state auditors.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BROOKLAND, ARKANSAS, THAT:

Section 1: This ordinance shall hereby authorize the City utilize EFT’s for receipt of intergovernmental payments, grant payments, and other revenues where practical, and transmittal of payroll, withholdings, tax deposits, bond payments, credit card processing, banking fees, real estate transactions, utility payments, insurance payments, recurring payments to other governmental entities, payments to fuel providers, and other disbursements where practical or required. EFT’s are defined as transfers by electronic means of the City’s funds through banking channels directly into a payee’s account in financial institutions in payment of any account allowed against the City.

Section 2: The mayor has determined the proper procedures to initiate an EFT, which shall be subject to the same financial policies, procedures, and controls that govern disbursement by any other payment method. EFT transactions shall not be made without proper authorization of affected parties in accordance with federal and state statute and accepted business practices.

Section 3: For electronic funds payments the City of Brookland hereby requires: (1) the receipt of an invoice from the payee, which, if received electronically shall be printed for the file. (2) The Office Manager or Administrative Assistant shall enter it into the accounting system. (3) the invoice and a copy of the proof of payment will be presented to the Mayor or an appointed council member, or qualified employee approved by the city council for review and signature. (4) All bank statements including electronic funds transfers will be reconciled monthly by the Officer Manager and approved by mayor, or an appointed council member, or qualified employee approved by the city council.

Section 4: Bank balances shall be monitored regularly for unusual or unexpected transactions and reconciliation of banking activity shall be accomplished in a timely manner with investigation and resolution of reconciling items. Additionally, the City will ensure the state auditor has access to files, records, and documentation of all EFT transactions involving the City when required for the conduct of the statutory audit.

Section 5: SEVERABILITY CLAUSE. In the event any portion of this Ordinance is declared to be inoperative or invalid as a result of a statute or judicial decision, then only that portion expressly so declared to be inoperative or invalid shall be affected thereby and all other provisions hereof shall remain in full force and effect.

Section 6: EMERGENCY CLAUSE. That the City Council of the City of Brookland, Arkansas, further determines that this ordinance is necessary for the immediate protection of the welfare of the citizens of Brookland because this ordinance minimizes the expense and inefficiency of paying bills via paper check while preserving the necessary accounting oversight procedures. Therefore, an emergency is hereby declared, and this ordinance shall take effect and be in full force after its passage, approval, and publication.

Approved and adopted this 10 day of September 2024.



Kenneth D. Jones, Mayor

ATTEST:



Julie Thomas, Clerk/Treasurer

