

# CITY COUNCIL STUDY SESSION

**TO:** Mayor and City Council  
**FROM:** Mari E. Macomber, City Manager  
**SESSION DATE:** April 15, 2013  
**TIME:** 4:30 p.m.  
**PLACE:** Second Floor Conference Room

**AGENDA:**

- **ROTARY PARK SIGN**
- **CITY COUNCIL OPERATIONS**
- **COMMUNITY STRATEGIC PLAN**
- **REVIEW NEWSLETTER – April 12, 2013**
- **REVIEW COUNCIL AGENDA**

## **ROTARY PARK SIGN**

The City and the Rotary Club have a long standing history of partnership, much of which is centered on Rotary Park. The Club has been working on plans for an improved sign identifying the park as Rotary Park.

On Monday, members of the Rotary Park Committee, including Councilmember Edge, who is also a member of the Rotary Club, will visit with the City Council to review the Committee's proposed design and dimensions for this new sign.

Included with this cover memorandum is a report from Melanie Smith, who serves on the Committee on behalf of the City.

**Recommendation:** Review the report and discuss with the Committee members their plans for a new Rotary Park Sign.

## **CITY COUNCIL OPERATIONS**

After the election of the City Council each of you have been thrown into the hot seat of council activity. Yes, there is an orientation and tours conducted to give you a feel for the overall operations, but little time is spent on the processes and some basic information such as meeting procedures, and council policies. I would like to take a little bit of time reviewing some of the policies with the City Council as they relate to how you function as an elected body.

In addition to this, we will also be reviewing the City's Fraud Policy. This policy was adopted in 2011 and needs to be reviewed annually.

**Recommendation:** This is an opportunity to ask questions and discuss meeting procedures and other questions that the Council may have regarding your role and responsibilities as City Council Members.

## **COMMUNITY STRATEGIC PLAN**

In 1993 the community came together and developed the Adair/Kirksville Community Strategic Plan. Since that time the Plan has been updated 6 times. Business, community and governmental leaders in Kirksville and Adair County developed this plan with a focus on the needs for coordination of economic, health and human services, education, transportation, physical development plans, housing, community betterment, recreation, tourism and telecommunications at the local level. The Plan is comprised of 10 target areas and is intended to encourage and support partnerships amongst a variety of organizations and local institutions.

Some of the things that had been identified in previous plans included the consolidation of the public schools on to one campus; and the four laning of highway 63. The document is used as a guide to many organizations including the City of Kirksville.

Through the Chamber of Commerce's Governmental Affairs Committee subcommittees were formed to review, revise, update and modify the Plan. Once this was complete, public input was sought with over 100 people attending the public event held on the Kirksville R-III campus. Citizens were encouraged to visit with subcommittee members providing feedback and ideas. The citizen comments were then added to the Plan and resubmitted to each committee for final review.

The attached document is a culmination of input from many sources. Each entity that is identified in some way in this document is being asked to support the concept of the document and its many strategies with the hope that these strategies will be considered and explored for implementation.

**Recommendation:** It is hoped that by the time we finish that you will be willing to place a Resolution on the May 6 council agenda expressing support and commitment to reviewing and considering the contents of the Community Strategic Plan.

## **NEWSLETTER REVIEW – April 12**

### **REVIEW COUNCIL AGENDA**

#### Attachments

- Staff Report from Melanie Smith, Assistant City Manager
- Meeting Rules and Procedures Ordinance
- City Council Policies and Procedures
- Open Meetings and Records
- Fraud Detection and Prevention Policy

## **KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT**

**SUBJECT:** Rotary Park Signage Proposal

**STUDY SESSION MEETING DATE:** April 15, 2013

**CITY DEPARTMENT:** Parks Administration

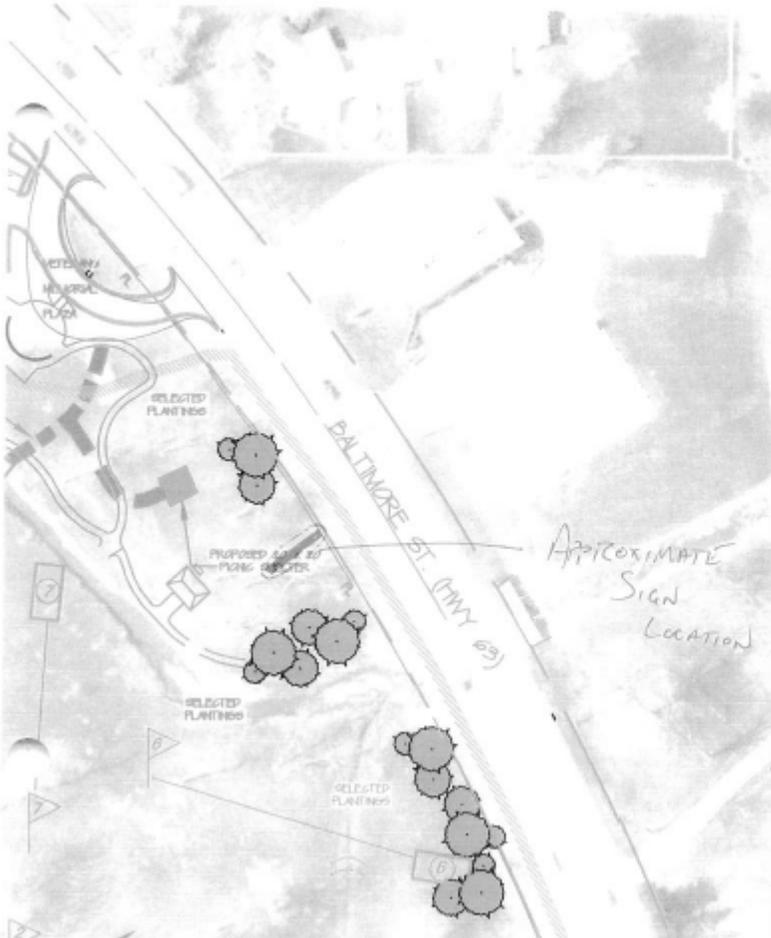
**PREPARED BY:** Melanie Smith, Assistant City Manager

The Rotary Clubs of Kirksville have a joint Rotary Park committee that meets to plan and execute development projects for Rotary Park. The initiatives for 2013 include additional signage for the Ray Klinginsmith Amphitheater, a new park sign along Baltimore, an additional bridge on the disc golf course and a work day for members at the park. The signage for the amphitheater was in a recent newsletter and will be added to the structure in the near future. The group is now ready to present the design concept for the major park sign that will be located along Baltimore Street. The proposed sign would have a rock base and pillars and would feature large wooden panels that would identify some of the most popular features of the park. This is the proposed design for the sign.



The sign would be approximately 28' high and 22' long at the base. It should be very visible from Baltimore Street. The estimated cost of the sign is \$8,720 and would be paid with Rotary

Club funds. The technical specifications are included with this report. If the council approves the design concept, then the club will begin to get bids and proceed with the project.



# MASTER PLAN ROTARY PARK KIRKSVILLE, MISSOURI



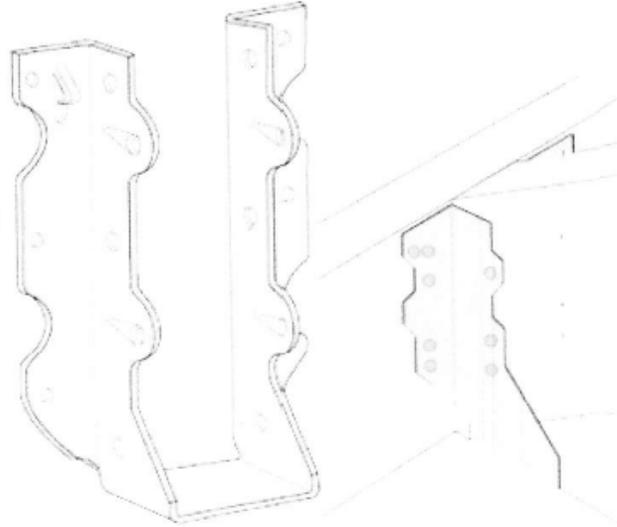
PREPARED BY THE CITY OF KIRKSVILLE  
ENGINEERING DEPARTMENT  
DRAWN BY: G. DAWSON  
MARCH 6, 2009

### CODE REVIEW

- Sign Posts must have a concrete footing 4' below ground level
- Base stone wall must have a 12" base rock footing below cinder block, cage, and stone
- Must be able to withstand 80 mile per hour winds
- No part of the sign may extend past the state right-of-way
  - o 45' from center of Baltimore / Approximately 22' from the West edge of Baltimore

### MATERIAL SPECIFICATION

- Base
  - o B6X crushed rock. Compacted every 2 inches.
    - 15 tons needed @ 12.25 per ton
  - o Cinder Blocks
    - 330 Blocks Needed @ \$1.27 per Block
  - o Steel Caging (double coverage)
    - 558 sq ft @ \$0.27 per sq ft
  - o Natural Sheridan Creek Stones
    - 279 sq ft
  - o Portland Cement Mix (estimated)
    - Portland Cement (16) 94# Bags \$160 total
    - Sand 2 yards \$90 Total
    - Gravel 1 yard \$40 Total
- Columns
  - o Cinder Blocks
    - 168 Blocks Needed @ \$1.27 per Block
  - o Stone Veneer
    - 188 sq ft @ \$6 per sq ft
  - o Mortar
    - \$250 Total (Estimated)
  - o Cement
    - 1.5 yards @ \$100 per yard
    - Rebar (estimated) \$60
- Sign
  - o Boards \$300
  - o Joist Hangers
    - (Custom) \$200 Total



Total Labor Cost Estimated - \$5,400.00

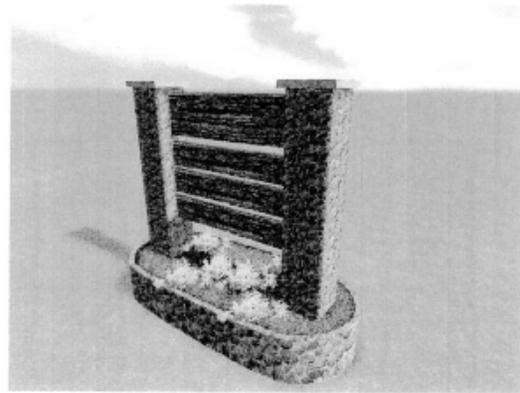
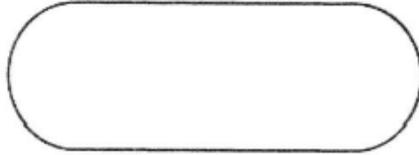
Total Cost Estimated - \$8,720.00

Time Frame - 10 Days

*Add \$4000  
by veneer  
class*  
*stone veneer on columns only*

## SIZE SPECIFICATIONS

- Base
  - o 22' long base x 9' Wide x 4' 6" Tall (O.D.)
  - o Approximately 20 degree slope on stone walls
  - o Ellipse Shape / Rounded Rectangle



- Sign
  - o 28' tall from ground level
  - o 23' 6" tall from the top of the base to top of sign
  - o 16' wide sign from outside of post to post
- Columns
  - o Cinder Blocks Columns
  - o Square Shaped (top down)
  - o 24" x 24"
  - o Height from ground level 28' tall
- Sign Boards
  - o Rough Cut Cedar / Stained
  - o Rotary Park Sign Board- 3" wide x 12' long x 4' tall
  - o Small Sign Boards - 3" wide x 12' long x 3' tall

## **Sec. 2-3. - Rules of procedure for meetings of council and all boards and commissions.**

(a)The following rules of procedure will govern the conduct of all meetings of the city council and all boards and commission created by the Kirksville Code with memberships appointed by the city council. Except as otherwise provided by state law or local ordinance, meeting procedures delineated herein may be suspended by the consent of a majority of the city council, board or commission after having recorded the same in the official minutes of the meeting.

*Rule 1.* The mayor, chairman or other duly authorized presiding officer, shall decide all questions of order. The presiding officer may seek counsel or other parliamentary advice and he/she considers appropriate in order to resolve procedural questions, but the final decision on points of order and meeting procedure shall rest with the chair.

*Rule 2.* Except as otherwise required, public hearings shall be declared to be open by the chair once the chair determines that the legal requirements for convening the hearing have been met. The names of persons testifying at a public hearing shall be recorded in the minutes along with their address. Persons making comments at a hearing shall first be recognized by the chair, and shall address their comments to the members of the council, board or commission convening the hearing.

*Rule 3.* Only procedural motions shall be permitted during a hearing. All other motions shall be out of order. Except as otherwise provided, public hearings shall be declared to be at an end by the chair once all persons wishing to speak or make other testimony have been given the opportunity to speak at least once or submit written comments. By a majority vote of the council, board or commission, any public hearing may be delayed, postponed or rescheduled to an alternate time or location. Council, board or commission action on an item that has been the subject of a public hearing may be taken at any time following the end of the hearing; it may occur immediately afterward, but need not occur at the same meeting.

*Rule 4.* A roll call vote of yeas and nays, or a show of hands vote, shall be taken and recorded in the journal of the council, board or commission for all ordinances or propositions which shall create any liability against, or obligation upon, the city for the expenditure or appropriation of funds, and in all other instances where a request for same is made by any member of the council, board or commission.

*Rule 5.* The published agenda of all meetings of the city council, city board or commission appointed by the city council, may be altered or suspended by a consensus vote or a majority vote of the council, board or commission present and voting, and having recorded the same in the official minutes of the meeting.

*Rule 6.* Any item on the agenda of all meetings of the city council, board or commission appointed by the city council, shall be considered defeated if no motion is made to discuss the proposed item. If no motion is made after the presiding officer has called for a motion two (2) consecutive times, the proposal shall not be discussed at that meeting by the council, board or commission appointed by the city council.

(b)The general public shall be afforded an opportunity to address public meetings of the city council and other city boards and commissions. Except as provided herein, the council, as well as each board and commission, may establish their own rules governing the receipt of public comment. However, protracted, repetitive, irrelevant or abusive remarks from the public may be terminated or closed off at any time by the chair or other presiding officer.

(c)The rules contained in the current edition of *Roberts Rules of Order Newly Revised* shall be the parliamentary authority and shall govern the conduct of all meetings of the city council, and boards and commissions appointed by the city council, in all cases where they are not inconsistent with Missouri Revised Statutes, or ordinances of the City of Kirksville, including this section.

(d)A quorum shall be required for any council, board or commission to take formal action. A council, board or commission may meet as a committee-of-the-whole in the absence of a quorum, but its proceedings shall not be binding and shall not constitute a meeting of the council, board of commission. A quorum shall consist of a majority of the membership of the council, board or commission duly elected or appointed.

*(Ord. No. 11306, §§ 1—4, 8-18-97)*

CITY COUNCIL POLICY #1

DATE: July 1, 1994

AMENDED: February 7, 2000; December 4, 2000; July 21, 2008

## **POLICIES AND PROCEDURES**

In accordance with the provisions of Chapter 78 of the Missouri Revised Statutes, it shall be the policy of the City Council of the City of Kirksville to enact ordinances, resolutions, policies and other motions conducive to the general welfare and improvement of the City of Kirksville and to take such actions as may be necessary to properly carry out the provisions of Chapter 78 of the Missouri Revised Statutes. To this end, policy decisions of the City Council, not enacted in ordinance form, shall be brought together and catalogued as "City Council Policies."

### **I. POLICY APPROVAL**

City Council Policies shall be formally approved by the City Council and shall be implemented by the City Manager until such time as they are altered, amended or rescinded by the City Council.

The City Council shall approve "City Council Policies" where appropriate and where they are in the best interests of efficient management of City resources; but generally "City Council Policies" shall be approved when a fundamental change is made to the manner in which municipal service delivery is provided by the City, or where service delivery is fundamentally or significantly altered, enlarged, deleted, or where service delivery changes will have a fiscal impact not anticipated by the Council approved City budget.

City Council Policies shall also include matters of material interest to the citizens of Kirksville which bear on the general welfare of the City and the municipal organization. They shall function as a guide to citizens and staff regarding the legislative intentions of the City Council. They shall not have the force of law; but administrative actions, regulations and procedures promulgated by the City Manager and members of the City staff shall at all times be consistent with "City Council Policies."

The City Council shall approve:

- A. Increases and decreases of full-time permanent staff positions
- B. Changes to the employee pay plan
- C. Procedures and rules regarding the use, alteration or abandonment of City property, including right-of-ways.
- D. Policies regarding the investment of idle funds, the management of financial reserves and the disposal of surplus property and equipment, extension and/or exchange of City services or resources with other units of state or local government.
- E. Policies regarding the long-term replacement and upgrade of the City's infrastructure and capital equipment.

## **II. POLICY ADMINISTRATION**

In accordance with State Statutes, City ordinances and resolutions, and City Council policies, the City Manager shall administer, supervise and direct the affairs of the City. In this capacity, the City Manager shall, from time to time, promulgate administrative regulations and rules which establish procedures and authorize other actions necessary to see that the laws and ordinances of the City and State are enforced, that proper control of departments and personnel are maintained, that the terms of contracts, franchise agreements and other obligations of the City are faithfully executed and performed, and that the financial health of the City is maintained. The City Manager shall establish employee rules, policies and procedures insofar as they are compatible with state and local laws and City Council policies. The Manager shall also promulgate procedures concerning: risk management and loss control; management of the approved budget; accounting; management of real property; project management and coordination; evaluation of employee performance; rules related to employee conduct, salary and benefits administration; issuance of licenses and permits; procedures for vehicle maintenance and upkeep; data processing rules and protocols; emergency procedures; use of professional services; how the City provides due process for and proper consideration of employee grievances; and other administrative rules and procedures.

City Council Policies shall be maintained together in a single volume for ease of reference. Policies shall be dated, numbered and titled.

Administrative rules and procedures issued by the City Manager shall also be maintained together in an "Administrative Policies and Procedures" notebook for ease of reference. These rules and procedures shall also be dated, numbered and titled.

## **III. ORDINANCES, RESOLUTIONS AND MOTIONS**

The City Council considers city ordinances and resolutions as recommended by City staff.

A. An ORDINANCE is considered to be city law upon approval by the City Council. An ordinance is necessary to approve and/or adopt:

- annexation of land
- annual budget
- City Code related and amendments to City Code
- election ballot question, election results and related purposes
- expenditures for the month and end of calendar year
- franchises; amendments and extensions
- rezoning, subdivision, alley and street vacation
- selected personnel policies and related matters
- intergovernmental agreements (State, county, etc.)
- anything that legally requires an ordinance.

An ordinance is presented to the City Council as a bill, and shall not contain more than one subject which should be set forth in the title of the ordinance. An exception to the one subject rule is the appropriation ordinance. A bill becomes

an ordinance when a majority of the entire elected Council votes in favor of the bill upon its second and final reading.

An ordinance is to be effective immediately on its passage and approval, unless the ordinance contains a provision stipulating a different effective date.

An ordinance should contain a:

1. Title or caption
2. Preamble or reason for passage
3. Ordaining or enacting clause
4. Command to do or not to do, and designation of subjects and objects of operation
5. Penalty – If there is one
6. Effective date

B. A RESOLUTION may be necessary for a number of informal purposes, or subject matter which is temporary, such as to accept, approve or authorize:

- an agreement or contract for services and change orders
- sale, purchase or lease of purchase
- setting of fees
- changes to personnel matters
- recognizing an individual or organization for outstanding community services
- application for funding/grant programs and related purposes
- selected personnel policies and related matters
- support of government programs, and policy statements regarding state and federal legislation
- anything that legally requires a resolution

The City Manager will maintain the authority to decide on the necessity for a resolution on subject matters not listed above.

C. A MOTION will be considered for:

- bid items already approved in the year's budget
- committee/board appointments
- liquor licenses, and related changes
- policies and amendments
- special event requests
- contracts, memoranda, agreements and related documents which do not require a resolution or ordinance for passage
- subjects that do not require a resolution or ordinance, but require Council action.

D. State law requires that all ordinances, except emergency ordinances, receive a first and second reading and approval prior to adoption. The City Council may, when their agenda includes multiple ordinances, consider a motion at the end of the regular meeting agenda, to approve multiple ordinances or second reading so long as all ordinances so submitted and approved, shall have first been separately approved on first reading with a separately recorded vote. Any single member of the City Council shall be entitled to request separate action on a second reading ordinance approval ("division of a question") without a vote of the Council on such a procedural change.

## **OPEN MEETINGS AND RECORDS**

The Missouri General Assembly enacted the Missouri Open Meetings and Records Law, Section 610.028(2), which requires each political subdivision to provide a reasonable written policy in compliance with Section 610.010 to 610.030 RSMo.

The City Council adopted this policy to apply to all governmental bodies and committees of this municipality. All meetings, records and votes are open to the public, except the governmental body may close any meeting, record or vote relating to the following:

- A. Legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys. However, any vote relating to litigation involving a public governmental body shall be made public upon final disposition of the matter voted upon; provided, however, in matters involving the exercise of the power of eminent domain, the vote shall be announced or become public immediately following the action on the motion to authorize institution of such legal action. Legal work product shall be considered a closed record.
- B. Lease, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore. However, any vote or public record approving a contract relating to the lease, purchase or sale of real estate by a public governmental body shall be made public upon execution of the lease, purchase or sale of the real estate.
- C. Hiring, firing, disciplining or promoting an employee of a public governmental body. However, any vote on a final decision, when taken by a public governmental body, to hire, fire, promote or discipline an employee of a public governmental body must be made available to the public within seventy-two hours of the close of the meeting where such action occurs; provided, however, that any employee so affected shall be entitled to prompt notice before such decision is made available to the public.
- D. Nonjudicial mental or physical health proceedings involving identifiable persons, including medical, psychiatric, psychological or alcoholism or drug dependency diagnosis or treatment.
- E. Testing and examination materials, before the test or examination is given or if it is to be given again, before so given again.
- F. Welfare cases of identifiable individuals.
- G. Preparation, including any discussions or work product, on behalf of a public governmental body or its representatives for negotiations with employee groups.

- H. Software codes for electronic data processing and documentation thereof.
  - I. Specifications for competitive bidding, until either the specifications are officially approved by the public governmental body or the specifications are published for bid.
  - J. Sealed bids and related documents, until the earlier of either when the bids are opened, or all bids are accepted or all bids are rejected.
  - K. Individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment, except that this exemption shall not apply to the names, positions, salaries and lengths of service of officers and employees of public agencies once they are employed as such.
  - L. Records that are protected from disclosure by law.
  - M. Meetings and public records relating to scientific and technological innovations in which the owner has a proprietary interest.
2. All records that may be closed hereby are deemed closed records unless the governmental body votes to make them public. Before closing a meeting to the public, a majority of a quorum of the governmental body must vote to do so in a public vote. The vote of each member of the governmental body on the question to closing the meeting or vote and the reason for closing the meeting by reference to a specific exception shall be announced at a public meeting and entered into the minutes.
  3. The governmental body shall give notice of the time, date and place of a closed meeting and the reason for holding it by reference to a specific exception. The notice shall be the same as in #4) below. No other business may be discussed in a closed meeting that does not directly relate to the specific reason announced to close the meeting to the public.
  4. The governmental body shall give notice of the time, date, place and tentative agenda of each meeting. The notice shall be placed on the appropriate bulletin board at city hall at least 24 hours, exclusive of weekends and holidays, prior to the meeting. If an emergency makes it impossible to give 24 hours notice, the reason must be reflected in the minutes. Notice also shall be given to any representative of the news media who requests notice of a particular meeting.
  5. Each meeting shall be held at a place reasonably accessible to the public, and at a time reasonably convenient to the public, unless for good cause such a place or time is impossible or impractical. When it is necessary to hold a meeting on less than twenty-four hours notice, or at a place that is not reasonably accessible to the public, or at a time that is not reasonably convenient to the public, the nature of the good cause justifying that departure from the normal requirements shall be stated in the minutes.

6. A formally constituted subunit of a parent governmental body may conduct a meeting without notice during a lawful meeting of the parent governmental body, a recess in that meeting, or immediately following that meeting, if the meeting of the subunit is publicly announced at the parent meeting and the subject of the meeting reasonably coincides with the subjects discussed or acted upon by the parent governmental body.
7. The City Clerk shall be the custodian of records and will be responsible for maintenance and control of all records. The custodian shall provide public access to all public records as soon as possible, but no later than the third business day following the date the request is received by the custodian. If additional delay is necessary, the custodian shall give an explanation for the delay, and the date the record will be available for inspection.

If a request for access is denied, the custodian shall provide, upon request, a written statement of the grounds for such denial. Such statement shall cite the specific provision of law under which access is denied and shall be furnished to the requester no later than the end of the third business day following the date the request for the statement is received.

The custodian shall charge ten cents per page for duplication costs and the average dollar amount per hour for the employee who does the document search and duplicating. The custodian shall receive (or may require) payment prior to duplicating documents.

The custodian may designate deputy custodians in the following departments: Economic Development, Municipal Court, Personnel, Finance, Codes, Engineering, Parks, Public Works, Fire and Police.

## **FRAUD PREVENTION AND DETECTION POLICY**

The purpose of this document is to communicate municipal policy regarding the deterrence and investigation of suspected fraudulent conduct and dishonesty by employees and others, and to provide specific instructions regarding appropriate action in case of suspected violations.

### **I. INTRODUCTION**

The City of Kirksville (City) is committed to protecting its revenue, property, information and other assets from any attempt, either by members of the public, contractors, vendors, agents or its own employees, to gain by fraudulent conduct, financial or other benefits at the expense of City taxpayers.

City officials and employees must, at all times, comply with all applicable laws and regulations. The City shall not condone the activities of officials or employees who achieve results through violation of the law or unethical business dealings. The City does not permit any activity that fails to stand the closest possible public scrutiny.

This policy sets out specific guidelines and responsibilities regarding appropriate actions that must be followed for the investigation of fraudulent conduct and other similar irregularities.

The impact of fraudulent conduct and dishonesty may include, but is not limited to:

- The actual financial loss incurred
- Damage to the reputation of the City and its employees
- Negative publicity
- The cost of investigation
- Loss of employees
- Loss of public confidence
- Damaged relationships with City contractors and suppliers
- Litigation
- Damages employee morale

The goal of this policy is to establish and maintain an environment of fairness, ethics and honesty for City employees, the citizens, City vendors and anyone else with whom the City has a relationship. To maintain such an environment requires the diligence of each City employee and manager while in the performance of their duties.

The City of Kirksville is committed to the deterrence, detection and correction of fraudulent conduct, misconduct and dishonesty. The discovery, reporting and documentation of such acts provide a sound foundation for the protection of innocent parties, the taking of disciplinary action against offenders up to and including dismissal

where appropriate, the referral to law enforcement agencies when warranted by facts and the recovery of assets.

## II. APPLICABILITY

This policy applies to all elected officials, appointed committee/board members and employees of the City of Kirksville, as well as any individual or entity doing business with the City.

## III. PROHIBITION

All elected officials, appointed committee/board members and employees of the City of Kirksville, as well as any individual or entity doing business with the City are prohibited from engaging in fraudulent conduct in the course of their employment, duties or business relations with the City.

## IV. DEFINITIONS

Fraudulent Conduct is defined as the use of one's occupation or position for personal enrichment through the deliberate misuse or misapplication of the City's resources or assets, or for the personal enrichment of others. There are three major categories of fraudulent conduct.

- **Asset misappropriations.** Theft or misuse of an organization's assets.
  - Cash.
    - Fraudulent Disbursements. Perpetrator causes organization to disburse funds through some trick or device (e.g., submitting false invoices/time cards/sheets, expense reimbursement schemes, check tampering, etc.) or prevents the timeliness of the disbursement of funds.
    - Embezzlement. Perpetrator appropriates monies fraudulently to one's own use, as money or property entrusted in one's care.
    - Skimming. Cash is stolen from an organization before it is recorded on the organization's books and records.
    - Cash Larceny. Cash is stolen from an organization after it has been recorded on the organization's books and records.
  - Inventory and all other assets.
    - Misuse. Improper use, misappropriation, misapplication, destruction, removal or concealment of an organization's inventory or assets for personal use (e.g., City vehicles, computers, supplies, etc.)
    - Larceny. Inventory or other assets are stolen from an organization.

- **Corruption.** Wrongful use of influence in a business transaction in order to procure some benefit from themselves or another person, contrary to duty to employer or the rights of another.
  - Conflicts of interest. An undisclosed economic or personal interest in a transaction that adversely affects the employer.
  - Bribery. The offering, giving, receiving or soliciting of anything of value to influence an official act or a business decision.
  - Illegal Gratuities. A party that benefits from an official act or a business decision in giving of a gift to a person who made the decision. An illegal gratuity does not require proof of intent to influence.
  - Economic Extortion. An employee demands that a vendor/contractor/etc. pay to influence an official act or a business decision.
- **Fraudulent Statements.** Falsification of an organization's financial statements.

**Other Similar Irregularities.** Any activity involving questionable behavior or business dealings by members of the public, contractors, vendors, agents or City employees, that put City revenue, property, information and other assets at risk of waste or abuse.

**Fraud Investigator.** In this context, reference is to any person or persons assigned by the City Manager in consultation with the City Council (whether a City employee or an individual or firm retained by the City on a contract basis) to investigate any fraud or similar activity.

## **V. POLICY ACKNOWLEDGEMENT**

All City Council, appointed committee/board members and employees of the City of Kirksville shall be responsible for understanding and adherence to this policy. On an annual basis, these applicable individuals are required to review the current City of Kirksville Fraud Policy and acknowledge their understanding of it by signing the Fraud Recognition and Understanding Form found at the end of this document.

It is the responsibility of the City Council, City Manager managers/supervisors and chairpersons to ensure all applicable individuals have read and understand the City of Kirksville Fraud Policy and understand their responsibilities as related to the prevention, detection and reporting of suspected fraud, misconduct and dishonesty. The City Council's, City Manager's, managers/supervisors' or chairperson's signature on the attached Fraud Recognition and Understanding Form signifies that this process has occurred.

## **VI. RESPONSIBILITIES**

Each City Council Member, City Manager, manager/supervisor and employee has defined responsibilities and procedures to follow when there is knowledge or suspicion of an act committed in violation of this policy.

- **Mayor and City Council Responsibilities:**

- If the Mayor or Councilmember has reason to suspect that an incident of fraudulent conduct has occurred, he/she shall immediately contact the City Manager.
- The Mayor or City Council shall not attempt to investigate the suspected incident of fraudulent conduct or discuss the matter with anyone other than the City Manager.
- The alleged fraud or audit investigation shall not be discussed with the media by any person other than through the City Manager in consultation with the City Attorney and the Fraud Investigator.
- If a fraud allegation involves the City Manager, the Mayor and City Council shall select a Fraud Investigator for the purpose of investigating the allegation and reporting the results thereof. The City Council shall select a professional services firm or individual to act as the Fraud Investigator. In this situation, the Fraud Investigator shall inform the City Council of pertinent investigative findings and results.
- If a violation of this policy is determined, the City Council will take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the City Attorney.

- **Management Responsibilities:**

- Each manager/supervisor of the City is responsible for instituting and maintaining a system of internal controls to provide reasonable assurance for the prevention and detection of fraudulent conduct, and other similar irregularities.
- Each manager/supervisor should be familiar with the types of improprieties that might occur within their area of responsibility and be alert for any indications of such conduct.
- Management is responsible for being alert to, and reporting fraudulent or related dishonest activities in their areas of responsibility.
- When an improper activity is detected or suspected, management should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.
- Upon receipt of any allegation of fraud, the City Manager shall notify the City Council of such allegation.
- In notifying the City Council, the City Manager shall exercise care to ensure that the City Council is fully aware of the nature of the allegation presented while ensuring that the rights and identity of any City employee involved are duly protected.

- Based upon consultation with the City Council, the City Manager shall select a Fraud Investigator for the purpose of investigating the allegation and reporting the results thereof.
- The selection of a Fraud Investigator shall be based upon careful consideration as to whether City staff has the necessary degree of independence and competence as well as sufficient time available to ascertain the validity of the allegation that has been brought forth. If these qualifications are not met by internal staff, the City Manager in consultation with the City Council shall select a professional services firm or individual to act as the Fraud Investigator.
- If any member of management determines a suspected activity may involve fraud or related dishonest activity, their immediate supervisor shall be informed. Department managers shall contact the City Manager.
- Management shall not attempt to conduct individual investigations, interviews or interrogations. However, management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions. Management shall support the City's responsibilities and cooperate fully with the Fraud Investigator, other involved departments and law enforcement agencies in the detection, reporting and investigation of criminal acts, including the prosecution of offenders.
- Management shall give full and unrestricted access to all necessary records and personnel. All City property is open to inspection at any time and there is no assumption of privacy.
- In dealing with suspected dishonest or fraudulent activities, great care must be exercised. Management should avoid the following:
  - Incorrect accusations.
  - Alerting suspected individuals that an investigation is underway.
  - Unfair treatment of employees.
  - Making of statements that could lead to claims of false accusations or other offenses.
- In handling dishonest or fraudulent activities, management shall:
  - Make no contact (unless requested) with the suspected individual to determine the facts or demand restitution. Under no circumstances should there be any reference to "what you did", "the crime", "the fraud", "the misappropriation", etc.
  - Avoid discussion of the case, facts, suspicions or allegations with anyone outside the City government, unless specifically directed to do so by the City Attorney.
  - Avoid discussion of the case with anyone inside the City government other than employees who have a need to know such as the City Manager, Fraud Investigator, City Attorney or law enforcement personnel.

- Direct all inquiries from the suspected individual, or representative, to the City Manager or City Attorney. All inquiries by an attorney of the suspected individual shall be directed to the City Attorney. All inquiries from the media shall be directed to the City Manager.
  - Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the City Attorney or labor relations representative, in conformance with the City's personnel policies.
  
- **Employee Responsibilities:**
  - A suspected fraudulent incident or practice observed by, or made known to, an employee shall be reported to the employee's supervisor for reporting to the proper management official.
  - When the employee believes the supervisor may be involved in the inappropriate activity, the employee shall make the report directly to the next higher level of management and/or the City Manager.
  - The reporting employee shall refrain from further investigation of the incident, confrontation with the alleged violator or further discussion of the incident with anyone, unless specifically requested by the City Manager, Fraud Investigator, City Attorney or law enforcement personnel.
  
- **Fraud Investigator Responsibilities:**
  - Upon assignment by the City Manager, the Fraud Investigator shall promptly investigate the fraud.
  - In all circumstances where there appears to be reasonable grounds for suspecting that a fraud has taken place, the Fraud Investigator, in consultation with the City Attorney, shall contact the Kirksville Police Department or other appropriate law enforcement authorities.
  - The Fraud Investigator shall be available and receptive to receiving relevant, confidential information to the extent allowed by law.
  - If evidence is uncovered showing possible dishonest or fraudulent activities, the Fraud Investigator shall proceed as follows:
    - Discuss the findings with management and the department manager, if appropriate.
    - Advise management, if the case involves staff members, to meet with the City Manager (or designated representative) to determine if and the extent of disciplinary actions to be taken.
    - Report to the City's external auditor of such activities in order to assess the effect of the illegal activity on the City's financial statements.
    - Coordinate with the City's Risk Manager regarding notifications to insurers and filing of insurance claims.
    - Take immediate action, in consultation with the City Attorney, to prevent the theft, alteration or destruction of evidentiary records. Such action shall include, but not limited to:

-Removal of records to place in a secure location or limit access to the location where the records currently exist.

-Prevent the individual suspected of committing the fraud from having access to the records.

- In consultation with the City Attorney and the Kirksville Police Department, the Fraud Investigator may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.
- If the Fraud Investigator is contacted by the media regarding an alleged fraud or audit investigation, the Fraud Investigator shall consult with the City Manager and the City Attorney, as appropriate, before responding to a media request for information or interview.
- At the conclusion of the investigation, the Fraud Investigator shall document the results in a confidential memorandum report to the City Manager and City Attorney. If the report concludes that the allegations are founded, the report shall be forwarded to the Kirksville Police Department and City Council.
- Unless exceptional circumstances exist, a person under investigation for fraud is to be given notice in writing of essential particulars of the allegations following the conclusion of the audit. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Fraud Investigator no later than seven (7) calendar days after notice is received.
- The Fraud Investigator shall be required to make recommendations to the appropriate department for assistance in the prevention of future similar occurrences.
- Upon completion of the investigation, including all legal and personnel actions, all records, documents and other evidentiary material obtained from the department under investigation shall be returned by the Fraud Investigator to that department.

## **VII. AUTHORITY AND INVESTIGATION**

It is the City's intent to fully investigate any suspected acts of fraud, misappropriation or other similar irregularity. An objective and impartial investigation shall be conducted regardless of the position, title, length of service or relationship with the City of any party who might be or becomes involved in or becomes/is the subject of such investigation.

- The Fraud Investigator has the primary responsibility for the investigation of all activity as defined in this policy.
- Throughout the investigation, the Fraud Investigator shall inform the City Manager of pertinent investigative findings.

- Upon conclusion of the investigation, the results shall be reported to the City Manager.
- The City Manager, following review of investigation results, shall take appropriate action regarding employee misconduct. Disciplinary action can include termination and referral of the case for possible prosecution.
- The City shall pursue every reasonable effort, including court-order restitution, to obtain recovery of City losses from the offender or other appropriate sources.

## **VIII. WHISTLE-BLOWER PROTECTION**

Employees who observe and, in good faith, report a violation of the City's fraud policy shall be granted the protections contained herein. However, such protection shall not be afforded to employees on a retroactive basis to those employees who are the subject of pending disciplinary action. When informed of a suspected impropriety, neither the City nor any person acting on behalf of the City shall:

- Dismiss or threaten to dismiss the reporting employee;
- Discipline, suspend or threaten to discipline or suspend the reporting employee;
- Impose any penalty upon the reporting employee; or
- Intimidate or coerce the reporting employee.

Violation of this section shall result in discipline up to and including dismissal in accordance with applicable federal, state and local administrative laws.

## **IX. DISCIPLINE**

Violations of this policy by an employee will be handled in accordance with the City's Administrative Policy Manual. All other persons or entities that are found to have violated this policy will be either removed from the applicable board or committee or subject to suspension by the City from future business transactions for a specified period of time.

## **X. EXCEPTIONS**

There shall be no exceptions to this policy unless provided and approved by the City Council.

**CITY OF KIRKSVILLE, MISSOURI  
FRAUD RECOGNITION AND UNDERSTANDING FORM**

**My signature signifies that I have read the City of Kirksville Fraud Prevention and Detection Policy and that I understand my responsibilities related to the prevention, detection and reporting of suspected fraud, misconduct, dishonesty and other similar irregularities.**

**Print Name:**

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**Signature:**

\_\_\_\_\_ **Date:** \_\_\_\_\_

**Manager/Supervisor/Chairperson:**

\_\_\_\_\_ **Date:** \_\_\_\_\_