

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 70

By: Senator B. Johnson
By: Representatives Speaks, L. Fite

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING COUNTY FINANCIAL RECORDS AND THE FINANCIAL OPERATIONS OF A COUNTY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING COUNTY FINANCIAL RECORDS AND THE FINANCIAL OPERATIONS OF A COUNTY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 13-4-304(5), concerning the retention of county financial records, is amended to read as follows:

(5) For county treasurer's records:

(A) Maintain permanently:

~~(i) Treasurer's operating and clearing account ledgers for all accounts on the books of the treasurer;~~

~~(ii) Treasurer's trust and agency account ledgers;~~

~~(iii) Treasurer's city account ledgers;~~

~~(iv) Treasurer's improvement district account ledgers; and~~

~~(v) Treasurer's school district account ledgers;~~

(B) (i) Maintain for seven (7) years:

~~(i) Land redemption receipts;~~

~~(ii) Annual settlement with county court; and~~

~~(iii) Record of school bond indebtedness and matured~~



~~school district bonds; and~~

~~(G) Maintain for three (3) years:~~

~~(i)(a) Receipt books;~~

~~(ii)(b) Bank statements and canceled checks;~~

~~(iii) Canceled warrants;~~

~~(iv)(c) Treasurer's monthly ~~reconciliation~~ bank reconciliations;~~

~~(v)(d) Treasurer's monthly financial report to the quorum court and the prosecuting attorney;~~

~~(vi)(e) Delinquent real estate and state land redemption distribution reports;~~

~~(vii)(f) Delinquent personal distribution reports;~~

~~(viii)(g) County officials' monthly reports; and~~

~~(ix) ~~Municipal~~(h) District court monthly reports;~~

~~(x) Treasurer's monthly report to prosecuting attorney;~~

~~(xi) School district bank statements;~~

~~(xii) Annual report to county school supervisor;~~

~~(xiii) Register of school warrants;~~

~~(xiv) Teachers and school employee contracts; and~~

~~(xv) Surety bond of school district treasurer and superintendent.~~

(ii) Official records of the treasurer that are necessary for audit purposes and are not required under this section may be destroyed three (3) years or more after an audit is completed and approved by Arkansas Legislative Audit or by a private auditor.

SECTION 2. Arkansas Code Title 14, Chapter 14, Subchapter 12, is amended to add an additional section to read as follows:

14-14-1213. Duties related to payroll and jury duty.

(a) If the county judge and county official responsible for county payroll make the request, the quorum court by majority vote of the entire body may assign the duties relating to payroll and jury duty to a qualified private person or entity if the quorum court finds the assignment of duties provides quantifiable economic savings or increased efficiency.

(b) If an assignment of duties relating to payroll and jury duty is

made under this section, the county judge, county clerk or comptroller, and the county treasurer shall establish written procedures that provide for internal accounting controls and documentation for audit and accounting purposes.

SECTION 3. Arkansas Code § 14-15-803 is repealed.

~~14-15-803. Counties having two judicial districts.~~

~~The treasurer shall keep in his or her office at each county site in counties having two (2) judicial districts, except Prairie, Woodruff, Lawrence, Yell, and Logan, the funds belonging to the school districts and road districts of the respective judicial districts for the purpose of paying warrants drawn thereon.~~

SECTION 4. Arkansas Code § 14-24-120 is amended to read as follows:

14-24-120. Time ~~warrants and~~ checks to be redeemed.

(a)(1) ~~All warrants and checks~~ Checks issued by ~~any a~~ any a county of this state drawn upon the county treasurer ~~shall be~~ are valid and redeemable only for a period of ~~one (1) year~~ six (6) months from the date of issuance.

(2) ~~All warrants and checks~~ Checks issued by a county shall contain on the face of the ~~warrant or~~ check the following words: "This ~~warrant (check)~~ check void after ~~one (1) year~~ six (6) months from date of issuance".

(b)(1) If ~~any a~~ any a county ~~warrant or~~ check is not redeemed or reissued within the time prescribed in subdivision (a)(1) of this section, there is established a presumption that the payee declined its presentment, and it shall be the duty of the county treasurer to cancel the ~~warrant or~~ check and to credit the fund from which the ~~warrant or~~ check is drawn.

(2) If ~~any a~~ any a county ~~warrant or~~ check is returned and is not deliverable to the payee, the ~~warrant or~~ check shall be considered unclaimed and shall be submitted as unclaimed property to the Auditor of State in accordance with the Uniform Disposition of Unclaimed Property Act, § 18-28-201 et seq.

SECTION 5. Arkansas Code § 14-24-121 is amended to read as follows:

14-24-121. Electronic ~~warrants~~ funds transfer system.

(a) A disbursement of county funds used for a payment to a federal or

state governmental entity may be made by electronic funds transfer if the:

(1) Claim has been submitted and approved through the county claim process; and

(2) Disbursement includes adequate supporting documentation.

(b) A disbursement of county funds used for a payment not provided under subsection (a) of this section may be made by electronic funds transfer if ~~The~~ the quorum court of ~~each~~ the county ~~may establish~~ establishes by ordinance an electronic ~~warrants~~ funds transfer system directly into payees' accounts in financial institutions in payment of any account allowed against the county.

~~(b)(c)~~(1) For purposes of this section, counties opting for the electronic ~~warrants~~ funds transfer system shall establish written policies and procedures to ensure ~~that~~ the electronic ~~warrants~~ funds transfer system provides for internal accounting controls and documentation for audit and accounting purposes.

~~(2)~~ The electronic ~~warrants~~ funds transfer system under ~~subdivision (b)(1)~~ of this section shall comply with the information systems best practices approved by the Legislative Joint Auditing Committee before implementation by the county.

~~(e)~~(d) A single electronic ~~warrants~~ funds transfer may contain payments to multiple payees, appropriations, characters, and funds.

SECTION 6. Arkansas Code § 14-25-104(a), concerning county prenumbered checks, is amended to read as follows:

(a) All disbursements of county funds, except as noted in § 14-24-121, § 14-25-105, ~~which refers to petty cash funds~~, and § 14-25-112(b)(2), ~~which refers to debit cards issued for the balance of an inmate commissary trust account~~, ~~are to~~ shall be made by prenumbered checks drawn upon the bank account of that county official.

SECTION 7. Arkansas Code Title 21, Chapter 6, Subchapter 3, is amended to add an additional section to read as follows:

21-6-311. Debit card and credit card payments.

(a) A county may:

(1) Accept a legal payment and any associated costs through a debit card or credit card in accordance with applicable state and federal

law; and

(2)(A) Enter into a contract with a debit card company or credit card company and pay any fee normally charged by the debit card company or credit card company for allowing the county to accept the debit card or credit card as payment as authorized under subdivision (a)(1) of this section.

(B) When a payment is made through a debit card or credit card, the county shall assess a transaction fee equal to the amount charged to the county by the debit card company or credit card company which may be added to the payment amount.

(b) This section does not affect § 16-13-705 or § 26-35-506.