**Personnel Policies Self-Audit Checklist, LMC Model Form**

*League staff thoughtfully develops models for a city’s consideration. Models should be customized as appropriate for an individual city’s circumstances in consultation with the city’s attorney. Helpful background information on this model may be found in the* [Personnel Policies Chapter](https://www.lmc.org/resources/hr-reference-manual-chapter-7-personnel-policies/) *of the Human Resources Reference Manual.*

Use this checklist of items in the creation and revision of your personnel policies to ensure you have considered a full range of topics and create and keep up to date the guidelines needed to keep a city your size functioning smoothly from a human resources perspective. The Personnel Policies chapter of the Human Resources Reference Manual explains the legal and practical reasons for items included here. You may wish to add city-specific practices or delete items that do not apply to you to create a custom list for your city (use “File: Save As”).

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| **General Guidelines** | |
| ❑ | We understand how our form of government affects our personnel policies, e.g., who may have authority, and to what extent, over personnel decisions. |
| ❑ | We understand who has the authority to make decisions (final and preliminary) on personnel management issues, and our policies correctly reflect that. |
| ❑ | We have reviewed whether to use a policy or an ordinance format for our personnel rules and are consistent in using this form for updates. |
| ❑ | We have a scheme or plan for how and when to share personnel policy information with employees. |
| ❑ | We have designated someone to have responsibility for ensuring employees are familiar with the city’s policies. |
| ❑ | Our city has established a regular schedule for review of existing personnel policies. |
| ❑ | We know which city employees (if any) are covered by a bargaining agreement (union contract) and how that affects which general personnel policies they will be subject to. |
| ❑ | We know which city employees (if any) are covered by civil service bylaws or rules instead of general personnel policy guidelines. |
| ❑ | If our city gives individual departments the authority to establish policies or work rules to supplement the city’s overall personnel policies, we have specifically named the position(s) responsible for documenting such work rules and for sharing them with employees. |

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| **Purpose** | |
| ❑ | We know who is responsible for ensuring compliance with city personnel policies. |
| ❑ | We understand whether we have personnel policies and practices that create “at-will” city employees or, if not, that they can only be disciplined or terminated per the “just cause” standard. |
| ❑ | We know which employees, if any, have employment contracts with the city that provide for personnel rules separate from the general personnel policies. |
| ❑ | Our city has developed a “sign-off” sheet to verify each employee received a copy of the personnel policies any update we provide. Under [Minn. Stat. § 177.30](https://www.revisor.mn.gov/statutes/cite/177.30), employers are required to retain list of the personnel policies provided to the employee, including the date the policies were given to the employee and a brief description of the policies. |
| ❑ | We make it clear that revised personnel policies will always supersede any and all past versions of the policies. |

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| **Application of Personnel Policies** | |
| ❑ | Our city knows who is covered by its personnel policies, including whether and to what extent they apply to part-time employees, temporary or seasonal employees, elected or appointed officials, firefighters and volunteers. |
| ❑ | Our city understands whether we have independent contractors working for us who are not covered by city personnel policies. |

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| **Definitions** | |
| ❑ | Our city clearly defines terms used in the city’s personnel policies. |
| ❑ | Out city uses definitions found in state and/or federal law where appropriate. |
| ❑ | We know who is responsible for interpreting the definitions established in the city’s personnel policies, if necessary. |

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| **EEO/AA Policies** | |
| ❑ | Our city’s Equal Employment Opportunity statement identifies protected classes. |
| ❑ | We know whether our city receives any funds from state or federal grants requiring us to have an affirmative action plan. |
| ❑ | Our personnel policies include language acknowledging the protections afforded our employees by the Americans with Disabilities Act and/or Minnesota Human Rights Act. |

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| **Recruitment and Selection Policies** | |
| ❑ | Our city understands who has authority to make the hiring decisions for the city, and our personnel and hiring policies correctly reflect this. |
| ❑ | Our city designated someone who is responsible for managing the hiring process. |
| ❑ | Our city knows how vacancies will be posted (e.g., internally, externally, both). |
| ❑ | Our city has decided whether all vacancies will be advertised. |
| ❑ | Our city has identified the basis for hiring decisions (merit, fitness, etc.). |
| ❑ | Our city has a process for how applications will be reviewed (e.g., rated on 100-point scale). |
| ❑ | Our city understands how promotional opportunities will be handled (whether veterans’ preference will apply, and how postings will be handled for these opportunities). |
|  | Our city knows what types of exams and testing must and may be used (e.g., medical, psychological, drug and alcohol, including Clearinghouse checks for DOT covered employees, and/or preemployment physical ability). |
| ❑ | For police officer recruitments, we are aware of the League’s pre-employment, post offer physical abilities test that has been validated in accordance with EEOC standards, specifically for Minnesota’s city law enforcement departments. To learn more, click [here](https://www.lmc.org/resources/police-officer-physical-abilities-testing/). |
| ❑ | Our city knows the type of information that may and may not be included on the city’s employment application, such as [MN’s Preventing Pay Discrimination Act](https://www.revisor.mn.gov/statutes/cite/363a.08) prohibiting employers from inquiring into, considering or requiring disclosure of the pay history of an applicant for employment for the purpose of determining wages, salary, benefits, or other compensation for that applicant, and limits on asking for criminal history of an applicant for many city positions until the applicant has been selected for interview, just to cite a few examples. |
| ❑ | Our city has decided whether background checks are required or may be conducted and if needed, who will be responsible for conducting or coordinating them. |
| ❑ | Our city has defined whether probationary periods will be implemented in the hiring process. |
| ❑ | Our city prepares Wage Theft Notices for new hires. See the [Hiring Chapter](https://www.lmc.org/resources/hr-reference-manual-chapter-2-hiring/) of the HRRM for additional information. |

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| **Compensation Policies** | |
| ❑ | Our city has reviewed, and updated accordingly, our compensation and classification plan (comparable worth plan for pay equity). |
| ❑ | We have designated in our personnel policies how paychecks will be distributed. |
| ❑ | We have designated in our personnel policies whether employees are required to participate in direct deposit. |
| ❑ | Our city is aware of federal and state minimum wage rates. For additional information, refer to the [Compensation chapter](https://www.lmc.org/resources/hr-reference-manual-chapter-4-compensation/) of the HRRM. |
| ❑ | If our city uses timesheets to track hours worked, we have clearly designated who is responsible for signing them. |
| ❑ | Our personnel policies have designated, in general, who is eligible for overtime compensation. |
| ❑ | Our personnel policies designate whether overtime be approved before it is worked. |
| ❑ | If our city requires prior approval for overtime, our personnel policies name the circumstances, if any, under which it would be acceptable to work overtime without prior approval. |
| ❑ | Our personnel policies state whether time taken as paid leave and/or paid holidays will count as time worked for the purpose of calculating overtime. |
| ❑ | Our personnel policies state whether the city provides compensatory time in lieu of overtime compensation. |
| ❑ | If our personnel policies provide for compensatory time, we have designated the maximum accrual amount. |
| ❑ | Our personnel policies state whether compensatory time is paid out or bought down at the end of the year. Our city is also aware of constructive receipt issues associated with cashing out comp time – for additional information on constructive receipt, please refer to HR Reference Manual [Chapter 1- City Employment Basics](https://www.lmc.org/wp-content/uploads/documents/HRRM-City-Employment-Basics.pdf). |
| ❑ | If applicable, our policies state whether there are any defined work situations where overtime will always be paid out and others where compensatory time will always be earned. |
| ❑ | Our personnel policies state during what hours exempt and nonexempt employees are expected to be at work. |
| ❑ | Our personnel policies address whether department supervisors have flexibility in determining employee work schedules (start, end, breaks, etc.). |

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| **Holiday and Leave Policies** | |
| ❑ | Our personnel policies states which public holidays the city observes. |
| ❑ | Our personnel policies state whether employees are paid on city-observed holidays, and include provisions for part-time employees, as well as employees who get called in to work on a holiday. The policies also address additional compensation, if any, for working on a holiday. |
| ❑ | If our city offers paid leave programs to our employees (such as vacation, sick, funeral leave or other paid-time-off programs), the terms and conditions are included in our city’s personnel policies. |
| ❑ | If our city has paid leave programs, our policies state which employees are eligible to accrue paid leave. |
| ❑ | If our city has paid leave programs, our personnel policies state whether paid leave hours are counted as hours worked for calculating overtime under the Fair Labor Standards Act. |
| ❑ | Our city offers [Earned Sick and Safe Time](https://www.lmc.org/resources/earned-sick-and-safe-time-law-what-cities-need-to-know/) (ESST) to eligible employees at the rate of one hour of ESST for every 30 hours worked, with the ability to accumulate at least 48 hours of ESST each year. An employee is anyone who works at least 80 hours in a year for an employer in Minnesota but does not include independent contractors. |
| ❑ | Our city’s policies address leaves that are required according to state or federal law. Required leaves may vary depending on the number and type of employees but can include Family and Medical Leave, MN Parental Leave, ESST, leave for bone marrow and organ donation, school conferences leave, military leave, jury duty, or voting leaves. |
| ❑ | If our city provides for unpaid leaves of absence, the circumstances and procedures are included in our personnel policies. |
| ❑ | Our personnel policies state the responsibilities of an employee or supervisor in the event someone is injured on the job. |
| ❑ | Our personnel policies say how employees inform the city of a workplace emergency and the procedures they need to follow. |
| ❑ | Our city understands that nursing and lactating employees have a right to choose break times to express milk, regardless of their child’s age, regardless that is during an existing paid break, during an existing unpaid break (such as a meal break), or during some other time. |
| ❑ | Our city notifies all employees of the rights of pregnant and lactating employees when hired, when an employee makes an inquiry about or requests parental leave, and in an employee handbook if one is provided. The Minnesota Department of Labor and Industry (DLI) makes the [required notice language](https://dli.mn.gov/newparents) available. |

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| **Performance Evaluation Policies** | |
| ❑ | Our city established either a formal or an informal process of evaluating employee performance. |
| ❑ | Our city’s employee job descriptions are reviewed and updated regularly, ideally at the time of the employee’s annual performance evaluation. |
| ❑ | Our supervisors use forms when conducting performance evaluations, even if the evaluation process is informal. |
| ❑ | Our personnel policies provide employees an opportunity to provide input into their own performance evaluations either before or after the evaluation. Our city is familiar with the [2014 Minnesota Supreme Court Schwanke decision](https://caselaw.findlaw.com/mn-supreme-court/1674939.html) that employees can challenge their performance evaluations for accuracy and completeness under the Minnesota Government Data Practices Act. |
| ❑ | Our city has guidelines in place to ensure employees are evaluated solely on job-related factors. |

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| **Length-of-Service Programs** | |
| ❑ | If our city has a length-of-service program, we have a clearly defined method for tracking an employee’s length of service with the city. |
| ❑ | If our city provides longevity pay, the parameters for earning this pay are clearly defined. |

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| **Benefit Policies** | |
| ❑ | If our city provides fringe benefits to employees, they are described in our personnel policies. |
| ❑ | If our city provides fringe benefits, our personnel policies state which employees are eligible for which benefits. |
| ❑ | If our city provides fringe benefits, our personnel policies state what portion of the benefit premiums are paid by the city and which portion is paid by the employee. |
| ❑ | If our city provides fringe benefits, our personnel policies clearly state benefits in which employee participation is required and those which are optional. |
| ❑ | Our city has city determined whether it is a large or small employer according to the Patient Protection and Affordable Care Act (federal health care reform). |
| ❑ | If our city has one or more bargaining units (unions) and we offer fringe benefits, personnel policies provide information on any differences in the benefits offered to those in the bargaining from those offered to non-union employees. |

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| **Discipline Policies** | |
| ❑ | Our city understands whether our personnel policies and practices create “at-will” city employees. |
| ❑ | Our city provides employees with an opportunity to respond to allegations regarding job performance (especially when termination is being considered). |
| ❑ | Our personnel policies state which position has the authority to determine the appropriate level of discipline and to administer said discipline. |
| ❑ | If the city’s policy states discipline will be progressive, we also include a statement permitting the city to bypass certain disciplinary steps when deemed appropriate. |
| ❑ | If our city provides for progressive discipline, it defines the potential disciplinary steps, such as oral reprimand, written reprimand, paid suspension, unpaid suspension, and discharge and termination. |
|  | When our city is demoting or terminating a qualified veteran, we understand we are required to provide a qualified veteran with proper written notice, including the opportunity to challenge the decision and/or request a hearing within 30 days. The city must continue to pay any ways to the employee until one of the following occurs: |
|  | * The veteran fails to respond by the end of the 30 days after having received written notice of his/her right to appeal. * The veteran responds to the notice stating he/she does not want a hearing. * A settlement agreement is worked out between the city and the veteran in which the veteran waives his/her right to a hearing. * The hearing is held, and a decision is rendered upholding the termination. |
|  | For additional information, see LMC Memo, [Veterans Preference in Discipline, Discharge or Job Elimination](https://www.lmc.org/wp-content/uploads/documents/Veterans-Preference-in-Discipline-Discharge-or-Job-Elimination.pdf). |
| **Separation from Employment Policies** | |
| ❑ | Our city pays out an employee’s accrued compensatory time and vacation leave as required by law (if any) when the employee separates from employment with the city. |
| ❑ | Our city is aware that based on a 2023 Minnesota Supreme Court case, some standard employee handbook disclaimers may not be enough to rely on to prohibit Paid Time Off (PTO) balance payouts for separating employees. Specifically, in the event of an employee separation and an associated employee’s failure to provide sufficient notice to the city to qualify for the payout on the employee’s leave balance, it is important to consult the city attorney regarding accrued leave payouts. For additional information, refer to the *Hall v. City of Plainview* case in the [Discipline and Termination Chapter of the HRRM](https://www.lmc.org/wp-content/uploads/documents/HRRM-Discipline-and-Termination.pdf). |
| ❑ | Our personnel policies state whether employees must submit their resignation in writing. |
| ❑ | Our city is aware of the federal and state benefit continuation requirements for exiting employees, including, but not limited to early (under 65) and/or regular (65+) retirees. |
| ❑ | Our city’s personnel policies have addressed how the city will determine which employees to layoff should that be necessary, including whether “bumping” or any other seniority right would apply during a layoff. |
| ❑ | Our city has established, or has considered establishing, call-back guidelines for our personnel policies in the event employees are needed to return to work following a layoff. |
| ❑ | Our personnel policy is clear that the need for separation from employment due to any employee’s medical issues or disability will be evaluated on a case-by-case basis. |

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| **Other Personnel Policies** | |
| ❑ | Our city has a written sexual harassment prevention or respectful workplace policy, and we provide employees with training on the policy. |
| ❑ | If the city does not have a written policy, employees been advised that sexual harassment is illegal under both state and federal law. |
| ❑ | Any grievance policy within the city’s personnel policies clearly states those practices which may be grieved (e.g., the application, meaning, or interpretation of the city’s personnel policies). |
| ❑ | Our grievance policy clearly establishes timeframes. |
| ❑ | Our city has policy language regarding the Minnesota Government Data Practices Act, such as designating the responsible authority and compliance official, defining personnel data and has set procedures for releasing data to the public. |
| ❑ | Our city has a safety committee and a written safety manual. |
| ❑ | If our city wishes to drug or alcohol test non-DOT employees, we have adopted a drug and alcohol testing policy established under state law. |
| ❑ | If a DOT covered CDL driver for our city operates a city vehicle that:   1. has a gross vehicle weight rating of 26,0001 pounds or more, 2. has a gross combination weight rating of 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds, 3. are designed to carry 16 or more passengers including the driver, or 4. are of any size and are used in the transportation of materials where the vehicle is required to be placarded under the Hazardous Materials Regulations 49 CFR part 172 commercial motor vehicle over 26,000 pounds gross vehicle weight rating (GVWR) or gross combination weight (truck plus trailer) on public roads. |
| ❑ | The city has a drug and alcohol testing policy established under federal law for holders of these licenses. |
| ❑ | If the city has computers/laptops/tablets, voice mail, cell phones, etc., we have a policy establishing appropriate use of such equipment. |
| ❑ | Our technology policy clearly states employees should not have any expectation of privacy regarding use of city-owned equipment or technology. |
| ❑ | Our city knows about the mandated reporting requirements by youth recreation program employees who are 18 years old or older and as a best practice offers training. For additional information refer to the [Hiring Chapter](https://www.lmc.org/wp-content/uploads/documents/HRRM-Hiring.pdf) of the HR Reference Manual. |