

THE SCHOOL BULLETIN

And Uniform Compliance Guidelines

ISSUED BY STATE BOARD OF ACCOUNTS

Vol. No. 217

March 2017

ITEMS TO REMEMBER

March

- 1 Prove all ledgers for the month of February.
- 1 Deadline for each political subdivision to submit annual report to the Department of Local Government Finance in Gateway Debt Management of any outstanding bonds or leases (as of January 1). (IC 5-1-18-9)
- 1 Last day for political subdivisions to report to the Department of Local Government Finance information and data on its retiree benefits and expenditures. (IC 36-1-8-17.5)
- 20 Last day for Early Filers to report and make payment of state and county income tax withheld during February to the Department of Revenue. Monthly Filers have until 30 days after prior month's end. For questions on filing status, contact the Indiana Department of Revenue.
- 31 Last day for the governing board of a school corporation to publish an annual performance report of the school corporation. (IC 20-20-8-3) The report must be published one (1) time annually under IC 5-3-1. (Not earlier than March 15 or later than March 31 or each year)
- 31 Deadline for fiscal year schools to adopt a budget for the 2018 fiscal budget year. (IC 6-1.1-17-5.6)
- 31 If using e-file, last day to file form W-2 with Form W-3 with the Internal Revenue Service.
- 31 All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local offices with the balance statements provided by the respective depositories. (IC 5-13-6-1)

April

- 1 Prove all ledgers for the month of March.
- 14 Legal Holiday – Good Friday. (1-1-9-1)
- 15 Before this date, the board of school trustees of the school corporation located entirely or partially within the county which has the greatest taxable valuation of any school corporation of the county shall appoint a member to serve as a member to the County Board of Tax Adjustment. (IC 6-1.1-29-1; IC 6-1.1-29-2) IC 6-1.1-29-9 provides that the county council may adopt an ordinance to abolish the County Board of Tax Adjustment, which must be adopted by July 1 and may not be rescinded in the year it is adopted.
- 20 Last day for Early Filers to report and make payment of state and county income tax withheld during February to the Department of Revenue. Monthly Filers have until 30 days after prior month's end. For questions on filing status, contact the Indiana Department of Revenue.
- 30 Last day to file Employer's Quarterly Federal Tax Return, Form 941, with the Internal Revenue Service for payment of federal tax withheld.

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ITEMS TO REMEMBER
(Continued)

April cont.

- 30 Last day to file quarterly reports with the Indiana Department of Workforce Development for the quarter ending March 31.
- 30 All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local offices with the balance statements provided by the respective depositories. (IC 5-13-6-1)

May

- 1 Prove all ledgers for the month of April.
- 20 Last day for Early Filers to report and make payment of state and county income tax withheld during February to the Department of Revenue. Monthly Filers have until 30 days after prior month's end. For questions on filing status, contact the Indiana Department of Revenue.
- 29 Legal Holiday – Memorial Day (IC 1-1-9-1)
- 31 On or before June 1 and December 1 of each year the school corporation shall certify to the county treasurer the name and address of each person who has money due from the school corporation. (IC 6-1.1-22-14)
- 31 All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local offices with the balance statements provided by the respective depositories. (IC 5-13-6-1)

UNEMPLOYMENT COMPENSATION

IC 22-4-8-2 provides for service performed after various dates by an individual in the employ of the State or a political subdivision of the State or any instrumentality of the State will be covered under the Act. Certain exclusions are listed.

IC 22-4-11 provides for the contribution rates.

EXTRA-CURRICULAR CERTIFIED INVOICES IN LIEU OF SIGNED CLAIMS

IC 5-11-10-1.6 necessitated the Prescribed Form 523, Accounts Payable Voucher, for school corporations. Extra-Curricular payments should still be made by using an SA-1, Purchase Order and Payment Authorization Voucher, or SA-7, Claim For Payment, in certain situations, both of which contain the certification language required by IC 5-11-10-1.6.

SCHOOL NUTRITION DIRECTOR HIRING GUIDE

We have been notified that the Indiana Department of Education in conjunction with the Indiana Nutrition Association, has published a guide on the Ins and Outs of hiring a school nutrition director. The guide was developed in response to the professional standards for state and local School Nutrition Program (SNP) personnel that was required by the federal Healthy, Hunger-Free Kids Act of 2010. That act includes specific hiring standards for SNP personnel and the requirements for them to complete annual continuing education and training. The intent of the guide was to make schools aware of the new standards and assist schools with recruiting and hiring a SNP Director. For more information you can access the guide at http://www.doe.in.gov/sites/default/files/nutrition/final-design-professional-standardsinsnp-updated-12-15_0.pdf.

UNIFORM COMPLIANCE GUIDELINES MANUAL

If you have been to the State Board of Accounts website recently, then you may have noticed that we started to update the Uniform Compliance Guidelines Manual for Indiana School Corporations. The biggest change is that we have reduced or eliminated chapters and sections that were quotations or paraphrased Indiana Code. We feel that schools have the ability to access Indiana Code easily; this would eliminate any confusion when statute changes and the Manual does not get updated immediately. You will also notice that we created a separate Manual that covers Information Technology. It was determined that the increase in dependence on computerized records and automated processes lent itself to creating a separate Manual. We will continue to update the Manuals so they supplement and provides guidance on issues not addressed in Indiana Code.

ELECTRONIC BANKING SCHEME

We have been made aware of numerous governmental units, including School Corporations, that have had money stolen, or attempted to be stolen, from their bank accounts via fraudulent ACH/EFT withdrawals. The scheme includes sending a notification/authorization email that appears to be from an Administrator to an Accounts Payable Clerk or a Bank employee. The email instructs the recipient that a bogus electronic withdrawal has been authorized for payment. The Bank makes the electronic payment and the governmental unit does not discover it for a number of days or not until the bank account is reconciled. Because of the lapse in time to discover the fraudulent payment and the complexity of the scheme, the governmental unit has not always recovered its money. If a School Corporation is going to make electronic payments, then we strongly encourage internal control procedures be established to limit exposure to these schemes. Control activities could include setting up specific authorization procedures with the bank that includes email and phone call notification; limit the types/vendors of payments that are authorized to be paid electronically; and assign School personnel to routinely monitor bank payments throughout the period between reconcilements.

GATEWAY ANNUAL FINANCIAL REPORT

We want to remind everyone that for the upcoming Gateway Annual Financial Report (AFR) the submitter will be required to certify that the School Board has adopted the minimum level of internal controls as detailed in IC 5-11-1-27, and they will be required to certify that all "personnel" have received approved training. The definition of "personnel" is listed in subsection (c) of the statute. The SBOA has provided approved training on its website, but we also wanted to let you know a few outside parties have received approval for their training material. The outside party should be able to provide the School Corporation with the approval letter that was issued by the SBOA.