The background features a large, faint watermark of the Seal of the State Board of Accountants of Indiana. The seal is circular, with the words "STATE BOARD OF ACCOUNTANTS" around the perimeter and "INDIANA" at the top. In the center is a figure holding a scale and a sword, surrounded by stars.

SBOA Coronavirus Guidance

**Jonathan Wineinger – Director of Audit
Services – Schools/Townships**

State Board of Accounts



SBOA is OPEN for business, willing to take calls during business hours, and respond to emails as quickly as we can.

Please don't hesitate to contact us via email or phone:

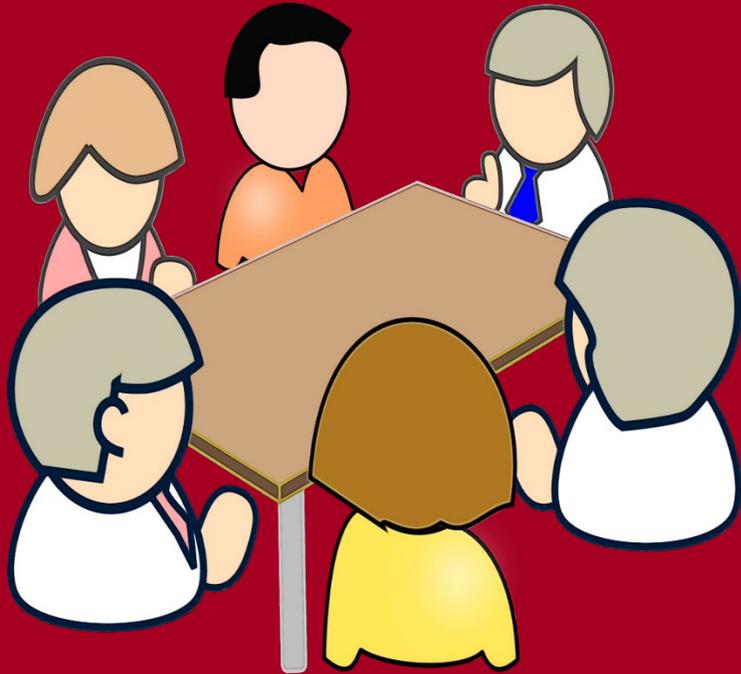


Schools.townships@sboa.in.gov



317-232-2512

SBOA Coronavirus Guidance



- ✓ **Memos**
- ✓ **State Examiner Directives**

SBOA Coronavirus Guidance Memorandums



<https://www.in.gov/sboa/>

- Policy Regarding Coronavirus (3-12-20)
- Coronavirus Items to Consider (3-16-20)
- Assistance During COVID-19 (3-31-20)
- Continuity of Essential Operations (4-03-20)
- Temporary Transfer of Funds (4-09-20)

SBOA Coronavirus Guidance Memorandums Continued



- Electronic Signatures (4-14-20)
- CARES Act Fund Numbers (4-20-20)
- Coronavirus Relief Fund Guidance (4-23-20)
- Enhanced Regulatory – Delayed Implementation (4-27-20)
- COVID Grant Accounting and Appropriations (4-29-20)
- Fraud Schemes (5-11-20)

Memo – Policy Regarding Coronavirus – March 12, 2020



Consult your attorney

Develop written policies with broad language

- Can prevent changes/amendments

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Web Site: www.in.gov/sboa

MEMORANDUM

March 12, 2020

Re: Policy for Coronavirus

Dear Officials,

We have received several questions regarding the Coronavirus (COVID-19) and its impact on governmental activities. Currently the questions are centering on disruption of travel, work environment, and employee benefits/compensation.

We urge governing bodies to work in the very near future with their attorneys to develop a policy specific to this emerging pressing situation. It should incorporate those items that could be of concern in the coming months. We would advise that this policy have broad language that may reference more specific materials so that the policy does not need to be constantly updated and approved to address the quickly changing real-time issues. The policy should be adopted through normal processes as provided by statute, including public meetings. IC 5-14-1.5-5(d) provides for emergency meetings if those become necessary. Also, if you have collective bargaining, do not forget to consider the agreement's impact.

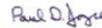
We will not take audit exception to these policies and resulting responses that are due to the Coronavirus.

We will be providing in a separate communication Monday suggestions and items to consider.

Please continue to send any questions to the Directors, they may be reached at 317-232-2512.

The wellbeing of our citizens is paramount to us all.

Sincerely,

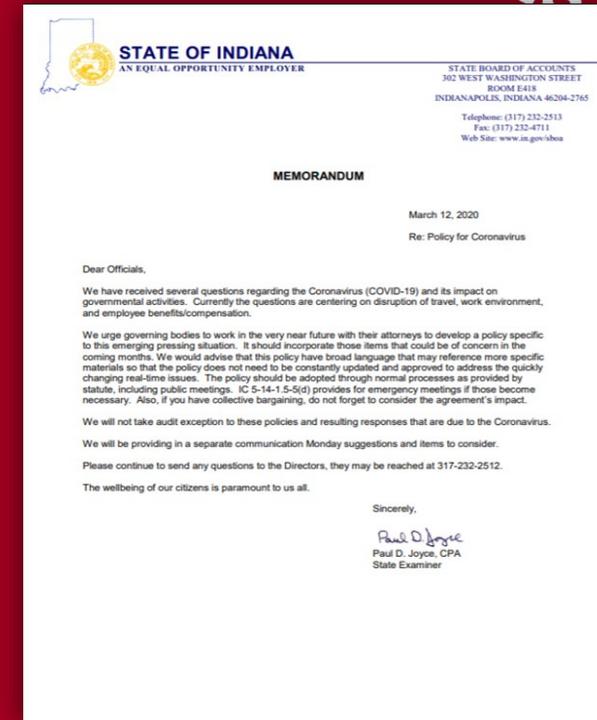

Paul D. Joyce, CPA
State Examiner

Memo – Policy Regarding Coronavirus – March 12, 2020 (Cont.)

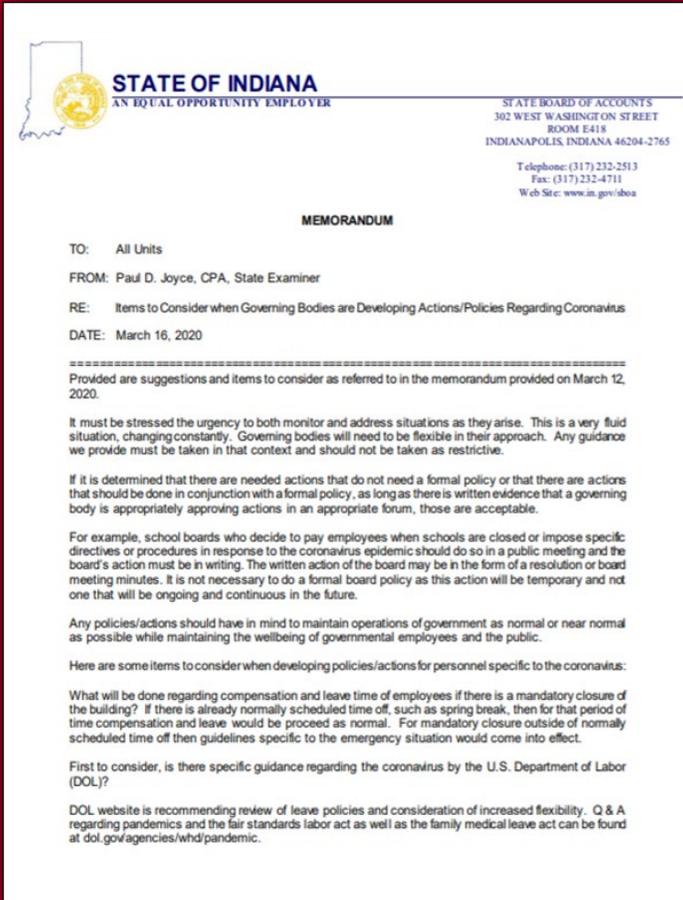


• Emergency Meetings

- IC 5-14-1.5-5(d)
- Time requirements for posting don't apply
- Still have to give notice
 - Media notified same as board members



Memo – Coronavirus Items to Consider – March 16, 2020

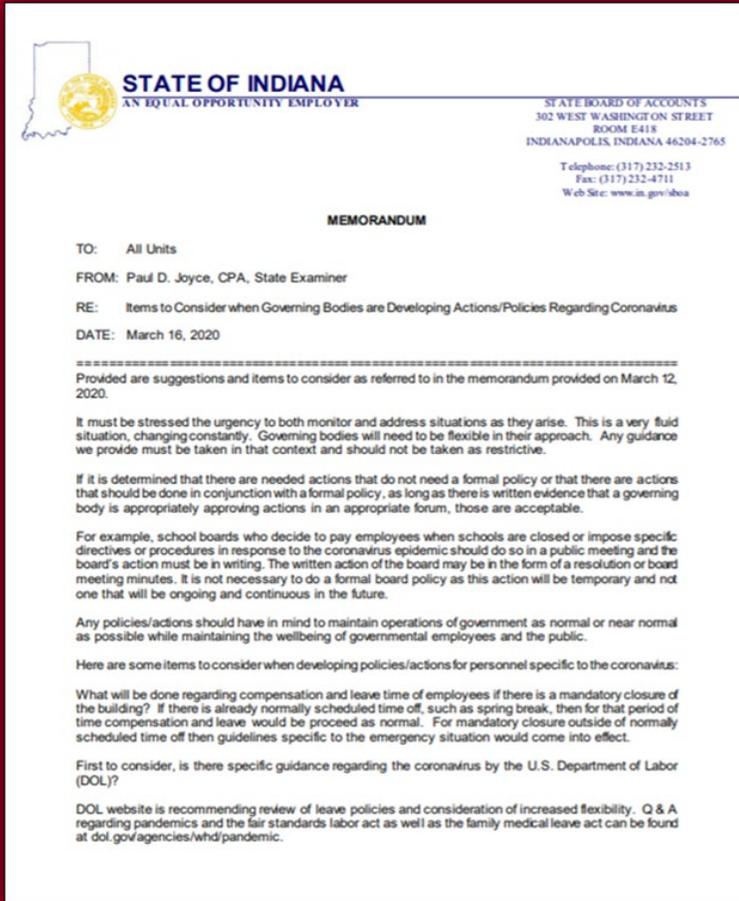


SBOA Guidance should not be taken as restrictive

Monitor and address situations as they arise

Governing Boards will need to be flexible

Memo – Coronavirus Items to Consider – March 16, 2020 (Cont.)



Written policies/ actions

- Maintain operations as normal as possible
- Maintain wellbeing of employees & public

Memo – Coronavirus Items to Consider –
March 16, 2020 (Cont.)



- **Items to Consider**

- Payroll
 - DOL guidance
 - Recommended review of leave policies & increased flexibility
 - www.dol.gov/coronavirus
 - www.dol.gov/agencies/whd/pandemic
- What work can be done remotely / what needs to be done at a government location

Memo – Coronavirus Items to Consider –
March 16, 2020 (Cont.)



- **Items to Consider**

- Compensation & leave time – mandatory closing of office/building
- Trade days off
- Establishing the number of employees that can be in certain areas
- Who makes decision for remote work
- Security of records / assets taken off site

Memo – Coronavirus Items to Consider –
March 16, 2020 (Cont.)



- **Items to Consider**

- What if employee can't work at home
 - How will employees be paid
 - SBOA will not take audit exception to extension of paid leave time that is in accordance with allowable approved policies/actions and provisions
- Tracking costs
 - Important if Feds reimburse your township

Memo – Coronavirus Items to Consider –
March 16, 2020 (Cont.)



- **Items to Consider**

- During a health crisis a broader reading of statutory uses is permissible.
- SBOA Will not take audit exception if:
 - Executive orders are followed.
 - Policies are adopted in a public meeting to approve expenditures.
 - Has legal opinions documented.
 - The policies adopted explains the need is to address the economic effects of the public health crisis.

Memo – Continuity of Essential Operations
April 3, 2020



- **Items to Consider**

- What will we do if key personnel are unable to work?
 - Consider rotating duties, teaching other employees important functions.
- FEMA Continuity Resource Toolkit
 - <https://www.fema.gov/continuity-resource-toolkit>
- Townships should have their designee informed! IC 36-6-4-18

Memo – Continuity of Essential Operations
April 3, 2020 (Cont.)



Items to consider

- Designating individuals to fill in for the fiscal officer
- Developing a Delegation of Authority
- Contact banking representative
- Provide designated individuals contact information
- Identify Essential tasks
- Provide employees with equipment to work from home.
- Interlocal Cooperation may be helpful.

Memo – Temporary Transfer of Funds

April 9, 2020



- IC 36-1-8-4(a) provides for the temporary transfer of funds for cash flow purposes

These conditions must be met:

- 1) it must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes
- 2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred
- 3) The prescribed period must end during the budget year or the year in which the transfer occurs
- 4) The amount transferred must be returned to the other fund at the end of the prescribed period
- 5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred

Memo – Temporary Transfer of Funds
April 9, 2020 (Cont.)



- Ordinance or Resolution
- Acknowledge the required conditions stated in IC 36-1-8-4(a)
- Specify the amount of money which will be transferred from one fund to another, stating the Name and Fund Number of the affected funds

Memo – Temporary Transfer of Funds April 9, 2020 (Cont.)



- IC 36-1-8-4(b) provides extension for repayment
- Passes an ordinance or resolution that contains the following:
 - a) A statement that the fiscal body has determined that an emergency exists
 - b) A brief description of the grounds for the emergency
 - c) The date the loan will be repaid that is not more the 6 months beyond the budget year in which the transfer occurs
 - d) Immediately forwards the ordinance or resolution to the SBOA and DLGF

Memo – Electronic Signature
April 14, 2020



- Adjust Signature process from hand-written to electronic
 - Electronic signatures are generally controlled by IC 26-2-8, Uniform Electronic Transactions Act
 - SBOA will not take audit exception with electronic signature as long as the corresponding procedures comply with the relevant parameters set out in Indiana Code **(Does not allow unit to alter or circumvent other statutory constraints – IC 26-2-8-107)**
 - Units should have adequate internal controls

Memo - Cares Act Fund Numbers
April 20, 2020



- CARES Act Provider Relief Fund
 - Units that received fee-for-service (FFS) reimbursements in 2019 are eligible
 - If unit qualified, payment will be received automatically

Memo - Cares Act Fund Numbers
April 20, 2020 (Cont.)



- Funds may be wired directly into bank account without any accompanying paperwork or notice
- Contact the bank for information of the source of funds
- Payments from the Provider Relief Fund will come via Optum Bank with “HHSPAYMENT” as the payment description

Memo - Cares Act Fund Numbers April 20, 2020 (Cont.)



- Guidance on tracking, allow uses and unallowable uses for assistance from the Provider Relief Fund - www.hhs.gov/providerrelief
- If unit has received Provider Relief Fund **YOU MUST TAKE ACTION** by visiting the CARES Provider Relief Fund Payment Attestation Portal through hhs.gov/providerrelief within 30 days of payment
- Please send attestation/confirmation documentation to dgibson@sboa.in.gov
- Assign an available number using the Fund Name – CARES Provider Relief Fund

Memo - Enhanced Regulatory Delays
April 27, 2020



- Audits for the year 2019 will not include the Enhanced Regulatory Basis of Accounting updates scheduled for 2019
- The updates that were implemented for the 2019 AFR (Due March 1, 2020) will still be required for the 2020 AFR (Due March 1, 2021)
- The Enhanced Regulatory Basis of Accounting updates scheduled for the 2020 AFR (Due March 1, 2021) are postponed.

Accounting and Appropriation of COVID-19
Grants
April 29, 2020



- COVID-19 Funds appropriated by Congress
- SBOA will not take audit exception to establishing these funds without the adoption of an ordinance.
- Separate fund should be established for each separately identified assistance provided
- Fund Number and Fund Name should clearly identify assistance being provided – **COVID should be part of naming title**

Recent Fraud Schemes
May 11, 2020



- Fraudsters and Scammers continuing to work to try and get your money
- Review bank activity frequently
 - Verify recorded deposits
 - Verify withdrawals
- Reconcile monthly

Recent Fraud Schemes
May 11, 2020 (Cont.)



- Consider use of Positive Pay
- Work with your bank

State Examiner Directive 2020-2 Application for Township Assistance



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STATE EXAMINER DIRECTIVE 2020-2

Date: March 20, 2020

Subject: Application for Township Assistance

Authority: IC 5-11-1-2; IC 12-20-6-1

Application: This Directive applies to all Township Trustees

From: Paul D. Joyce, CPA, State Examiner

State Examiner Memorandums titled Policy Regarding Corona Virus dated March 12, 2020, and Corona Virus Items to Consider dated March 16, 2020, are hereby incorporated by reference into this Directive.

During the time of this Public Health Emergency, Township Trustees may need to adjust normal procedures used to complete and document the Application for Township Assistance (Township Form TA-1) and the Application for Additional or Continuing Township Assistance (Township Form TA-1B).

Indiana Code 12-20 governs Township Assistance and is still in effect during the Public Health Emergency. However, the State Board of Accounts will not take audit exception to the Township Trustee or designated deputy assisting the applicant in the completion of the Application for Township Assistance or the Application for Additional or Continuing Township Assistance by telephone or other digital methods.

In addition, the State Board of Accounts will not take audit exception to the following alternative procedures regarding applicant signature lines on the Application for Township Assistance.

Notice of Public Law. If the applicant cannot provide a signature or electronic confirmation that the applicant has read the Notice of Public Law, the township trustee or designated deputy may read the Notice of Public Law to the applicant by telephone. The township trustee or designated deputy must indicate on the Signature of Applicant line: I, [name], Township Trustee/deputy of _____ Township read the Notice of Public Law to the applicant by telephone." The Township Trustee/deputy should affix his or her signature to this statement.

Affidavit. If the applicant cannot provide a signature or electronic confirmation of the certifications required in the Affidavit section, the township trustee or designated deputy may read the Affidavit to the applicant by telephone. The township trustee or designated deputy must receive an affirmative answer from the applicant for each certification contained in the Affidavit section. The township trustee or designated deputy must indicate on Signature of Applicant line: "The applicant affirmed each statement contained in the Affidavit to me, Township Trustee/deputy of _____ Township, by telephone." The Township Trustee/deputy should affix his or her signature to this statement.

Also, the State Board of Accounts will not take audit exception to the following alternative procedures regarding applicant signature lines on the Application for Additional or Continuing Township Assistance.

Affidavit. If the applicant cannot provide a signature or electronic confirmation of the certifications required in the Affidavit section, the township trustee or designated deputy may read the Affidavit to the applicant by telephone. The township trustee or designated deputy must receive an affirmative answer from the

- Township Assistance Application (TA-1)

- Application for Additional or Continuing Township Assistance (TA-1B)

State Examiner Directive 2020-2
Application for Township Assistance (Cont.)



IC 12-20 governs Township Assistance

- May need to adjust TA-1 or TA-1B
- May assist applicants by telephone or other digital methods

State Examiner Directive 2020-2
Application for Township Assistance (Cont.)



- **Alternate procedures regarding signature lines**
 - **Application for Township Assistance**
 - Notice of Public Law
 - Affidavit

State Examiner Directive 2020-2
Application for Township Assistance (Cont.)



- **Alternate procedures regarding signature lines**
- **Application for Additional or Continuing Township Assistance**
 - Affidavit

State Examiner Directive 2020-2
Application for Township Assistance (Cont.)



- Directive 2020-2 will be rescinded upon declaration by the Governor that the Public Health Emergency has ended

State Examiner Directive 2020-2
Application for Township Assistance (Cont.)



- Modified Application
- <https://indianatownshipassoc.org/wp-content/uploads/2019/10/memo-temp-application.pdf>

Additional Guidance



- DLGF Info on Coronavirus
 - Waiver of Penalties for Delinquent Property Tax Payments 3-20-20
 - COVID-19 & Executive Orders FAQ 3-27-20
 - Cash Flow Solutions 3-30-20
 - Public Meetings and Hearings 3-30-20
 - Guidance on Additional Appropriations during Public Health Emergency 4-24-20

Additional Guidance (Cont.)



- PAC
 - Updated Emergency Guidance on Public Access Laws 3-23-20
 - FAQs Regarding COVID-19 and Public Access Laws 3-23-20
- Governor Executive Orders
 - Updated Emergency Guidance on Public Access Laws 3-23-20
 - FAQs Regarding COVID-19 and Public Access Laws 3-23-20
- Federal Government Resources
 - CARES Act Information for State, Local and Tribal Governments

Conclusion



- **Keep monitoring; things are fluid**
- **Work with your attorneys**
- **Document policies/actions in writing**

Contact Information



- **Chase Lenon, CPA**
- **Jonathan Wineinger**
- Directors of Audit Services



Schools.townships@sboa.in.gov



317-232-2512