



Township Requirements

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About SBOA



- Created in 1909 in response to widespread political corruption.
- Responsibilities:
 - Perform audit/exams/special investigations of governmental units
 - Prescribe forms and procedures used by governmental units
 - Various other duties including recounts, training for local officials, consulting services, other legislatively mandated services.

SBOA Staff



- SBOA Board (State Examiner, 2 Deputies)
- Directors of Audit Services (6 Historically)
- Audit Coordinators (5 Historically)
- Special Investigation Coordinators (2)
- Field Examiners (approx. 230)

Regulations



- Indiana Code
- Uniform Compliance Guidelines
 - “Township Manual”
 - Bulletins
 - State Examiner Directives
- Grant Requirements
 - Code of Federal Regulations (CFR)

“Annual Report” vs. Annual Report



1. Present Annual Report to Township Board IC 36-6-4-12
2. Publish Annual Report IC 5-3-1 and IC 36-6-4-13
3. File Annual Financial Report (AFR) with the State Examiner IC 5-11-1-4

- <https://www.in.gov/sboa/files/TwpBULL%20December%202018-updated.pdf>

Trustee Responsibilities IC 36-6-4



- Attend all meetings of the township legislative body
- Receive and pay out township funds
- Examine and settle all accounts and demands chargeable against the township
- Keep a written record of official proceedings
- Manage all township property interests
- Keep township records open for public inspection
- Reside within the township

Trustee Responsibilities (Continued)



- **Township Assistance** IC 12-20 and 12-30-4
 - Local Twp Assistance Standards!
- **Cemetery Maintenance** IC 23-14
- **Fire Protection** IC 36-8
- **Parks and Community Centers** IC 36-10
- Perform the duties of **fence viewer** IC 32-26

Trustee Responsibilities (Continued)



- **Maintain a general account** showing the total of all township receipts and expenditures (this is a total of all funds)
- **Maintain the financial and appropriation record** of the township
 - must include an itemized and accurate account of the township's financial affairs (this is the ledger)
- Destroy detrimental plants, noxious weeds, and rank vegetation IC 15-16-8
- Provide insulin to the poor IC 12-20-16
- Other duties prescribed by statute.

Annual Township Meeting



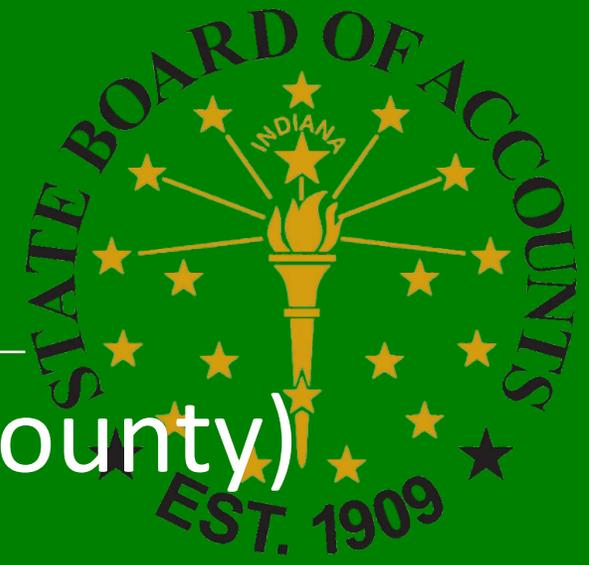
- IC 36-6-6-11
 - Present an itemized written statement of the **estimated expenditures for which appropriations are requested**.
 - Be available to answer questions from the legislative body and/or taxpayers.
 - **Present a complete report** of all receipts and expenditures of the preceding calendar year.
 - File a copy of this report, and all accompanying vouchers in the County Auditor's office.
 - **Publish** an abstract of this report in accordance with IC 5-3-1
 - Must **fix the compensation** of all officers and employees of the township through the budget and on Form 17

Annual Township Meeting (Continued)



- Meeting Date: “On or before the third Tuesday after the first Monday in February of each year” (2-4-19 to 2-19-19)
 - Adopt the township annual report.
- When the term of office expires, the trustee shall:
 - Immediately deliver all funds and Twp property, **except records necessary in the preparation of the annual report.** IC 36-6-4-14

Township Board Duties



- 3 Member board (except in Marion County)
 - Elected to 4 year terms
 - Must be reside in the Township
- **Main Duty – Approve Budget**
- During Annual Meeting
 - Must elect a Chairperson and a Secretary
 - Secretary is responsible for recording the minutes of the proceedings of each meeting in full

Nepotism/Contracting With a Unit



- Nepotism Policy IC 36-1-20.2-9
- Contracting With a Unit Policy IC 36-1-21-4
- **Annually required to certify** that you did not violate those policies.

Nepotism



- Cannot have relatives as employees in **direct line of supervision**
IC 36-1-20.2-10
- Nepotism exception for townships IC 36-1-20.2-15
 - If the **office is in your home**, you can hire a family member, but they **cannot receive more than \$5,000** in compensation for the year.
- Grandfathered in if:
 - Maintained **continuous employment**.
 - Employed before Nepotism law took effect July 1, 2012.

Official Bond



- Official Bond requirements:
 - Be payable to the State of Indiana IC 5-4-1-10
 - Approved by County Auditor IC 5-4-1-8
 - Filed with County Recorder within 10 days of issuance IC 5-4-1-5.1
- Amount shall be equal to **\$30,000** for each \$1,000,000 or receipts during the last complete fiscal year IC 5-4-1-18
 - Minimum = \$30,000
 - Maximum = \$300,000 (unless approved)

Advertising Requirements



- Open Door Law IC 5-14-1.5-5
 - Public Meetings → 48 hours notice (Sign/advertisement)
- Public Access Counselor
 - <https://www.in.gov/pac/>

Advertising Requirements (Continued)



- IC 5-3-1-2 (Publish in paper)
 - **Elections** – 10 days
 - **Sale of Bonds** – 15 days and 3 days before sale
 - **Receive bids** – **Twice** at least 1 week apart and 7 days before received
 - **Establish Cumulative/Sinking Fund** – **twice** at least 1 week apart and 3 days before hearing
- **AFR** – 4 weeks after third Tuesday following third Monday (**2 newspapers**)
- Budget information – refer to DLGF Budget and Tax Rate Calendar
 - If IC 5-3-1-3 not mentioned – follow 10 day requirement for other meetings that require publishing in the paper

Township Deposit Law



- Indiana Code 5-13-16-1(c) states in part: “...public funds collected by the township trustees shall be deposited in the designated depository on or before the **first and fifteenth day** of each month.”

Compensation



- IC 36-6-4-17
- A trustee is entitled to receive:
 - **Salary**
 - Reimbursement for expenses **reasonably** incurred for:
 - Operation of the office
 - **Travel and meals** while attending seminars or conferences on township matters
 - A sum for **mileage** as permitted under IC 36-6-8-3(b)

Compensation (Continued)



- Other things to remember:
 - Salary can not be paid in advance
 - Salary **cannot exceed the Salary Resolution** adopted by the board (Form 17)
 - Salary for all employees (including board members) are required to have taxes withheld and a W-2s issued

Lucrative Office



- Attorney General's Dual Office Holding Guide:

http://www.in.gov/attorneygeneral/filesDual_Office_Holding_Guide_2010.pdf

- IC 3-5-9-5, Cannot be an Elected Official and an employee **of the same unit.**

Bank Accounts



- Located in Township IC 5-13-8-9
- Electronic payments IC 36-1-8-11.5
- Treasurer of State's Approved Depositories
 - <https://www.in.gov/tos/deposit/2377.htm>

“Donations”



- **Public funds cannot be donated** or given to other organizations or individuals unless specifically authorized by law.
- Community service statute IC 36-6-4-8
 - Funds **must be appropriated** for Community Services
 - Services **must not already be provided** by another governmental entity

Transfer of Appropriation



- Chapter 4 Township Manual:
- Within same fund
 - Within Major Budget Classification – Trustee decision
 - Between Major Budget Classification – Township Board Approval



Questions?