State Board Of Accounts

New Township Trustee Training
Indianapolis Marriott East
November 17, 2010

Contact Us

- Phone 317-232-2520
- Fax 317-232-4711
- Write 302 W.Washington, 418E
  Indianapolis, Indiana 46204-2765
- Web http://www.in.gov/sboa/
- Charles W. Nemeth, CPA, Township Supervisor

SBA Resources Available To You

- Accounting and Uniform Compliance Guideline Manual For Townships
  http://www.in.gov/sboa/2400.htm
- The Township Bulletin and Uniform Compliance Guidelines
  http://www.in.gov/sboa/2329.htm

Overview

- History Responsibilities *(Page 9)*
- Staffing
- Services Vision, Mission, and Values *(Page 10)*

Financial And Appropriation Record

- Cash = Amount of money in the bank
- Fund = How the cash in the bank is divided by receipts and disbursements
- Appropriation = The authority to spend cash from a fund

State Board Of Accounts vs. Department of Local Government Finance

- State Board of Accounts –
  - The Department responsible for auditing records after receipts and expenditures.
  - Generally every two years.
  - Establishing and approving accounting records.
- Department of Local Government Finance(DLGF)
  - Approve Budgets, Additional Appropriations, Debt Reporting

Department Of Local Government Finance

- Mr. Dan Jones, Assistant Budget Division Director
- Overview and discussion of DLGF with ample time for questions and answers.

Items To Do Before Taking Office

- Township Bulletin and Uniform Compliance Guidelines, Volume 291, November 2010 *(Pages 11-12)*
  - Qualifying for Office-Oath
  - IC 33-42-4-1 Persons authorized to administer oaths
    The following may subscribe and administer oaths...:
    (1) Notaries public. 2) Justices and judges of courts, in their respective jurisdictions. (3)The secretary of state. (4)The clerk of the supreme court.(5) Mayors, clerks, clerk-treasurers of towns and cities, and township trustees, in their respective towns, cities, and townships. (6)Clerks of circuit courts and master commissioners, in their respective counties. (7)Judges of United States district courts of Indiana, in their respective jurisdictions.(8)United States commissioners appointed for any United States district court of Indiana, in their respective jurisdictions. (9) A precinct election officer (as defined in IC 3-5-2-40.1) and an absentee voter board member appointed under IC 3-11-10, for any purpose authorized under IC 3.(10)A member of the Indiana election commission, a co-director of the election division, or an employee of the election division under IC 3-6-4.2.(11) County auditors, in their respective counties. (12)Any member of the general assembly anywhere in Indiana.

Items To Do Before Taking Office (Continued)

- Township Bulletin and Uniform Compliance Guidelines, Volume 291, November 2010
  - Official Bonds
    - Obtain Bond
    - County Auditor Approval
    - Payable to State
    - Amount
    - File Bond
    - Cost of Bond
    - Other Bond Situations

Important Initial Duties

- Designation of Trustee, Township Bulletin and Uniform Compliance Guidelines, Volume 291, November 2010
- Receiving Property and Records
- Audits
- Check signature at bank
- Prepare, update and post township assistance guidelines Chapter 6 Township Manual
- Post township office hours Chapter 6 Township Manual
- Be aware of IRS requirements (1-800-829-1040)
- Be aware of State Revenue requirements 317-233-4016

Providing Township Property and Records To Successor

- IC 36-6-4-14, concerning trustees who do not succeed themselves in office, states in part "When his term of office expires, the executive shall:
- (1) immediately deliver to the new executive custody of all funds and property of the township, except records necessary in the preparation of his annual report;
- (2) deliver to the new executive, not later than the second Monday in the next January, his annual report and any records he has retained; and
- (3) attend the annual meeting of the township legislative body held under IC 36-6-6-9, and submit to inquiries from the legislative body concerning the operation of the executive's office during the preceding calendar year."
- Therefore, the State Board of Accounts is of the audit position the trustee in office on December 31, 2010 is required to turn over to the new trustee all books, Township Bulletins, Township Manual, and records of the township.

Providing Township Property and Records To Successor (Continued)

- The bank accounts should be in the name of the township, for example, "Clay Township, St. Joseph County", not in the name of the trustee. Therefore, if the account is properly in the name of the township, the change can be made at the bank by simply registering the authorized signature of the incoming trustee.
- Township business is a continuing one; a change of office need not interrupt that business.
- We suggest the outgoing trustee prepare in duplicate an itemized inventory of equipment and other assets owned by the township on December 31, to be signed by the successor and outgoing trustee. One copy is for the outgoing trustee and one copy is to be kept by the incoming trustee as a township record.
- Sometimes difficulty exists for a person in office to convey to their successor all of the knowledge gained during a term or terms of office. However, you may be able to give valuable assistance and you are urged to provide information to your successor.

Conflict Of Interest

- IC 35-44-1-3 Form 236, *(Pages 13-14)*
- Items to consider:
  - To file or not to file
  - Single or Annual Disclosure
  - Approval by Governing Body

Financial And Appropriation Record

- Sample entries *(Pages 15-19)*
  - Relationship to 99 series of forms
  - Relationship to Annual Report

Audit Process

- Audit Requests
- Entrance Conference
- Audit and Audit Results and Comments
- Exit Conference(Your chance to respond)
- Audit Report
  - Sample Audit Results and Comments (ARCs)*(Pages 20-22)*
  - Audit Response

Be Aware

- Contracts Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts .
- Donations Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute.
- Township Assistance Investigations IC 12-20-6-9 states in part "…the township trustee… shall carefully investigate the circumstances of the applicant and each member of the applicant's household…"

Form Approvals

- Process:
  - Exact replicas
  - Governmental unit sends forms for review and approval.
  - Township Board adopts a resolution (See Township Bulletin Volume 273., June 2006)
    Spreadsheet Software (See Township Bulletin Volume 258, August 2002)
  - Electronic submission

Overdrawn Funds

- Funds in the red should not occur:
- IC 36-1-8-4 concerning loans between funds.
- IC 36-6-6-15 concerning tax anticipation warrants.
- IC 5-13-6-3 concerning tax advances.
- IC 36-6-6-14 concerning borrowing.

Compensation

- Not paid in advance
- Not to exceed Salary Resolution, Twp Form 17
- Not to exceed budget amount
- **IC 36-6-6-10 states in part "** c) Subject to subsection (d), the township legislative body may reduce the salary of an elected or appointed official. However, except as provided in subsection (h), the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.
  (d) Except as provided in subsection (h), the township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available."

TOWNSHIP BOARD

- Township Board Budget responsibilities
- Township Board annual report review
- Trustee and Township Board need to work together.

Personnel Report 100-R

- Pursuant to IC 5-11-13-1, Form 100R (Names, Addresses, Duties, and Compensa-tion of Public Employees) must be completed and filed with the State Board of Accounts by January 31, 2011. The form can be obtained from your local printer and should be sent directly to the State Board of Accounts, 302 West Washington Street, Rm E418, Indianapolis, Indiana, 46204-2765, ATTN: 100R.

Questions And Answers