

TOWNSHIP BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES ISSUED BY STATE BOARD OF ACCOUNTS

Vol. No. 286, Page 1

August 2009

ITEMS TO REMEMBER

SEPTEMBER

- September 2: Last day for the first publication of township budgets (10 days prior to the public hearing). (IC 6-1.1-17-3)
- September 7: Legal Holiday - Labor Day (IC 1-1-9-1)
- September 9: Last date for second publication of township budgets (3 days before the public hearing). (IC 5-3-1-2)
- September 17: Last date to file proposed budget with county council for non-binding recommendations. (IC 6-1.1-17-3.5)
- September 22: Meeting of County Board of Tax Adjustment. (IC 6-1.1-29-4) Each County Board of Tax Adjustment, if applicable, shall hold its first meeting of each year on September 22nd or on the first business day after September 22nd if September 22nd is not a business day.
- NOTE: The Township Board should set the salaries of township officials and employees in conjunction with the preparation and completion of the township budget using Township Form 17.
- September: All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)
- NOTE: Please contact the Indiana Department of Revenue for State withholding requirements.

OCTOBER

- October 12: Legal Holiday - Columbus Day (IC 1-1-9-1)
- October 15: Last day to make pension report and payment for third quarter by townships participating in PERF.
- October 19: Last date to file appeals for an excessive tax levy. (IC 6-1.1-18.5-12)

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Vol. 286, Page 2

August 2009

ITEMS TO REMEMBER

(Continued)

- October 22: Last date for public hearing on proposed budget (at least 10 days prior to the adoption of the budget). Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. (IC 6-1.1-17-5)
- October 31: Last day to file quarterly report for third quarter to Internal Revenue Service.
- October: All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)
- NOTE: Please contact the Indiana Department of Revenue for State withholding requirements.

NOVEMBER

- November 1: Last day for townships to adopt budgets for the next calendar year and to fix tax levies. (IC 6-1.1-17-5)
- November 1: On or before this date all duties of the County Board of Tax Adjustment must be completed, except for a consolidated city and county, and in a county containing a second class city. (IC 6-1.1-17-9).
- November 11: Legal Holiday – Veterans' Day (IC 1-1-9-1)
- November 26: Legal Holiday - Thanksgiving Day (IC 1-1-9-1)
- November 30: On or before June 1 and December 1 of each year (or more frequently if the County Legislative Body adopts an ordinance requiring additional certifications) the Trustee shall certify a list of the names and addresses of each person who has money due from the township to the County Treasurer. (IC 6-1.1-22-14)
- November: All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)
- NOTE: Please contact the Indiana Department of Revenue for State withholding requirements.

E-MAIL ADDRESSES

We are in the process of updating our data base for all townships. Accordingly please forward your current e-mail address to bfanher@sboa.in.gov.

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Vol. 286, Page 3

August 2009

FOOD STAMP DISTRIBUTION

We have received inquiries regarding potential participation in the food stamp programs

The federal regulation pertaining to the food stamp program often refers to "State agency" in the administration of the Program at the State level. 7 U.S.C. §2012 defines "state agency" as "(1) the agency of State government, including the local offices thereof, which has the responsibility for the administration of the federally aided public assistance programs within such State, and in those States where such assistance programs are operated on a decentralized basis, the term shall include the counterpart local agencies administering such programs, and (2) the tribal organization of an Indian tribe determined by the Secretary to be capable of effectively administering a food distribution program under section 2013 (b) of this title or a food stamp program under section 2020 (d) of this title." (e) "Coupon issuer" "means any office of the State agency or any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has delegated functional responsibility in connection with, the issuance of coupons to households."

IC 12-13-7-6 concerning the Division of Family and Children states in part: (d) The director of the division shall adopt rules under IC 4-22-2 necessary to administer and supervise the federal Food Stamp Program in Indiana.

7 CFR §274.1, states in part "(b) Contracting or delegating issuance responsibilities. State agencies may assign to others such as banks, savings and loan associations, the Postal Service, community action and migrant service agencies, and other commercial businesses, the responsibility for the issuance and storage of food coupons. State agencies may permit contractors to subcontract assigned issuance responsibilities. (1) Any assignment of issuance functions shall clearly delineate the responsibilities of both parties. The State agency remains responsible, regardless of any agreements to the contrary, for ensuring that assigned duties are carried out in accordance with these regulations. In addition, the State agency is strictly liable to FNS for all losses of coupons, even if those losses are the result of the performance of issuance, security, or accountability duties by another party."

IC 12-20-19-1 states "(a) A township trustee, as administrator of township assistance, may participate in and cooperate with the establishment and use of federal surplus commodities food, cotton, or other stamp plans created by a governmental agency of the United States in the purchase of food, clothing, or other township assistance supplies. (b) If a township trustee's cooperation and participation in federal surplus commodities or stamp programs can be more efficiently and expeditiously handled in a larger unit than a single township, a group of township trustees, as administrators of township assistance, may do the following: (1) Establish a single stamp issuing agency. (2) Appoint and designate an issuing agent to issue stamps to recipients entitled to participate in the programs. (3) Pay each township's pro rata share of all administrative and other costs incident to the maintenance and operation of the issuing office."

IC 12-20-19-2 states "To establish a revolving fund necessary for a township trustee's participation or administration, the township trustees, as administrators of township assistance, may make claims in the same manner as other township assistance claims are paid by the township."

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Vol. 286, Page 4

August 2009

FOOD STAMP DISTRIBUTION

(Continued)

IC 12-20-19-3 states "(a) The issuing officer employed by a township trustee must take an oath for the faithful performance of the duties of the issuing officer's office. (b) The issuing officer must furnish a bond: (1) payable to the state; and (2) conditioned upon the faithful performance of the issuing officer's duties and accurate accounting of all money in the issuing officer's possession. (c) The bond required by subsection (b) must be in a penal sum of not less than the total amount of the revolving money coming into the issuing officer's possession from all trustees. (d) The cost of the bond required by subsection (b) shall be paid by county warrant and charged by the county auditor pro rata against the township assistance accounts of the townships participating in the establishment of the revolving or other fund for the purposes set forth in this chapter."

IC 12-20-19-4 states "(a) The trustees participating in or cooperating with programs under this chapter may issue to eligible recipients orders or stamps for food, clothing, or other items covered under the federal plan. (b) An order issued under this section must set forth the quantities and prices of each item ordered and the total amount of the order or stamps. (c) A recipient who receives an order or stamps under this section may present the order or stamps to the issuing officer and is entitled to have issued to the recipient food, cotton, or other vouchers for use in the purchase of township assistance supplies."

We would suggest townships discuss the matter with the township attorney and the Division of Family and Children to arrive at contractual agreements as may be determined necessary, if a township is interested in participating in the program.

OFFICIAL BONDS – AMOUNTS

Public Law 176, House Enrolled Act 1514, effective July 1, 2009, amends IC 5-4-1-18 to provide in part (c) Except as provided in subsections (h) and (i), the fiscal bodies of the respective units shall fix the amount of the bond of . . . township trustees . . . as follows: (1) The amount of annual coverage must equal (\$30,000) thirty thousand dollars for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2). (2) The amount of annual coverage may not be less than thirty thousand dollars (\$30,000) nor more than three hundred thousand dollars (\$300,000) unless the fiscal body approves a greater amount of annual coverage for the officer or employee. . . . The amount of annual coverage of the bond of any other person required to file an individual bond shall be fixed by the fiscal body of the unit at not less than fifteen thousand dollars (\$15,000)."

The State Board of Accounts is of the audit position in order to comply with the changes made in Public Law 176 effective July 1, 2009, governments will have to purchase riders on their current bond coverage for the remainder of the calendar year; and beginning January 1, 2010, will have to provide annual bond coverage. We are also of the audit position a new bond should be obtained for each year and continuation certificates or renewals should not be used in lieu of obtaining a new bond.

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Vol. 286, Page 5

August 2009

PUBLIC WORKS UNDER \$150,000

Public Law 176 of 2009 added IC 36-1-12-4.9 to provide "(a) This section applies to a public work for the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property if the cost of the public work is estimated to be less than one hundred fifty thousand dollars (\$150,000). (b) The board may award a contract for public work described in subsection (a) in the manner provided in IC 5-22."

We will not take audit exception to expenditures for projects under \$150,000 that maintain the existing condition of the asset or restore the asset to normal operating efficiency and which might qualify as routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property under IC 36-1-12-4.9. Included in our audit position could be expenditures for the replacement and repair of elevators, flooring, ceiling, tile, bathroom fixtures, windows, sidewalks, parking lots, and roofs which would not be part of another public works project. Additionally, the costs associated with reconfiguring the interior of offices (additions/deletions of wiring for electrical outlets, lighting, data lines, and telephones, cubicle walls, etc) and reconfiguring offices with movable walls which would not be part of another public works project, could be considered. Not included would be additions to the structure, reconfiguring offices with permanent walls, change of purpose of an area that involves substantial addition or removal of plumbing or gas lines (adding a kitchen area or bathroom), addition of elevator shafts, parking lots and other like changes to the interior or exterior that involve changes to the structural integrity of the building or improvements to real property, etc. or expenditures for which a determination has been made of the applicability of other provisions of the Public Works Law, IC 36-1-12-1 et seq. Our audit position is with the assumption a determination has been made by the governmental unit in a public meeting of the applicability of IC 36-1-12-4.9 to the proposed public works project.

PAYMENT OF FUNDS DUE DECEASED PERSON

The State Board of Accounts is often asked the correct method of making payment of money due an official, employee, or other person who has died. The following procedure is authorized by IC 29-1-8-1.

IC 29-1-8-1 states "(a) Forty-five (45) days after the death of a decedent and upon being presented an affidavit that complies with subsection (b), a person: (1) indebted to the decedent; or (2) having possession of personal property or an instrument evidencing a debt, an obligation, a stock, or a chose in action belonging to the decedent; shall make payment of the indebtedness or deliver the personal property or the instrument evidencing a debt, an obligation, a stock, or a chose in action to a person claiming to be entitled to payment or delivery of property of the decedent. (b) The affidavit required by subsection (a) must be an affidavit made by or on behalf of the claimant and must state the following: (1) That the value of the gross probate estate, wherever located (less liens and encumbrances), does not exceed fifty thousand dollars (\$50,000). (2) That forty-five (45) days have elapsed since the death of the decedent. (3) That no application or petition for the appointment of a personal representative is pending or has been granted in any jurisdiction. (4) The name and address of each other person that is entitled to a share of the property and the part of the property to which each person is entitled. (5) That the claimant has notified each person identified in the affidavit of the claimant's intention to present an affidavit under this section. (6) That the claimant is entitled to payment or delivery of the property on behalf of each person identified in the affidavit."

The affidavit furnished should be similar to the following:

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Vol. 286, Page 6

August 2009

STATE OF INDIANA)
COUNTY OF _____) SS:

AFFIDAVIT FOR TRANSFER OF ASSETS WITHOUT ADMINISTRATION

_____, being first duly sworn upon _____ oath deposes and says:

1. That _____ died on the _____ day of _____, 20____ (testate), (intestate) while domiciled in _____ County, Indiana.
2. That no petition for the appointment of a personal representative of his estate is pending or has been granted.
3. That forty-five days have elapsed since the death of said decedent.
4. The value of the gross probate estate less liens and encumbrances thereon does not exceed fifty thousand dollars (\$50,000).
5. That this affiant is entitled to receive without administration the following listed property from the person, firm or corporation listed opposite said property subject to the items and encumbrances thereon.

KIND OF PROPERTY	WHERE LOCATED	VALUE	LIEN OR ENCUMBRANCES IF ANY	NAME AND ADDRESS OF PERSON, FIRM OR CORPORATION HOLDING PROPERTY OR DECEDENT
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

This affidavit is made for the purpose of inducing the above named holders of said decedent's property to turn said property over to this affiant as provided by law.

AFFIANT

ADDRESS

Subscribed and sworn to before me this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Vol. 286, Page 7

August 2009

STATE BOARD OF ACCOUNTS MEETINGS

Once again the State Board of Accounts anticipates (in accordance with IC 5-11-14-1) calling a meeting of all Township Trustees in conjunction with the Township Convention September 21 through September 24, 2009, in Indianapolis. Many items pertaining to our audits of townships will be discussed at our meeting on Wednesday, September 23, 2009. Please make plans to attend the meeting and the Township Convention.

Please note Wednesday September 23, 2009. The Indiana Township Association has requested we conduct the State Board of Accounts meeting on Wednesday, September 23, 2009.

Also, please note the new location. The Indiana Township Association will again provide for arrangements of the meeting location at the Sheraton, Keystone at the Crossing.

We have allowed individuals to pick up Annual Report packages for other townships at prior meetings. The packet in the past included the revised pages for the Accounting and Uniform Compliance Guidelines Manual for Townships and the November Township Bulletin and Uniform Compliance Guidelines. However, several situations have arisen resulting in the townships for whom the packages were picked up not receiving the information. The extent of possible handout material is currently unresolved. However, in anticipation of the possibility of handout material being available a letter such as the following will be required for anyone to pick up packets we may have available with information at the September 2009 meeting. All other packets if applicable, will be mailed to the address we currently have on file for each township by the middle of October.

The same form may be used if we have handout material available at the United Township Association meeting, November 2, through November 4.

The State Board of Accounts will be on the program at the United Township Association meeting to be held on November 4 at Indianapolis Marriott East.

To: State Board of Accounts

From: _____ Township,
_____ County

Re: 2009 Annual Report Package

Date: _____, 2009

Dear Sirs:

_____ has my permission to pick up any packet which might be available.

Township Trustee

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Vol. 286, Page 8

August 2009

August 14, 2009

TO: Township Trustees

SUBJECT: Township Trustees' Meeting

The State Board of Accounts, in compliance with IC 5-11-14-1, is calling a conference of all township trustees to be held on Wednesday, September 23, 2009, at the Sheraton, at Keystone at the Crossing, Indianapolis. The meeting will start promptly at 9:00 A.M. (Local Time). **Please note the change of meeting day to Wednesday September 23.**

Each township trustee may require the attendance of: (1) each of the trustee's appointed and acting chief deputies or chief assistants; and (2) if the number of deputies or assistants employed: (A) does not exceed three (3), one (1) of the trustee's appointed and acting deputies or assistants; or (B) exceeds three (3), two (2) of the trustees duly appointed and acting deputies or assistants.

Each township trustee and each authorized deputy or assistant shall be entitled to reimbursement for actual lodging expense for the night of September 22, 2009, in an amount equal to the actual single room rate. However, lodging expense will only be allowed for persons who reside 50 miles or farther from the conference location. IC 5-11-14-1(g) now states in part "(g) Each official representing a unit and attending any conference under this section shall be allowed the following: (1) A sum for mileage at a rate determined by the fiscal body of the unit the official represents for each mile necessarily traveled in going to and returning from the conference by the most expeditious route. Regardless of the duration of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance even if the official transports more than one (1) person. (2) An allowance for lodging for each night preceding conference attendance in an amount equal to the single room rate. However, lodging expense, in the case of a one (1) day conference, shall only be allowed for persons who reside fifty (50) miles or farther from the conference location. (3) Reimbursement of an official, in an amount determined by the fiscal body of the unit the official represents, for meals purchased while attending a conference called under this section. . . ." Other township officials (not listed by statute) may attend the meeting. However, these individuals must have prior approval from the trustee and township board and authorized expenditures for these individuals must be reimbursed from appropriated funds.

The conference is called for the purposes stated in IC 5-11-14-1. Your attendance at the meeting is very respectfully requested and anticipated. We will discuss and have several speakers to answer questions concerning township, Internal Revenue Service's issues, Department of Local Government Finance, bonding, recent Legislative changes, as well as annual report issues and other audit positions which are of interest to you and pertain to your relationship with the State Board of Accounts.

You should make every effort to attend the meeting.

Sincerely,



Bruce A. Hartman, CPA
State Examiner