

TOWNSHIP BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES ISSUED BY STATE BOARD OF ACCOUNTS

Volume 297

June 2012

ITEMS TO REMEMBER

June

- 1 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 township 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)

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) (The preceding months ending record balance must be reconciled with the respective bank statements.)

July

- 4 Independence Day - Legal Holiday (IC 1-1-9-1)
- 15 Last day to make pension report and payment for second quarter by townships participating in INPRS.
- 31 Last day to file Employer's Quarterly Federal Tax Return, Form 941, to the Internal Revenue Service for federal and social security taxes for the second quarter.
- 31 Last day to make report for second quarter to the Department of Workforce Development.

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) (The preceding months ending record balance must be reconciled with the respective bank statements.)

August

- 6 On the first Monday of each August the trustee shall post, in a conspicuous place near his office, a verified statement showing the indebtedness of the township in detail and giving the number and total amount of outstanding orders, warrants and accounts. (IC 36-6-4-10)

See the Township Bulletin, Volume 298, August 2012 for budget dates or call the Department of Local Government Finance at (317) 232-3777.

The township board should set the salaries of township officials and employees in conjunction with the preparation and completion of the township budget. (Township Form 17)

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) (The preceding months ending record balance must be reconciled with the respective bank statements.)

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LEVY EXCESS FUND

IC 6-1.1-18.5-17 requires that a local taxing unit shall establish a "Levy Excess Fund." That portion of the property taxes received which exceeds one hundred percent (100%) of the taxing unit's ad valorem property tax levy shall be receipted to the "Levy Excess Fund." Delinquent property taxes that are collected during a particular calendar year that were assessed for an assessment date that precedes the assessment date for the current year in which the taxes are collected are to be excluded from the amount which is used to compute the amount of the levy excess

Each year the Department of Local Government Finance will certify to each unit of local government figures which show one hundred percent (100%) of the tax levy for each fund, and if the property taxes received exceed one hundred percent (100%) of the levy, the excess shall be receipted to the "Levy Excess Fund" unless the amount is less than \$100.00 in any calendar year.

Determining Need For Levy Excess Fund

We understand the Department of Local Government Finance will calculate the amount necessary to be transferred to the Levy Excess Fund and forward those calculations to the units of local government.

In some townships a "Levy Excess Fund" may not need to be established. To determine if a Levy Excess Fund should be established, you should:

- (1) Obtain a total for all funds of the amounts certified as one hundred percent (100%) of the tax levy for each fund.
- (2) Add the amounts shown on the County Auditor's Certificate of Tax Distribution on the "Totals" line of the taxes column headed "General Property" for the June and December tax distributions of the applicable year. Do not include License Excise Tax, Financial Institutions Tax or Commercial Vehicle Excise Tax.
- (3) If the total (all funds) of one hundred percent (100%) of the tax levy exceeds the total taxes received (Item 2), a "Levy Excess Fund" does not need to be established.
- (4) A "Levy Excess Fund" must be established if the total taxes received exceed one hundred percent (100%) of the tax levy unless the amount is less than \$100.
- (5) Contact the Department of Local Government Finance concerning levy excess questions.

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**LEVY EXCESS FUND
(Continued)**

Handling of Levy Excess Fund on Records

Townships for which determination is made that a Levy Excess Fund must be established should have a worksheet prepared in the following manner:

LEVY EXCESS WORKSHEET

Name of Township _____ Date _____

Taxes for 20____ Payable in 20_____.

	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
100% of Tax Levy	\$	\$	\$	\$	\$
General Property Taxes – June Settlement* (Deduct)	_____	_____	_____	_____	_____
Portion of December Settlement Due Individual Funds (1)	_____	_____	_____	_____	_____
Total Property Taxes December Settlement*					\$
Less Portion of December Settlement Due Individual Funds (Above)					_____
Amount Due Levy Excess Fund (1)					\$ _____

* This should be Property Taxes Only. Do not include License Excise Tax, Financial Institutions Tax or Commercial Vehicle Excise Tax.

- (1) The "Portion of December Settlement Due Individual Funds" should be receipted to the individual funds and the "Amount Due Levy Excess Fund" should be receipted to the Levy Excess Fund.

Use of Fund

The statute provides that the Department of Local Government Finance may require a taxing unit to include the amount in its Levy Excess Fund in the taxing unit's budget. After the budget has been approved, the amount in the Levy Excess Fund should be transferred from the Levy Excess Fund by check and receipted to the fund or funds in which the reductions were made to reduce the amount to be raised by taxation. A township may not spend any money in its levy excess fund until the expenditure of the money has been included in a budget that has been approved by the Department of Local Government Finance under IC 6-1.1-17. For purposes of fixing its budget and for purposes of the ad valorem property tax levy limits imposed under this chapter, a civil taxing unit shall treat the money in its levy excess fund that the Department of Local Government Finance permits it to spend during a particular calendar year as part of its ad valorem property tax levy for that same calendar year. A township may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the township as a result of refunds paid under IC 6-1.1-26.

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**LEVY EXCESS FUND
(Continued)**

In a township that: (1) has a levy excess for a particular calendar year; (2) in the preceding calendar year experienced a shortfall in property tax collections below the township's property tax levy approved by the Department of Local Government Finance under IC 6-1.1-17; and (3) did not receive permission from the department to impose, because of the shortfall in property tax collections in the preceding calendar year, a property tax levy that exceeds the limits imposed by IC 6-1.1-18.5-3, the amount that a township must transfer to the township's levy excess fund in the calendar year in which the excess is collected shall be reduced by the amount of the township's shortfall in property tax collections in the preceding calendar year (but the reduction may not exceed the amount of the township's levy excess).

No monies should be spent from the Levy Excess Fund except as above provided.

Investments

Any balance in the Levy Excess Fund can and should be invested in the same manner in which money in the Township Fund may be invested. Any income derived from investment of the money shall be deposited in and become a part of the Levy Excess Fund.

Advance Draws

If the amount received in the June settlement, plus advance draws against the December settlement (prior to reviewing the final distribution), exceeds one hundred percent (100%) of the tax levy, it will be necessary to transfer the amount of the excess by check and receipt from the affected fund or funds to the Levy Excess Fund.

Tax Refunds

IC 6-1.1-18.5-17 authorizes reimbursement from the Levy Excess Fund of amounts refunded for erroneous taxes under certain circumstances.

Generally, tax refunds are deducted by the county auditor from taxes available for distribution, so that amounts received by a governmental unit are "net" after deducting the refunds. If refunds are made of taxes paid in a year prior to the current year, such as 2010 payable in 2011 taxes refunded in 2012, or if an unusually large amount is refunded for taxes paid in a particular taxing district, the loss in receipts from property taxes may be reimbursed from the Levy Excess Fund. However, prior to a governmental unit reimbursing the amount of any tax refund from the Levy Excess Fund, the county auditor should contact the Department of Local Government Finance for approval.

All tax refunds shall be made from the County General Fund in the usual manner, deducted in the December settlement and receipted to the County General Fund. After the Department of Local Government Finance has approved reimbursement from the Levy Excess Fund, it will then be necessary for the county auditor to apportion to each taxing unit the amount refunded and notify each affected taxing unit of the amount which should be transferred from the taxing unit's Levy Excess Fund to the General Fund (Township Fund) or Operating Fund of the taxing unit.

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NEW LAWS AFFECTING TOWNSHIPS

The following is a digest of some of the laws passed by the 2012 Regular Session of the General Assembly affecting townships. Please note the effective dates. Some of the laws do not pertain directly to townships but are included in the digest for ready reference to the covered subject matter.

The digest is not intended as an expression of legal interpretations, nor is the digest intended to be all inclusive. References in the digest will be to the Indiana Code in the following form (Amends IC 12-20-9-6) (Amends Indiana Code, Title 12, Article 20, Chapter 9, Section 6). If you have any questions regarding legal interpretation, please consult your township attorney.

PUBLIC LAW 6 – HOUSE ENROLLED ACT 1009 – EFFECTIVE FEBRUARY 22 AND JULY 1, 2012
Technical Corrections - Makes corrections to several sections of the Indiana Code.

PUBLIC LAW 14 – HOUSE ENROLLED ACT 1052 – EFFECTIVE JULY 1, 2012
State Quantity Purchase Agreements – Public Safety Equipment

Adds IC 4-13-1-25 – Requires the State Department of Administration to award quantity purchase agreements for emergency services equipment.

PUBLIC LAW 17 – HOUSE ENROLLED ACT 1154 – EFFECTIVE JULY 1, 2012
Public Works Projects

Amends IC 36-1-12-4, IC 36-1-12-4.7, and IC 36-1-12-5 - Repeals IC 36-1-12-22 – Requires preparation of general plans and specifications and advertising for sealed proposals for public works projects of at least \$150,000 for all political subdivisions except boards of aviation commissioners and airport authorities. Requires advertising for proposals by boards of aviation commissioners and airport authorities for public works projects of at least \$100,000. Raises the threshold for requiring a financial statement, statement of experience, proposed plan for the project, and the equipment that the bidder has available from \$100,000 to \$150,000. Allows bids to be opened after the time designated if the board makes a written determination that it is in the best interest of the board to delay the opening and the day, time and place of the rescheduled opening are announced at the originally scheduled opening. Eliminates the local Indiana businesses price preference requirement for public works projects.

Public Purchases Law - Amends IC 15-22-15-20.9 – Requires an adjacent county who qualifies for a local Indiana business price preference to be an Indiana county.

PUBLIC LAW 21 – SENATE ENROLLED ACT 231 – EFFECTIVE JULY 1, 2012
Disqualification of Contractors Dealing with Government of Iran

Adds IC 5-22-16.5 – Requires Indiana Department of Administration to develop and publish a list of vendors that would be disqualified due to dealing with Iran. Provides for exceptions of vendors that would be disqualified and the steps that political subdivisions must take in order to do business with these vendors. Provides that a contractor being awarded a contract must certify in writing that the person is not engaged in investment activities in Iran. The certification is to be placed in the contract file.

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PUBLIC LAW 31 – SENATE ENROLLED ACT 109 – EFFECTIVE JULY 1, 2012

Deposit Accounts

Amends IC 5-13-9-5.3 – Allows a township to pass an ordinance or resolution authorizing the investment in interest bearing deposit accounts in accordance with the following conditions:

1. The funds are initially invested through a depository that is selected by the investing officer.
2. The selected depository arranges for the deposit of the funds in interest bearing deposit accounts in one (1) or more federally insured banks or savings and loan associations, wherever located, for the account of the township.
3. The full amount of the principal and any accrued interest of each deposit are covered by insurance of any federal deposit insurance agency.
4. The selected depository acts as a custodian for the township with respect to the deposits.
5. On the same date that the township's funds are deposited, the selected depository receives an amount of deposits covered by insurance of any federal deposit insurance agency from customers of other institutions, wherever located, at least equal to the amount of the funds invested by the township.

Public funds invested in this manner are not subject to any security or pledging requirements that may otherwise be applicable to the deposit or investment of public funds.

PUBLIC LAW 43 - SENATE ENROLLED ACT 191 – EFFECTIVE JULY 1, 2012

Investments

Adds IC 5-13-9-5.7 – Allows a township board to adopt an investment policy authorizing the investment of funds for more than two years and not more than five years.

The policy must:

1. be in writing;
2. be adopted at a public meeting;
3. provide for the investment of public funds with the approval of the investing officer;
4. provide that the investments must be made in accordance with IC 5-13;
5. limit the total investments outstanding to not more than twenty-five percent (25%) of the total portfolio of public funds invested by the township, including balances in transaction accounts; and
6. state a date on which the policy expires, which may not exceed four (4) years.

A policy adopted remains in effect only through the date of expiration established in the policy, which may not exceed four (4) years.

A fiscal body that has adopted a written investment policy may adopt an ordinance authorizing its investing officer to make investments having a stated final maturity that is:

1. more than two (2) years; but,
2. not more than five (5) years; after the date of purchase or entry into a repurchase agreement.

An ordinance adopted and the power to make an investment expire on the date on which the policy expires, which may not exceed four (4) years.

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PUBLIC LAW 43 (Continued)

After an investment of public funds is made by the investing officer, the total investments of the township outstanding may not exceed twenty-five percent (25%) of the total portfolio of public funds invested by the township, including balances in transaction accounts. However, an investment made in this manner when the investment is made remains legal if:

1. the investment policy has expired; or
2. a subsequent decrease in the total portfolio of public funds invested by the political subdivision, including balances in transaction accounts, causes the percentage of investments outstanding to exceed twenty-five percent (25%) of the total portfolio of public funds invested by the township.

An investing officer may contract with a federally regulated investment advisor or other institutional money manager to make investments under these provisions.

PUBLIC LAW 49 - SENATE ENROLLED ACT 307 – EFFECTIVE MARCH 14, 2012 Fire Protection Territories

Amends IC 36-8-19-6 – Clears up language dealing with the required ordinance or resolution to form a territory.

PUBLIC LAW 67 - SENATE ENROLLED ACT 309 – EFFECTIVE JULY 1, 2012 Public Works/Public Purchases - See Public Law 17 for similar provisions.

PUBLIC LAW 75 – HOUSE ENROLLED ACT 1163 – EFFECTIVE JULY 1, 2012 Public Works Projects – Retainage And Payment Bonds

Amends IC 36-1-12-12 and IC 36-1-12-13.1 – Makes technical corrections to the laws dealing with retainage and payment bonds.

PUBLIC LAW 84 – HOUSE ENROLLED ACT 1283 – EFFECTIVE JULY 1, 2012 Record Retention Schedules

Amends IC 5-15-6-2.5 – Requires each county Commission of Public Records to implement local government record retention schedules not more than 30 days after adoption by the State's Oversight Committee of the Indiana Commission on Public Records (ICPR).

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**PUBLIC LAW 90 - SENATE ENROLLED ACT 193 – EFFECTIVE JANUARY 1, 2013
Statement Of Economic Interests For Local And School Board Offices**

Adds IC 3-8-9 – Requires candidates for local office to file a written statement of economic interests with the individual's declaration of candidacy, petition of nomination, declaration of intent to be a write-in candidate, or certificate of candidate selection.

**PUBLIC LAW 112 - SENATE ENROLLED ACT 19 – EFFECTIVE VARIOUS DATES
Real Property Assessment**

Adds IC 6-1.1-4-4.2, IC 6-1.1-4-21.4, IC 6-1.1-22.6 and IC 36-7-15.1-36.3 – Amends several sections of IC 6-1.1 and IC 36-7-15.1 – Requires county assessors to prepare and submit a reassessment plan to the Department of Local Government Finance (DLGF) before July 1, 2013 and every fourth year thereafter. Requires the DLGF to approve such plans before March 1 of the year following the year in which the plan is submitted. Sets out procedures for resolving multi-year delays in the issuance of tax bills for counties that are at least three years behind in issuing tax bills.

**PUBLIC LAW 114 - SENATE ENROLLED ACT 26 – EFFECTIVE JULY 1, 2012
Title 35 Revisions**

Adds IC 35-31.5 – Amends several sections of IC 35 – Organizes definitions in Title 35.

**PUBLIC LAW 119 - SENATE ENROLLED ACT 115 – EFFECTIVE VARIOUS DATES
Classifications Of Political Subdivisions**

Amends several sections of the Indiana Code – Changes population parameters in various statutes to reflect the 2010 decennial census count.

**PUBLIC LAW 120 - SENATE ENROLLED ACT 147 – EFFECTIVE JULY 1, 2012
Property Taxes**

Amends IC 6-1.1-22-8.1, IC 6-1.1-22-9.7, IC 6-1.1-26-5, IC 6-1.1-37-9, AND IC 36-2-7-19 – Allows counties to make certain property tax information available through electronic mail. Allows monthly property tax payments to be made electronically. Makes several other changes to the laws dealing with property tax collection.

**PUBLIC LAW 126 - SENATE ENROLLED ACT 262 – EFFECTIVE JULY 1, 2012
Title 35 Revisions**

Adds IC 35-44.1 – Reorganizes certain crimes by relocating and renumbering them as offenses against public administration (IC 35-44) into a new article (IC 35-44.1).

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**PUBLIC LAW 132 - SENATE ENROLLED ACT 345 – EFFECTIVE MARCH 19 AND JULY 1, 2012
State Wide 911 System**

Adds IC 36-8-16.7 – Requires the Indiana Advisory Commission on Intergovernmental Relations to study roles and responsibilities of the state and political subdivision in providing E-911 services and report its findings to the legislative council and the budget committee by November 1, 2012. Establishes a monthly statewide 911 fee to each standard user of ninety cents. Increases the prepaid wireless charge to fifty cents. Establishes a thirteen member statewide 911 board to administer a new E-911 system. Establishes a statewide 911 fund for deposit of monthly statewide 911 fees. Requires the State Board of Accounts to audit the fund. Provides for distributions to be made from the fund to local PSAPS. Requires the State Board of Accounts to review and report the use of the fees by PSAPs to the State Budget Committee.

PUBLIC LAW 134 – HOUSE ENROLLED ACT 1003 – EFFECTIVE JULY 1, 2012 AND JANUARY 1, 2013

Public Records/Public Access

Adds IC 5-14-1.5-3.5, IC 5-14-1.3-3.6, IC 5-14-1.5-7.5, IC 5-14-3-9.5 and IC 5-14-4-14 – Amends IC 5-14-1.5-3, IC 5-14-1.5-4, IC 5-14-1.5-5, IC 5-14-1.5-7, IC 5-14-3-3, IC 5-14-3-4, IC 5-14-3-9, and IC 5-15-5.1-1 – Allows a court to impose civil penalties to officers of a public agency or a public agency where an individual with specific intent to violate the law fails to perform a duty under IC 5-14-1.5 by:

1. failing to give proper notice of a regular meeting, special meeting, or executive session;
2. taking final action outside a regular meeting or special meeting;
3. participating in a secret ballot during a meeting;
4. discussing in an executive session subjects not eligible for discussion in an executive session;
5. failing to prepare a memorandum of a meeting, or
6. participating in at least one (1) gathering of a series of gatherings.

States a civil penalty may only be imposed as part of an action filed. A court may not impose a civil penalty unless the public access counselor has issued an advisory opinion:

1. to the complainant and the public agency;
2. that finds that the individual or public agency violated IC 5-14-1.5; and
3. before the action is filed.

If an individual:

1. continues to deny a request that complies with IC 5-14-3-3(b) for inspection or copying of a public record after the public access counselor has issued an advisory opinion:
 - A. regarding the request for inspection or copying of the public record; and
 - B. that instructs the public agency to allow access to the public record; and
2. denies the request with the specific intent to unlawfully withhold a public record that is subject to disclosure; the individual and the public agency employing the individual are subject to a civil penalty.

If an individual intentionally charges a copying fee that the individual knows exceeds the amount set by statute, fee schedule, ordinance, or court order, the individual is subject to a civil penalty.

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PUBLIC LAW 134 (Continued)

A civil penalty may only be imposed as part of an action filed. A court may not impose a civil penalty unless the public access counselor has issued an advisory opinion:

1. to the complainant and the public agency;
2. that instructs the public agency to allow access to the public record; and
3. before the action is filed.

Civil penalties imposed by a court may not be more than \$100 for the first violation and not more than \$500 for each additional violation. States that an individual is personally liable for a civil penalty that is imposed and that civil penalties imposed against a public agency shall be paid by the public agency's budget. Creates an education fund for the public access counselor where such civil penalties shall be deposited. Such fund is to be used to train elected officials and the public about public access laws.

PUBLIC LAW 135 – HOUSE ENROLLED ACT 1005 – EFFECTIVE JULY 1, 2012 AND JANUARY 1, 2013

Nepotism, Contracts, Conflicts Of Interest

Adds IC 3-5-9, IC 5-11-13.1.1, IC 36-1-20.2, and IC 36-1-21 – Amends IC 36-1-8-10.5, IC 36-4-4-2, IC 36-8-3-12 and IC 36-8-10-11 – States that an individual who is serving as a volunteer firefighter for a volunteer fire department or a fire department that provides fire protection services to a unit:

1. under a contract, excluding a mutual aid agreement; or
2. as the unit's fire department; may not assume or hold an elected office of a unit that receives fire protection services from the department in which the volunteer firefighter serves.

An individual who:

1. is an employee of a unit, serving as a full-time, paid firefighter; or
2. serves as a volunteer firefighter; in a department that provides fire protection services to more than one (1) unit, excluding fire protection services provided under mutual aid agreements, may not assume or hold an elected office of any unit that receives fire protection services from the department.

The provisions of IC 3-5-9 do not prohibit:

1. a government employee from assuming or holding an elected office of a unit other than the unit that employs the government employee;
2. a full-time, paid firefighter or volunteer firefighter from assuming or holding an elected office of a unit other than a unit that receives fire protection services from the department in which the volunteer firefighter serves; or
3. an individual who assumes or holds an elected office from also being appointed to and serving on a board, commission, or committee of the unit.

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PUBLIC LAW 135 (Continued)

Provides that:

1. a volunteer firefighter who assumes or holds an elected office on January 1, 2013, may continue to hold the elected office and serve as a volunteer firefighter; and
2. a government employee who assumes or holds an elected office on January 1, 2013, may continue to hold the elected office and be employed as a government employee; until the term of the elected office that the volunteer firefighter or government employee is serving on January 1, 2013, expires.

Nepotism – Adds IC 36-1-20.2 that applies to counties, cities and towns, and townships. Prohibits individuals who are relatives from being employed in a position that results in one relative being in the direct line of supervision of the other relative. Defines "relative" to mean a spouse, parent or stepparent, child or stepchild, brother, sister, stepbrother, stepsister, niece or nephew, aunt or uncle or daughter-in-law or son-in-law.

Exempts individuals employed on July 1, 2012, from all provisions of IC 36-1-20.2 unless the individual has a break in employment. Exempts precinct election officers and volunteer firefighters as being considered employed. Defines "employed" to mean an individual who is employed full-time, part-time, temporary, intermittent, or hourly. Requires the legislative body to adopt a nepotism policy that includes, at a minimum, the requirements in IC 36-1-20.2. Requires a statement by the executive to be included in the Gateway 100-R Report stating whether such policy has been implemented. Requires that if the State Board of Accounts finds that such policy has not been implemented, it shall forward such information to the Department of Local Government Finance (DLGF). The DLGF may not approve a unit of government's budget if the unit has not implemented a nepotism policy.

If the township trustee's office is located in the township trustee's personal residence, unless the policy adopted under section 9 of IC 36-1-20.2 provides otherwise the township trustee may hire only one (1) employee who is a relative. The employee:

- (1) may be hired to work only in the township trustee's office;
- (2) may be in the township trustee's direct line of supervision; and
- (3) may not receive total salary, benefits, and compensation that exceed five thousand dollars (\$5,000) per year.

Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer is in compliance. An officer shall submit the certification to the executive of the unit not later than December 31 of each year.

If the state board of accounts finds that a unit has not implemented a policy under this chapter, the state board of accounts shall forward the information to the department of local government finance.

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PUBLIC LAW 135 (continued)

If a unit has not implemented a policy under this chapter, the department of local government finance may not approve:

1. the unit's budget; or
2. any additional appropriations for the unit; for the ensuing calendar year until the state board of accounts certifies to the department of local government finance that the unit has adopted a policy.

Contracting – Creates IC 36-1-21 – A unit may enter into a contract or renew a contract for the procurement of goods or services or a contract for public works with a relative of an elected official or a business entity that is owned wholly or partially by a relative of an elected official only if the requirements of IC 36-1-21 are met and the elected official does not violate IC 35-44-1-8.

A unit may enter into a contract or renew a contract with an individual or business entity if:

1. the elected official files with the unit a full disclosure, which must:
 - A. be in writing;
 - B. describe the contract or purchase to be made by the unit;
 - C. describe the relationship that the elected official has to the individual or business entity that contracts or purchases;
 - D. be affirmed under penalty of perjury;
 - E. be submitted to the legislative body of the unit and be accepted by the legislative body in a public meeting of the unit prior to final action on the contract or purchase; and
 - F. be filed, not later than fifteen (15) days after final action on the contract or purchase, with:
 - i. the state board of accounts; and
 - ii. the clerk of the circuit court in the county where the unit takes final action on the contract or purchase;
2. the appropriate agency of the unit:
 - A. makes a certified statement that the contract amount or purchase price was the lowest amount or price bid or offered; or
 - B. makes a certified statement of the reasons why the vendor or contractor was selected;and
3. the unit satisfies any other requirements under IC 5-22 or IC 36-1-12.

An elected official shall also comply with the disclosure provisions of IC 35-44-1-3, if applicable.

This does not affect the initial term of a contract in existence at the time the term of office of the elected official of the unit begins.

Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer is in compliance. An officer shall submit the certification to the executive of the unit not later than December 31 of each year.

If the state board of accounts finds that a unit has not implemented a policy under this chapter, the state board of accounts shall forward the information to the department of local government finance.

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PUBLIC LAW 135 (continued)

If a unit has not implemented a policy under this chapter, the department of local government finance may not approve:

1. the unit's budget; or
2. any additional appropriations for the unit; for the ensuing calendar year until the state board of accounts certifies to the department of local government finance that the unit has adopted a policy.

Requires units of government to adopt a policy that includes, at a minimum, the contracting requirements set out in IC 36-1-21. Requires a statement in the Gateway 100-R Report by the unit's executive stating whether the unit has implemented such policy. Defines elected official to mean the executive or a member of the executive body, a member of the legislative body, or a member of the fiscal body. Defines relative to mean a parent or stepparent, child or stepchild, brother, sister, stepsister, stepbrother, niece or nephew, aunt or uncle, or daughter-in-law or sister-in-law.

PUBLIC LAW 136 – HOUSE ENROLLED ACT 1049 – EFFECTIVE JULY 1, 2012 State Inspector General

Amends IC 5-11-6-1 and IC 5-11-6-3 – Requires the State Board of Accounts to file certain examination reports with the Inspector General.

PUBLIC LAW 137 – HOUSE ENROLLED ACT 1072 – EFFECTIVE VARIOUS DATES

Cumulative And Capital Projects Funds – Adds IC 6-1.1-18-12.5 – Changes the formula for calculating adjustments to the minimum permissible tax rate for cumulative and capital projects funds to reflect changes in total assessed value in a taxing unit. Allows for loans from the State general fund to certain eligible local units with cumulative or capital projects funds.

Credit Card Transaction Charges Or Discount - Amends IC 36-1-8-11 – States that if there is a vendor transaction charge or discount fee, whether billed to the political subdivision or municipally owned utility or charged directly to the political subdivision's or municipally owned utility's account, the political subdivision or municipally owned utility may collect from the person using the card an official fee that may not exceed the transaction charge or discount fee charged to the political subdivision or municipally owned utility by bank or credit card vendors. The fee is a permitted additional charge under IC 24-4.5-3-202.

Annual Reports/100-R Reports – Amends IC 5-11-1-4, IC 5-11-13-1, and IC 5-14-3.8-7 – States that the annual report must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed in IC 5-14-3.8-7. Requires all 100-R reports to be filed electronically and to include a statement indicating whether the political subdivision offers a health plan, a pension plan and other benefits to full-time and part-time employees.