

Townships and Schools

CORONAVIRUS -

SBOA Memos & Directive

Purdue Extension Community Development Webinar

April 9, 2020

SBOA Representatives



Chase Lenon, CPA

Jonathan Wineinger,

Directors of Audit Services





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:

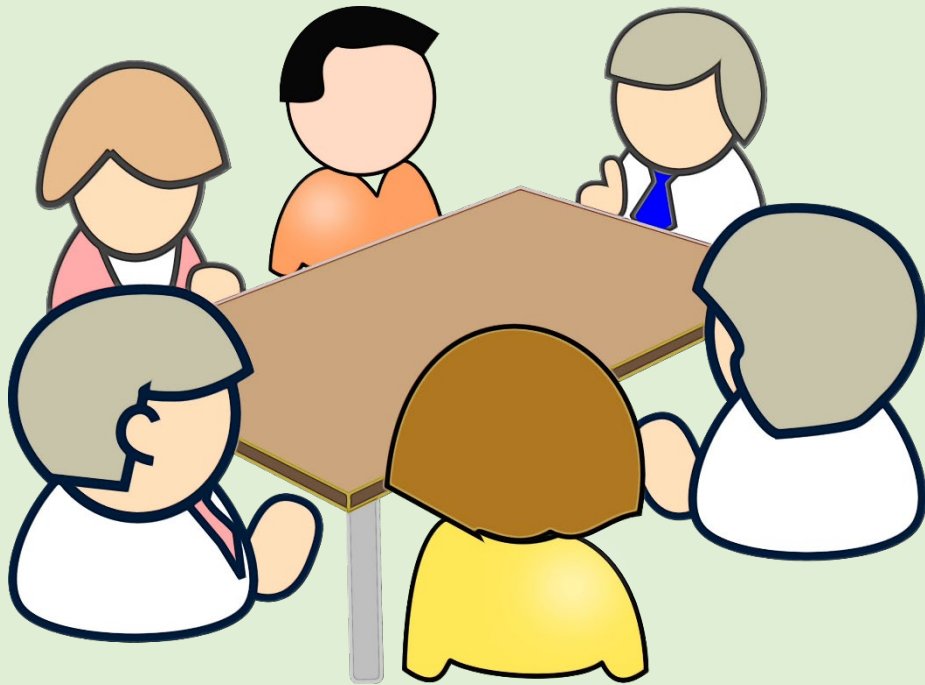


Schools.townships@sboa.in.gov



317-232-2512

Coronavirus Discussion



✓ **Executive Orders**

✓ **Memos**

- March 12, 2020
- March 16, 2020
- March 31, 2020
- April 03, 2020

✓ **Directive 2020-1**

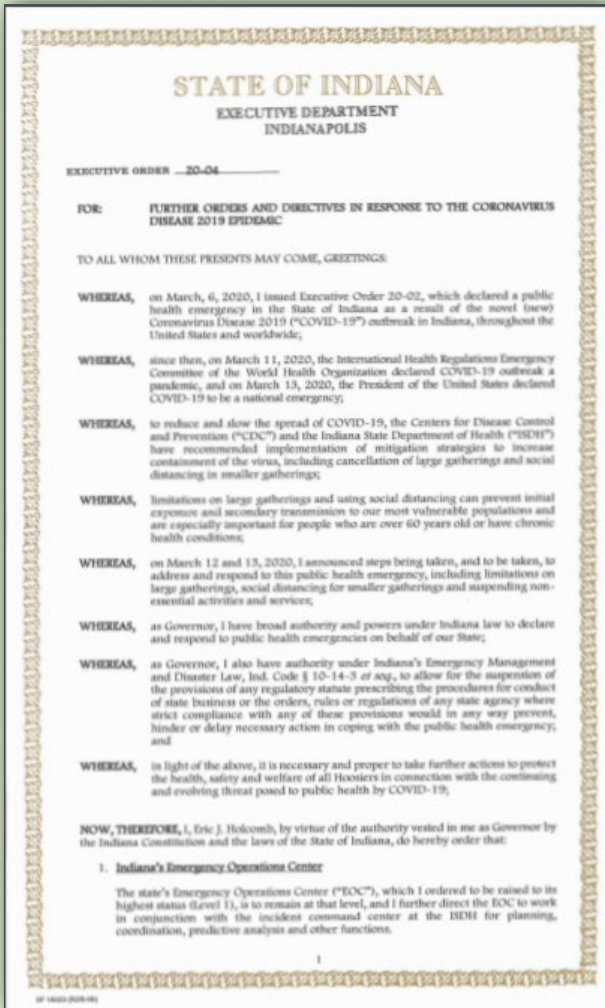
✓ **Directive 2020-2**

✓ **Questions and Answers**

<https://clipartion.com/free-clipart-29938/>



Where To Find Executive Order



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



Executive Order – Public Meetings

5. Public Meetings/Open Door Laws

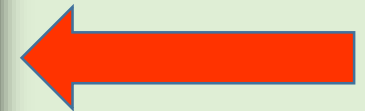
Public meetings conducted pursuant to Ind. Code § 5-14-1.5 *et seq.* should be limited to only essential matters critical to the operations of the governmental agency or entity for the duration of this public health emergency;

All specific statutory deadlines requiring a governing body to meet during the public health emergency are suspended for the duration of the emergency insofar as cancellations do not disrupt essential government decisions or services or when meetings are otherwise required by federal law;

All governing bodies of public agencies may suspend the requirement of explicitly adopting a policy for electronic participation and reduce the number of members required to be physically present to one member only (See Ind. Code § 5-14-1.5-3.6(c), (f), (g) & (h)). Entities should also adhere to the CDC guidance on gatherings and make efforts to allow the public to participate electronically, if feasible. All other provisions of Ind. Code § 5-14-1.5 *et seq.* remain in effect;

All governing bodies of public agencies may post notices and agendas for meetings solely by electronic means for the duration of this public health emergency; and

Any political subdivision or entity subject to the provisions of Ind. Code § 5-14-1.5-3.5 may comply with the provisions of section 3.6 as modified by this Order in conducting public meetings for the duration of this public health emergency.



Where To Find Memos



www.in.gov/sboa

SBOA INFORMATION ON CORONAVIRUS

Please see the Memos linked below.

[Policy Regarding Coronavirus 3-12-2020](#)

[Coronavirus Items to Consider 3-16-2020](#)


MEMO – Policy Regarding Coronavirus – March 12, 2020



Consult your attorney

Develop written policies with broad language

- Can prevent changes/amendments

 **STATE OF INDIANA**
AN EQUAL OPPORTUNITY EMPLOYER

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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



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 council members

Collective Bargaining Agreements

- Don't forget to take CBA's impact into consideration

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MEMO – Policy Regarding Coronavirus – March 12, 2020



Audits

- SBOA will not take audit exception to these policies & resulting responses that are due to the coronavirus

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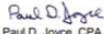
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MEMO – Coronavirus Items to Consider – March 16, 2020



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MEMORANDUM

TO: All Units

FROM: Paul D. Joyce, CPA, State Examiner

RE: Items to Consider when Governing Bodies are Developing Actions/Policies Regarding Coronavirus

DATE: March 16, 2020

=====

Provided are suggestions and items to consider as referred to in the memorandum provided on March 12, 2020.

It must be stressed the urgency to both monitor and address situations as they arise. This is a very fluid situation, changing constantly. Governing bodies will need to be flexible in their approach. Any guidance we provide must be taken in that context and should not be taken as restrictive.

If it is determined that there are needed actions that do not need a formal policy or that there are actions that should be done in conjunction with a formal policy, as long as there is written evidence that a governing body is appropriately approving actions in an appropriate forum, those are acceptable.

For example, school boards who decide to pay employees when schools are closed or impose specific directives or procedures in response to the coronavirus epidemic should do so in a public meeting and the board's action must be in writing. The written action of the board may be in the form of a resolution or board meeting minutes. It is not necessary to do a formal board policy as this action will be temporary and not one that will be ongoing and continuous in the future.

Any policies/actions should have in mind to maintain operations of government as normal or near normal as possible while maintaining the wellbeing of governmental employees and the public.

Here are some items to consider when developing policies/actions for personnel specific to the coronavirus:

What will be done regarding compensation and leave time of employees if there is a mandatory closure of the building? If there is already normally scheduled time off, such as spring break, then for that period of time compensation and leave would be proceed as normal. For mandatory closure outside of normally scheduled time off then guidelines specific to the emergency situation would come into effect.

First to consider, is there specific guidance regarding the coronavirus by the U.S. Department of Labor (DOL)?

DOL website is recommending review of leave policies and consideration of increased flexibility. Q & A regarding pandemics and the fair standards labor act as well as the family medical leave act can be found at dol.gov/agencies/whd/pandemic.


SBOA Guidance should not be taken as restrictive

Monitor and address situations as they arise

Councils will need to be flexible

MEMO – Coronavirus Items to Consider – March 16, 2020



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Written polices/actions

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

MEMO – Coronavirus Items to Consider –
March 16, 2020



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



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; mayor, council, department heads, etc.
- Security of records / assets taken off site

MEMO – Coronavirus Items to Consider –
March 16, 2020



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 city/town

MEMO – Assistance During COVID 19 –
March 31, 2020



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



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.

MEMOS - Conclusion



Keep monitoring; things are fluid

Work with your attorneys

Document policies/actions in writing




State Examiner Directive 2020-1



Timely Deposit of Funds

Approval of Claims

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STATE EXAMINER DIRECTIVE 2020-1

Date: March 19, 2020
Subject: Timely Deposits and the Claims Process
Authority: IC 5-11
Application: This Directive applies to all local governmental units
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 10, 2020, are hereby incorporated by reference into this Directive.


During the time of this Public Health Emergency, local governmental units may need to adjust normal procedures for the timely deposit of funds and the approval of claims. The State Board of Accounts will not take audit exception to the following alternative procedures for the timely deposit of funds or the approval of claims.

Timely Deposit of Funds. Indiana Code 5-13-6-1 governs the procedure for the deposit of public funds and is still in effect during this time of emergency. However, the State Board of Accounts will not take audit exception if the governing body approves the frequency for deposit of public funds to be limited to two times per week. The approval of the governing body must state that the deposits will be made on Tuesday and Thursday and require the public funds to be secured on those days when a deposit is not made. As always, proper internal controls must be in place to safeguard the assets of the unit.

Approval of Claims. Indiana Code 5-11-10 governs the claim approval process and is still in effect during this time of emergency. However, the State Board of Accounts will not take audit exception if the governing body uses the following procedures:

1. The governing body may designate one of its members to approve claims for payment in advance of board allowance. The board must allow those claims at its first meeting after the Public Health Emergency has ended.
2. For those units of government which have statutory authority to adopt an ordinance for the preapproved payment of claims, the board may provide written approval to the fiscal officer to pay certain claims during the Public Health Emergency. The board must allow those claims at its first meeting after the Emergency has ended.

This Directive will be rescinded upon Declaration by the Governor that the Public Health Emergency has ended.

Sincerely,

Paul D. Joyce, CPA
State Examiner

06



Timely Deposit of Funds

- Document board's decision to limit frequency to two times per week
- Secure funds on days not deposited
- Document procedures



<https://www.cleanpng.com/png-piggy-bank-savings-account-money-piggy-bank-951055/download-png.html>



Designation of Board Member to approve Claims

- Document in writing designation of governing body member
- Document in writing procedure to be used by the governing body member to indicate approval

Allowance of Claims


- First meeting after the Public Health Emergency has ended

Directive 2020-2 APPLICATION FOR TOWNSHIP ASSISTANCE



Township Assistance Application (TA-1)

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

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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

Directive 2020-2 APPLICATION FOR TOWNSHIP
ASSISTANCE



IC 12-20 governs Township Assistance

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

Directive 2020-2 APPLICATION FOR TOWNSHIP
ASSISTANCE



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

Directive 2020-2 APPLICATION FOR TOWNSHIP
ASSISTANCE



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

Directive 2020-2 APPLICATION FOR TOWNSHIP
ASSISTANCE



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

Township Assistance Application



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

- Bored at home? Get an audit!
- We are auditing units remotely and taking requests for audits.
- It is a great time to get an audit.
 - Avoid being interrupted once everything gets back to normal.



Contact Information



Chase Lenon, CPA
Jonathan Wineinger
Directors of Audit Services



Schools.townships@sboa.in.gov



317-232-2512

Questions

