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# STATE OF INDIANA

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DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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**TO:** All Local Elected Officials

**FROM:** Wesley R. Bennett, DLGF Commissioner

**RE:** Guidance on Additional Appropriations during Public Health Emergency

**DATE:** April 24, 2020

The Department of Local Government Finance (“Department”) issues this memorandum to give guidance to local units planning or expecting to make an additional appropriation during the public health emergency caused by COVID-19.

During the public health emergency, an additional appropriation must be submitted to the Department if submission would have been required prior to the emergency for Department-certified appropriations. Indiana Code 6-1.1-18-5 is in effect, in part, for the sake of transparency. Additional appropriations are important to ensure taxpayer transparency in the budgeting process. In addition, whether or not Department approval is required, submitting the additional appropriation is important for the Department’s review and timely certification of the unit’s proposed budget for the following year. It is critical to maintain the formal additional appropriations process, outlined in IC 6-1.1-18-5.

The emergency management laws, specifically IC 10-14-3, allow local units to make appropriations during a public emergency without going through formalities. In particular, IC 10-14-3-17(j)(5) allows suspension of procedures involved with expenditures, among other things, to respond to an emergency. This provision must be interpreted in light of IC 10-14-3-7, which states that the purpose of IC 10-14-3 is to coordinate resources in addressing an emergency. Therefore, IC 10-14-3-17(j)(5) does not automatically supersede the need for submitting an additional appropriation. Excerpts of these provisions can be found at the end of this memo.

A local unit is not prohibited from spending the money as needed if the spending is necessary to respond to the public health emergency. Section 13.B. of Executive Order #20-05 authorizes a state agency to waive or suspend any regulation or requirement which, if enforced, would be detrimental to public welfare during the COVID-19 emergency. Therefore, the additional appropriation process under IC 6-1.1-18-5 may be postponed until after the public health emergency has subsided, even after the money for which the additional appropriation was needed has already been spent.

Finally, hearings on additional appropriations may be held electronically in compliance with Section 5 of Executive Order #20-04 and guidance from the Public Access Counselor. The

Department also released guidance on public hearings and public meetings, which can be found at this [link](#).

**IC 10-14-3-17County emergency management advisory council; local emergency management organizations; power of political subdivisions; public work**

Sec. 17.

...

(j) Each political subdivision may:

...

(5) in the event of a national security emergency or disaster emergency as provided in section 12 of this chapter, waive procedures and formalities otherwise required by law pertaining to:

- (A) the performance of public work;
- (B) the entering into of contracts;
- (C) the incurring of obligations;
- (D) the employment of permanent and temporary workers;
- (E) the use of volunteer workers;
- (F) the rental of equipment;
- (G) the purchase and distribution of supplies, materials, and facilities; and
- (H) the appropriation and expenditure of public funds.

**IC 10-14-3-7Declaration of purposes**

Sec. 7. (a) Because of the existing and increasing possibility of disasters or emergencies of unprecedented size and destructiveness that may result from manmade or natural causes, to ensure that Indiana will be adequately prepared to deal with disasters or emergencies or to prevent or mitigate those disasters where possible, generally to provide for the common defense, to protect the public peace, health, and safety, and to preserve the lives and property of the people of the state, it is found and declared to be necessary:

- (1) to provide for emergency management under the department of homeland security;
- (2) to create local emergency management departments and to authorize and direct disaster and emergency management functions in the political subdivisions of the state;
- (3) to confer upon the governor and upon the executive heads or governing bodies of the political subdivisions of the state the emergency powers provided in this chapter;
- (4) to provide for the rendering of mutual aid among the political subdivisions of the state, with other states, and with the federal government to carry out emergency, disaster, or emergency management functions; and
- (5) to authorize the establishment of organizations and the implementation of steps that are necessary and appropriate to carry out this chapter.

(b) It is also the purpose of this chapter and the policy of the state to:

- (1) coordinate all emergency management functions of this state to the maximum extent with the comparable functions of:
  - (A) the federal government, including the federal government's various departments and agencies;
  - (B) other states and localities; and
  - (C) private agencies of every type;

so that the most effective preparation and use may be made of the nation's manpower, resources, and facilities for dealing with any disaster that may occur;

- (2) prepare for prompt and efficient rescue, care, and treatment of persons victimized or threatened by disaster;
- (3) provide a setting conducive to the rapid and orderly start of restoration and rehabilitation of persons and property affected by disasters;
- (4) clarify and strengthen the roles of the:
  - (A) governor;
  - (B) state agencies; and
  - (C) local governments;

in the prevention of, preparation for, response to, and recovery from disasters;

- (5) authorize and provide cooperation between departments of government in:
  - (A) disaster prevention;
  - (B) preparedness;
  - (C) response; and

(D) recovery;  
(6) authorize and provide coordination of activities relating to:

(A) disaster prevention;

(B) preparedness;

(C) response; and

(D) recovery;

by agencies and officers of Indiana, and similar state-local, interstate, federal-state, and foreign activities in which the state and its political subdivisions may participate; and

(7) provide a disaster management system embodying all aspects of pre-disaster preparedness, disaster operations, and post-disaster response.