

THE COUNTY BULLETIN

ISSUED BY STATE BOARD OF ACCOUNTS

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June 2025

REMINDER OF ORDER OF BUSINESS

July

- 1 On or before this date or 51 days after the tax payment due date the county treasurer shall certify a list of real estate delinquencies for tax sale. [IC 6-1.1-24-1]

On or before July 1 of each year, each county assessor shall certify to the county auditor the assessment value of the personal property in every taxing district. [IC 6-1.1-3-17]
- 2 On or before this date, the county auditor should receive County Form 144 (Statement of Salaries and Wages Proposed to be Paid Officers and Employees), from officers, boards, commissions and agencies [IC 36-2-5-4]. The county auditor shall present these forms to the county executive at its July meeting. The county executive shall review and make its recommendations. Before August 20 the county executive shall present County Form 144 and its recommendations to the county fiscal body.
- 4 Legal Holiday - Independence Day [IC 1-1-9-1]
- 14 Distribute congressional interest to school corporations - second Monday. [IC 20-42-2-7]
- 15 In those counties participating in Public Employee's Retirement Fund, last day to make pension report and payment for the second quarter of 2022 to the Public Employee's Retirement Fund.
- 20 Last day to report and make payment of balance of State and County Income Tax withheld in the month of June to Indiana Department of Revenue.
- 31 Last day to file quarterly contribution and wage reports with Indiana Department of Workforce Development.

Last day for county treasurer to mail demand notices to delinquent personal property taxpayers. [IC 6-1.1-23-1]

August

- 6 Last date for county officers and department heads to file the respective budget estimates with county auditor - Wednesday following first Monday in August. [IC 36-2-5-9]
- 6 & 7 State Board of Accounts called meeting for County Treasurer's – Elizabeth, IN
- 19 Last date for board of commissioners to review "Statements for Salaries and Wages Proposed to be Paid Officers and Employees" and to make its recommendations to the county council. [IC 36-2-5-4(b)]
- 20 Last day to report and make payment of State and County Income Tax withheld in the month of July to Indiana Department of Revenue.

REMINDER OF ORDER OF BUSINESS (Continued)

September

- 1 Legal Holiday - Labor Day. [IC 1-1-9-1]
- 20 Last day to report and make payment of State and County Income Tax withheld in the month of August to Indiana Department of Revenue.
- 29-30 Last date to comply with provisions IC 36-2-5-11, "Each ordinance must be read on at least two (2) separate days before its final adoption."

Sept 29-Oct 2 Association of Indiana Counties Annual Conference – French Lick, IN

CHILD RESTRAINT SYSTEM PENALTIES

All Class D infraction collections for violations of the child restraint laws under IC 9-19-11 are to be accounted for separately as child restraint system fees. Such fees are to be remitted by the clerk to the county auditor on a monthly basis.

DISASTER RELIEF FUNDS – ACCOUNTING AND BUDGETING

Based upon language contained in IC 10-14-3-17(j)(5) which states that a political subdivision may waive procedures and formalities otherwise required by law pertaining to the appropriation and expenditure of public funds where a national disaster or security emergency had been declared, the following procedures should be followed when disasters relief funds are received.

Money receives or expected to be received from the Federal Emergency Management Agency (FEMA), the State Emergency Management Agency, or the State Lottery Commission for tornado, flood, ice storm, or other types of declared disasters should be accounted for in the following manner:

1. If the money is to be used to reimburse funds for expenditures already incurred and paid and the conditions of IC 10-14-3-12 have been met, the amount received may be added back to the appropriation balances from which the expenditures have been previously made.
2. If the money is to be used for future expenditures, a separate fund should be set up entitled "Disaster Relief Fund." Such fund would not require appropriation or additional appropriation prior to spending the money in the fund.

It is recommended that all related expenditures records (Claims, minutes, correspondence, contracts, damage survey report, etc) be maintained in separate file for future audits required by State and Federal agencies.

CONFLICT OF INTEREST

Statute

IC 35-44-1-3 is the statute for Conflict of Interest. If any situations exist in your county which might be in conflict with this statute, we suggest you present your questions to the attorney who represents the county for written guidance. In view of the position of public responsibility in which county employees find themselves, any question of conflict of interest should be avoided

CONFLICT OF INTEREST (Continued)

Submission of Conflict of Interest Forms

The conflict of interest forms are now be uploaded on the Gateway website, <https://gateway.ifionline.org/>.

You will find the upload link on the right hand side of the Gateway homepage directly under the local officials' login. You do not need a user id or password to upload the conflict of interest form onto Gateway. On the Report Builder page of the website a reporting tool has been added under Conflict of Interest Disclosure. The public will be able to view the Conflict of Interest forms that have been uploaded. The link to the Gateway website is also available on the State Board of Accounts web page at www.in.gov/sboa/

COUNTY DRUG FREE COMMUNITY FUND

IC 5-2-11 the County Drug Free Community Fund is defined, established, and details the allocation, administration, and uses of the fund. Additional clarification from the statute includes:

The Commission for a Drug Free Indiana (Commission) approves and appoints the local coordinating council (LCC) which is a countywide citizen body. The purpose of the LCC is to plan, monitor, and evaluate comprehensive local alcohol and drug abuse plans. The LCC works in an advisory capacity to the County Commissioners for the County Drug Free Community funds and develops the comprehensive plan that must be approved by the County Commissioners and ultimately by the Commission.

The County Council will approve appropriations for the County Drug Free Community Fund (fund 1148) and the auditor will administer the funds. Disbursements from the fund must be in compliance with the Comprehensive Plan approved by the Commission. The Indiana Criminal Justice Institute will notify the county auditor when the plan has been approved and provide documentation of the approved plan's budget. The Auditor will administer the Drug Free Community fund similar to a grant fund although the funding comes from the collection of local fees and not a state grant. The auditor should notify the LCC of the fund balance and any amendments to the original comprehensive plan would have to be approved by the Commission.

The administration costs of the LCC that are approved under the Comprehensive plan will be paid through the county's claim processing. The county should not turn over any funds from the Drug Free Community fund to the LCC for the LCC to administer. Any payments for equipment or supplies will also be paid through the county's claims process.

Grant amounts awarded to other entities that will be providing services under the approved plan will be paid by claim, based on the comprehensive plan. The LCC can provide the grant agreement between the county and the other entity, but the Commissioners must approve the agreement. The LCC will monitor the grant activity for the county. The Commissioners should formalize the arrangement between the County and the LCC for implementation of the Drug Free Community plan with a written agreement.

MONTHLY AND ANNUAL ENGAGEMENT UPLOAD – HOUSEKEEPING

The Indiana Business Research Center (IBRC) will be conducting maintenance within Gateway in the coming months to optimize storage space. As part of this effort, older Monthly and Annual Engagement uploads will be removed. Going forward, the only documentation retained in Gateway will be records from years that have not yet been audited by the SBOA, along with the most recent year following an audit.

We want to remind everyone that Gateway is not intended as a document storage system. Each governmental unit is responsible for maintaining its own records in accordance with applicable retention laws.

SBOA COMMUNICATIONS

The State Board of Accounts has transitioned to a subscriber-based email service to provide timely updates on training resources, memos, and State Examiner Directives. This service, Salesforce Marketing Cloud, allows anyone to subscribe and receive important information directly.

If you haven't subscribed yet, we encourage you to do so by visiting our email subscription page: <https://cloud.subscription.in.gov/signup?depid=546006796>. For County Officials, the following subscription lists are available:

- Auditors
- Clerks
- Highway
- Recorders
- Sheriffs
- Treasurers

You may select as many groups as needed to receive relevant notifications.

Our emails will come from **sboa@subscription.in.gov** or **counties@subscription.in.gov**. To ensure you receive updates without disruption, please verify these addresses and adjust your email settings to prevent messages from being marked as spam or junk. Subscribing ensures you stay informed with the most up-to-date guidance from our office.

QUESTIONS AND ANSWERS FROM COUNTY RECORDERS CONFERENCE

Question #1: Does the Enhanced Access Fund need to be appropriated, and how specific do we need to be?

Answer #1: Yes, the Enhanced Access Fund is to be appropriated, see IC 5-14-3-8.3 for uses.

Question #2: Pre-paid copy accounts vs. A/R accounts? I have been told two different things in this regard. I've been told by a chief deputy that we no longer do pre-pay. But, a vendor said pre-pay is the only way SBOA wants these accounts handled and we should receive payment before any copies are made.

Answer #2: A/R accounts are where the county bills for collection of payment after the service is provided and this is not allowed. Pre-pays are whereas the Recorder you are holding money on behalf of someone to be able to pay for services as they occur. This is a method is allowed but records must be maintained that include the amount be held and on behalf of who. The prepaid account must also be considered when performing a reconciliation.

QUESTIONS AND ANSWERS FROM COUNTY RECORDERS CONFERENCE (Continued)

- Question #3:** Can you use the 1160 fund to pay for the AVID recording system which has the redacting capabilities for documents? What exactly can you use the 1160 fund for and how much can you transfer out of it? I did not know this fund was for the recorder's until recently. After it gets transferred to perpetuation, can it be used for anything that perpetuation covers?
- Answer #3:** If AVID recording software does more than redact only a portion could be paid from #1160 as the statutory fund can only be used for certain things. Money can be transferred to the perpetuation fund but it should only be any excess in the fund the amount needed for the statutory purpose, see IC 36-2-7.5-11.
- Question #4:** On the elected official training hours reporting? Records Annual Conference we get 8 hours from SBOA correct? Then from Records Association we get additional 9 hours correct? Just trying to make sure I have my hours correct when I report them.
- Answer #4:** The state called portion will earn 8 hours. The association will have to tell you the number of hours they will certify.
- Question #5:** I just recently found out that fund 1160 can be transferred to the recorder's perpetuation fund. What can this money be used for? Can I request it to be transferred to a different account in perpetuation to be used specifically for office expenses such as helping to pay for a full time employee?
- Answer #5:** See Q&A #3. Once it is transferred to perpetuation it can be spent like all perpetuation funds.
- Question #6:** I have always been told that we cannot provide blank copies of forms like deeds for the public, yet one day while google searching something else I found a county website with multiple forms for the public to download. Can we provide forms? Or can they only be provided online? OR is it not okay to provide any blank forms at all?
- Answer #6:** We would recommend talking to the county attorney, not sure what kind of forms you are referring to but I would think some consideration would need to be made about what services the recorders office provides and whether this would open up the county to any legal repercussions.
- Question #7:** Can I pay to have the Auditor transfer books preserved/scanned with Recorder perpetuation money?
- Answer #7:** This would need to be a decision made by the recorder in whether there is enough money in the fund to support it. The decision would need to be documented on the claim.
- Question #8:** Could you please explain New Legislation from 7/1/2024. IC 32-21-2-16 is this just for TOD deeds or any document that request a cross-reference?
- Answer #8:** These are for conveyance procedures. Conveyance documents, defined in IC 6-1.1-5.5-2. IC 32-21-2-16 is for the cross-reference to any previously recorded document.
- Question #9:** If I want to use perpetuation fund for payroll, do I need to wait till the following year after I do my sworn statement and ordinance? Can I do the sworn statement and ordinance the same year as using perpetuation fund? Example: I do statement/ordinance in August and start using perpetuation in September of this year.

QUESTIONS AND ANSWERS FROM COUNTY RECORDERS CONFERENCE (Continued)

- Answer #9:** Statute specifically states that the sworn statement is only good for the following year, so no in your example that would not be allowed. However, if the payroll you are wanting to pay is directly related to the preservation of records, such as scanning in old documents, this would be allowed to be paid without a sworn statement.
- Question #10:** If I have a skipped check that is flagged on my monthly bank statement, should I have an explanation document for that skipped check on my monthly Gateway upload? Example- I have handwritten checks, and I wrote the amount wrong, so I wrote void on the check and the reason why and left it in the book.
- Answer #10:** As long as you have documentation for it you would not need to upload it in gateway.
- Question #11:** Do we still need to print out all of our daily reports and keep them in binders? We print the Cashbook Report, Pre-Posting report, (Both CSI), all daily e-recording deposit reports (emailed from each vendor), and all credit card deposit reports (emailed). This is how it has always been done, and I can see it both ways.... Print each daily and keep it in a binder for current and future auditing purposes or create a file on the computer that is on our private recorder's drive and can be accessed by the staff.
- Answer #11:** As long as the reports are available they are not required to be printed. Make sure that you have what you need as sometimes reports are only available at a certain point in time, if that is the case make sure to either save it or print it.
- Question #12:** Does SBOA have any best practice information regarding credit cards? (We are waiting for our terminal to be activated, but I want to make sure we are taking all precautions and handling the card/payment process properly.)
- Answer #12:** If you are accepting credit cards you will be required to reconcile the amounts received to the collections posted every month in addition to the other reconciling duties. Do not hold a credit card on behalf of a company or individual.
- Question #13:** In our county for official bonds, normally the county clerk preforms the notary section when needed if it's an elected official bond and if its any other type of official bond a notary would preform. Is this being done correctly? We have customers coming in to get these recorded and we are not for certain where to send them to be notarized.
- Answer #13:** IC 5-4-1-18(j) grants the commissioner of insurance the authority to prescribe the form of public official surety bonds in consultation with the SBOA and IARA. Which we have and it does include a notary box. While the form requires it we do not see anywhere where it is required to be recorded. If the form was to come into question it would fall on the parties who filed the form not the recorder.
- Question #14:** Define a reasonable amount of time that office holders must be in the office, IC 36-2-8.7-7.
- Answer #14:** We can't this would have to be something determined locally as this is a local process brought to the courts.
- Question #15:** Do E-recorded Mechanics Liens still require the certified letter acknowledgement?
- Answer #15:** I think this is about the certified notice requirement at IC 32-28-3-3. If so, I see no exception in IC 32-28-3 to the general requirement to file the certified notice for e-recorded mechanic's liens. The documents required appear to be the same, regardless of whether the lien is e-recorded or traditionally recorded. But you may want to double-check this with local counsel, as it's a bit outside of the SBOA's lane to verify questions like this.
- Question #16:** Do we or don't we microfilm?

QUESTIONS AND ANSWERS FROM COUNTY RECORDERS CONFERENCE (Continued)

- Answer #16:** Microfilm is still a valid way to store old records. This would be a good question for Indiana Archives and Record Administration.
- Question #17:** Our statute says all names have to appear identically throughout the entire document. Our office has a problem with signatures not being the same as what is typed beneath the signature and when we reject it we get calls and the submitter says "That is their signature as it is on their driver's license" or "That is how they sign". Of course we have no idea! A past Recorder felt if it was notarized we should go ahead and take it the way it is. I am a new Recorder and I am confused on what my office should do. Can you help explain and clarify this please?
- Answer #17:** I would recommend working with your county attorney on what the Recorders requirements in this case are. It seems reasonable to record a document if all names are exact, however if the signature is left off the middle initial. It would be different if the signature was a completely different name. See IC 36-2-11-16 for requirements for instruments to be received and recorded.
- Question #18:** Can any other county entity (ie...Commissioner, Council, Auditor, etc.) use the "Education Fund" for "non-training purposes? For example: Dedication of a new building, with provisions of food and rental of tents for local people to attend the ceremony? And.....should it be paid back, to that fund?
- Answer #18:** We are making the assumption that the "Education fund" is the Elected Officials Training fund. It should only be used for the statutory purposes, see IC 36-2-7-19.
- Question #19:** I am in one of the counties where we do not upload daily reports on Gateway. The lion's share of the SBOA presentations do not appear to be related to my county or office. Would it be possible to have information or direction specific to our counties?
- Answer #19:** While reconciling has been the main topic for the last few years, it still very much applies to counties that do not maintain outside bank accounts or upload to Gateway. Even when turning over collections each day there should be a reconciliation performed that what was actually recorded was also collected.
- Question #20:** I have learned more about my position at vendor sponsored meetings vs. annual recorder's conferences. It seems as though it would be prudent to model the Conference after vendor style presentations, discussions and learning.
- Answer #20:** You have to understand that the State Board of Accounts is the audit agency over the public funds the Recorders office collects and we can only give guidance on accounting matters with the goal of keeping you from getting a finding. This is why we split the conference with your association as we know that as Recorders you do more than just account for funds.
- Question #21:** What needs to be on a Survey, Plat, Re-Plat, Vacate, ect. to be recorded?
- Answer #21:** This question is well beyond the scope of what we're able to answer. The legal requirements for filing an enforceable version of each of these instruments are variable, complex, and are often subject to individual locally established rules. You'll have to check with local counsel.
- Question #22:** Will the SBOA police be hunting me down if I don't upload my hours? What happens if I don't do any education hours at all?
- Answer #22:** There is no consequence to getting the statutory required training at this time. This normally comes into play during election years when the citizens want to know, they call us.

QUESTIONS AND ANSWERS FROM COUNTY RECORDERS CONFERENCE (Continued)

Question #23: Can you cover the proper procedure for receiving a counterfeit bill please? We often take large bills, and we don't know how to handle this if this happens in our office. I have ordered a bill reader, but do we give it back to the customer or do we call the sheriff and not return the bill to the customer?

Answer #23: The bill is not given back to the customer. This would be a good question for your county Sheriff and how they would like to proceed moving forward.

Question #24: Attorney titled the document: QCD/TODD. What should we document type as? Quit Claim Deed or Transfer on Death?

Answer #24: We would recommend giving it the title of what the document is actually for.

Question #25: Should a temporary Easement be routed to the Auditor? (State of Indiana temporary easement)

Answer #25: IC 32-23 doesn't appear to contain any requirement for temporary easements to be routed to the auditor's office. There may be local policies or procedures that require routing temporary easements to the auditor's office. To my knowledge, INDOT does not require that temporary easements be routed to the auditor's office (to the extent that we're talking about INDOT temporary easements).

Question #26: Walk in customer wants a copy of their sales disclosure form they are dropping off with their deed for recording. Do we need to charge them \$1.00 per page for copies?

Answer #26: Per IC36-2-10-7, you would charge a \$1 for the copy.

Question #27: What is the deadline for submitting the monthly bank reconciliation and fee and cash book report to Gateway?

Answer #27: The files are due the following dates, you can find them in the Gateway presentation that I provided on Wednesday.

January monthly files – March 15th
February monthly files – April 15th
March monthly files – May 15th
April monthly files – June 15th
May monthly files – July 15th
June monthly files – August 15th
July monthly files – September 15th
August monthly files – October 15th
September monthly files – November 15th
October monthly files – December 15th
November monthly files – January 15th
December monthly files – February 15th

Question #28: What is the deadline for submitting the monthly Report of Collections and Check for total collected to the Auditor and Treasurer?

Answer #28: The report of collections is due on the 10th of each month.

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QUESTIONS AND ANSWERS FROM COUNTY RECORDERS CONFERENCE (Continued)

Question #29: Is the recorder required to endorse the transfer of death deed?

Answer #29: You are required to record the information and stamp it, but IC 36-2-11-14 does not say anything regarding a time stamp. So, best practice would be to index and note when the information was received so that you have that information if asked.

Question #30: Surety Bond Section in the Recordors Handbook. Which changed? Does the Recorder need to police it? Can it be recorded if it wasn't approved.

Answer #30: See chart below, the highlighted sections have been updated to reflect the changes in statute. No, the Recorder does not need to police it. Yes, it can be recorded if it was not approved.

County Official	Statutory Reference(s)	Amount	Approval - IC 5-4-1-8	Notes
Auditor	IC 5-4-1-8; IC 5-4-1-18	As fixed by county council, but no less than \$30,000 (IC 5-4-1-18(e))	Commissioners	In Marion County, approval is by the mayor
Treasurer	IC 5-4-1-8; IC 5-4-1-18	Between \$30,000 and \$300,000 based on prior receipts (IC 5-4-1-18(e))	Commissioners	In Marion County, approval is by the mayor
Clerk of the Court	IC 5-4-1-8; IC 5-4-1-18; IC 33-32-2-3	Between \$30,000 and \$300,000 based on prior receipts (IC 5-4-1-18(e))	Commissioners	In Marion County, approval is by the mayor
Sheriff	IC 5-4-1-8; IC 5-4-1-18	Between \$30,000 and \$300,000 based on prior receipts (IC 5-4-1-18(e))	Commissioners	In Marion County, approval is by the mayor
Recorder	IC 5-4-1-8; IC 5-4-1-18	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Commissioners	In Marion County, approval is by the mayor. Recordors must file their bond with the county clerk and the county auditor (IC 5-4-1-5.1(b)).
Coroner	IC 5-4-1-8; IC 5-4-1-18	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Commissioners	In Marion County, approval is by the mayor
Assessor	IC 5-4-1-8; IC 5-4-1-18	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Auditor	
Prosecuting Attorney	IC 5-4-1-20	\$8,500 (IC 5-4-1-20(b))	Clerk of the Circuit Court	
Prosecuting Attorney Investigator	IC 33-39-4-1	\$5,000 (IC 33-39-4-1(b))	Clerk of the Circuit Court	
Surveyor	IC 5-4-1-8; IC 5-4-1-18	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Clerk of the Circuit Court	
Highway Supervisor	IC 5-4-1-8; IC 5-4-1-18; IC 8-17-3-10	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Clerk of the Circuit Court	
Highway Engineer	IC 5-4-1-8; IC 5-4-1-18; IC 8-17-5-5	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Clerk of the Circuit Court	
Home Superintendent	IC 5-4-1-8; IC 5-4-1-18; IC 12-30-2-4	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Clerk of the Circuit Court	
Inspector of Weights and Measures	IC 24-6-3-5	As fixed by county council, but no less than \$15,000 (IC 5-4-1-18(f))	Clerk of the Circuit Court	
Redevelopment Commissioners	IC 36-7-14-7	\$15,000 (IC 36-7-14-7(c))	Commissioners (IC 36-7-14-7(c))	The cost of the bond shall be paid by the special taxing district (the RDC)

QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE

Federal Grants

Question #1: What if you run out of Fund numbers in the 8000 series?

Answer #1: Hopefully this does not happen, you can reuse fund numbers if the fund is no longer needed and becomes dormant. If you do run out of fund numbers, contact us and we will try and help you.

Question #2: How can we as auditors access the same list the SBOA auditors use when auditing our SEFA?

Answer #2: There is no full list, since federal funds come from so many sources. If you are asking about state distributions, then those are not shared reports and are part of our workpapers.

Question #3: On grants that have multiple assistance listing numbers, do we report them separately? Could they have separate fund numbers for each?

Answer #3: Yes, you might need to reach out to the grantor agency and see how much for each if it is not detailed out. Make sure to set it up correctly on the front end instead of doing that on the back end. It could just look like one lump of money. Yes, you could have separate funds, might be easier to do.

Question #4: Reimbursements, how long should you wait to get your reimbursement. The grant is 2 years old and we haven't received reimbursement.

Answer #4: It might be too late if you have not received/requested reimbursement. I would recommend reaching out to the grantor agency to see if it's too late. If it's too late then you might need to close out the fund if you will not receive reimbursement. Make sure to retain documentation if the fund is closed out using general fund monies.

Question #5: INDOT grant has several DES numbers. In the past the reimbursement would go into the Commissioners grant fund, however now they are doing it differently. How should we be recording the reimbursement? Should we make one fund to show the reimbursements.

Answer #5: We would recommend using a separate grant fund. Once the reimbursement is received move the expenses from the original fund to the grant fund. Make the adjustments to the new fund so you show what the receipts and disbursements are for the fund.

Question #6: What happens if the expenses are across years: one year to the next?

Answer #6: This would be a correction of error, it will look like a transfer from one fund to another, but it includes all the expenses that are making up the transfer and retain that documentation.

Question #7: Can you move the matching portion into the grant fund? Do we report the local funds?

Answer #7: Yes, you can move the local match into the grant fund. No, you do not report the local funds on the SEFA.

Question #8: Process they go before the Commissioners to ask to peruse the grant, however they haven't even received the agreement yet. When should I set up the fund?

Answer #8: We would recommend setting up the fund only after you have the agreement and they have been awarded the funding.

Question #9: If you put a federal grant policy in place, would SBOA take exception to the Auditor signing the grant agreement?

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QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)

- Answer #9:** We would not take exception as long as Commissioners agree to this and it's in a local policy. The Commissioners need to know what agreements the county is entering into.
- Question #10:** READi Grant, being removed from the SEFA. Audit team is saying that the county is a vendor and it should not be on the SEFA. 1st was federal and the 2nd is a state grant.
- Answer #10:** The Indiana Economic Development Corporation (IEDC) received ARPA funds from the state's revenue replacement allocation. Since these funds originate from revenue replacement, they are not classified as federal funds under IEDC. As a result, any dollars awarded by IEDC for the READi grant are considered state funds and do not need to be reported on the Schedule of Expenditures of Federal Awards (SEFA).
- Question #11:** Does the SBOA do audits of the State Departments? Why do the state departments abbreviate everything in the contracts if we need to not abbreviate our SEFA?
- Answer #11:** Yes, we do. We actually have a department within our agency that audits the state. We understand that it's frustrating, since they are abbreviating, however it's important that you make sure that your SEFA is not abbreviated.
- Question #12:** What happens if the prosecutor is using the 8895 fund for incentive funds? What about bonuses, is this allowed?
- Answer #12:** Locally, the county needs to determine who will use these funds and how it will be divided. The incentive funds can be used for bonuses, does not need to be on the salary ordinance, can be spent without appropriation, will need to be paid through payroll and will appear on the W-2.
- Question #13:** Do you have to submit the AFR prior to running the SEFA and FS macro?
- Answer #13:** No, you can run the SEFA and FS macro prior to submission.
- Question #14:** Is the award number field restricted? What if the award number is cut off?
- Answer #14:** Yes, it is up to 30 characters. So if it does not fit make a best determination as to why you named it what you did.
- Question #15:** Do we need to appropriate all grant funds?
- Answer #15:** Advance do not require a budget and appropriation. Reimbursement grants do require appropriation prior to disbursement.
- Question #16:** What is the easiest way to do suspension and debarment?
- Answer #16:** The easiest way is to have a certification letter or have the certification in the agreement that they are not suspended or debarred.
- Question #17:** What if it's not a grant and it's a small purchase, do we still have to see if they are suspended or debarred?
- Answer #17:** Yes, if you don't have a contract then you might have to do a certification letter that they are not suspended or debarred.
- Question #18:** Is it still \$25,000 for small purchases under suspension and debarment?
- Answer #18:** Yes.

QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)

Payroll

Question #19: Field examiners want EVERYONE on the salary ordinance. Part time, grant employees should be included. Is this required?

Answer #19: Yes, everyone should be on the salary ordinance.

Question #20: Is there an IC for the coroner, on the change in compensation slide?

Answer #20: Indiana Code 36-2-14-15, a county coroner who is also a licensed physician is entitled to one-and-a-half times the compensation of a non-physician coroner.

Question #21: Can counties adopt 24 pay periods vs 26 or 27 annually?

Answer #21: Yes, you can adopt a biweekly pay. This is statutorily allowed.

Question #22: Do election board members get paid even if there is no election for this years? There is a referendum in November for a city in the county – its not county wide.

Answer #22: Yes, they can be compensated in an off year since there are election duties.

Question #23: Does the clerk get her election stipends on non-election years?

Answer #23: Yes, even on non-election years there are still election duties performed.

Question #24: Can an employee be and independent contractor (with 2 contracts) and then receive compensation for being a county employee as well?

Answer #24: This is really a question for the IRS. They define who is considered an independent contractor and who is considered an employee. It is possible, but rare, for an individual to be both and employee and an independent contractor with the same employer, but during an audit the IRS would look closely at anyone receiving both a W-2 and a 1099. If the services provided under contract are similar to the services provided as an employee, they are usually not considered an independent contractor. However, the definition of an independent contractor is an IRS definition and there can be penalties for the employer (county) if an employee is incorrectly identified as an independent contractor. The IRS website has some guidance on making this determination. You could also seek guidance directly from the IRS on the situation you describe.

<https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>

Question #25: How should the amendments to salary ordinances be shown?

Answer #25: Typically, the amendments cover all changes on the salary ordinance, so it's a full salary ordinance with all changes and the amendment date.

Question #26: How do we do the amendments if the salary ordinance includes peoples names? This become difficult to do and keep it updated with turnover weekly.

Answer #26: It would be easier to not have the employees' names on the salary ordinance, but only to have the position listed (with the number of positions). This way you are not updating the salary ordinance every time someone leaves, the position is still available and not needing to be changed since no name is on the salary ordinance.

QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)

Question #27: How SBOA audits with software like ADP?

Answer #27: We do not prescribe the software nor do we approve it. When choosing software you need to make sure that the software has the same information that the prescribed forms have and that the software works properly.

Question #28: Exempt vs non-ex, the difference?

Answer #28: Exempt vs. Non-exempt is defined by the Department of Labor under FSLA. An exempt employee is not entitled, under federal law, to receive overtime, while a non-exempt employee would be entitled to receive overtime pay.

Question #29: Do department heads need someone to approve their time cards?

Answer #29: Yes

Question #30: Should this process to go into the handbook or an internal policy about who approves a department heads time card?

Answer #30: We would recommend this going into your internal control or processes and procedures documentation. This should be internal, this wouldn't necessarily be something that would go into the handbook.

Question #31: Salary ordinances, our council does not understand why the 100R is not matching the salary ordinance.

Answer #31: The 100R encompasses the wages paid during the year, this is what the W2 will show as well, the wages earned. The salary ordinances should show the rate at which the individual would be paid. So they will not match.

Question #32: What all should be included in the salary ordinance? Should items like longevity pay, special pay, and OT be included in the salary ordinance? What if 1 FTE is working two positions? How should that salary ordinance read?

Answer #32: IC 36-2-5-3 provides that the county fiscal body shall fix the compensation of officers, deputies and employees, fix the number of officers, deputies and employees, describe and classify positions and services, and adopt schedules of compensation. It is up to the county the other information that will be included in the salary ordinance. Overtime and special pay should be included in the salary ordinance as it sets an amount or rate of pay an employee is to receive. Longevity could be included on the salary ordinance or included in the personnel handbook, it would be up to the county as to how this is set. If a person is working two positions then both positions should be on the salary ordinance.

Question #33: Earning of time, sick/vacation/holiday/comp and getting departments to be consistent internally and across multiple departments.

Answer #33: The accrual and eligibility for vacation, sick, and personal time are defined by local policy. It is the county's responsibility to ensure that all departments are informed of these policies and understand how time is earned and used. Additionally, departments should be aware of and adhere to the county's comp time policies. Management and governance play a crucial role in making this information accessible, effectively communicated, and consistently applied across all departments.

QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)

Question #34: How to figure 27 pays?

Answer #34: The County Bulletin article titled 'Compensation – Annual Salaries – Proper Payments' (Volume Number 436, Pages 5 and 6) details out how to calculate the 27 pays:
"It is suggested for salary ordinances enacted in 2003 and all future periods, the employee salaries be established to coincide with the customary work and pay period. (For example, instead of \$20,000 annually, adopt \$385.00 weekly or \$770.00 bi-weekly.) By using this method it will make no difference if there are 52 or 53 weekly pays or 26 or 27 bi-weekly pays."

New Legislation

Question #35: Is the contracts to be upload just the ones that are over the \$50,000 threshold?

Answer #35: This is now all contracts, no threshold.

Question #36: What is the difference between an agreement and a contract?

Answer #36: IC 5-14-3.8-3.5 requires political subdivisions to upload contracts to the Indiana Transparency Portal (Gateway) if the total cost of the contract exceeds \$50,000. For purposes of this upload requirement, agreements and contracts are identical. Interlocal agreements, contracts, and other similar legal instruments that create a total cost to the political subdivision in excess of \$50,000 must be uploaded.

Gateway

Question #37: What if someone does have a conflict of interest but they have not disclosed it? What is the county required to do?

Answer: #37: We recommend discussing the conflict of interest with the county attorney.

Question #38: Who is required to upload the Food and Beverage Tax Report? Is this the Auditor or the Treasurer?

Answer #38: This would most likely be the Auditor uploading this report.

Question #39: What are you attesting to when someone reviews submission?

Answer #39: In the Review Submission page it says "By clicking the "Review Completed" button, I attest that I have reviewed this AFR and all entries appear to be complete and accurate."

Miscellaneous

Question #40: Question on advance draws, please provide more information.

Answer #40: See IC 5-13-6-3.

Question #41: Is the auditor required to send out acceptance bid packets for commissioner projects?

Answer #41: No, this would be determined locally who should be doing this.



Paul D. Joyce, CPA
State Examiner

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JUDICIAL CIRCUIT CLASSES

As required by Indiana Code 33-38-5-5 and Indiana Code 33-41-2-10, the Indiana State Board of Accounts is responsible for establishing and certifying to each county the judicial circuit classes. Judicial circuit classes are calculated by using the population and gross assessed values for each county as provided by the Department of Local Government and Finance (DLGF). The classes were established using the gross assessed values certified to the State in March of this year. Judicial classes have been established as noted below.

County No.	County Name	Judicial Circuit Class	County No.	County Name	Judicial Circuit Class
1	Adams	8	47	Lawrence**	6
2	Allen	2	48	Madison	3
3	Bartholomew	3	49	Marion	1
4	Benton	9	50	Marshall	5
5	Blackford	9	51	Martin	9
6	Boone	3	52	Miami	8
7	Brown	9	53	Monroe	3
8	Carroll	9	54	Montgomery	7
9	Cass	8	55	Morgan	4
10	Clark	3	56	Newton	9
11	Clay	9	57	Noble	6
12	Clinton	8	58	Ohio - Dearborn*	5
13	Crawford	9	59	Orange	9
14	Daviess	8	60	Owen	9
15	Dearborn - Ohio*	5	61	Parke	9
16	Decatur	8	62	Perry	9
17	Dekalb	6	63	Pike	9
18	Delaware	3	64	Porter	2
19	Dubois	6	65	Posey	8
20	Elkhart	2	66	Pulaski	9
21	Fayette	9	67	Putnam	8
22	Floyd	4	68	Randolph	8
23	Fountain	9	69	Ripley	8

24	Franklin	9	70	Rush	9
25	Fulton	9	71	St. Joseph	3
26	Gibson	7	72	Scott	8
27	Grant	5	73	Shelby	8
28	Greene	8	74	Spencer	3
29	Hamilton	2	75	Starke	9
30	Hancock	3	76	Steuben	6
31	Harrison	7	77	Sullivan	9
32	Hendricks	2	78	Switzerland	9
33	Henry**	6	79	Tippecanoe	2
34	Howard	4	80	Tipton	9
35	Huntington	7	81	Union	9
36	Jackson	6	82	Vanderburgh	2
37	Jasper	7	83	Vermillion	9
38	Jay	9	84	Vigo	3
39	Jefferson	8	85	Wabash	8
40	Jennings	9	86	Warren	9
41	Johnson	2	87	Warrick	4
42	Knox	7	88	Washington	9
43	Kosciusko	3	89	Wayne	5
44	Lagrange	6	90	Wells	8
45	Lake	2	91	White	8
46	LaPorte	3	92	Whitley	7

* Dearborn and Ohio share a judicial circuit, so they were combined for the class determination

** Note changes in Judicial Circuit Class for 2025

I, Paul D. Joyce, CPA, State Examiner of the Indiana State Board of Accounts, do hereby certify that the judicial circuit classes set forth above were established by the Indiana State Board of Accounts pursuant to Indiana Code 33-38-5-5 and Indiana Code 33-41-2-10.

Dated this 4th day of June 2025



Paul D. Joyce, CPA
State Examiner