Newly Elected Clerk Treasurer and Controller Workshop

• State Examiner Directives
  – Materiality Threshold
  – Moving Traffic Violations
  – Exit Conference Confidentiality

• Capital Assets

• Public Notice Advertising

State Examiner Directives
2015-6

Materiality Threshold for Reporting Irregular Variances, Losses, Shortages, and Thefts

All erroneous or irregular material variances, losses, shortages, or thefts of political subdivision funds or property shall be reported immediately to the state board of accounts.
State Examiner Directives 2015-6

*Develop Materiality Threshold Policy
- Distinguish between incidents involving cash and other types of assets
- Address maintenance of documentation
- Address resolution of incidents that do not meet materiality threshold

*IC 5-11-1-27(l) Misappropriation of Funds

State Examiner Directives 2015-6

When an irregular variance, loss, shortage, or theft is determined material pursuant to your policy, the city or town must report the incident to the State Board of Accounts.

Notification Link  www.in.gov/sboa
State Examiner Directives
2015-6

Statutory References
IC 5-11-1-27(j) and (l)

SBOA Resources
Memo on Considerations for Materiality Policies dated January 7, 2016
(to be emailed January 2016; included in March 2016 Bulletin; and posted to SBOA website)

State Examiner Directives
2015-1

Moving Traffic Violations

All cities, towns, and counties collecting fines for moving traffic violations must refer such matters to the local prosecuting attorney or a city, town, or county court for infraction and ordinance violation enforcement proceedings as required by law.
Exit Conference Confidentiality

*The information discussed and materials delivered communicating about the contents of the exit conference, whether in written, oral, or any other form to a participant in a State Board of Accounts' exit conference are confidential. This information may not be discussed or shared publicly until the State Board of Accounts’ report has been filed and made public.

*Exit Conference Acknowledgement

*The exit conference shall not be electronically recorded.

Capital Assets

*Capitalization Threshold Policy

*Inventory

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records.

* Accountability for Assets below the Capitalization Threshold

*Internal Control Procedures

What Internal Control Procedures can you put in place to safeguard the assets of your city or town?
## Capital Assets Reference Materials

<table>
<thead>
<tr>
<th>Reference</th>
<th>Page/Issue</th>
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<tbody>
<tr>
<td>City and Town Manual</td>
<td>57-24</td>
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<td>Capital Assets Estimating Useful Lives (GASB 34)</td>
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## CITY AND TOWN CAPITAL ASSETS LEDGER

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<th>Fund</th>
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Public Notice Advertising
IC 5-3-1-2

*public hearing or meeting
*election
*sale of bonds, notes, warrants
*receiving of bids
*establishment of cumulative or sinking fund
*submission of proposal to DLGF for a cumulative or sinking fund
*publication of ordinance
*publication required after the event
*anything else (IC 5-3-1-4)

Public Notice Advertising
IC 5-3-1-4

*If there is only one newspaper published in the municipality, then publication in that newspaper alone is sufficient. If no newspaper is published in the municipality, then publication shall be made in a newspaper published in the county in which the municipality is located and that circulates within the municipality.
Public Notice Advertising
IC 5-3-1-4(f)

*A city or town may, in its discretion, publish public notes in a qualified publication or additional newspapers to provide supplementary notification to the public. The cost of publishing supplementary notification is a proper expenditure of the city or town.

Public Notice Advertising
Other Selected Statutory References

IC 5-3-1-0.4 Definition of Newspaper
IC 5-3-1-0.7 Definition of Qualified Publication
IC 5-3-1-1.5 Posting on newspaper website
IC 5-3-1-2.3 Validity of notice containing errors or omissions
IC 5-3-1-3 & 3.5 Publication of annual report of receipts and expenditures
Public Notice Advertising
Proof of Publication and Claim

IC 5-3-1-1

Each newspaper or qualified publication publishing public notice advertising shall submit proof of publication and claim for payment in duplicate on each public notice advertisement published.
Public Notice Advertising
SBOA Reference Materials

City and Town Manual
Additional Appropriation 4-5
Public Notice and Claim 61-27

City and Town Bulletins
Public Notice Advertising Issue
June 2012
Posting Notices Sept. 2010
Posting to Internet Website Sept. 2009
Publisher’s Claim Sept. 2009

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