

SPECIAL DISTRICTS

ISSUED BY STATE BOARD OF ACCOUNTS

March 2025

STATE BOARD OF ACCOUNT CONTACT INFORMATION

SBOA Homepage: www.in.gov/sboa

(for information specific to Special Districts, select Political Subdivisions and then select Special Districts)

Government Technical Assistance & Compliance (GTAC) Directors:

Beth Goss and Mitch Wilson

Email Address: SpecialDistricts@sboa.in.gov – *NOTE: if you are emailing questions, please send them to this email address and not our individual work emails.*

Phone Number: (317)232-2513

Gateway Help Desk: gateway@sboa.in.gov or AnnualReports@sboa.in.gov
(either email address will take you to the helpdesk)

SBOA Communications: communications@sboa.in.gov

2024 Indiana General Assembly – link for Indiana Code search:
<https://iga.in.gov/laws/2024/ic/titles/1>

UPCOMING TRAINING

Currently we do not have any training scheduled for Special Districts this upcoming quarter.

GATEWAY 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.

ORGANIZATION OF BOARDS

From time to time, we receive inquiries regarding which special district boards are obligated to establish or conduct elections for board positions. To address these questions, we reviewed the Indiana Code concerning the special districts referenced in our manual and have outlined our findings below.

BOARD/COMMISSION	ANNUAL ORG. REQUIRED?	CITATIONS	NOTES
Conservancy Districts	Yes	IC 14-33-5-17	Immediately following annual meeting
Regional Water, Sewer, and Solid Waste Districts	No	IC 13-26-5-3	Local rules control
Solid Waste Management Districts	No	IC 13-21-3-9(b)	Must select chair, vice chair, and controller, but no requirement to do so annually
Fire Protection District Board of Trustees	Yes	IC 36-8-11-14	Chair and Vice Chair; first regular meeting each year (January)
Airport Authorities	Yes	IC 8-22-3-9	President and Vice President
Public Transportation Corporations	Yes	IC 36-9-4-21	Chair and Secretary
Regional Planning Commissions	Yes	IC 36-7-7-5	Chair, Vice Chair, Secretary, Treasurer
Soil and Water Conservation District Board of Supervisors	Yes	IC 14-32-4-6	Annual meeting is required, but not to appoint officers; meeting is to elect one of the three elected supervisors

CREDIT CARDS – PROCEDURES FOR PURCHASE

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

1. The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
2. Issuance and use should be handled by an official or employee designated by the board.
3. The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
4. When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
5. The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their

position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.

6. Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment should not be made on the basis of the statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to the late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
8. If properly authorized, an annual fee may be paid.
9. If a vendor charges a convenience fee for use of the card, such fee may be paid to the vendor.

APPROPRIATION OF INSURANCE CLAIM PROCEEDS

Insurance proceeds should be receipted back into the fund which originally paid for the asset. These funds would not need to be appropriated if they are being spent within the year of receipt. However, if the repair to the asset exceeds the proceeds from insurance, then you would need to appropriate for the overage. IC 6-1.1-18-7 discusses this topic (link: <https://iga.in.gov/laws/2024/ic/titles/6#6-1.1-18-7>)

COMPUTING SALARIES FOR PARTIAL PAY PERIODS

A city or town employee on a monthly salary, whose employment with such city or town begins or terminates in the middle of a month, should be paid only for that part of such month that he has worked. If such employee's work was terminated at the end of the day on January 15, 2015, for example, we believe that he should receive 15/31 of his regular monthly salary for the month of January.

The same procedure should be used for a semimonthly, biweekly, and weekly salaries.

ASSIGNMENT OF WAGES – WAGE DEDUCTIONS

IC 22-2-6-1 provides any direction given by an employee to his employer to make a deduction from wages, shall constitute an assignment such wages subject to the provisions of the act. The term "employer" includes the State of Indiana and any political subdivision thereof. IC 22-2-6-2 outlines the procedures which must be followed and purposes for which deductible assignments may be made.

INTEREST ON DELINQUENT ACCOUNTS

Since existing statutes (and past court decisions) require that funds and appropriations must be available prior to entering into a contract, there is no reason why contractual payments should not be made in a timely fashion unless there is a dispute regarding the services rendered or materials delivered.

Please review your city or town's purchasing and subsequent claim payment procedures to ensure you are not going to be in a position where you may incur late payment charges.

