SBOA Coronavirus Guidance

Jonathan Wineinger – Director of Audit Services – Schools/Townships
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
SBOA Coronavirus Guidance

- Memos
- State Examiner Directives
SBOA Coronavirus Guidance Memorandums

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

- Policy Regarding Coronavirus (3-12-20)
- Coronavirus Items to Consider (3-16-20)
- Assistance During COVID-19 (3-31-20)
- Continuity of Essential Operations (4-03-20)
- Temporary Transfer of Funds (4-09-20)
• Electronic Signatures (4-14-20)
• CARES Act Fund Numbers (4-20-20)
• Coronavirus Relief Fund Guidance (4-23-20)
• Enhanced Regulatory – Delayed Implementation (4-27-20)
• COVID Grant Accounting and Appropriations (4-29-20)
• Fraud Schemes (5-11-20)
Memo – Policy Regarding Coronavirus –
March 12, 2020

Consult your attorney

Develop written policies with broad language
  • Can prevent changes/amendments
Memo – Policy Regarding Coronavirus – March 12, 2020 (Cont.)

• 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 board members
SBOA Guidance should not be taken as restrictive

Monitor and address situations as they arise

Governing Boards will need to be flexible
Written polices/actions

- Maintain operations as normal as possible
- Maintain wellbeing of employees & public
Memo – Coronavirus Items to Consider – March 16, 2020 (Cont.)

• **Items to Consider**
  • Payroll
    ➢ DOL guidance
      o Recommended review of leave policies & increased flexibility
      o www.dol.gov/coronavirus
      o 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 (Cont.)

• **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
  - Security of records / assets taken off site
• 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 township
Memo – Coronavirus Items to Consider – March 16, 2020 (Cont.)

- **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](https://www.fema.gov/continuity-resource-toolkit)

  • Townships should have their designee informed! IC 36-6-4-18
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.
Memo – Temporary Transfer of Funds
April 9, 2020

IC 36-1-8-4(a) provides for the temporary transfer of funds for cash flow purposes

These conditions must be met:

1) it must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes
2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred
3) The prescribed period must end during the budget year or the year in which the transfer occurs
4) The amount transferred must be returned to the other fund at the end of the prescribed period
5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred
Memo – Temporary Transfer of Funds
April 9, 2020 (Cont.)

- Ordinance or Resolution

- Acknowledge the required conditions stated in IC 36-1-8-4(a)

- Specify the amount of money which will be transferred from one fund to another, stating the Name and Fund Number of the affected funds
Memo – Temporary Transfer of Funds  
April 9, 2020 (Cont.)

• IC 36-1-8-4(b) provides extension for repayment

• Passes an ordinance or resolution that contains the following:

  a) A statement that the fiscal body has determined that an emergency exists
  b) A brief description of the grounds for the emergency
  c) The date the loan will be repaid that is not more the 6 months beyond the budget year in which the transfer occurs
  d) Immediately forwards the ordinance or resolution to the SBOA and DLGF
Memo – Electronic Signature
April 14, 2020

• Adjust Signature process from hand-written to electronic

  • Electronic signatures are generally controlled by IC 26-2-8, Uniform Electronic Transactions Act

  • SBOA will not take audit exception with electronic signature as long as the corresponding procedures comply with the relevant parameters set out in Indiana Code *(Does not allow unit to alter or circumvent other statutory constraints – IC 26-2-8-107)*

  • Units should have adequate internal controls
• CARES Act Provider Relief Fund

• Units that received fee-for-service (FFS) reimbursements in 2019 are eligible

• If unit qualified, payment will be received automatically
• Funds may be wired directly into bank account without any accompanying paperwork or notice

• Contact the bank for information of the source of funds

• Payments from the Provider Relief Fund will come via Optum Bank with “HHSPAYMENT” as the payment description
Memo - Cares Act Fund Numbers
April 20, 2020 (Cont.)

• Guidance on tracking, allow uses and unallowable uses for assistance from the Provider Relief Fund - www.hhs.gov/providerrelief

• If unit has received Provider Relief Fund YOU MUST TAKE ACTION by visiting the CARES Provider Relief Fund Payment Attestation Portal through hhs.gov/providerrelief within 30 days of payment

• Please send attestation/confirmation documentation to dgibson@sboa.in.gov

• Assign an available number using the Fund Name – CARES Provider Relief Fund
Memo - Enhanced Regulatory Delays
April 27, 2020

• Audits for the year 2019 will not include the Enhanced Regulatory Basis of Accounting updates scheduled for 2019

• The updates that were implemented for the 2019 AFR (Due March 1, 2020) will still be required for the 2020 AFR (Due March 1, 2021)

• The Enhanced Regulatory Basis of Accounting updates scheduled for the 2020 AFR (Due March 1, 2021) are postponed.
Accounting and Appropriation of COVID-19 Grants
April 29, 2020

- COVID-19 Funds appropriated by Congress
- SBOA will not take audit exception to establishing these funds without the adoption of an ordinance.
- Separate fund should be established for each separately identified assistance provided
- Fund Number and Fund Name should clearly identify assistance being provided – COVID should be part of naming title
Recent Fraud Schemes
May 11, 2020

• Fraudsters and Scammers continuing to work to try and get your money

• Review bank activity frequently
  • Verify recorded deposits
  • Verify withdrawals

• Reconcile monthly
• Consider use of Positive Pay

• Work with your bank
• Township Assistance Application (TA-1)

• Application for Additional or Continuing Township Assistance (TA-1B)
IC 12-20 governs Township Assistance

- May need to adjust TA-1 or TA-1B
- May assist applicants by telephone or other digital methods
• Alternate procedures regarding signature lines

• Application for Township Assistance
  • Notice of Public Law
  • Affidavit
State Examiner Directive 2020-2
Application for Township Assistance (Cont.)

- Alternate procedures regarding signature lines
- Application for Additional or Continuing Township Assistance
  - Affidavit
State Examiner Directive 2020-2
Application for Township Assistance (Cont.)

• Directive 2020-2 will be rescinded upon declaration by the Governor that the Public Health Emergency has ended
State Examiner Directive 2020-2
Application for Township Assistance (Cont.)

• Modified Application

Additional Guidance

- DLGF Info on Coronavirus
  - Waiver of Penalties for Delinquent Property Tax Payments 3-20-20
  - COVID-19 & Executive Orders FAQ 3-27-20
  - Cash Flow Solutions 3-30-20
  - Public Meetings and Hearings 3-30-20
  - Guidance on Additional Appropriations during Public Health Emergency 4-24-20
Additional Guidance (Cont.)

• PAC
  • Updated Emergency Guidance on Public Access Laws 3-23-20
  • FAQs Regarding COVID-19 and Public Access Laws 3-23-20

• Governor Executive Orders
  • Updated Emergency Guidance on Public Access Laws 3-23-20
  • FAQs Regarding COVID-19 and Public Access Laws 3-23-20

• Federal Government Resources
  • CARES Act Information for State, Local and Tribal Governments
Conclusion

• Keep monitoring; things are fluid

• Work with your attorneys

• Document policies/actions in writing
Contact Information

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