



STATE BOARD
OF ACCOUNTS

State Board of Accounts

Township Trustee – State Called Meetings – April 2025

SBOA Updates

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Conferences

- IC 5-11-14-1
 - SBOA shall annually call a conference of township trustees and township trustee elects
 - SBOA shall keep attendance of elected officials at each conference and publish the attendance on the SBOA website
 - Elected officials **must** attend the annual conference called by SBOA a minimum of once every two years



○○○○ *Conferences*

- Mileage
 - Rate per mile as determined by IC 36-6-8-3(b)
 - <https://www.in.gov/idoa/procurement/travel-services/travel-reimbursement-rates/>
 - June 15, 2022 - \$0.49 per mile
- Lodging
 - Single room rate
- Meals
 - In accordance with policy adopted by the township board



○○○○ *Training*

- IC 36-6-4-20(b)
 - Applies to township trustees elected on or after November 5, 2023
 - Must complete 14 hours of training courses within one year and 36 hour of training within three years
- IC 36-6-4-20(c)
 - Township trustee first elected or appointed to office shall complete 5 hours of newly elected official training courses before taking office
 - The hours would count toward the hours required in section (b)
- IC 36-6-4-20(d)
 - Township trustee is required to fulfill the training requirements for each term the trustee is elected to the office



○○○○ *Training*

An Open Door into Local Government Finance

Gateway collects and provides access to information about how taxes and other public dollars are budgeted and spent by Indiana's local units of government.



Taxpayer Portal

Access all of the Gateway tools relating to individual taxpayers, such as assessed value and tax bill lookups, the referendum impact calculator and more.

[Local Officials: Login Here »](#)

[Conflict of Interest Upload Tool »](#)

[Interlocal Agreement Upload Tool »](#)

[Food and Beverage Tax Form Upload Tool »](#)

[Elected Official Certification of Training Courses Upload Tool »](#)



- Certification Training Course Upload is **NOT** currently required for township trustees



○○○○ *Live Streaming and Archiving Meetings*

- IC 5-14-1.5-2.9
 - Effective July 1, 2025
 - *Does not apply to executive session*
- Governing Body shall provide:
 - Live transmissions of the governing body's meetings
 - Archived copies of the live transmission and provide access by links to the meeting's agenda, minutes, and memoranda
 - Include the website for live transmissions and archived copies of live transmissions in the meeting notice



○○○○ *Live Streaming and Archiving Meetings*

- IC 5-14-1.5-2.9 (Continued)
 - If a governing body does not have internet capability for live transmissions of meetings, the governing body shall record the meeting and retain the recording as provided in subsection (f)
 - Shall make a copy of the transmission or recording available for public inspection and copying or downloading for at least 90 days after the date of the meeting
- Any further questions, recommend consulting with legal counsel and reaching out to the Indiana Public Access Counselor
 - <https://www.in.gov/pac/>



Fire Services and Emergency Medical Services Contracts

- Trustee shall upload any contract, regardless of total cost, if it is related to the provision of fire services or emergency medical services; or entered into with another unit or entity that provides fire services or emergency medical services to the Indiana transparency website (Gateway)
 - Contract must be uploaded within 60 days of the date the contract is executed
 - If a participating unit of a fire protection territory submits the agreement to establish the fire protection territory as required under this subsection, each of the participating units of the fire protection territory shall be considered to have complied with the requirements

INDIANA Gateway for government units



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Welcome to the Indiana Gateway for Government Units

As an authorized user, you will have at least one application to use. Each of these applications enables a local unit to submit its required forms, reports or files to the appropriate state agency. Agencies currently include [Department of Local Government Finance](#), [State Board of Accounts](#), [Indiana Education Employment Relations Board](#) and [Indiana Gaming Commission](#).

Select Application

Department of Local Government Finance (DLGF)	Deadline
Additional Appropriations	Details
Abstract	Details
Assessor Reports	Jan 15
Budgets	Details
Data Entry for CNAV and Form 22	Details
Debt Management	Details
Economic Development Reporting	Sep 30
File Transmission	Details
Other Post-Employment Benefits	Mar 1
SB 131 Reporting for SWMDs	Mar 1
TIF Management	Apr 15

State Board of Accounts (SBOA)	Deadline
100R	Jan 31
Annual Financial Report	Details
Monthly and Annual Engagement Uploads	Details
E-1 Entity Annual Report	60 days after entity's fiscal year ends
ECA Risk Report	Aug 29
Conflict of Interest Disclosure	15 days after final action on the contract or purchase
Elected Official Certification of Training Courses	March 1st following entity's year end



Rainy Day Funds (RDF)

- **Cannot** be transferred to RDF:
 - Township Assistance
 - Fire Protection Territory funds
 - Cemetery funds conveyed under IC 23-14-64-3
- **Can** be transferred to RDF:
 - Township/General
 - Fire and Fire Cumulative
 - Local funds w/o restrictions
 - Park and Recreation*
- **Transfer limited to 10% of total annual budget - IC 36-1-8-5.1**
 - 15% allowed between 12/31/20 and 1/1/25



Designation of Trustee

- IC 36-6-4-18
 - Within thirty (30) days after taking office, **the executive shall designate a person who shall perform the executive's duties whenever the executive is incapable of performing the executive's functions** because the executive:
 - (1) is absent from the township: or
 - (2) becomes incapacitated
- The executive shall give notice of the designation to the chair of the township legislative body, the county sheriff, and any other persons that the executive chooses.
 - The designee shall have all the powers of the executive
 - The executive is responsible for all acts of the designee
 - The executive may change the designee under this section at any time

Designation of Trustee

- SBOA has not received any Attorney General opinions indicating that a Trustee could appoint a board member as a designee
 - Potential constitutional conflicts could exist concerning the holding of two lucrative offices
- If any Compensation is paid to the designee there may be a violation of Article 2, § 9 of the Constitution of Indiana
- SBOA recommends appointing someone who is a resident of the township and not currently holding another lucrative office



Official Bond Requirements

- Be Payable to the State of Indiana IC 5-4-1-10
- Approved by County Auditor IC 5-4-1-8
- Filed with County Recorder within 10 days of issuance IC 5-4-1-5.1
- Amount of bond shall be equal to **\$30,000** for each \$1,000,000 of receipts during the last complete fiscal year IC 5-4-1-18
 - Minimum = \$30,000
 - Maximum = \$300,000 (unless approved)





Lucrative Office

- Attorney General's Dual Office Holding Guide:
 - <https://www.in.gov/attorneygeneral/files/Dual-Office-Holding-Guide.pdf>
- IC 3-5-9-5
 - Individual cannot be an elected official and an employee of the same unit.





Township Deposit Law

- IC 5-13-6-1(c)
 - Public funds collected by the township trustee shall be deposited in the designated depository on or before the first and fifteenth day of each month
 - Public funds shall be deposited in the same form in which they were received



Bank Accounts

- IC 5-13-8-9
 - Public funds of all political subdivisions shall be deposited in the designated depositories located within the township
- Treasurer of State's Approved Depositories
 - <https://www.in.gov/tos/deposit/indiana-approved-depositories-and-how-to-apply/>



○○○○ *Overdrawn Cash Balances*

- The cash balance of any fund may not be reduced below zero
- Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit



Temporary Loans

- IC 36-1-8-4
 - The township board may by resolution permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund
- Requirements
 - It must be necessary to borrow money
 - There must be sufficient money on deposit
 - Must end during the budget year of the year in which the transfer occurs
 - The amount must be returned to the other fund at the end of the year
 - Only revenues derived from the levying and collection of property taxes or special taxes from operation of the political subdivision may be transferred



Electronic Payments

- IC 36-1-8-11
 - Allows townships to collect payments via credit cards and other electronic methods
 - We have received questions about the use of electronic payment methods such as Venmo and PayPal
 - These township board must authorize the use of these financial instruments through resolution, which must be approved in a public meeting and documented in the minutes
 - The use of a financial instrument that requires an account should be an authorized officer/employee designated by the township board
 - Receipting, timely recording, and depositing requirements must be met. Pushing the funds from these apps to the bank account would be considered depositing





Electronic Payments (Continued)

- A monthly reconciliation must be performed for these transactions by running a transaction history report within the Venmo/PayPal account and reconciling to the amount deposited in the bank account. The reconciliation including the transaction history report is to be maintained for audit purposes
- These financial instruments are not to be used for disbursements
- Develop a policy
 - Proper internal controls should be established around the process of collections, receipting, and depositing of the funds.
- For audit purposes, the township needs to ensure that collections can be traced from the receipt to the bank deposit



○○○○ *Credit Cards*

- The **township board must authorize** credit card use through a resolution, which has been approved in a public meeting and documented in the board minutes
- Issuance and **use must be handled by an official or employee designated** by the board
- The **purposes** for which the credit card may be used must be specifically stated in the resolution
- 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



○○○○ Credit Cards (Continued)

- An accounting system or log is to be maintained which would include:
 - The names of individuals and their position requesting usage of the cards
 - Estimated amounts to be charged, and fund and account number to be charged
 - Date the card is issued and returned
- 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
- Payment should not be made on the basis of a statement or a credit card slip only
 - Supporting documents such as paid bills and receipts must be available
 - Any interest or penalty incurred due to late filing or furnishing of documentation by an office or employee should be the responsibility of that officer or employee



Donations

- Public funds **CANNOT** be donated or given to other organizations or individuals unless specifically authorized by law



Use of Funds Appropriated for Community Services

- IC 36-6-4-8(a)
 - Allows the township trustee to use township's share of state, county, and township tax revenues for all categories of community services, if these funds are appropriated for these services by the township board
 - The trustee may use the funds for both operating and capital expenditures
- IC 36-6-4-8(b)
 - With the consent of the township board, the township may contract with corporations for health and community services not specifically provided by another governmental entity



○○○○ *Advertising Requirements*

- IC 5-14-1.5-5 Open Door Law
 - Public Meetings → 48 hours notice
 - (Sign/advertisement)
- Public Access Counselor
 - <https://www.in.gov/pac/>





Advertising Requirements

- IC 5-3-1-2 (Publish in newspaper)
 - Sale of Bonds – 2 times, at least one week apart, with the first publication made at least 15 days before the date of the sale and the second publication at least 3 days before the date of the sale
 - Receiving bids – 2 times, at least one week apart, with the second publication made at least 7 days before the date the bids will be received
 - Establish Cumulative/Sinking Fund – 2 times, at least one week apart, with the second publications made at least three days before the date of the hearing



○○○○ *Advertising Requirements*

- IC 36-6-4-13
 - Abstract of receipts and expenditures – 4 weeks after the third Tuesday following the first Monday in February
- Budget Information
 - Refer to DLGF Budget and Tax Rate Calendar
- If IC 5-3-1-2 not mentioned – follow 10 day requirement for other meetings that require publishing in the newspaper





Insurance Proceeds

- Receipt proceeds into the fund that would normally pay for the expense
- May add the amount of the insurance proceeds to existing appropriations if:
 - Funds are received as a result of damage to property and
 - Funds are appropriated for the purpose of repairing or replacing damaged property
- Only applies if the funds are expended to repair or replace the property within the 12-month period after they are received





Procedures to Account for Audit Costs

- SBOA provides a certified statement of the County which pays the examination of record costs from the County General Fund
 - The township receives a Statement of Engagement Costs *(This is not an invoice!)*
- The County General Fund is reimbursed from property tax collections of that township at the next semiannual settlement
- The township is to receipt the full amount of property and excise taxes (before audit costs)
- A disbursement for the examination of records is to be posted to the township funds
- The Statement of Engagement Costs should be compared to the amount withheld for the Examination of Records to ensure they agree



○ ○ ○ ○ *Nepotism*

- IC 36-1-20.2-10
 - Cannot have relatives as employees in *direct line of supervision*
- IC 36-1-20.2-15
 - If the township trustee's office is located in the township trustee's personal residence, the township trustee may hire only 1 employee who is a relative.
 - The employee may be hired to work only in the township trustee's office
 - The employee may be in the township trustee's direct line of supervision
 - The employee any not receive total salary, benefits, and compensation that exceed \$5,000 per year
- Grandfathered in if:
 - Maintained continuous employment and was employed prior to July 1, 2012



Trustee Compensation

- IC 36-6-4-17(b)
 - An executive is entitled to receive the following:
 - The executive's salary
 - Reimbursement of expenses that are reasonably incurred by the executive for the following:
 - The operation of the executive's office
 - Travel and meals while attend seminars or conferences on township matters
 - A sum for mileage as permitted under IC 36-6-8-3(b)
- **The executive may not make any other personal use of township funds without prior approval of the legislative body of the township**

Compensation

- Salary cannot be paid in advance
- Salary cannot exceed the Salary Resolution adopted by the board (Form 17)
- Salary for all employees (including board members) are required to have taxes withheld and Form W-2s issued



Renting an Office

- IC 36-6-8-3(a)
 - The annual appropriations to a township executive for the expenses of renting an office and telephone and telegraph expenses must, as nearly as is possible, be equal to the actual cost of those items. If the township executive uses a part of the executive's residence for an office, the township legislative body shall appropriate a reasonable sum for that office space
- Township Telephone, Cellular, and Internet
 - Local Policy Adopted
- Township Board must determine in writing the amount of rent expenses considered reasonable (policy)
- ***Only the trustee can receive rent***
 - Not any other employees, even if living in the same residence





○○○○ *Common Fraud Schemes*

- Payroll
- Vendor



SBÖA EMAIL LIST



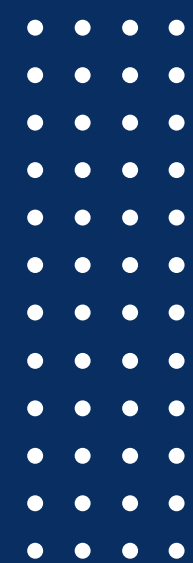
- <https://www.in.gov/sboa/about-us/sboa-communications-sign-up/>



Website Overview



- <https://www.in.gov/sboa/>



THANK YOU

OFFICE



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