Township Requirements

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Contact Information

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About SBOA

• Created in 1909 in response to widespread political corruption.

• Responsibilities:
  • Perform audit/exams/special investigations of governmental units
  • Prescribe forms and procedures used by governmental units
  • Various other duties including recounts, training for local officials, consulting services, other legislatively mandated services.
SBOA Staff

• SBOA Board (State Examiner, 2 Deputies)
• Directors of Audit Services (6 Historically)
• Audit Coordinators (5 Historically)
• Special Investigation Coordinators (2)
• Field Examiners (approx. 230)
Regulations

• Indiana Code
• Uniform Compliance Guidelines
  • “Township Manual”
  • Bulletins
  • State Examiner Directives
• Grant Requirements
  • Code of Federal Regulations (CFR)
1. Present **Annual Report** to Township Board **IC 36-6-4-12**

2. Publish **Annual Report** **IC 5-3-1** and **IC 36-6-4-13**

3. File **Annual Financial Report (AFR)** with the **State Examiner** **IC 5-11-1-4**

Trustee Responsibilities IC 36-6-4

- Attend all meetings of the township legislative body
- Receive and pay out township funds
- Examine and settle all accounts and demands chargeable against the township
- Keep a written record of official proceedings
- Manage all township property interests
- Keep township records open for public inspection
- Reside within the township
Trustee Responsibilities (Continued)

- **Township Assistance** IC 12-20 and 12-30-4
  - Local Twp Assistance Standards!
- **Cemetery Maintenance** IC 23-14
- **Fire Protection** IC 36-8
- **Parks and Community Centers** IC 36-10
- **Perform the duties of fence viewer** IC 32-26
Trustee Responsibilities (Continued)

- **Maintain a general account** showing the total of all township receipts and expenditures (this is a total of all funds)

- **Maintain the financial and appropriation record** of the township
  - must include an itemized and accurate account of the township’s financial affairs (this is the ledger)

- Destroy detrimental plants, noxious weeds, and rank vegetation IC 15-16-8
- Provide insulin to the poor IC 12-20-16
- Other duties prescribed by statute.
Annual Township Meeting

- IC 36-6-6-11
  - Present an itemized written statement of the estimated expenditures for which appropriations are requested.
  - Be available to answer questions from the legislative body and/or taxpayers.
  - Present a complete report of all receipts and expenditures of the preceding calendar year.
    - File a copy of this report, and all accompanying vouchers in the County Auditor’s office.
    - Publish an abstract of this report in accordance with IC 5-3-1
    - Must fix the compensation of all officers and employees of the township through the budget and on Form 17
Annual Township Meeting (Continued)

• Meeting Date: “On or before the third Tuesday after the first Monday in February of each year” (2-4-19 to 2-19-19)
  • Adopt the township annual report.

• When the term of office expires, the trustee shall:
  • Immediately deliver all funds and Twp property, except records necessary in the preparation of the annual report. IC 36-6-4-14
Township Board Duties

• 3 Member board (except in Marion County)
  • Elected to 4 year terms
  • Must be reside in the Township

• Main Duty – Approve Budget

• During Annual Meeting
  • Must elect a Chairperson and a Secretary
  • Secretary is responsible for recording the minutes of the proceedings of each meeting in full
Nepotism/Contracting With a Unit

• Nepotism Policy IC 36-1-20.2-9

• Contracting With a Unit Policy IC 36-1-21-4

• Annually required to certify that you did not violate those policies.
Nepotism

• Cannot have relatives as employees in **direct line of supervision**
  IC 36-1-20.2-10

• Nepotism exception for townships IC 36-1-20.2-15
  • If the **office is in your home**, you can hire a family member, but they **cannot receive more than $5,000 in compensation for the year.**

• Grandfathered in if:
  • Maintained **continuous employment.**
  • Employed before Nepotism law took effect July 1, 2012.
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 shall be equal to $30,000 for each $1,000,000 or receipts during the last complete fiscal year IC 5-4-1-18

- Minimum = $30,000
- Maximum = $300,000 (unless approved)
Advertising Requirements

- Open Door Law IC 5-14-1.5-5
  - Public Meetings → 48 hours notice (Sign/advertisement)

- Public Access Counselor
  - https://www.in.gov/pac/
Advertising Requirements (Continued)

• IC 5-3-1-2 (Publish in paper)
  • Elections – 10 days
  • Sale of Bonds – 15 days and 3 days before sale
  • Receive bids – Twice at least 1 week apart and 7 days before received
  • Establish Cumulative/Sinking Fund – twice at least 1 week apart and 3 days before hearing

• AFR – 4 weeks after third Tuesday following third Monday (2 newspapers)

• Budget information – refer to DLGF Budget and Tax Rate Calendar
  • If IC 5-3-1-3 not mentioned – follow 10 day requirement for other meetings that require publishing in the paper
Township Deposit Law

• Indiana Code 5-13-16-1(c) states in part: “...public funds collected by the township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month.”
Compensation

- IC 36-6-4-17
- A trustee is entitled to receive:
  - Salary
  - Reimbursement for expenses *reasonably* incurred for:
    - Operation of the office
    - *Travel and meals* while attending seminars or conferences on township matters
    - A sum for *mileage* as permitted under IC 36-6-8-3(b)
• Other things to remember:

• 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 a W-2s issued
Lucrative Office

- Attorney General’s Dual Office Holding Guide:

- IC 3-5-9-5, Cannot be an Elected Official and an employee of the same unit.
Bank Accounts

- Located in Township IC 5-13-8-9
- Electronic payments IC 36-1-8-11.5
- Treasurer of State’s Approved Depositories
  - https://www.in.gov/tos/deposit/2377.htm
“Donations”

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

- Community service statute IC 36-6-4-8
  - Funds must be appropriated for Community Services
  - Services must not already be provided by another governmental entity
Transfer of Appropriation

• Chapter 4 Township Manual:
  • Within same fund
    • Within Major Budget Classification – Trustee decision
    • Between Major Budget Classification – Township Board Approval
Questions?