

**TOWNSHIP BULLETIN  
AND UNIFORM COMPLIANCE GUIDELINES  
ISSUED BY STATE BOARD OF ACCOUNTS**

Volume 332, Page 1

March 2021

**ITEMS TO REMEMBER**

**MARCH**

- March 1: Last day to file 2020 Annual Financial Report (AFR), in Gateway, with the State Board of Accounts. Navigate to <https://gateway.ifionline.org> to file the AFR. [IC 5-11-1-4]
- March 1: Deadline for each political subdivision to submit annual report to the DLGF in Debt Management of any outstanding bonds or leases (as of January 1). IC 5-1-18-9
- March 1: Last possible day for a unit to hold its first public hearing and present appropriate information before adopting an ordinance or resolution to enter into or form a fire protection territory. [IC 36-8-19-6]
- March 15: Deadline to upload monthly bank reconcilements, bank statements, outstanding check lists, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for January 2021 to Gateway. [State Examiner Directive 2018-1 (Amended 2020)]
- March 16: Last day to publish the abstract of receipts and expenditures required by IC 36-6-4 13. In addition to the abstract, the publishing must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the Township have been filed with the County Auditor, and that the Chairman of the Township Board has a copy of the report that is available for inspection by any taxpayer of the Township.
- March 30: Deadline to adopt an ordinance or resolution creating a fire protection territory to receive a tax levy in 2022. [IC 36-8-19-6]
- March 31: All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1(e)]

**APRIL**

- April 2: Legal Holiday – Good Friday. [IC 1-1-9-1]
- April 15: Deadline to upload monthly bank reconcilements, bank statements, outstanding check lists, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for February 2021 to Gateway. [State Examiner Directive 2018-1 (Amended 2020)]
- April 30: All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1(e)]

Last day to file Employer's Quarterly Federal Tax Return (Form 941) with the Internal Revenue Service for federal and social security taxes.

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**MAY**

- |     |     |   |
|-----|-----|---|
| May | 15: | Deadline to upload monthly bank reconcilements, bank statements, outstanding check lists, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for March 2021 to Gateway. [State Examiner Directive 2018-1 (Amended 2020)] |
| May | 31: | Legal Holiday – Memorial Day. [IC 1-1-9-1]  |
| May | 31: | All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1(e)]  |

**STATE BOARD OF ACCOUNTS CALLED MEETING**

The SBOA has called a meeting of all Township Trustees in accordance with IC 5-11-14-1. This Meeting will be held virtually on April 14, 2021. The meeting will begin at 9:00 a.m. EST. Topics to be discussed are township assistance; public works/purchasing and capital assets; the new township manual, and gateway uploads. There will also be time available to answer any township questions you may have. Please make sure you are signed up to receive our communications as additional information will be forth coming. You can sign up for SBOA communications at - <https://www.in.gov/sboa/about-us/sboa-communications-sign-up/> , We will also be providing additional meeting information on the SBOA website under “Hot Topics” - <https://www.in.gov/sboa/political-subdivisions/townships/> .

**RATES FOR LEGAL ADVERTISING**

Rates effective January 1, 2021 were computed based upon the statutorily authorized increase allowed by IC 5-3-1-1(b)(4). A newspaper, locality newspaper, or qualified publication may, effective January 1 or any year increase the basic charges by not more than 2.75% of the basic charges that were in effect during the previous year. The computed rates for legal advertising can be found on the SBOA website under ‘ Resources’ - <https://www.in.gov/sboa/files/2021-Legal-Rate-Tables.pdf> .

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**CONFLICT OF INTEREST STATEMENT REQUIREMENT WHEN TRUSTEE IS ALSO VENDOR TO  
RECIPIENT RECEIVING TOWNSHIP ASSISTANCE**

Instances may arise in which a township trustee may be legally eligible under IC 12-20 to be the direct payee as a vendor of a township resident requesting township assistance through the trustee's office. Our audit position is that a conflict of interest disclosure is to be filed when the trustee is the direct payee as a vendor of township assistance under IC 12-20. A township trustee that benefits from township assistance received by a township assistance applicant may be requested to repay the township the amount of the benefits received if there has not been proper disclosure of the conflict of interest. We also recommend maintaining a separate file with a copy of the conflict of interest disclosure and the supporting documentation for the township assistance payments.

Per IC 35-44.1-1-4(b) "A public servant who knowingly or intentionally: (1) has a pecuniary interest or (2) derives a profit from; a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Level 6 felony." A "pecuniary interest" means an interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of: the public servant; or dependent of the public servant who: is under the direct or indirect administrative control of the public servant; or receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the public servant.

IC 35-44.1-1-4(c) "It is not an offense under this section if any of the following apply: ... (6) A public servant makes a disclosure that meets the requirements of subsection (d) or (e) and is: (A) not a member or on the staff of the governing body empowered to contract or purchase on behalf of the governmental entity, and functions and performs duties for the governmental entity unrelated to the contract or purchase; (B) appointed by an elected public servant; (C) employed by the governing body of a school corporation and the contract or purchase involves the employment of a dependent or the payment of fees to a dependent; (D) elected; or (E) a member of, or a person appointed by, the board of trustees of a state supported college or university.

The conflict of interest disclosure must: (1) be in writing; (2) describe the contract or purchase to be made by the governmental entity; (3) describe the pecuniary interest that the public servant has in the contract or purchase; (4) be affirmed under penalty of perjury; (5) be submitted to the governmental entity and be accepted by the governmental entity in a public meeting of the governmental entity before final action on the contract or purchase; (6) be filed within fifteen (15) days after final action on the contract or purchase with: (A) the state board of accounts; and (B) if the governmental entity other than the state or a state supported college or university, the clerk of the circuit court in the county where the governmental entity takes final action on the contract or purchase; and (7) contain, if the public servant is appointed, the written approval of the elected public servant (if any) or the board of trustees of a state supported college or university (if any) that appointed the public servant.

Persons required to file the Conflict of Interest Disclosure with the State Board of Accounts can use the [form](https://forms.in.gov/Download.aspx?id=8264) available at <https://forms.in.gov/Download.aspx?id=8264> . Once the form has been completed, scan it as a pdf and upload at [https://gateway.ifonline.org/sboa\\_coi/](https://gateway.ifonline.org/sboa_coi/) .

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**SPECIAL PURCHASES**

We often receive inquiries concerning our audit position regarding public purchases for unusual situations.

The State Board of Accounts encourages the bidding and quote procedures whenever applicable to help ensure receiving competitive pricing for governmental units. However, IC 5-22-10-1 provides "Notwithstanding any other provision of this article, a purchasing agent may make a purchase under this chapter without soliciting bids or proposals."

Supply purchases are a possibility for consideration of the special purchase provisions of IC 5-22-10-1 et seq. However, we are of the audit position, townships should obtain the written position of the township attorney as to which section of IC 5-22-10 might be applicable to any particular situation. An example might be the township attorney advises IC 5-22-10-15 is applicable. IC 5-22-10-15 states "(a) A purchasing agent may purchase supplies if the purchase is made from a person who has a contract with a federal agency and the person's contract with the federal agency requires the person to make the supplies available to the state or political subdivisions. (b) A purchasing agent for a political subdivision may purchase supplies if the purchase is made from a person who has a contract with a state agency and the person's contract with the state requires the person to make the supplies or services available to political subdivisions, as provided in IC 4-13-1.6 or IC 5-22-17-9."

The written position of the township attorney should then be attached to the completed Special Purchase Contract File List Form (sample on page 56 of the [Appendix](#) of the Accounting and Uniform Compliance Guidelines Manual For Townships) and retained and for audit as a public record.

**DISPOSITION OF OLD OUTSTANDING CHECKS**

Pursuant to IC 5-11-10.5-2, all checks outstanding and unpaid for a period of two years as of December 31 of each year are void.

Not later than March 1 of each year, the trustee shall prepare or cause to be prepared a list in duplicate of all checks outstanding for two or more years as of December 31 last preceding year. The original copy shall be filed with the board of finance of the township and the duplicate copy maintained by the trustee. The trustee shall enter the amounts so listed as a receipt to the fund or funds upon which they were originally drawn and remove the checks from the list of outstanding checks. If the fund on which the checks were originally drawn is not in existence, or cannot be ascertained, the amount of such checks shall be receipted to the township fund.

Each list prepared must show:

- (1) the date of issue of each check;
- (2) the fund upon which the check was originally drawn;
- (3) the name of the payee;
- (4) the amount of each check issued; and
- (5) the total amount represented by the checks listed for each fund.

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