

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

Volume 330, Page 1

September 2020

ITEMS TO REMEMBER

SEPTEMBER

- September 1: Prove all ledgers for the prior month.
- Last day for units with appointed boards to submit proposed 2021 budgets, tax rates, and tax levies to county fiscal body or other appropriate fiscal body for binding adoption, as applicable. (IC 6-1.1-17-20)
- September 7: Labor Day – Legal Holiday [IC 1-1-9-1]
- September 15: Deadline to upload monthly bank reconcilements, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for July 2020 to Gateway. [State Examiner Directive 2018-1]
- September 20: If your monthly average tax withheld is more than \$1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- September 30: If your monthly average tax withheld is \$1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- 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)]

OCTOBER

- October 1: Prove all ledgers for the prior month
- October 12: Last day to post notice to taxpayers of proposed 2021 budgets and tax levies and public hearing (Budget Form 3) to Gateway. (Notice must be posted at least 10 days before the public hearing, which must occur at least 10 days before the adoption.) [IC 6-1.1-17-3]
- Columbus Day – Legal Holiday [IC 1-1-9-1]
- October 15: Deadline to upload monthly bank reconcilements, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for August 2020 to Gateway. [State Examiner Directive 2018-1]
- October 20: If your monthly average tax withheld is more than \$1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- October 22: Last possible day for Townships to hold a public hearing on their 2021 budgets. Public hearing must be held at least 10 days before budget is adopted. [IC 6-1.1-17-5]

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- October 30: If your monthly average tax withheld is \$1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- October 31: IRS Form 941 (Employer's Quarterly Federal Tax Return) due
- 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)]

NOVEMBER

- November 1: Prove all ledgers for the prior month.
- November 2: Deadline for all Townships to adopt 2021 budgets, tax rates, and tax levies. [IC 6-1.1-17- 5(a)]
- November 9: Last day for Townships to submit their 2021 budgets, tax rates, and tax levies to the DLGF through Gateway
- November 11: Veteran's Day – Legal Holiday [IC 1-1-9-1]
- November 15: Deadline to upload monthly bank reconcilements, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for September 2020 to Gateway. [State Examiner Directive 2018-1]
- November 20: If your monthly average tax withheld is more than \$1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- November 26: Thanksgiving Day – Legal Holiday [IC 1-1-9-1]
- November 30: If your monthly average tax withheld is \$1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.

On or before June 1 and December 1 of each year (or more frequently if the County Legislative Body adopts an ordinance requiring additional certifications) the Trustee shall certify a list of the names and addresses of each person who has money due from the township to the County Treasurer. (IC 6-1.1-22-14)

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]

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USE OF FUNDS APPROPRIATED FOR COMMUNITY SERVICES

Public funds cannot be donated to other organizations or individuals unless specifically authorized by law. IC 36-6-4-8(a) allows the township trustee to use the township's share of state, county, and township tax revenues and federal revenue sharing funds for all categories of community services, if these funds are appropriated for these services by the township legislative body.

The trustee may use the funds for both operating and capital expenditures. IC 36-6-4-8(b) states with the consent of the township legislative body, the township may contract with corporations for health and community services ***not specifically provided by another governmental entity***.... We would expect to see a contract that the township will give an organization a fixed dollar amount and in return the organization is going to provide a certain community service to the citizens of the Township.

AUDIT COSTS - RECORDED

Inquiries have questioned the correct procedure for accounting for township audit costs.

We find IC 5-11-4-3(b) remains applicable to guide these processes. IC 5-11-4-3(b) states in part: "... Immediately upon receipt of the certified statement, the county auditor shall issue a warrant on the county treasurer payable to the treasurer of state out of the general fund of the county for the amount stated in the certificate. The county auditor shall reimburse the county general fund, except for the expense of examination and investigation of county office, out of the money due the taxing units at the next semiannual settlement of the collection of taxes."

Therefore, counties shall continue to forward examination of record payments to the Treasurer of State for township audits when billed by the State Board of Accounts. The county general fund shall then be reimbursed from property tax collections of that township at the next semiannual settlement.

To properly account for the township's audit costs the full amount of property and excise taxes (before audit costs) are to be receipted to the appropriate township funds. A disbursement for the examination of records is to be posted to township funds. The Statement of Engagement Costs should be compared to the amount withheld for the Examination of Records to ensure the amounts agree.

IC 5-11-4-4 provides that all disbursing offices are authorized to make payments required under this chapter without appropriation. Therefore, the examination of records costs would be considered an unappropriated disbursement.

ATTORNEY GENERAL OFFICIAL OPINON 90-10 – NOTARIAL ACTS

The Attorney General of the State of Indiana, in response to a request for an opinion on whether a township trustee is required to put an expiration date on an act he performs that a notary public may perform in Indiana, issued Official Opinion 90-10 which provided:

It is therefore, my Official Opinion that a township trustee is not required by statute to put the expiration date of his term on an act he performs that a notary may perform in Indiana.

If a township trustee complied with Indiana Code Chapter 33-16-8 (now IC 33-42-5) by attesting a notarial act with a seal indicating his official character and appends to it his date of election as township trustee, acknowledgments to deeds or other instruments taken by the township trustee shall be recorded in the same manner and way as if they had been acknowledged by a notary

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ATTORNEY GENERAL OFFICIAL OPINON 90-10 – NOTARIAL ACTS (Continued)

public.

Although there is no legal requirement in Indiana that a township trustee include the date upon which the trustee's current term will end, that information might be helpful to anyone reviewing the notarized document. A trustee may voluntarily add the date upon which his current term of office is expected to end.

Authorization Recording

IC 33-42-5-1 states "A township trustee may perform any act that a notary public may perform in Indiana. Acknowledgments to deeds or other instruments taken by a trustee shall be recorded as if the acknowledgments had been acknowledged before a notary public."

Seal Requirements

IC 33-42-5-2 states "Before a trustee may perform a notarial act, the trustee must obtain a seal that can stamp upon paper a distinct impression that indicates the trustee's official character, along with any other information that the trustee chooses. A notarial act of a trustee that is not attested by a seal is void."

Appendage of Trustee's Date of Election

IC 33-42-5-3 states "When signing any certificate of acknowledgment, jurat, or other official document, the trustee must append to it the trustee's date of election as a trustee."

Prohibition on Collecting Fee

IC 33-42-5-4 states "A trustee may not receive a fee for performing a notarial act."

Prohibited Acts

IC 33-42-5-5 states "A trustee may not perform an act that is prohibited to a notary public."

PAYMENTS TO BANKS OF COMPENSATION DUE EMPLOYEES

Pursuant to IC 5-10-9, an employee of the township may make a written request that any compensation due them from the township be deposited to their account in a bank or trust company.

IC 5-10-9-2 states "An employee of a municipal corporation may make a written request that any compensation due him from the municipal corporation be deposited to his account in a bank or trust company. Upon receipt of request, the officer responsible for making the disbursements may: (1) draw a check in favor of the bank or trust company set forth in the request for the credit of the employee; or (2) in the event more than one (1) employee of the same municipal corporation designates the same bank or trust company, draw a single check in favor of the bank or trust company for the total amount due the employees and transmit the check to the bank or trust company identifying each employee and the amount to be deposited in each employee's account."

The State Board of Accounts is of the audit position if any employee desires that the fiscal officer transmit his or her compensation to a bank, a written request must be furnished to the fiscal officer. The written request should clearly indicate the bank or trust company and the period of time to be covered.

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PAYMENTS TO BANKS OF COMPENSATION DUE EMPLOYEES (Continued)

If the fiscal officer agrees to honor the request and for any continued issuance of individual payroll checks, we suggest the checks be made out: "Pay to the order of the Bank or Trust Company for John Doe." The original check would be delivered to the Bank or Trust Company, the second copy given to the employee as a receipt for deductions, and the third copy retained by the fiscal officer as check register.

PUBLIC NATURE OF RECORDS AND MEETINGS

We are often asked about public access to records and meetings

IC 5-14-1.5-3 states in part "Except as provided in section 6.1 of this chapter, all meetings of the governing bodies of public agencies must be open at all times for the purpose of permitting members of the public to observe and record them."

IC 5-14-3-3 states in part (a) "Any person may inspect and copy the public records of any public agency during the regular business hours of the agency, except as provided in section 4 of this chapter. A request for inspection or copying must: (1) identify with reasonable particularity the record being requested; and (2) be, at the discretion of the agency, in writing on or in a form provided by the agency. No request may be denied because the person making the request refuses to state the purpose of the request, unless such condition is required by other applicable statute."

Luke H. Britt, Public Access Counselor, may be contacted at 1-800-228-6013 or 317-234- 0906 concerning access to public records or public meetings. The Public Access Counselor website is <https://www.in.gov/pac/index.htm>.

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