

# THE COUNTY BULLETIN

## And Uniform Compliance Guidelines

### ISSUED BY STATE BOARD OF ACCOUNTS

Vol. No. 399

April 2016

#### REMINDER OF ORDER OF BUSINESS

#### April

- 1 On April 1 of each even-numbered year, the county auditor shall provide to the county assessor a list by taxing district of property for which a tax exemption was in effect for the immediately preceding year. On or before June 1 of each even-numbered year, the county assessor shall return the list to the county auditor with a notation of any action of the county property tax assessment board of appeals on that year's exemption of each listed property. (IC 6-1.1-11-5(a))
- 15 Members of Tax Adjustment Board to be appointed before this date to serve one year in counties that have not abolished such board. (IC 6-1.1-29-2) Abolishment of the board is provided under IC 6-1.1-29-9.
- 26-28 State Board of Accounts called meeting for County Recorders - Indianapolis
- 20 Last day to report and make payment of balance of State and County Income Tax withheld in March to Indiana Department of Revenue.
- Last day to file quarterly unemployment compensation reports with the Department of Workforce Development.
- 25 On or before April 25 of the year in which the exemption application should have been filed, the County Assessor shall, in each even-numbered year, mail a notice to the owner of the property if: (1) the owner has not applied for a tax exemption for that year; (2) a tax exemption for the property was in effect for the immediately preceding year; and (3) the owner is required to file an application for the exemption for that year under IC 6-1.1-11-3.5 regarding tax exempt organizations. (IC 6-1.1-11-5(b) and IC 6-1.1-11-5(c))
- 30 Last day to file quarterly report of federal withholding tax with Director of Internal Revenue Service.

#### May

- 1 Prepare report of school funds to Auditor of State and make payment of principal and interest due to Treasurer of State on the Common and Permanent Endowment Funds, and pay the Treasurer of State all fines and forfeitures on hand April 30, 2016, as shown in this report. (IC 20-42-1-6)
- 10 First installment of property taxes due. (IC 6-1.1-22-9)
- 15 On or before May 15 is the last regular day for filing applications for tax exemption by Churches, Educational and Charitable organizations. (IC 6-1.1-11-3)
- Due date for personal property tax returns. (IC 6-1.1-3-1.5)

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**REMINDER OF ORDER OF BUSINESS**  
**(Continued)**

**May – (continued)**

- 20 Last day to report and make payment of State and County Income Tax withheld in April to Indiana Department of Revenue.
- 25-27 State Board of Accounts called meeting for County Auditors – Fort Wayne
- 30 Memorial Day – Legal Holiday (IC 1-1-9-1)

**June**

- 1 Last date for filing County Highway Annual Operational Report with the State Board of Accounts and other governmental agencies. (IC 8-17-4.1-7)

On or before this date the County Treasurer shall search the records to ascertain if any person so certified is delinquent in payment of property taxes and certify to Auditor of State and state agencies the names of state employees owing delinquent taxes. (IC 6-1.1-22-16)

County Auditor to prepare a list of persons owing delinquent taxes and believed to have money due from Auditor of State, Indiana Department of Transportation or any state institution or state school and furnish the list to those agencies on or before June 1.

- 7-9 State Board of Accounts called meeting for Clerk of the Circuit Courts - Carmel
- 18 State Board of Accounts called meeting for County Council - Shelbyville
- 20 Last day to report and make payment of State and County Income tax withheld in May to Indiana Department of Revenue.

On or before June 20th and December 20th of each year, the county auditor and the county treasurer shall meet in the office of the county auditor. Before each semi-annual meeting, the county auditor shall complete an audit of the county treasurer's monthly reports required under IC 36-2-10-16. In addition, the county auditor shall: (1) prepare a certificate of settlement on the form prescribed by the state board of accounts; and (2) deliver the certificate of settlement to the county treasurer at least two (2) days before each semi-annual meeting. (IC 6-1.1-27-1(a))

- 30 Immediately after each semi-annual settlement, the county auditor shall send a copy of the certificate of settlement and a statement of the distribution of the taxes collected to the state auditor. On or before June 30th and December 31st of each year, the county treasurer shall pay to the state treasurer the money due the state as shown by the certificate of settlement. (IC 6-1.1-27-3)

Last day for County Treasurer to certify list of real property eligible for tax sale to County Auditor if May 10 was first payment due date.

On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the County Treasurer shall certify to the county auditor a list of real property eligible for tax sale. (IC 6-1.1-24-1(a))

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**INTERNAL CONTROLS TIMELINE**

IC 5-11-1-27 requires all Indiana political subdivisions to adopt the minimum level of internal control standards developed by the state board of accounts as published in the *Uniform Internal Control Standards for Indiana Political Subdivisions*. Each political subdivision must adopt these standards, train appropriate personnel, and implement policies and procedures consistent with the standards. The following is a guide to fulfilling these requirements and deadlines for action.

**Statutory Requirements - *Uniform Internal Control Standards for Indiana Political Subdivisions*  
(Statutory Deadline: After June 30, 2016)**

**Legislative Body – Uniform Internal Control Standards**

1. **Adopt Standards.** The legislative body shall ensure that the *Uniform Internal Control Standards for Indiana Political Subdivisions* are adopted. We recommend adoption by ordinance or resolution.

The *Uniform Internal Control Standards for Indiana Political Subdivisions* are available on our website at [www.in.gov/sboa](http://www.in.gov/sboa).

2. **Train Personnel.** The legislative body shall ensure that personnel, as defined in statute, receive training concerning the *Uniform Internal Control Standards for Indiana Political Subdivisions*.

Approved training materials are located in Part Two of the *Uniform Internal Control Standards for Indiana Political Subdivisions*; the Video Presentation materials in Section One accompany the Internal Control Webinar located on our website at [www.in.gov/sboa](http://www.in.gov/sboa).

Training by each employee should be documented on the Internal Control Training Certification Form located in the Appendix to the *Uniform Internal Control Standards for Indiana Political Subdivisions*. Retain this documentation for audit.

Please note that training is an ongoing process as new employees are hired.

**Fiscal Officer – Uniform Internal Control Standards**

1. **Certify Adoption of Standards.** The fiscal officer shall certify in writing that the *Uniform Internal Control Standards for Indiana Political Subdivisions* have been adopted.
2. **Certify Training of Personnel.** The fiscal officer shall certify in writing that the personnel, as defined in statute, have received the required training.
3. **Submit Certification with Annual Financial Report in 2017.** Both the Adoption of Standards Certification and the Training of Personnel Certification shall be filed electronically with the state board of accounts at the same time as the annual financial report is filed.

**Ongoing Requirements - Implementation of Internal Control Policies and Procedures**

**Management - Responsibility to Implement Internal Control Policies and Procedures**

The term “management” is defined for each unit of government in the Introduction section of the *Uniform Internal Control Standards for Indiana Political Subdivisions*.

After June 30, 2016, management should document in writing the specific internal control policies and procedures required for use in each department of the unit. Examples of such policies and procedures are contained in Part Two Section 2 of the *Uniform Internal Control Standards for Indiana Political Subdivisions*.

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**INTERNAL CONTROLS TIMELINE (Continued)**

The implementation of internal control policies and procedures is an ongoing process. We recommend that management start by documenting procedures already in place and evaluating those policies and procedures in light of the five components of internal control. If any of the five components is missing, true internal control is not achieved. An effective implementation of Internal Control is a process and requires regular evaluation and adaptation for changes affecting your office. Over time controls may be added, deleted, or adjusted as necessary.

**PROCUREMENT OF SERVICES – ARCHITECTS, ENGINEERS, AND LAND SURVEYORS**

IC 5-16-11.1-4 (a) states that when professional services are required for a project, a public agency may:

- (1) publish notice in accordance with IC 5-3-1;
- (2) provide for notice (other than notice in accordance with IC 5-3-1) as it determines is reasonably calculated to inform those performing professional services of a proposed project;
- (3) provide for notice in accordance with both subdivisions (1) and (2); or
- (4) determine not to provide any notice.

(b) If the public agency provides for notice under subsection (1), (2), or (3) above, each notice must include:

- (1) the location of the project;
- (2) a general description of the project;
- (3) the general criteria to be used in selecting professional services firms for the project;
- (4) the place where any additional project description or specifications are on file;
- (5) the hours of business of the public agency; and
- (6) the last date for accepting statements of qualifications from interested parties.

**SOLID WASTE COLLECTION AND DISPOSAL**

IC 36-9-30-5 allows counties to contract for the collection or disposal of solid waste. The following types of contracts may be entered into:

- (1) Contracts with individuals for the exclusive right to collect and dispose of solid waste as defined under IC 36-9-30-4;
- (2) Contracts with any business or institution for the collection and disposal of industrial, commercial, or institutional solid waste. All fees collected by the county shall be deposited in the treasury of the county for the administration, operation, and maintenance of the solid waste collection and disposal project; and
- (3) Contracts for the use of privately owned solid waste disposal facilities.

If a contract executed under (1) or (2) yields a gross revenue to a contractor (other than a governmental entity) of at least \$25,000 during the time it is in effect, the county must comply with IC 36-1-12-4 in awarding the contract. The county shall require the bidder to submit a financial statement, a statement of experience, the bidder's proposed plans for performance of the contract, and the equipment the bidder has available for the performance of the contract.

A county may contract with private persons that operate facilities that combine significant elements of recycling or production of refuse derived fuel.

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**PUBLIC NOTICE ADVERTISING**

The statute governing the publication of legal notices and annual reports may be found in IC 5-3-1.

IC 5-3-1-0.4 defines a newspaper for the publication of legal notices and reports as a weekly, semiweekly, tri-weekly, or daily newspaper of general circulation which has been published for at least three (3) consecutive years in the same city or town and entered, authorized and accepted by the United States Postal Service as mailable matter of the periodicals class, which has at least fifty percent (50%) paid subscriptions, and had an average circulation during preceding year of at least two hundred (200).

IC 5-3-1-1.5 provides the requirements for newspaper website posting when a notice is published in accordance with this chapter and provides that a newspaper may not charge a fee for posting a notice on its website in accordance with this section.

IC 5-3-1-2 provides the requirements for notice publication of different types of events when the notice is required to be published in accordance with this chapter.

If the notice is in relation to a public hearing or meeting, the notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.

If the notice is in relation to an election, the notice shall be published one (1) time, at least ten (10) days before the date of the election.

If the notice is in relation to the sale of bonds, notes, or warrants, the notice shall be published two (2) times, at least one week apart, with the first publication made at least fifteen (15) days before the date of the sale and the second publication made at least three (3) days before the date of the sale.

If the notice is in relation to the receiving of bids, the notice shall be published two (2) times, at least one week apart, with the second publication made at least seven (7) days before the date bids will be received.

If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

If the event is the submission of a proposal adopted by the county for a cumulative or sinking fund for an approval of the Department of Local Government Finance, the notice of the submission shall be published one (1) time. The county shall publish the notice when directed to do so by the Department of Local Government Finance.

If the event is the required publication of any ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

In case any officer charged with the duty of publishing any notice required by law is unable to procure advertisement at the price fixed by law, or the newspaper refuses to publish the advertisement or post to the newspaper's internet website, it is sufficient for the official to post printed notices in three (3) prominent places in the county, in lieu of such advertisement in a newspaper.

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**PUBLIC NOTICE ADVERTISING (Continued)**

IC 5-3-1-2.3 provides guidance for the validity of notices that contain errors or omissions. A notice published in accordance with this chapter or any other Indiana statute is valid even though the notice contains errors or omissions, as long as: (1) a reasonable person would not be misled by the error or omission; and (2) the notice is in substantial compliance with the time and publication requirements applicable under this chapter or any other Indiana statute under which the notice is published.

**BOARD OF FINANCE – ANNUAL MEETING**

IC 5-13-7-6 requires each local board of finance to meet annually after the first Monday and on or before the last day of January. At the annual meeting the board of finance shall elect from the board's membership a president and secretary. The officers hold office until the officer's successors are elected and qualified.

The board of finance shall also receive and review the written report of the investing officer that summarizes the county's investments during the previous year. The report must contain the name of each financial institution, governmental agency or instrumentality or other person with whom the county invested money during the previous calendar year.

The board of finance is to review overall investment policy of the county.

**DRAINAGE FUNDS - EXPENSES**

The operating expenses of the county drainage board are payable from the County General Fund pursuant to valid appropriations being made by the county council. (IC 36-9-27-11)

Such operating expenses include:

- a. per diem of members of the drainage board
- b. compensation of an attorney employed by the drainage board
- c. compensation of an engineer or surveyor appointed by the drainage board pursuant to IC 36-9-27-31
- d. compensation for secretarial or clerical service to the drainage board
- e. mileage; of the drainage board; of engineer or surveyor appointed by the board under c. above; of county surveyor and deputies when engaged in drainage work
- f. postage
- g. advertising and cost of notices given by the drainage board in projects involving reconstruction or maintenance
- h. office telephone
- i. official records
- j. office supplies
- k. office equipment

Under item "c" the rate of compensation paid shall be assessed against the drainage project for which the engineer is employed. (IC 36-9-27-30)

Item "f" does not include postage for sending the notices the attorney for petitioners is required to mail. Such costs are reimbursable to the attorney from the General Drain Improvement Fund after the project has been finally and conclusively established. Reimbursements to the attorney for this expense, as well as his statutory fee under IC 36-9-27-61, shall be delayed until after the time has expired to petition a court for judicial review pursuant to IC 36-9-27-106 to 36-9-27-109. Item "f" does not include cost of mailing notices required by IC 36-9-27-52, involving reconstruction. Cost of advertising and giving notices required by this section are payable from item "g" and are chargeable items of expense against the affected reconstruction projects.

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**DRAINAGE FUNDS – MAINTENANCE AND CONSTRUCTION OR RECONSTRUCTION**

Some counties are advancing money from the General Drain Improvement Fund to pay maintenance expenses or construction or reconstruction costs prior to holding hearings and fixing assessments against the benefited property owners and, in some cases, no assessments have been fixed.

- (1) Maintenance Expenses – IC 36-9-27-38 contains the following provisions with respect to periodic maintenance:

"When the board refers a regulated drain classified in need of periodic maintenance to the county surveyor, he shall prepare a maintenance report that includes the following: (1) The estimated annual cost of periodically maintaining the drain..."

This wording is then followed with duties imposed upon the surveyor to include within his report the name and address of each owner, the legal description of the land of each owner and for the drainage board to prepare a schedule of assessments, hold a hearing thereon after giving due notice of such hearing, and to fix annual maintenance assessments for such maintenance expenses.

IC 36-9-27-45 indicates maintenance work shall be paid from the General Drain Improvement Fund when a maintenance fund has not been established; or has been established but it is not sufficient to pay for the work and the General Drainage Improvement Fund shall be reimbursed from the appropriate maintenance fund when it is established or becomes sufficient. However, we can find no authority for the drainage board or for the county surveyor to incur expenses in connection with the periodic maintenance of drains, or to pay any expenses connected therewith, unless the board has referred such drains to the surveyor.

We also recognize that IC 36-9-27-44 authorizes maintenance expenses up to \$1,500.00 on any drain to be paid from the General Drain Improvement Fund without annual maintenance assessments being established, subject to a maximum limit in any one year for all such maintenance expenses not to exceed \$10.00 per mile of legal drains in the county. However, unless maintenance assessments are established and the General Drain Improvement Fund reimbursed, it will result in the General Drain Improvement Fund being depleted without any provision for advances to be made by the county to cover such expense.

- (2) Construction or Reconstruction of Drains – The county auditor shall not pay construction or reconstruction costs in excess of the amount of final costs certified to the county auditor pursuant to IC 36-9-27-86. The items comprising the final costs are enumerated in IC 36-9-27-84 to include: contract price; incidental expense (including advertising, engineering costs, etc.); damages; interest on any bonds issued under IC 36-9-27-94; and attorney fees, if any.

There is no requirement to have assessment rolls recorded in the county recorder's office.

It is the responsibility of the county auditor to see that disbursements for the construction or reconstruction of each drain do not exceed the amount assessed affected property owners on such drain. If costs exceed the assessments, the matter should be immediately referred to the county drainage board.

**PENALTY ON DELINQUENT DRAINAGE ASSESSMENTS**

Pursuant to IC 36-9-27-86(c), drainage assessments shall be considered taxes and the manner of collection shall be in accordance with the Property Tax Collection Laws (IC 6-1.1). In view of this, a 10% penalty should be added to unpaid drainage assessments due May 10; also, a 10% penalty should be added to all prior years' delinquent assessments unpaid on May 10.

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**INFRACTION JUDGMENTS**

IC 34-28-5-5(c) states that funds collected as judgments for violations of statutes defining infractions shall be deposited in the State General Fund. These fees are to be remitted to the State at each June and December Settlement (Section C).

**INVESTMENTS – REPURCHASE AGREEMENTS**

IC 5-13-9-3 allows units of government to invest in repurchase or resale agreements. These involve the purchase and guaranteed resale of any interest-bearing obligations issued, or fully insured or guaranteed by the United States or any U.S. government agency. The amounts of these types of agreements must be fully collateralized by interest-bearing obligations as determined by the current market value computed on the day the agreement is effective.

To insure that ownership of securities acquired is vested in the governmental unit, it has been suggested by F.D.I.C. that the agreements be so written as to:

1. Vest title of the securities in the name of the governmental unit;
2. Describe the specific securities acquired; and
3. Represent a safekeeping receipt for the securities so acquired.

**NUMBER OF EMPLOYEES AND SALARIES – PROSECUTING ATTORNEY**

Pursuant to IC 36-2-5-4, each prosecuting attorney on or before July 2 of each year, for salaries and wages to be paid in the ensuing budget year, shall file with the county auditor County Form No. 144, titled "Statement of Salaries and Wages Proposed to be Paid Officers and Employees," setting out the number of employees and the rate of salary or wage to be paid each such employee from county funds. The salaries to be paid the prosecuting attorney and chief deputy prosecuting attorney by the State of Indiana shall not be included; however, if additional salary is to be paid by the county, such salary must be included.

The county council shall, at its annual budget meeting consider and act on the statements filed by all county commissioners, and shall adopt a separate ordinance fixing the salaries of officers, deputies, assistants and employees for each office.

**PAYMENT OF SALARIES AND WAGES – PROSECUTING ATTORNEY**

All officers and employees of the prosecuting attorney's office for which salaries and wages have been fixed by the county council shall be paid on payrolls submitted by the prosecuting attorney in the same manner as other county officers and employees. In those counties where a person is employed on a part-time basis in the prosecuting attorney's office and part-time in a law firm or in the private practice of the prosecuting attorney, the portion of the salary payable by the county shall be paid directly to the employee by the county. The law firm or the prosecuting attorney should not be reimbursed for personal services of any employee whose salaries and wages are payable from county funds.

**DISCLOSURE STATEMENT – PROSECUTING ATTORNEY**

If the prosecuting attorney received payment from the county for use of a building owned by the prosecuting attorney, or for the use of equipment owned by the prosecuting attorney, a disclosure statement may need to be filed with the Clerk of the Circuit Court and the State Board of Accounts in accordance with IC 35-44.1-1-4. A review of the disclosure statute is suggested to determine whether other activities of the prosecuting attorney require the filing of a disclosure statement.

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**OFFICE SPACE – PROSECUTING ATTORNEY**

IC 33-39-6-8(d) contains the following provision concerning office space:

"...If a board of county commissioners does not furnish the prosecuting attorney with office space the county council shall appropriate a reasonable amount per year to the prosecuting attorney for office space." (Our Emphasis)

This law was originally enacted in 1959, and since the enactment of that law, it has been generally construed that the underscored wording permits the county council to appropriate a reasonable amount of money per year to the prosecuting attorney for office space, where an office is not furnished by the board of county commissioners. If the prosecuting attorney's office is located in a law office rented or owned by the prosecuting attorney or the law firm in which the prosecuting attorney is a member or partner, this will not preclude payment of the allowance to the prosecuting attorney or to the owner of the building; however, the amount of the allowance shall not exceed that fixed by the county council when the county budget is considered. The amount should be clearly set out in the budget estimate under an item titled "Rental of Office Space."

The term "office space" may include within that definition the cost of the space occupied by the prosecuting attorney's office, including utilities and equipment owned by the law office, but shall not include salaries expenses which should be paid directly by the county. For telephone expenses to be paid by the county, the telephone should be listed in the name of "Prosecuting Attorney" in the same manner as other county offices and departments.

**DISPOSAL OF PROPERTY – PROSECUTING ATTORNEY**

When property of the prosecuting attorney's office is disposed of by trade, sale or abandonment, the board of county commissioners should be consulted for their prior approval. It is suggested that the minutes of the meeting of the board of county commissioners reflect the decision and approval given the prosecuting attorney for the disposal of specific property.

**CLAIMS AND ALLOWANCES – PROSECUTING ATTORNEY**

All expenses of the prosecuting attorney's office shall be paid upon properly itemized claims filed with the county auditor and allowed by the board of county commissioners, in the same manner as claims of other county offices and departments.

All salaries and wages shall be paid upon filing of a Payroll Schedule and Voucher, General Form No. 99. Mileage payable to the prosecuting attorney, deputies and assistants in the performance of their duties shall be itemized on Mileage Claim, General Form No. 101.

Claims of vendors for furnishing supplies and equipment should be filed on County Form No. 17 and each such claim should be fully itemized or have attached thereto itemized invoices to support the amount claimed. The practice of purchasing items for the office and being reimbursed therefore is discouraged.

**PURCHASES**

The board of county commissioners, is the purchasing agent for the county and all general laws related to purchases should be observed.

The board of county commissioners is also responsible for maintenance of the court house in which the prosecuting attorney's office is located and, if any repairs or remodeling of the office are needed, the matter should be submitted to the board of county commissioners.

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**PURCHASES (Continued)**

In some of the larger counties it is the practice to award annual contracts for certain equipment and care should be taken to see that equipment for the office is purchased in the same manner as is applicable to other county offices and departments. Also, it is suggested that when equipment is purchased, whether or not a contract is required to be awarded, that the purchase be approved by the board of county commissioners to avoid any question which might arise when the claim is submitted for allowance and payment.

**BAD CHECK ACCOUNTS**

Prosecuting Attorneys desiring to maintain a Bad Check Account would need to establish a policy and proper internal controls over the accounting and physical security of those funds and submit a written request to the State Board of Accounts. The request should indicate whether all, or a portion of, the service charge on a bad check is to be retained by the prosecuting attorney. If a service fee is retained by the prosecuting attorney it should be pursuant to enactment of a "Home Rule" ordinance that has been enacted in accordance with IC 36-1-3 concerning the imposition of costs and service charges, and a copy of the Ordinance should accompany the written request for approval from this office. The State Board of Accounts will review the ordinance and the proposed program with corresponding comments concerning what the audit position will be in a letter of response to the inquiring prosecutor. The policy and internal controls would be reviewed during the next regular audit and any deficiencies identified would be communicated to the responsible official and need to be corrected.

If the prosecuting attorney assesses and retains a service charge for processing bad checks, that fee or service charge becomes the property of the county and must be submitted to and receipted by, the County Auditor for deposit into the county general fund. Funds so received by the county may be expended by the prosecuting attorney only by following the budget appropriation and claim procedure. Funds collected through imposition of a bad check service charge may not be disbursed from the bad check account for the direct payment of prosecuting attorney office expenses. Such funds may only become available for this purpose upon appropriation by the county council from the county general fund into a line item in the prosecuting attorney's budget.

**PRETRIAL DIVERSION PROGRAM**

IC 33-39-1-8 provides that pretrial diversion fees must be paid by the program participant directly to the clerk. It is, therefore, improper for the prosecutor to collect the fees even if the fees are then forwarded by the prosecutor to the clerk. IC 33-39-1-8 is silent as to whether monies under a pretrial diversion program need to be appropriated. The Department of Local Government Finance has consistently been of the opinion, with which we concur, that appropriations should exist for all items unless expressly exempted by statute. Therefore, our audit position would be that expenditures from the pretrial diversion fund would be permissible only after an appropriation has been provided in the manner prescribed by law. Furthermore, we are of the audit opinion that claims should be filed, advertised and allowed in the same manner as other county claims pursuant to IC 36-2-6 for expenditures from the pretrial diversion fund.

IC 33-37-8-5(b) makes pretrial diversion fees a part of the County User Fee Fund. IC 33-37-8-6 requires claims to be submitted to the county council by the prosecuting attorney in order for pretrial diversion fees to be appropriated to that program or fund.

If the prosecuting attorney requests such appropriations in a separate pretrial diversion fund, then IC 33-37-8-7(b) states "Funds appropriated as described in subsection (a) may be used by the office of the prosecuting attorney for any purpose specified in the appropriation ordinance adopted by the fiscal body".

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**CLERK'S – SUPPORT FEES**

IC 33-37-5-6 states:

- (b) The clerk or the state central collection unit shall collect a fee in addition to support and maintenance payments. The fee is fifty-five dollars (\$55) for each calendar year.
- (c) The fee required under subsection (b) is due at the time that the first support or maintenance payment for the calendar year in which the fee must be paid is due.
- (d) The clerk may not deduct the fee from a support or maintenance payment.
- (e) "...if a fee is collected under this section by the clerk, the clerk shall forward the fee to the county auditor in accordance with IC 33-37-7-12(a)..."

According to IC 33-37-7-12(a), the fee collected by the clerk should be forwarded to the county auditor not later than thirty (30) days after collection.

IC 33-32-4-5 states:

The state central collection unit is not liable and the clerk is not personally liable or liable in the clerk's official capacity on the clerk's official bond for funds received if the state central collection unit or the clerk:

- (1) through error or in accordance with the best information available to the state collection unit or the clerk, disbursed the funds to a person the state collection unit or the clerk reasonably believed to be entitled to receive the funds and to comply with a:
  - (A) child support order; or
  - (B) garnishment order
- (2) inappropriately disbursed or misapplied child support funds, arising without the knowledge or approval of the state collection unit or the clerk that resulted from:
  - (A) an action by an employee of, or a consultant to, the department of child services or the Title IV-D agency;
  - (B) an ISETS or the successor statewide automated support enforcement system technological error; or
  - (C) information generated by ISETS or the successor statewide automated support enforcement system;
- (3) disbursed funds that the state collection unit or the clerk reasonably believed were available for disbursement but that were not actually available for disbursement;
- (4) disbursed child support funds paid to the state collection unit by a personal check that was later dishonored by a financial institution; and
- (5) did not commit a criminal offense as part of the disbursement.

If the state collection unit or the clerk improperly disburses funds in the manner described by section 5, the state collection unit or the clerk shall do the following under IC 33-32-4-6:

- (1) deduct the amount of funds improperly disbursed from fees collected under IC 33-37-5-6.
- (2) credit each account from which funds were improperly disbursed with the amount of funds improperly disbursed under section 5.

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**CLERK'S – SUPPORT FEES (Continued)**

- (3) notify the prosecuting attorney of the county of:
- (A) the amount of the improper disbursement;
  - (B) the person from whom the amount of the improper disbursement should be collected; and
  - (C) any other information to assist the prosecuting attorney to collect the amount of the improper disbursement.
- (4) record each action taken under this subsection on a form prescribed by the State Board of Accounts. (County Form 46SG)

Reimbursements are to be in accordance with IC 33-32-4-7 which states:

- (1) fees collected under IC 33-37-5-6 are credited to an account under section 6(2) of this chapter because a check or money order was dishonored by a financial institution or was the subject of a stop payment order; and
- (2) a person subsequently pays to the clerk all or part of the amount of the check or money order that was dishonored or the subject of a stop payment order; the clerk must reimburse the account containing fees collected under IC 33-37-5-6 using the amount the person paid to the clerk.

**COMMUNITY MISDEMEANANT FUND**

In the January 2016 County Bulletin Vol. No. 398 we advised that the counties would no longer be receiving funds from the State to be deposited into the Community Misdemeanant Fund. This is incorrect. An appropriation for this funding existed prior to the repeal of IC 11-12-6. The money appropriated will continue to be distributed and should be receipted into the Community Misdemeanant Fund (Fund 1175 on the Chart of Accounts). The expenditures of this fund should be in compliance with IC 11-12-6-7 before its repeal. IC 11-12-6-7 stated: "A county misdemeanor fund shall be used only for funding the operation of the county's jail, jail programs, or other local correctional facilities or community based programs. Any money remaining in a county misdemeanor fund at the end of the year does not revert to any other fund, but remains in the county misdemeanor fund."

**STATE RATES FOR REIMBURSEMENT OF TRAVEL EXPENSES**

The following amounts are set as reimbursable to state employees for necessary travel expenses:

- Mileage (In-State) - \$.36 per mile
- Hotel/Lodging (In-State) – Single Room Rate up to \$89.00 per night
- Airport Parking - \$9 per day
- Per Diem for Meals (for overnight travel):
  - Departure before 12:00pm - \$26.00 per day
  - Departure between 12:00pm and 4:30 pm - \$13 per day
  - Departure after 4:30pm – NONE
  - Return after 12:00pm - \$26.00 per day
  - No subsistence paid for travel segments less than 7 ½ hours

These rates may be needed to reimburse County employees when attending state-called meetings. Please refer to the applicable statute for reimbursing travel expenses for employees attending state-called meetings.

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**TRAVEL EXPENSES**

In Official Opinion No. 74 of 1953 the Attorney General held that statutes do not authorize payment of a fixed travel allowance (Fixed amount regardless of the number of miles traveled) to city officers and employees. It is our audit position that this same reasoning would apply to county officers and employees.

The opinion states in part: "...I can find no statutory authority for the payment of a fixed monthly travel allowance to municipal employees and the employment relationship does not change the fact that such a "travel allowance" is in the nature of extra compensation to the employees involved."

This opinion is limited to the payment of a fixed monthly travel allowance and should not be considered as touching upon the authority of a city to reimburse its employees for travel upon a mileage basis, or by any other proper method based on the expense of the travel."

Based on the following opinion the State Board of Accounts has taken the audit position that county officers and employees may be reimbursed for actual miles traveled in their own motor vehicles on official business of the county at a rate per mile as fixed by an ordinance of the county council. The county council should also determine if parking and toll fees shall be a part of the mileage rate or if the county officials and employees are to be reimbursed for parking and tolls in addition to their mileage reimbursement.

Reimbursed mileage should not include travel to and from the officer's or employee's home and the governmental office in which he works. If two or more persons ride in the same motor vehicle, only one mileage reimbursement is allowable.

General Form 101 should be used for claiming mileage if more than one trip is involved.

When traveling on official business, county officers and employees may be reimbursed for meals, lodging and other necessary traveling expenses based upon the travel ordinance as established by the county.

**SPECIAL DEATH BENEFIT FEES**

IC 35-33-8-3.2 requires the Clerk of the Circuit Court and the County Sheriff, if authorized by the Clerk to accept bail bonds and requires the defendant to:

- (A) execute a bail bond with sufficient solvent sureties;
- (B) deposit of cash or securities in an amount equal to the bail;
- (C) execute a bond secured by real estate in the county, where thirty-three hundredths (0.33) of the true tax value less encumbrances is at least equal to the amount of the bail;
- (D) post a real estate bond; or
- (E) perform and combination of the requirements described in clauses (A) through (D)

The court may require the defendant and each person who makes the deposit on behalf of the defendant to execute an agreement that allows the court to retain all or a part of the cash to pay publicly paid costs of representation and fines, costs, fees, and restitution that the court may order the defendant to pay if the defendant is convicted. The defendant must also pay the fee required by subsection (d).

The clerk of the court shall collect a fee of five dollar (\$5) from each bond or deposit. The five dollar (\$5) fee is the special death benefit fee and is to be collected in addition to the bail bond for the types of bail listed above.

The five dollar (\$5) special death benefit fee should be retained by the Clerk or County Sheriff when the defendant is required to execute a bail bond by depositing cash or securities in an amount not less than ten percent (10%) of the bail. This fee is retained as a condition of bail and is not dependent on the outcome of the case.

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**SPECIAL DEATH BENEFIT FEES (Continued)**

At the close of each month the County Auditor should receive all special death benefit fees collected by the Clerk of the Circuit Court and the County Sheriff in the County. Semiannually, the County Auditor shall remit the special death benefit fees to the Auditor of State for deposit into the special death benefit fund of the Public Employees' Retirement Fund.

**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE**

**Question #1:** What are the rules for special purchasing, involving items such as radio equipment?

**Answer #1:** The specific conditions of the anticipated purchase will determine under which statute you should proceed. IC 5-22-10 has information on special purchasing methods. If there is any question on whether a purchase could fall under the special purchasing statute, you should contact your county attorney.

**Question #2:** May a County Auditor also be a Notary?

**Answer #2:** Yes, IC 33-42-2-7(a) states that a notary public is not a lucrative office for purposes of Article 2, Section 9 of the Constitution of the State of Indiana. IC 33-42-2-7 (b) goes on to state that "a person who is a public official, or a deputy or appointee acting or serving under a public official, may not make any charge for service as a notary public in connection with any official business of that office, or of any office in the governmental unit in which the person serves unless the charges are specifically authorized by a statute other than the statute that establishes generally the fees and charges of notaries public."

**Question #3:** Property tax listed in Tax Sale, does not sell and then listed in Commissioners Sale. It sells in Commissioners Sale, but lien buyer does not take title to it. Do Commissioners retain the lien or does the property revert back to property owner?

**Answer #3:** IC 6-1.1-25-4.5 states in part: ". . . (c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 (Public sale by county executive of certificates of sale; notice) is entitled to a tax deed to the property for which the certificate was sold only if: (3) not later than ninety (90) days after the date of sale of the certificate of sale under IC 6-1.1-24, the purchaser gives notice of the sale. . . . (j) If the purchaser fails to: (1) comply with subsection (c)(3); or (2) petition for the issuance of a tax deed within the time permitted under section 4.6(a) of this chapter; the certificate of sale reverts to the county executive and may be retained by the county executive or sold under IC 6-1.1-24-6.1."

**Question #4:** Is IC 15-20-2-6 still in effect?

**Answer #4:** IC 15-20-2-6 was repealed by P.L. 60-2014, Sec. 4, effective 7/1/2014. (Destruction of livestock)

**Question #5:** If unpaid surplus tax has been moved to the general after the 3 year waiting period, can we refund the surplus to a taxpayer if they subsequently request payment?

**Answer #5:** IC 6-1.1-26-6(c) states in part: If an excess is not claimed within three years ... If the county treasurer has given written notice concerning the excess . . . , the excess may not be refund . . . after the expiration of the three year time period. Note: If there is a disputed claim filed within the three year period, the resolution of the dispute could require refund after the three year period.

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Question #6:** If old outstanding checks have been receipted back to the ledgers, can someone subsequently request a reissuing of the check?

**Answer #6:** In general, the statutes do not limit the time that a vendor may submit a claim for payment. If the vendor resubmits a valid claim, the county may issue a check for payment. We caution county officials to do their due diligence to ensure that the claim is valid and that the check has not been previously replaced.

**Question #7:** Do counties still have to advertise salaries (from W-2's) each year? If yes, why don't other gov't units have to?

**Answer #7:** In January each year, all units are required to list each employee and his/her total compensation for the prior year (Form 100R) on Gateway. IC-36-2-2-19 states that "At its second regular meeting each year, the executive shall make an accurate statement of the county's receipts and expenditures during the preceding calendar year. The statement must include the name of and total compensation paid to each county officer, deputy and employee. The executive shall post this statement at the courthouse door and two (2) other places in the county and shall publish it in the manner prescribed by IC 5-3-1"

**Question #8:** Community Corrections (a new program) wants to use two probation clerks as employees. There would be no additional hours just payroll split between Probation Fund and Community Corrections Fund. Would a revised salary ordinance be required?

**Answer #8:** A revised salary ordinance would be required setting the salaries for the probation/Community Corrections employees. Ordinance should stipulate the applicable salary from each fund and the hours required from each fund to earn full pay. Time records should be maintained to document the hours paid from each fund.

As noted in THE COUNTY BULLETIN and Uniform Compliance Guidelines from October 2014 (Vol. 393, Page 15), IC 5-11-9-4 provides that records be maintained showing which hours were worked each day by officers and employees of the county. This requirement can be met by preparing an endorsement on the payroll claim form showing the general work schedule and listing the specific employees who worked hours different from that general work schedule. Each elected officer or head of each department would be responsible for preparing such endorsement on the payroll claim for their office or department. If an employee is employed by more than one (1) public agency or in more than one (1) position within that public agency, it is also essential that an accurate record of hours worked be maintained. In these instances we recommend that each agency and department records reflect hours worked in both positions.

**Question #9:** Has there been an update to SBOA Form 99?

**Answer #9:** Form 99 Payroll Schedule and Voucher was last revised in 1993.

**Question #10:** Is there a way for our vendors to get access to a test area on Gateway to see what effects system updates have on our ability to upload/enter information?

**Answer #10:** For technical questions, you should contact the Indiana Business Research Center (IBRC) at [ibrctech@iupui.edu](mailto:ibrctech@iupui.edu).

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Question #11:** Is there a statute requiring that someone be in the commissioner's office during business hours? Our commissioners have a secretary, but when she is out, does someone need to be there?

**Answer #11:** There no statute requiring a commissioner's office to be staffed at all times.

**Question #12:** We have \$3,000 in Fund 9101 (Community Corrections Prime for Life). Can we move that money to another Community Correction Fund and Close Fund 9101?

**Answer #12:** Community Corrections Prime for Life is a state grant. The grant agreement would detail how the money is spent and what should be done with any unused balance. If there are any questions on what the balance may be used for, you should contact the grantor agency.

**Question #13:** Can you move Community Corrections Fund 8120 to Project Income Fund 2540?

**Answer #13:** The fund number 8120 indicates that this is a Federal Grant. Federal Grant funds may only be used for the purposes stated in the grant agreement. The grant agreement would detail what should be done with any unused balance. If there are any questions regarding the use of the fund balance, contact the grantor agency.

Fund 2540 is a user fee fund established by statute. Receipts and disbursements are controlled by the statute. IC 11-12-2-12(a) would be applicable and states in part: "Money in the fund at the end of a fiscal year does not revert to any other fund. The fund consists of fees deposited under subsection (b). Money in the fund may be used only for the provision of community corrections program services, including services allowed under IC 11-12-2-5(b)(3)."

**Question #14:** What can be done with the balance in our cumulative jail fund if the fund has been dormant for years?

**Answer #14:** If the cumulative jail fund was created under IC 36-9-15-2, then IC 6-1.1-41-14 and IC 6-1.1-41-15 would govern expenditure or other disposition of the remaining fund balance.

IC 6-1.1-41-14 states: "The tax collected for a fund must be held in the fund for which the tax was levied. The fund may not be expended for any purpose other than the purposes specified by statute authorizing the fund. Except to the extent that IC 8-16-3-3(c), IC 14-27-6-48(c), IC 36-9-14.5-8(c), IC 36-9-15.5-8(c), or another statute specifically provides a different procedure, expenditures may be made from the fund only after an appropriation has been made in the manner provided by law for making other appropriations."

IC 6-1.1-41-15 states: "If the political subdivision establishing a fund: (1) decides that the purposes for which the fund was established have been accomplished or no longer exist; or (2) rescinds the tax levy for the fund; the governing body establishing the fund for the political subdivision may transfer the balance in the fund to the general fund of the political subdivision. The money in a fund does not otherwise revert to the general fund of a political subdivision at the end of the political subdivision's fiscal year."

**Question #15:** What may I do with the \$1,000 that lies dormant in the Commissioners' Tax Sale Fund?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Answer #15:** We do not have enough information about the sources of revenue in this fund to answer this question. IC 6-1.1-24-6.4 prescribes the distribution of proceeds from the sale of certificates of sale. Fund 1203 was intended to keep a separate accounting for the tax sale costs associated with a sale of certificates. You would need to determine where the balance remaining in the fund was derived and proceed accordingly as outlined in IC 6-1.1-24-6.4.

**Question #16:** I have a fund into which was placed the proceeds from sale of land to the jail building corporation. This fund has lain dormant for years. What may I do with this fund?

**Answer #16:** Since these proceeds were placed in a separate fund, the fund should have been created by ordinance. Expenditures from the fund should be in accordance with the uses specified in the ordinance. If there is no such ordinance, the proceeds should have been quietused into the fund from which the land was purchased or, if that fund no longer exists, the general fund.

Proceeds generated by the sale or rental of property should be receipted into the fund which originally purchased the property unless otherwise provided by statute. (Auditor's Manual, Chapter 23)

**Question #17:** How long do we need to keep W-2s and 1099s?

**Answer #17:** These are Social Security Administration and IRS forms. You should follow the guidelines and requirements of those federal agencies with regard to these forms. Also see the General Retention Schedule at [www.in.gov/icpr/](http://www.in.gov/icpr/).

**Question #18:** Can an Auditor call Executive Session?

**Answer #18:** Only a member of the Governing Body or person whose tenure and compensation are fixed by law and who executes an oath as defined in the following statutes:

Statute for an executive meeting, IC 5-14-1.5 does not specify who may call and executive meeting. IC 36-2-2-8 states: "If the public interest requires a special meeting of the executive, such a meeting may be called by a member of the executive or by: (1) the county auditor; (2) the county clerk, if the office of county auditor is vacant; or (3) the county recorder, if the office of county auditor and county clerk is vacant. "

We would not take audit exception to an executive meeting called by an auditor, however if there is any dispute on who has authority to call the meeting, consult your county attorney.

**Question #19:** Questions regarding the Contracting Policy - are the nepotism and contracting policy were the same?

**Answer #19:** IC 36-1-20.2 governs the nepotism policy and 36-1-21 governs the contracting policy. You may also refer to the July 2012 County Bulletin which does include the SBOA audit position on both policies. There should be separate policies to address each situation. Please review IC 36-1-21-4 regarding the Contracting Policy. We also suggested that the County Auditor obtain examples of Contracting Policies from other counties.

**Question #20:** A County Auditor presented an ordinance for the transfer of the cash balances of several dormant funds to the Rainy Day fund.

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Answer #20:** Transfers to the Rainy Day fund may only be made from other tax revenue funds. IC 36-1-8-5 states, "Funds raised by general or special tax levy; disposition of unused balance; transfers to local rainy day fund Sec. 5. (a) This section applies to all funds raised by a general or special tax levy on all the taxable property of a political subdivision. (b) Whenever the purposes of a tax levy have been fulfilled and an unused and unencumbered balance remains in the fund, the fiscal body of the political subdivision shall order the balance of that fund to be transferred as follows, unless a statute provides that it be transferred otherwise . . ."

The County Bulletin and Uniform Compliance Guidelines Vol.No.353, Page 5 October 2005 addresses dormant funds as follows:

Most counties have funds that have been inactive or dormant for a number of years. A sufficient fund balance should be retained to pay any outstanding obligations, such as bonds and interest coupons not surrendered for payment. However, to the extent of any balance not needed to cover outstanding obligations, every effort should be made by county auditors to eliminate such funds from the records. The following statutory authorities will be found governing the closing out of the above listed funds.

IC 5-1-13-2 provides that when bonds have been issued for any lawful purpose, and the purpose for which the debt was incurred has been accomplished or abandoned, the surplus or balance in such bond fund shall be transferred to the bond and interest redemption fund by the disbursing officer upon order of the legislative body. The funds so transferred are to be used for the payment of interest bearing indebtedness. IC 36-1-8-5 is a general law which provides that unused and unencumbered balances in county funds which have been raised by levy on all of the taxable property of the county be transferred to the county general fund or rainy day fund, upon authority given by the county council. This section also provides that unused and unencumbered balances in funds for the redemption of poor relief bonds or like obligations for poor relief purposes by levy on all of the taxable property of a civil township be transferred to the poor relief fund of such township.

County auditors should examine any dormant funds carried on their ledgers with the view toward closing out such funds before December 31.

**Question #21:** Is there a statute that allows the County Auditor to charge a transfer fee for each lot on plats?

**Answer #21:** This would depend on the ordinance. IC 36-2-9-18(d) states "The legislative body of a county may adopt an ordinance authorizing the auditor to collect a fee in an amount that does not exceed five dollars (\$5) for each (1) deed; or (2) legal description of each parcel contained in the deed; for which the auditor makes a real property endorsement. This fee is in addition to any other fee provided by law. The auditor shall place revenue received under this subsection in a dedicated fund for use in maintaining plat books.

**Question #22:** The county has always kept certified checks received from bidders rather than posting and depositing the checks. Is this allowable?

**Answer #22:** A bond or certified check shall be filed with each bid by a bidder in the amount specified by the board if the cost of the public work is estimated to be more than two hundred thousand dollars (\$200,000). The amount may not be more than 10% of the contract price. The bond or certified check shall be made payable to the political subdivision.  
All checks of unsuccessful bidders shall be returned to them by the board upon selection of successful bidders. Checks of successful bidders shall be held until delivery of the performance bond.  
[IC 36-1-12-4.5]

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Question #23:** Is it allowable to add insurance reimbursements back to the appropriation?

**Answer #23:** IC 6-1.1-18-7 states, "Notwithstanding the other provisions of this chapter, the fiscal officer of a political subdivision may appropriate funds received from an insurance company if: (1) the funds are received as a result of damage to property of the political subdivision; and (2) the funds are appropriated for the purpose of repairing or replacing the damaged property. However, this section applies only if the funds are in fact expended to repair or replace the property within the twelve (12) month period after they are received.

**Question #24:** Are the large hardbound books required to be maintained for the minutes of the Commissioners and Council?

**Answer #24:** No. The minute form is not a prescribed form.

**Question #25:** Who is the secretary of the Drainage Board?

**Answer #25:** IC 36-9-27-7(a) states, "The board shall organize at a meeting each January, by electing one (1) of its members as chairman and one (1) of its members as vice chairman. At the same time, the board shall elect a secretary, who need not be a member of the board.

**Question #26:** Is a resolution required for ditch reconstruction?

**Answer #26:** IC 36-9-27-52.5 describes the procedures required for authorizing drain reconstruction.

**Question #27:** Who has the authority to initiate a drain loan?

**Answer #27:** IC 36-9-27-97.5 on construction loans states that If the drainage board determines by resolution that the cost of constructing or reconstructing a particular drain is an amount that the owners of land to be assessed my conveniently pay in installments over a five year period, the board may ask the county council to obtain a loan from a bank, trust company, savings association or savings bank authorized to engage in business in the county.

**Question #28:** Do we claim \$33 per day for the conference or do we just get reimbursed for food and mileage?

**Answer #28:** Per IC 5-11-14-1 states that mileage will be paid at the county rate. The hotel room will be reimbursed at a single room rate. Subsistence or Per Diem will be paid per the County policy. If there is no per diem in the county policy, reimbursement for lodging and meals, should be based upon actual receipts for amounts paid unless otherwise authorized by statute.

**Question #29:** If a person produces an old check that had already been receipted back to the records, should we issue them a new check?

**Answer #29:** The check should be reissued unless the obligation has been legally dismissed. See Question 7

**Question #30:** Who has the authority to require direct deposit for payroll? Can the auditor make that call?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Answer #30:** IC 26-2-2-8-101 is the uniform electronic transactions act which would allow electronic payment of claims. IC 36-2-8-2 (b) states that manner of payment of salaries and wages under this section must be authorized by the legislative body. You should work with your commissioners and county attorney.

**Question #31:** Is the Handbook Committee the same as the Personnel Committee? Are there specific offices on this committee?

**Answer #31:** These committees are organized locally and are not established by statute. These questions are to be addressed at the local level.

**Question #32:** Can we pay the deputy who completes transfers in the tax system out of the transfer fee fund? Also, can the plat book technician be paid with these monies?

**Answer #32:** We assume you are talking about the fund created pursuant to IC 36-2-9-18. This fund is titled "Plat Book Fund" (fund #1181 in the county chart of accounts).

IC 36-2-9-18(d) states: (d) The legislative body of a county may adopt an ordinance authorizing the auditor to collect a fee in an amount that does not exceed five dollars (\$5) for each: (1) deed; or (2) legal description of each parcel contained in the deed; for which the auditor makes a real property endorsement. This fee is in addition to any other fee provided by law. The auditor shall place revenue received under this subsection in a dedicated fund for use in maintaining plat books.

We cannot offer a legal opinion. We would not take audit exception if these employees were paid from the Plat Book Fund for work done in maintaining the plat books.

**Question #33:** Can Clerk IV-D monies be used to pay bank fees and service charges for the individual bank accounts which IV-D monies are in?

**Answer #33:** Bank fees are operating expenses of the office. Payment of these operating expenses should be paid from the County's General Fund. Child support money is held in trust for payment to the custodial parents and no operating expenses of the clerk's office could be paid from them.

**Question #34:** Can the county council OR the county income tax council adopt an ordinance to impose a public safety tax rate without also adopting a LOIT Levy Freeze or LOIT for Property Tax Relief rate?

**Answer #34:** If a county is a CAGIT county, the county council is to adopt the ordinance. See IC 6-3.5-61.1-25) If a county is a COIT county, the county income tax council is to adopt an ordinance. (See IC 6-3.5-6-31)

**Question #35:** How do you have an exit audit conference with officials (ie., commissioners and council) without violating the Open Door Policy?

**Answer #35:** Per IC 5-11-5-1(b)(3) if a majority of a governing body is present during an exit conference it shall be considered an executive session but there is no obligation to give notice as prescribed by IC 5-14-1.5-5

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Question #36:** Why are the sheriff's commissary funds not required to follow accountability of their funds and expenses?

**Answer #36:** The sheriffs must maintain ledgers. A copy of the ledger that details the receipts and disbursements is to be provided twice a year to the county council per IC 36-8-10-21.

**Question #37:** For tax sale surplus, after 3 years if unclaimed the surplus is to go to county general fund. The new law says if redemption period has been extended under federal bankruptcy law we have to wait for that period to end. How are we suppose to know if there is an extension for redemption?

**Answer #37:** The county should be notified if a property in bankruptcy, but that might not occur. The county treasurers have had sessions with bankruptcy attorneys about doing searches on bankruptcy court sites. If the surplus is put into general fund and it turns out that the property is part of a bankruptcy and the court requires the surplus to be paid out, the county will have to make whole out of general fund.

**Question #38:** On the large property tax refunds law how does that work with interest? Is interest computed and applied all the 1<sup>st</sup> year and they get a 1099 that year, or does it get divided by 5, or do they get to continue to get interest over that 5 year period?

**Answer #38:** Once determined that a taxpayer is owed a refund, IC 6-1.1-37-14 states all other provisions of IC 6-1.1 apply. So if the county elects to apply credits in equal installments to future property tax installments IC 6-1.1-15-11 is allowing the credit and IC 6-1.1-37-11(b) is providing for the interest. It states that the interest shall be computed from the date on which taxes were paid or due, whichever is later, to the date of the refund or credit, using the rate in effect from Department of Revenue for each particular year covered by the refund or credit. Equal installments implies that you calculate the total interest at the time you will be applying to the future installments to arrive at the total amount due so that the payments may be applied equally. You need to contact the IRS to determine if the IRS considers the benefit to be at the time of calculation or the time of application.

**Question #39:** We have various departments which turn money into the auditor ever Friday with a report of collections. Usually the amounts are more than \$500. Once these departments reach \$500 should they submit their money and report to the auditor or can they wait until Friday?

**Answer #39:** IC 5-13-6-1 requires that the money be receipted in not later than the business day following the day that funds exceed \$500. When the limit is reached the departments should go through the quietus/report of collections process whereby the department provides you with the report of collections and turns the money over to the treasurer's office.

**Question #40:** If judges and prosecutors employees don't have to follow county policy because they are part of the judicial circuit why are they paid with county tax dollars? Why can't they be paid by the state?

**Answer #40:** This would require a change in statute. Right now local government has been tasked with supporting this part of the legal system directly.

**Question #41:** An elected official is salaried. Their wage at budget time is set for the following year. They work part-time for another Department in the county. If they took a day off or it was a paid holiday (paid as part of salary) can they be paid again in the part time status?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Answer #41:** It is our position that an elected official is an elected official 24/7. If they take on additional duties of another department and are compensated for taking on these additional duties (which we do not recommend) then you look to the salary ordinance for the compensation that is being paid for these additional duties. Again, the amount of compensation, including what is being paid for the additional duties to the official cannot be changed from what was budgeted the prior year.

**Question #42:** Our county bases its mileage rate on the state's mileage rate. Where can I check periodically throughout the year to make sure we are using the correct rate?

**Answer #42:** Go to [www.in.gov/idoa](http://www.in.gov/idoa). Click on travel services.

**Question #43:** Can the commissioners and council be required to have so many continuing education hours?

**Answer #43:** It would need to be statutory to mandate the number of hours similar to what the auditors have. However, the legislatures have already made it clear the importance of education by mandating that certain types of training be paid through unappropriated general fund.

**Question #44:** Our treasurer says they have been told by the state that they cannot give out W-9s to taxpayers that request them, is this true? These requests are coming from commercial property owners that need the information for their income taxes. Is the auditor the only office holder that can distribute W-9s?

**Answer #44:** The W-9 is an IRS form and the county should follow all IRS guidance and requirements with regard to this form.

If you are asking about sharing the W-9s that have been filed with the county by the county's vendors for the purpose of preparing 1099s at the end of the year, these W-9s contain EINs or SSNs and would have confidentiality issues. You should not distribute them to anyone except the employees responsible for preparing 1099s. Commercial property owners who need to obtain this information should request it directly from the companies or individuals from whom they need it.

If you are asking about a request for the county to provide a W-9 with the county's EIN on it, the request may be honored by the county. The IRS requires all entities to solicit a W-9 from certain vendors to whom they make a payment for property, goods, or services. While these entities are not required to solicit a W-9 from governments, many businesses will request a W-9 from all of their vendors as a matter of convenience or to cover their bases in order to avoid the penalties imposed for failure to obtain a required W-9.

We recommend that the county establish a policy to govern use of the county's EIN and response to solicitations for a W-9.

**Question #45:** Why wouldn't meals qualify to be paid out of the jury pay fund?

**Answer #45:** IC 33-37-10-1 is specific as to what the juror is to be paid using this fund. The juror is to be paid mileage and then an additional payment of \$15 for each day in attendance until impaneled. While impaneled the juror is paid \$40 a day. The fiscal body may adopt an ordinance to pay from the county general fund additional fees, such as specifically for meals.

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS SPRING CONFERENCE (Continued)**

**Question #46:** We are doing some changes to our jury room – moving the jury bench to the opposite side of the room, moving a monitor. Would this qualify to be paid out of the jury pay fund?

**Answer #46:** IC 33-37-11-3 provides that the county fiscal body shall appropriate from the jury pay fund to the court served by the clerk an amount to supplement the cost of jury fees. After all claims received by the fiscal body during a month have been paid for fees the fiscal body may appropriate any unused and unencumbered money remaining in the jury pay fund to maintain and improve the jury system in the county. If you can show how that these changes would maintain or improve your jury system we will not take exception.

**QUESTIONS AND ANSWERS FROM COUNTY CLERKS ANNUAL CONFERENCE**

**Question #1:** Where do the funds for a foreign judgment go in the Clerk's account? \$3.00?

**Answer #1:** If the recording fee that you are referring to is the one described in 33-37-5-4, then the \$3.00 recording fee would be deposited to the General Fund.

**Question #2:** When we send expungements to BMV, they are not expunging the records. What should we do?

**Answer #2:** Jeff Weise, Director of Trial Court Management, will be reviewing the BMV procedures. Information will be provided on this situation in the future.

**Question #3:** Collected \$3,300 in 1999 for trust account. This was not applied to a case. In 2010, \$11,000 sent to "unclaimed funds". The detail of this may no longer be available. The assumption is the \$3,300 was part of this. The Court wants to give the \$3,300 to the creditor that this is due. (An attorney is doing this).

**Answer #3:** The first step is to determine if the \$3,300 was included in the \$11,000 sent to the AG. The next step is to determine if the \$3,300 is in the custody of the A.G. If there is a court order, notify the AG, and determine if the funds are still available (the AG should have the detail of the remittance), and then work with the AG's to have them return the funds to the Clerk or directly to the creditor.

**Question #4:** Around 11/08 a cashiers check was received for support. The check to the recipient was issued the next day. The cashier's check bounced. They have pursued collection through the prosecutor but have never received the \$600. How do we handle the bookkeeping to make ISETS correct.

**Answer #4:** Under IC 33-32-4-6, they clerk can deduct the amount of funds improperly disbursed from the fees collected under IC 33-37-5-6 (he \$55 support fee) to reimburse the \$600 to the ISETS account. There should be a policy on how long to wait to assure a check is good, and the same policy should apply to cashier checks. (Also, see the October, 2005 County Bulletin, Questions and Answers from Clerk's Conference, Question 25. The clerk fees from child support can't be used for over and shorts but can be used to cover bad checks)

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**QUESTIONS AND ANSWERS FROM COUNTY CLERKS ANNUAL CONFERENCE (Continued)**

**Question #5:** We have a prosecutor who is charging fees for the Deferral Program, which exceeds the costs allowed, and he is as of today July 1, 2015 establishing new Deferral Programs – One for Infractions, and one for Seat Belt violations.

**Answer #5:** The audit position of the State Board of Accounts is that the Clerk of the Circuit Court may collect only the pretrial diversion fees and deferral program fees authorized by statute. There is no statutory provision for a prosecutor or a clerk to increase or add to the program fees.

**Pretrial Diversion Fee**

IC 33-37-4-1(c) states "Instead of the criminal costs fee prescribed by this section... except for the automated record keeping fee (IC 33-37-5-21), the clerk shall collect a pretrial diversion program fee if an agreement between the prosecuting attorney and the accused person entered into under IC 33-39-1-8 requires payment of those fees by the accused person." This statute goes on to define the amount and instructs the clerk to forward these fees to the auditor for deposit in a User Fee Fund for Pretrial Diversion. IC 33-39-1-8 requires the terms of this agreement to be recorded in an instrument signed by the person and the prosecuting attorney and to be filed in the court in which the charge is pending.

**Deferral Program Fee**

IC 33-37-4-2(e) states "Instead of the infraction or ordinance violation costs fee...the clerk shall collect a deferral program fee if an agreement between a prosecuting attorney...and the person charged with a violation entered into under IC 34-28-5-1 requires payment of those fees by the person charged with the violation." Actions may be deferred under IC 34-28-5-1 (h) if five (5) conditions are met. Number 4..."the defendant in the action agrees to pay court costs of twenty-five dollars (\$25) to the clerk of court if the action involves a moving violation" and Number 5," the agreement is filed in the court in which the action is brought. When a defendant complies with the terms of an agreement filed under this subsection, the prosecuting attorney...shall request the court to dismiss the action. Upon receipt of a request to dismiss an action under this subsection the court shall dismiss the action..."

**Seatbelt Violations**

IC 9-19-10-8 states that failure to use a seat belt is a Class D infraction. IC 34-28-5-4 states that a judgement of up to \$25 is to be charged for Class D infraction. There is no provision for the Deferral Program.

You should discuss with your County Prosecutor which statutes he or she is using to base the fees they are charging.

**Question #6:** We have several reconciling items that need to be cleared up from our bank reconciliation. Most are outstanding checks, voided checks for trust items. Also, included was cash long. How do we correct these items?

**Answer #6:** From Chapter 8 of the Accounting Manual, checks should not remain outstanding for an unreasonable length of time. Checks that are mailed and returned because of an inability of delivery to the payee should be receipted back to the cash book as an item of trust and reinstated on the Trust Ledger under the name of the payee. Those items should be held for five years and if not claimed, sent to the Attorney General as unclaimed property. (Note: that child support is held for ten years. IC 32-34-3-2)

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**QUESTIONS AND ANSWERS FROM COUNTY CLERKS ANNUAL CONFERENCE (Continued)**

**Answer #6 (Continued)**

Outstanding checks for payments from the Trust account that have not cleared after two years should be receipted into the Trust Ledger. The outstanding checks would be carried as a reconciling item on the bank reconciliation until they clear or after two years, returned to the Trust Ledger. However, voided checks should not be a reconciling item as at the time they are voided, they should be reposted to the Trust Ledger.

For a cash long situation, every effort should be made to determine the reason for the cash to be long. If determinable, any posting entries should be collected. If not determinable, the money should be remitted to the County Auditor for receipt and deposit to the County General Fund.

**Question #7:** We have a judgment that has lapsed. It has been more than 10 years. Now, they want to reopen this. What is required, and what if the original files have been destroyed, because under the record retention schedule they could be destroyed?

**Answer #7:** The following State Statute covers the procedures for issuing an execution after the 10 year period. IC 34-55-1-2 states: "(a) After the lapse of ten (10) years after: (1) the entry of judgment; or (2) issuing of an execution; an execution can be issued only on leave of court, upon motion, after ten (10) days personal notice to the adverse party, unless the adverse party is absent or a nonresident, or cannot be found. (b) When an execution is issued on leave of court under subsection (a), service of notice may be made by publication, as in an original action, or in a manner as the court directs. Leave shall not be given unless it is established by the oath of the party or other satisfactory proof that the judgment or part of the judgment remains unsatisfied and due."

**Question #8:** Can fees be waived in divorce cases? Is the probation fee collected by clerk or by probation and what is the statute? Is the pro bono fee a charged fee?

**Answer #8:** There does not appear to be in statutory authority to waive fees other than for indigent cases. IC 33-37-3-2 states that a person entitled to bring a civil action may do so without paying the required fees or other court costs if the person files a statement in court, under oath or in writing, that they are unable to pay the costs due to indigence.

IC 35-38-2-1(f) states that "the probation department or clerk shall collect the administrative fees under subsections (d)(5) and (e) (4) before collecting any other fee..."

IC 33-37-4-4(12) states: "Before July 1, 2017, a pro bono legal services fee (IC 33-37-5-31). IC 33-37-5-31 requires a \$1 pro bono legal service fee for civil actions and certain small claims actions.

**Question #9** Can desks and chairs be purchased from the clerk's perpetuation fund. IC 33-37-5-2(b)(2) allows for "The improvement of record keeping systems and equipment"?

**Answer #9:** No. The quoted part of the statute refers to the actual systems used for record keeping and the equipment directly utilized for that system. Desk and chairs are part of operating costs to the office.

**Question #10:** What code can I use to have the sheriff department provide the clerk's office with the bond money they received overnight or over the weekend within 24 hours? We are getting stacks of bond checks that are sometime being held for weeks.

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**QUESTIONS AND ANSWERS FROM COUNTY CLERKS ANNUAL CONFERENCE (Continued)**

**Answer #10:** IC 35-33-8-3.2(e) states: "With the approval of the clerk the county sheriff may collect the bail posted under this section. The county sheriff shall remit the bail to the clerk by the following business day and remit monthly the \$5 special death benefit fee to the county auditor."

**Question #11:** Is there a filing fee for an Affidavit of Small Estate?

**Answer #11:** Yes, probate filing fees open an "EU" case for this.

**Question #12:** In regard to certified/registered mail, is it ok for the clerk to be reimbursed for these mailing fees at a later date rather than when the mailing/materials are presented? We understand that we can only charge our exact cost and no additional fee beyond our cost.

**Answer #12:** It is the duty of the clerk to collect these fees and the clerk could be charged for uncollected amounts.

**Question #13:** Should we encourage on-line ministers to register (record) their certificate in the recorder's office?

**Answer #13:** Per IC 31-11-6-1 marriages may be solemnized by any of the following: A member of the clergy of a religious organization such as a minister of the gospel, priest, bishop, rabbi, etc. The state does not mention that recording of certification is required and we cannot find in statute where to be a member of the clergy that you have to record your ordination.

**Question #14:** Bond administration fee – does the clerk automatically get this?

**Answer #14:** IC 35-33-8-3.2(a)(2) states: "A portion of the deposit, not to exceed ten percent (10%) of the monetary value of the deposit or fifty dollars (\$50), whichever is the lesser amount, may be retained as an administrative fee." This is to be retained by the clerk without requiring an order from the judge. IC 35-33-8-3.2(a)(2) further states: "The clerk shall also retain from the deposit under this subdivision fines, costs, fees and restitution as ordered by the court..." This is what is to be withheld on the order of the judge.

**Question #15:** How do we handle a situation on a criminal case where the judge orders the fees and costs as a civil judgment? Is this recorded in the judgment book?

**Answer #15:** We recommend you contact the judge to determine his/her intent. Normally, judgments where the creditor is a state, a county or a governmental entity due to a criminal conviction or IF or OV case no longer gets listed in the judgment docket book. This would include judgments for unpaid criminal costs that have been "reduced" to a civil judgment.

**Question #16:** If a traffic ticket is issued 6/25/15 but not entered into Odyssey until 7/20/15, what fees are charged?

**Answer #16:** Statute change does not address implementation to that detail. We would not take exception to either the old fees or new fees being charged. You should probably request an opinion from your county attorney.

**Question #17:** What fees do we charge when a ticket has been issued near the end of the fiscal year and the fees have changed effective the new fiscal year when the officer has not turned the ticket in until the new fiscal year?

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**QUESTIONS AND ANSWERS FROM COUNTY CLERKS ANNUAL CONFERENCE (Continued)**

**Answer #17:** See answer #16.

**Question #18:** For the additional sheriff process fee, the discussion said that the sheriff is allowed to charge. Does this mean he may or shall? Is it optional?

**Answer #18:** Per IC 33-37-5-15 the statute states the sheriff may collect an additional service of process fee of \$25 per case for any post judgment service. It is our audit position that the statute is giving them the authority to charge the post judgment service. There should be a policy of when the sheriff wants to have post-service implemented.

IC 33-37-5-15(a) states: "The sheriff shall collect a service of process fee of twenty-five dollars (\$25) from a party requesting service of a writ, an order, a process, a notice, a tax warrant, or any other paper completed by the sheriff. A service of process fee collected under this subsection may be collected only one (1) time per case for the duration of the case. However, a sheriff may collect an additional service of process fee of twenty-five dollars (\$25) per case for any post judgment service."

**Question #19:** What do we do if the Judge is collecting small claims and other fees, then bringing the collections to the clerk to receipt? Who would be written up in an audit?

**Answer #19:** In an audit we write up the office responsible for non compliance.

Attempt to ask the Judge under what statute he/she has the authority to collect fees. Also let him/her know that you as the clerk need to issue receipts to the individual who gave you the cash or checks. It is important to have an audit trail for examiners to know where the initial collection point is.

Various statutes, such as under IC 33-37-4, provide that the clerk shall collect.

The Clerks of the Circuit Courts Manual, Chapter 13 addresses receipt issuance as follows: "Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment."

**QUESTIONS AND ANSWERS FROM COUNTY TREASURERS ANNUAL CONFERENCE**

**Question #1:** If I do cashbook can I reconcile bank to cashbook? Within a large county can the same person do both?

**Answer #1:** Internal controls are the policies and procedures established for your office to help you achieve your objectives. There is no one approach that fits all units. One of the components of internal controls is risk assessment which involves reviewing your offices' objectives and what risks exist that could prevent you from achieving those objectives. So for the procedures for posting and reconciling the cash book, you must think about what risks are posed when the same person posts and reconciles. After the risk assessment then you must establish control procedures to address those risks. There is a risk that if the same person posts the record and reconciles the record to the bank, errors or fraudulent activity could occur and not be detected or prevented resulting in the record balance being incorrect or county funds to be misappropriated.

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**QUESTIONS AND ANSWERS FROM COUNTY TREASURERS ANNUAL CONFERENCE (Continued)**

**Answer #1: (Continued)**

During the audit, will we automatically issue an audit finding for lack of segregation of duties if the same person both posts and reconciles the cash book? Not necessarily. We would look to see if you have documented your risk assessment, properly designed and implemented control activities and added all necessary compensating controls you have implemented to address the risks associated with lack of segregation of duties. Possible compensating controls could be a separate person acquiring the bank statement (or verifying bank statement information online) and reviewing the reconciliation for accuracy and reasonableness. If there are not adequate compensation controls there could be an audit finding.

**Question #2:** What daily reports would SBOA find PDF's acceptable and what reports does SBOA want hard print out copies? Does SBOA have a rule that hard copies always be printed for Final Duplicate Books or would PDF files or burning to a CD be okay? Is there a list of what has to be hard copy/printed and saved for audits? If PDF files are accepted, how long must they be kept after the audits?

**Answer #2:** We would not take audit exception to reports on PDF rather than hard copy as long as the information is accessible for audit and all information required to be presented for audit is provided. Whether the form of the report is electronic or hard copy is not an issue. Just as with hard copy records, care must be used to safeguard the information so that it will be available in a legible form. If a report is taking the place of a prescribed form, the report must be approved. See April 2014 County Bulletin for approval process.

With regard to availability, chapter 10 of the Accounting and Uniform Compliance Guidelines Manual for Treasurers states: "Public records, financial statement information and supporting information generated through a computer system should be printed out on paper, printed to disk or maintained on-line at the end of each reporting year and retained for audit. Information must be maintained in a manner that will allow access for audit and public inquiry on equipment of the governmental unit."

Final Duplicate Books would follow the same rules as any other records available for audit regarding availability.

Record retention is a separate issue from audit availability. For record retention, you should contact the Indiana Archives and Record Administration (formerly known as the Public Records Commission). The retention schedule on the Indiana Archives and Record Administration website states that Tax Duplicates are considered permanent documents. They may be microfilmed according to 60 IAC 2 standards. The original may be retained in the office or transferred to the Indiana State Archives. If microfilmed, original may be destroyed upon receipt of written approval from the County Commission on Public Records.

There is no list of what may be in PDF form and what must be in hard copy.

**Question #3:** When we take a tax payment, we scan the check and the coupon and retain an image of both. May we stamp the coupon and give it to the taxpayer as a receipt, since we have an image of the coupon?

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**QUESTIONS AND ANSWERS FROM COUNTY TREASURERS ANNUAL CONFERENCE (Continued)**

**Answer #3:** First make note that the taxpayer is entitled to a receipt when making payment. IC 5-15-1-1 states in part:

- (b) "The original filing record may be destroyed if:
  - (1) the record has been copied or is capable of being reproduced or recreated under subsection (a); and
  - (2) the commission on public records, as to state records, or the commission of public records of the respective county, as to records of counties and other local units of government, has decided to destroy the original record.
- (c) Copies, recreations, or reproductions made under subsection (a):
  - (1) shall have the same force and effect at law as the original record destroyed under subsection (b); and
  - (2) shall be received as evidence in any court where the original record could have been so introduced; if the recreations, copies, or reproductions are properly certified as to authenticity and accuracy by a duly constituted official custodian of such records.
- (d) All micrographics processes done under this chapter shall comply with the quality standards developed under IC 5-15-5.1-8.
- (e) This section does not apply to the state court administration division of the supreme court."

**Question #4:** What is the retention period for the "List of Employees" that is used to check for delinquent taxes that is submitted by various units of government?

**Answer #4:** Please see answers to questions 2 and 3. If not clear in the retention schedule you should contact the Indiana Archives and Records Administration.:

**Question #5:** We collect liens for a Wastewater Utility however the Utility is sending notice to the taxpayer indicating the amount due after the lien is filed. Should the letter be sent prior to the filing the lien?

**Answer #5:** IC 36-9-23-33 prescribes the procedures to be followed for unpaid sewer fees. IC 36-9-23-33(d) states that after recording the lien, the utility officer is to notify each property owner an individual instrument notifying them that the lien has been filed against the property. Presumably, the Utility has already sent them more than one notice of delinquent fees and penalties prior to filing the lien. The county and its officers and employees are not liable for any material error in the information certified to the County Auditor for collection.

**Question #6:** My bank has been ~\$8,000 long since January, and I cannot identify the problem. I balance with the auditor. I am at my wit's end.

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**QUESTIONS AND ANSWERS FROM COUNTY TREASURERS ANNUAL CONFERENCE (Continued)**

**Answer #6:** You might try the following:

See if you can isolate the problem to receipts or disbursements using the following formulas:

<u>Receipts</u>	<u>Disbursements</u>
Bank statement credits	Bank statement debits
+ ending deposits in transit	+ ending outstanding checks
- beginning deposits in transit	- beginning outstanding checks
- ending unrecorded ACH credits	+ noncash transfers out (e.g. payroll w/h)
+ beginning unrecorded ACH credits	
+ noncash transfers in (e.g. payroll)	
<u>+/- other reconciling items</u>	<u>+/- other reconciling items</u>
<u>= Recorded receipts</u>	<u>= Recorded disbursements</u>

If the problem is in receipts, check to see if you have missed any unrecorded ACH credits or if there are any other tax payments or other receipts that have not been posted.

If the problem is in disbursements, double check your outstanding check list and make sure you have not cleared any checks that have not cleared the bank. Also check to see if any disbursement transactions (checks or ACH payments) might have been double posted.

One other possibility is if you are using an Excel spreadsheet for your cashbook, formulas in the spreadsheet may have been overridden or corrupted. Check this by manually performing all additions and subtractions.

**Question #7:** How do we record total monies investments in bonds in the cash book if we purchase them at discount or premium?

**Answer #7:** In the case of a discount purchase, record the investment at purchase cost. Quietus all interest payments received as interest income. When the bond matures or is sold, record sale of investments equal to the book value (purchase cost) and quietus interest income equal to the difference between the amount received and the purchase cost. If the amount received is less than the purchase cost, the difference will need to be netted with other interest income.

In the case of a premium, record the investment at the amount paid. When interest payments are received, record them as sale of investment until the recorded amount of the investment is reduced to the face value. When the investment matures or is sold, record sale of investments equal to the book value, and quietus interest income/loss equal to the difference between the amount received and the book value.

If over time, your book value exceeds the proceeds at the time of sale/redemption, and you do not have sufficient interest income against which to net the loss, you need to question why you made the investment. You will need to obtain a check from county funds to deposit and record as sale of investment in order to get the sold/redeemed investment off of the cash book.

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**QUESTIONS AND ANSWERS FROM COUNTY TREASURERS ANNUAL CONFERENCE (Continued)**

**Question #8:** We have an innkeeper who we have contacted on numerous occasions for payment of the innkeepers tax, but we have received no response and no payment. We have also contacted the corporate offices. What is our responsibility and/or recourse?

**Answer #8:** See Indiana Code sections below. Per IC 6-9-29-3, we would suggest you contact the County Attorney to assist in issuing a tax warrant.

IC 6-9-29-2 Liability; penalty for failure to remit tax

An individual who:

(1) is an individual taxpayer or an employee, an officer, or a member of a corporate or partnership taxpayer; and

(2) has a duty to remit innkeeper's taxes to the department of state revenue or a political subdivision; holds those innkeeper's taxes in trust for the state or political subdivision and is personally liable for the payment of the innkeeper's taxes, plus any penalties and interest attributable to the innkeeper's taxes, to the state or political subdivision. An individual who knowingly fails to collect or remit the innkeeper's taxes to the state or political subdivision commits a Level 6 felony.

IC 6-9-29-3 Rights and powers of county treasurer

If an ordinance has been adopted requiring the payment of the innkeeper's tax to the county treasurer instead of the department of state revenue, the county treasurer has the same rights and powers with respect to collecting the county innkeeper's tax as the department of state revenue.

**Question #9:** Who keeps track of how many hours an elected official has earned as of a certain date? Name and what county they are from? Is there a website that we could check to see where we are at with number of hours?

**Answer #9:** This would be maintained by your education committee.

**Question #10:** Our county has had several experiences with a "Sovereign Citizen". Recently, this individual came into the treasurer's office and insisted on paying delinquent taxes for an active railroad company. There had been a mix-up with the railroad company address and our office was aware that payment would be forthcoming. The same information was conveyed to our "Sovereign Citizen". Who replied, "It is none of your business. I want to take them to court." What recourse does the treasurer have in such matters? Is it okay to refuse payment? What can you do if you know for certain the payee is not the owner?

**Answer #10:** Normally you would accept payment whether the payee is the owner or not. However, if you have concerns of liability to the county then consult your attorney.

**Question #11:** In regard to 2015 SEA 524 Serial Real Property Tax Delinquencies, what is "any lawful manner" that the executive may use to dispose of the property?

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**QUESTIONS AND ANSWERS FROM COUNTY TREASURERS ANNUAL CONFERENCE (Continued)**

**Answer #11:** IC 6-1.1-24.5 provides that if the court orders a finding that serial tax delinquencies exist then the owners of the real property do not have a right of redemption. The petitioner acquires a lien and the petitioner may request that the county auditor execute a deed. If the petitioner acquires the deed then disposal would be subject to the disposal of real property laws. The statute does not address if or how the petitioner may dispose of the property after the court order but before the deed is issued. There is nothing similar for the lien under IC 6-1.1-24.5 as is found for a commissioner's tax sale certificate under IC 6-1.1-24-6.1 where the commissioners may put the certificate up for sale.

**Question #12:** Do all treasurers require all taxes (including the fall payment if not yet due) to be paid before signing the liquor permit renewal?

**Answer #12:** IC 7.1-3-21-15(b) states: "The commission shall not issue, renew, or transfer a wholesaler, retailer, dealer, or other permit of any type if the applicant: (1) is seeking a renewal and the applicant has not paid all the property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9 that are due currently..."

It is our audit position that for renewal the taxes that are currently due should be paid, not those not yet due. Please see the October 2013 County Bulletin for our position on renewals and transfers.

**Question #13:** Is there a de minimis threshold for the daily deposit rule?

**Answer #13:** Yes. 2015 HEA 1281 amended IC 5-13-6-1. It now provides that a local officer of a political subdivision (other than a township) that is required to deposit by the next business day is not required to deposit funds on the next business day following receipt of the funds if the funds on hand do not exceed \$500, but must be deposited the next business day when the funds exceed \$500.

**Question #14:** Are third parties collecting tax payments on behalf of the county subject to the bonding regulations?

**Answer #14:** If you are speaking of banks, then no.

**Question #15:** If you have an office with adequate staff I was told the elected treasurer should not be doing the cash book. Is this true?

**Answer #15:** Based upon Indiana Codes the treasurer is ultimately responsible for maintaining the cash book, but the treasurer can appoint a deputy or other employee to keep the book. If the "elected" treasurer was told she has adequate staff and should not be doing the cash book, it may have been in reference to establishing internal controls and maintaining segregation of duties. It is up to management to establish internal controls and determine what those controls should be. If the treasurer prefers to maintain the cash book rather than delegate that responsibility to a deputy or employee, that is perfectly within the authority of the treasurer to decide. However, the treasurer will also need to consider and document how that adequate controls are being maintained.

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**QUESTIONS AND ANSWERS FROM COUNTY TREASURERS ANNUAL CONFERENCE (Continued)**

**Question #15:** Regarding 2015 SEA 436 – the presentation states “total amount of property tax owed to a taxpayer is \$100,000 or more.. “ Is the dollar amount the total multiple parcels or per parcel? There is an apartment complex that encompasses 4 parcels over 2 taxing districts. None of the refunds due exceeds \$100,000 but the aggregate is close to \$200,000.

**Answer #15:** The refund would be per property parcel or key number. The statute refers to the property in the singular.

**Question #16:** We are opening a new checking account and fund to administer health insurance costs. The county auditor has said one of her staff should be in charge of reconciling this bank account monthly. Is this the auditor’s or treasurer’s responsibility?

**Answer #16:** The treasurer should be reconciling this account. IC 5-13-6-1(e) states in part: “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.”

**Question #17:** This issue touches the assessor, auditor, treasurer, and recorder. How do counties deal with parcels listed as having “unknown owners” or a similar name? These “unknowns” may exist due to legal description errors, incomplete past transfers,, gaps in surveys, etc. We are attempting to clean this up by informing adjoining owners of the unknown piece and encouraging them to hire an attorney, title researcher or surveyor if they are interested.

**Answer #17:** To clean up records some counties are sending letters to adjoining property owners or doing research as much as feasible using own records. Some are working with county attorneys and determining what legal process must be followed such as having assessor value property to put onto tax sale resulting in ownership eventually passing to county or to allow for the various disposal methods listed under IC 6-1.1 such as the allowances to adjoining property owners.

**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE**

**Question #1:** Since January 1<sup>st</sup> is on a Friday do we have to pay on the Thursday before or can we pay on Monday, January 4<sup>th</sup>?

**Answer #1:** It would depend on your salary ordinance and how salaries are stated. You would not want to pay any salaries in advance. You would also not want to exceed the amount stated in your salary ordinance for the year. You would need to have sufficient appropriation to make the payment on the Thursday before the holiday. We would not take exception to the payment being made on January 4<sup>th</sup>.

**Question #2:** Is it required for us to have a proof of payment to return any surplus (overpayment) of taxes or do we just write a check to the current owner?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE (Continued)**

**Answer #2:** Indiana Code 6-1.1-26-6(a) states that "The taxpayer may then file a verified claim for money remaining in the surplus tax fund. The county treasurer or county auditor shall require reasonable proof of payment by the person making the claim. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to the taxpayer for the amount due the taxpayer." It should be noted that the statute states "taxpayer" and not homeowner. Taxpayer is not defined in the statute. If there is any question or concern over the legality of the payment of the claim for surplus tax, the county attorney should be consulted.

**Question #3:** Are there things that cannot be encumbered by departments when they submit their paperwork to the Auditor at year's end?

**Answer #3:** The following is from the County Bulletin April 2010 and January 2011. The County can encumber any purchase of material or services that has a contractual agreement or purchase order at the year end and there is adequate appropriation remaining at end for the purchase. See excerpt below.

"Appropriations may be carried forward to the following year if any of the following conditions exist:

1. A lawful contract has been entered into with a vendor or contractor on or before December 31 and all or a part of the contract has not been paid.

2. A purchase order has been issued on or before December 31, entered as an encumbrance against an existing appropriation, and isn't paid as of December 31.

3. Proceeds of a bond issue have been duly appropriated and remain unexpended as of December 31.

4. Appropriations which are obligated by a contract or an agreement executed on or before December 31, between the county and any federal or state agency, such as a criminal justice planning grant, local road and street project, or federal grant requiring local matching funds.

Only the amount required to meet the balance due on a contract or purchase order may be carried forward; the amount remaining in the appropriation account shall revert to the fund from which appropriated."

"Keep in mind the appropriations encumbered and carried forward can be used for no other purpose other than the purchase order or the contract for which they were appropriated."

**Question #4:** How do you handle the 27 pays within a year? Since this doesn't happen very often if the annual salary is divided by 27pays then the employees feel that they are taking a pay cut. Could the Council set the salary hourly, daily or bi-monthly?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE (Continued)**

**Answer #4:** If salaries are set annually then the annual salary amount for each employee will be divided by the number of pays within the year. When you have a year where there are 27 pay periods it can sometimes be difficult to explain to employees since it appears that their gross amount has decreased. We recommend using a bi-weekly amount on the salary ordinance so that the 27<sup>th</sup> pay is not an issue in maintain compliance with the salary ordinance. However, you will need to make sure that the appropriation is sufficient for that 27<sup>th</sup> pay. The Council can set the salary for each employee or position in whatever manner they choose for all employees such as hourly, daily, bi-weekly, weekly or bi-monthly. Caution should be taken when establishing the salary for an elected official on an hourly basis as time records may not be maintained in a manner that would substantiate an hourly or daily rate.

IC 36-2-8-2 states "The county auditor and county treasurer may pay salaries and wages to county officers and employees monthly, twice each month, every two (2) weeks, or weekly. The manner of payment of salaries and wages must be authorized by the legislative body of a county having a consolidated city or by the executive of any other county."

**Question #5:** ICJI has issued an email to our Prosecutor that they were awarded the VOCA and STOP Grants 2015-2016. The Auditor has not received any other information. No grant app/award letter etc. We have asked many times. How should we proceed with only an email from ICJI? They advised our Prosecutor to go ahead and spend funds and hire the Deputy Prosecutor that is paid by this grant. Is this going to be standard practice for ICJI?

**Answer #5:** If there is a question regarding a federal or state grant; we would refer you to the granting agency on how the grant should be processed. You would need to contact ICJI to find out their standard practice for this issue. Please contact Jade Palin, Victim Services Division Director at (317) 232-2927 or JPalin@cji.in.gov

**Question #6:** Bonds. IC 5-4-1-1(a) (7) requires employees and contractors to maintain an individual surety bond or if Council passes an ordinance a blanket bond can be issued. The auditor by statute is only required to have a \$30,000 bond. With the new law should the auditor's bond be increased to reflect the total \$ receipts collected in their office as required for the clerk, sheriff and Treasurer?

**Answer #6:** No, the new statute on surety bonds did not change the requirements that the auditor have a minimum bond of \$30,000. IC 5-4-1-18(d) "County auditors must file bonds in amounts of not less than \$30,000 as fixed by the fiscal body of the county"

**Question #7:** If a County adopts the \$50 fee for Heritage Barn, where does the fee get receipted in? (What fund).

**Answer #7:** IC 6-1.1-12-26-2 sets out the public safety fee that may be established by the county council, but the fee may not to exceed \$50. The fee is to be distributed equally between law enforcement and fire protection for the territory in which each barn is located. The fee should be receipted to Fund 1226, the Heritage Barn Public Safety Fund.

**Question #8:** Is there a grandfather clause that would allow the county surveyor not to be a licensed surveyor/engineer nor have one in his employ?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE (Continued)**

**Answer #8:** We have no knowledge of a grandfather clause for unlicensed surveyor/engineers. You should contact the drainage board attorney or county attorney for assistance. It may be possible to hire an outside contractor to provide the necessary technical knowledge required to classify drains and oversee construction/reconstruction projects.

**Question #9:** Are county council approved appropriations required for drain maintenance funds?

**Answer #9:** No, drain maintenance funds receive the assessments, penalties and interest on delinquent payments of assessments for maintenance. Appropriations are only required for funds that receive tax levy money. Assessments do not need to be appropriated prior to use.

**Question #10:** If a TIF district is discontinued by the county council and there is a balance in the TIF Redevelopment fund, the balance should be distributed to the taxing units. Should that be considered as misc. revenue and not against the levies?

**Answer #10:** When a Redevelopment Commission establishes a redevelopment project area, the base assessed value is determined. The taxes received from any increase in the base assessed value are designated as TIF revenue and are issued to the Redevelopment Commission to fund projects in the TIF district. The taxes from the base assessed value continue to be distributed to the taxing units for that geographical area. When that TIF district is dissolved, any TIF revenues that have not been spent on the TIF district prior to its dissolution would be refunded to the taxing units in the same manner as the original taxes from the base assessed value were distributed. This reallocation of TIF funds to the taxing unit is a distribution of property taxes and should be receipted in as property tax revenues.

**Question #11:** Annual Financial Report: Asset Management: Need directions on the proper way to track inventory and are there instructions or training available from the state?

**Answer #11:** The annual financial report submitted through the Gateway system does require that the county's capital asset balances by category be submitted as supplemental information. The capital assets are classified as Land; Infrastructure; Buildings; Improvements Other than Buildings; Machinery, Equipment and Vehicles; and Construction in Progress. Each county should have a capitalization policy that states what assets are capitalized and what the threshold is for each category. If you do not provide a GAAP financial statement, the supplemental information submitted in Gateway is the only reporting of capital assets that the county does. The capitalization threshold states at what level an asset would be capitalized, for example your policy could say that all equipment costing more than \$5,000 will be capitalized. Each asset purchased must be evaluated based on the capitalization policy and added to your capital asset detail report when appropriate. You should have a system in place to flag any claims paid that might meet the capitalization policy. If you have assets that do not meet your capitalization threshold, but are high risk for misappropriation such as electronics (laptops, tablets, cell phones, etc.) you should also have controls over those items. You can establish an inventory of those items and track where they are located. Physical inventories should be done periodically to determine if the actual assets match the capital asset detail or inventory sheets. The Uniform Compliance Manual for County Auditors has some information on capital assets on page 20-25. The manual states; "Every governmental unit should have a complete inventory of all fixed assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable General Fixed Asset Account Group Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records." We do not currently have any training or instructions on capital assets but we will consider adding information on capital assets to the SBOA webpage under Best Practices.'

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE (Continued)**

**Question #12:** Can the county prosecutor's office refuse to provide complete monthly invoice billing information on claims submitted for payment by county to Auditor's office because they state information is confidential.

**Answer #12:** The Auditor is required to audit all claims prior to their authorization and payment. In order to do that, the claim must be properly itemized and verified and if possible supported by supporting documentation for goods and services. However, there are grants that may be received by the Prosecutor's office that could include confidential funds, such as drug and crime prevention grants or grants for victims' assistance services. In those cases, there is confidential information that must be maintained. In those cases the prosecutor's office should have controls in place over the disbursement of funds to ensure that the funds are not misused. Those controls usually include a reconciliation of any imprest funds (cash disbursements for purchase of services, evidence or information). The Prosecutor's office should be able to give a claim with sufficient detail to audit the claim for allowable activities of the grant funding, while still maintaining any confidential information.

**Question #13:** Do claims have to be advertised for court and probation departments?

**Answer #13:** IC 36-2-6-3 provides that court claims must be advertised. It is our position that the determination of whether or not it is a court claim depends on who is approving the claim. If the judge approves the claim, then the claim needs to be advertised. If the claims are approved by the county commissioners and not the judge then they do not need to be advertised.

**Question #14:** Can claims be paid through electronic funds transfer?

**Answer #14:** IC 26-2-8, The Uniform Electronic Transactions Act, gives authority to do so. However, compliance with other statutory requirements that pertain to claims and their payment may not be circumvented.

**Question #15:** Additional appropriations were approved for the purchase of land. Not all of the additional appropriations were used. What can the excess appropriation be used for?

**Answer #15:** The additional appropriation provided permission to expend funds for the purpose of the purchase of land. In order to expend for another purpose then it should be transferred. If it is within the same departmental budget and same major budget classification the auditor may transfer unless the county council is required to. There should be a county policy specifying which. If in the same departmental budget but between major budget classifications then it will need council approval. If across departmental budgets then the council should reduce the appropriation and adopt an additional appropriation which would require DLGF approval. If there is no need for expenditure the appropriation may stand for the current year and then the funds be appropriated during the budget process for the following year.

**Question #16:** Does the county council have to approve all transfers of appropriations? Do they have to approve transfers of appropriation between line items within a major classification (such as, with the supplies category)?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE (Continued)**

**Answer #16:** IC 36-2-5-2 provides that the county fiscal body shall appropriate money to be paid out of the county treasury. IC 6-1.1-18-6 provides that the proper officers of a political subdivision may transfer money from one major budget classification to another within a department of office if determined necessary. Statute does not address if within the same major budget classification and departmental budget. It is our position that the county should adopt a policy that specifies if this would be under the authority of the auditor or if it would require county council approval as well.

**Question #17:** What are the procedures for setting the number of employees for each office/department as it relates to the county council? The county council feels that they are responsible for determining the number and salary of all employees, that recommending and setting salaries is their responsibility only.

**Answer #17:** Per IC 36-2-5-4 statements and recommendations on positions and compensation are presented to the county auditor by the county officers and departments, which is then presented to the county executive for recommendations. The county executive presents the statements and recommendations to the county fiscal body. Per IC 36-2-5-3 the county fiscal body shall fix the compensation and this includes the power to fix the number of officers, deputies, and other employees. There are certain caveats to this, such as there is specific statutes that allow the county auditor to have a chief deputy.

**Question #18:** If a new elected official takes office January 1 and a relative works in the office, is this exempt from the nepotism policy?

**Answer #18:** There are not enough specifics to provide guidance such as whether the individual has been grandfathered in or the line of supervision. However, the application and implications of the nepotism law under IC 36-1-20.2 and the county's own nepotism policy are legal issues and should be addressed by the county's attorney.

**Question #19:** Can I buy shirts and have them embroidered with the county logo and pay for them out of the supplies budget?

**Answer #19:** Unless specifically required by statute, such as for county police, this would need to be part of the policy on employee benefits. You would also need to contact the IRS to determine if this would be a reportable compensation.

**Question #20:** Can we make vendors accept ACH payments? We no longer want to issue checks.

**Answer #20:** You may have a policy that you will only do business with vendors who will accept ACH payments as per the uniform electronic transactions act under IC 26-2-8. However, as with any use of this act, you may not circumvent other statutory requirements. You should contact your county attorney to determine if any such policy would be in conflict with other statutory requirements such as purchasing laws.

**Question #21:** Our county has several grants that are expired (the project is over) and there is still leftover award monies sitting in the fund. How can the county pull that money out of the appropriations, or the fund, and where can the money be placed?

**Answer #21:** You should look to your grant agreement to determine what your grantor agency requires you to do with surplus funds. If not in the grant agreement you should contact your grantor agency and have them provide you instructions.

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE (Continued)**

**Question #22:** Can you discuss or do you know what the acceptable minimum level of internal controls will be or the format it will be provided to counties?

**Answer #22:** This may be found on our website at [www.in.gov/sboa](http://www.in.gov/sboa). Click on political subdivisions and then internal controls.

**Question #23:** The council appropriated dollars in a part-time slot. The prosecutor is using the dollars to supplement his employees (full time employees) \$1000/year raise. Is this allowed? Also, he supplements employees from the Prosecutor Pre-Trial Fund and Incentive Fund. Can the council pass a resolution that any "raises" must be approved by them or can the Prosecutor or any office supplement employees as they wish?

**Answer #23:** A raise would be viewed as part of compensation and so should go through the same approval process and be a part of the salary ordinance as appropriate. IV-D incentive funds are different as these funds do not require appropriation. Compensation may be paid out of these funds without the permission of council. However, we still recommend that compensation paid from incentive funds be documented in the salary ordinance but if not that there is maintained documentation of the salary differential paid through incentive funds. Pre-Trial must be used in accordance with IC 33-37-8-6 which required appropriation as well as being in compliance with the Prosecuting Attorney's Council's guidelines. Resolutions may not be passes that would be contrary to statute, and so cooperation between officials is needed to ensure that proper controls surrounding county funds is in place.

**Question #24:** Can the county pay for gun permits for retired police officers?

**Answer #24:** IC 35-47-2-3(e) provides that the license of police officers, sheriffs or their deputies, and law enforcement officers of the U.S. government who have been honorably retired by a lawfully created pension board or its equivalent after 20 years of service shall be valid for the life of these individuals.

**Question #25:** After a sheriff's sale is conducted and nobody buys property, does property go to the bank that foreclosed? If so, why are deeds not processed right away?

**Answer #25:** There is not a statute that makes provisions for unsold property at a sheriff's sale like there is for a tax sale. We did not find anything under IC 32-30 or IC 32-29 where the unsold property would go automatically to the bank. There are provisions where the bank might take ownership but would need to go through a court process.

**Question #26:** The LOIT handbook talks about a deadline of 9/30 to increase a COIT by 1/1. Is there another window to enact a change for 7/1?

**Answer #26:** IC 6-3.5-6-1.5 provides that an ordinance may be adopted any time in a year before 11/1 of that year. An ordinance adopted after 12/31 of the immediately preceding year and before 9/1 of the current year takes effect 10/1 of the current year. An ordinance adopted after 8/31 and before 11/1 of the current year takes effect 1/1 of the following year.

**Question #27:** Could there be some guidance put forth for grants that run on a fiscal basis? For example: Community Corrections. The way I understand the grant is to be accounted for on an annual basis in our financials as well as the annual report. After doing some research I found that some counties were accounting for the grant on a fiscal basis in their financials. Not sure which is the correct way?

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**QUESTIONS AND ANSWERS FROM COUNTY AUDITORS FALL CONFERENCE (Continued)**

**Answer #27:** Counties are on a calendar year basis and should keep their records on a calendar year basis for reporting purposes. This should not preclude a county from being able to properly abstract and report information to grantor agencies whether that be on a 7/1-6/30 years as the state is or a 10/1-9/30 as the federal government is.

**Question #28:** Can TIF monies collected be used for projects outside of the TIF area?

**Answer #28:** It may be possible if physically connected or serving the area. However the direct reason for the TIF needs to be maintained. The commission should work with their attorney to determine if in compliance with IC 36-7-14-39(b) and should have documented authoritative support.



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**AMOUNTS AUTHORIZED TO BE RECEIVED BY SHERIFFS FOR BOARD OF PRISONERS**

By authority of IC 36-8-10-7, I Paul D. Joyce, CPA, State Examiner of the State Board of Accounts, do hereby fix the exact amount per meal which the sheriff of each county in the State of Indiana, shall be entitled to receive for feeding prisoners legally in his charge, including Federal prisoners, for a period of one year, beginning April 15, 2016. Amounts received by the sheriff from the Federal government for board and care of Federal prisoners shall be paid into the County General Fund.

In determining and fixing the amount per meal, the use of wholesome food in quantities and varieties necessary for the preservation of the health of the prisoners is contemplated. All expenses related to preparing and serving meals, except for the costs of food, shall be borne by the county.

The amounts fixed are for meals actually served such prisoners during each respective month. Not more than three meals at county expense are to be served to any one prisoner in any one day.

The term "month" shall mean a period of time beginning April 15, 2016 and thereafter ending on the fourteenth (14<sup>th</sup>) day of each succeeding month. Claims for meals for the month beginning December 15<sup>th</sup> will be paid from the appropriation for the succeeding year.

For number of meals served during a period of one month, per meal:

In counties having a population of less than 20,000 . . . . .	\$1.92
In counties having a population of 20,001 to 40,000. . . . .	\$1.86
In counties having a population of 40,001 to 60,000. . . . .	\$1.78
In counties having a population of 60,001 to 80,000. . . . .	\$1.57
In counties having a population of 80,001 to 100,000. . . . .	\$1.33
In counties having a population of 100,001 to 200,000. . . . .	\$1.21
In counties having a population of 200,001 or over. . . . .	\$1.14

The following counties will not be allowed the amounts authorized above:

- Allen
- Lake
- Marion
- Vanderburgh

Paul D. Joyce CPA  
State Examiner



# STATE OF INDIANA

DEPARTMENT OF ADMINISTRATION  
Commissioner's Office

**Michael R. Pence, Governor**

Indiana Government Center South  
402 West Washington Street, Room W479  
Indianapolis, IN 46204

DATE: February 12, 2016

TO: All State Institutions

FROM: Jessica E. Robertson, Commissioner, Department of Administration

SUBJECT: Reduction in State Mileage Reimbursement Rate

On June 26, 2015 the Indiana Department of Administration and State Budget Office sent out a memo regarding changes in mileage reimbursement rates. In that memo we presented a chart to provide transparency for future adjustments of mileage reimbursement rates.

Based on the last 6 months of average fuel prices for regular unleaded gas, as well as the average cost of the last 6 weeks, mileage reimbursement rate will be adjusted down. Effective February 22, 2016, the mileage reimbursement rate will move to \$0.36 per mile. Travel departing prior to the effective date will be reimbursed at the previous rate, while travel departing on or after the February 22<sup>nd</sup> effective date will be reimbursed at \$0.36 per mile. We will continue to review fuel prices semi-annually and adjust reimbursement rates accordingly.

If you have any questions please contact IDOA Travel Management Office at (317) 232-4258 or your Budget Analyst at (317) 232-5610.