

TOWNSHIP BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES ISSUED BY STATE BOARD OF ACCOUNTS

Volume 295, Page 1

December 2011

Items to Remember

December

- 1 On or before June 1 and December 1 of each year (or more frequently if the county legislative body adopts an ordinance requiring additional certifications), the township executive shall certify the name and address of each person who has money due the person from the Township to the County Treasurer. (IC 6-1.1-22-14)
- 25 Legal Holiday - Christmas Day (IC 1-1-9-1)
- 31 All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1(e))

January

- 1 Legal Holiday - New Year's Day (IC 1-1-9-1)
- 1 Set up the Financial and Appropriation Record for the year 2012, by bringing forward the fund (cash) balances at the close of the year 2011 and entering appropriations as finally adopted and approved.
- 3 Annual meeting of township board to organize by electing one member as chairman and one member as secretary for the year. (First Tuesday after the first Monday in January) (IC 36-6-6-7)
- 3-31 After the first Monday and on or before the last day of January, members of the township board are to meet to organize as a township board of finance by electing one member as president and one member as secretary, each for a period of one year. During the annual meeting the investment officer shall make a written report to the investing officer's local board of finance summarizing the township's investments during the previous calendar year. The report must contain the name of each financial institution, government agency or instrumentality, or other person with whom the township invested money during the previous calendar year. The local board of finance shall do the following at the meeting:
 - (1) Review the report.
 - (2) Review the overall investment policy of the political subdivision. (IC 5-13-7-6, IC 5-13-7-7)
- 15 Last day to make pension report for fourth calendar quarter by townships participating in PERF.

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 2

December 2011

Items to Remember
(Continued)

January

- 16 Legal Holiday - Martin Luther King, Jr.'s Birthday (IC 1-1-9-1)
- 17 Last day for the annual meeting of the township board for the purpose of receiving, auditing and approving the Annual Report, Township Form 15 for 2011 (on or before the third Tuesday after the first Monday in January) (IC 36-6-6-9)
- 26 Last day for trustee to file the copy of the Annual Report, as approved by the township board, together with the 2011 vouchers, in the office of the county auditor (within ten (10) days after the annual meeting of the township board on January 17). (IC 36-6-4-12)
- 31 All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1(e))
- 31 Last day to provide each employee with a W-2.
- 31 Last day to file quarterly 941 report for fourth quarter with Internal Revenue Service.
- 31 Last day to file Form 100R, Certified Report of Names, Addresses, Duties and Compensation of Public Employees, with the State Board of Accounts. Be sure to indicate the name and business address of the township and the name of the county on page one of the form. This form may be found on our website at <http://www.in.gov/sboa/2416.htm> and should be mailed to the State Board of Accounts, 302 West Washington Street, Room E418, Indianapolis, IN 46204. (IC 5-11-13-1)

February

- 12 Legal Holiday – Lincoln’s Birthday (IC 1-1-9-1)
- 13 Last day for publication of Annual Report for 2011 in summary form. (within four weeks after the third Tuesday following the first Monday in January) (IC 36-6-4-13)
- 20 Legal Holiday – Washington’s Birthday (IC 1-1-9-1)
- 29 All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1(e))
- 29 Last day to file the 2011 Annual Report with the State Board of Accounts. (not later than sixty (60) days after the close of each fiscal year) (IC 5-11-1-4)

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 3

December 2011

TOWNSHIP BOARD – ATTORNEY

The Office of the Attorney General of the State of Indiana provided the following Unofficial Advisory Letter on June 11, 1991 in response to a request for an opinion concerning the following questions:

1. May the Township Board appoint its own attorney?
2. May the Trustee as the authorization officer for Poor Relief funds and the distribution officer for Civil funds compensate a Township Board Attorney?
3. After salaries have been fixed by the Township Board, is the Township Executive compelled to compensate employees to the fullest extent of salaries provided, even though the employee may be deficient when evaluated by written performance appraisal in view of Indiana Code Section 36-4-7-2.

CONCLUSION

1. The Township Board is not authorized to appoint its own attorney.
2. This question is moot. See question 1.
3. The Township Trustee does not have the authority to change the salary of an employee that is fixed by the Township Board. The Township Board may not change the salary of an elected or appointed officer during the fiscal year for which they are fixed. The Township Board may change the salary of any other employee. The Township Trustee may remove any employee who is deficient in the performance of his or her duties. If procedure for removal has been provided, the Township Trustee should follow that procedure.

Subsequent to the issuance of the aforementioned Advisory Letter questions have been raised of whether "Home Rule" would provide authority for a township board to also hire an attorney. IC 36-6-4-4 states in part concerning powers of a township trustee: "The executive may do the following . . . Appoint an attorney to represent the township in any proceeding in which the township is interested." The question was asked in Attorney General Advisory Opinion 98-13 issued July 9, 1998, "Can a school corporation or other unit of government expand the provisions of a statute with "home rule?" The answer provided by the Attorney General's Office stated in part ". . . those entities may not exercise home rule powers in an area pre-empted by the General Assembly."

SOCIAL SECURITY TAX BASE CHANGES JANUARY 1

Unless there is a change made by Congress, the 2012 contribution rate will return to a total of 15.3 percent. (6.2% employer, 6.2% employee, 1.45% for the employer's share of Medicare and 1.45% for the employees share of Medicare.)

We further understand that the maximum amount of earnings that will be subject to Social Security contributions will be \$110,100 effective January 1, 2012. No maximum base for Medicare will exist.

Please contact the Internal Revenue Service at 1-800-829-1040 if you should have questions on this matter. Updates can be viewed at www.irs.gov/notice1036.

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 4

December 2011

ENCUMBERED APPROPRIATIONS

When purchase orders or written contracts have been completed during the year for the necessary purchases of the township and such purchase orders have been entered in the Financial and Appropriation Ledger to encumber a sufficient amount of the proper appropriation to provide for payment when due, a permissible procedure is available to carry forward to the next budget year any amounts so encumbered which have not been liquidated as of December 31. Any such encumbrances carried forward must be for the exact amount of the purchase orders or written contracts encumbered and shall be carried to the same appropriation classification (personal services, supplies, other services and charges and capital outlays) account in the Financial and Appropriation Ledger for the new budget year as that in which they appeared for the year ending on December 31. When carried forward, these amounts should be entered individually on each of the appropriations affected as an opening entry separate from the next annual appropriation amount. The total amount of encumbered appropriations carried forward for any fund must not exceed the fund balance as of December 31 or doing so will cause a funding difficulty during the new budget year. Encumbrances should not occur for any items other than purchase orders or written contracts.

Liquidation of the amounts carried forward must be made individually for each purchase order or written contract encumbered when payment of the claim is entered on the record following receipt of the items purchased or contract paid. If the vendor's claim for payment of a specific purchase is found to be less than the amount of the encumbrance carried forward, the balance of such encumbrance may not be used to authorize payment of any other claim. Such balance must be liquidated at the time of liquidating the purchase order or contract paid or permitted to expire at the close of the budget year. If for some reason the amount of the claim for payment is greater than the encumbered amount carried forward, the balance must be charged against the available appropriation for the same purpose from the current budget or an additional appropriation obtained for that specific purpose.

DEPOSITORIES

Please see <http://www.in.gov/tos/deposit/2377.htm> for the current list of approved depositories.

NEW LAW REPEALS 3% CONTRACTOR WITHHOLDING

On November 21, 2011, the President signed Public Law 112-56, 3% Withholding Repeal and Job Creation Act, into law. This Act repeals the requirement for governments to withhold 3% of certain payments to contractors originally created under the Tax Increase Prevention and Reconciliation Act of 2005 (Public Law No. 109-222). For more information on the repeal and for technical or procedural questions visit <http://www.irs.gov/govt/fslg>. If you have a specific question about exempt organizations, call FSLG Customer Account Services at 1-877-829-5500.

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 5

December 2011

INDEX TO
TOWNSHIP BULLETINS
VOLUMES 256 TO 295 INCLUSIVE
(Symbol 269-2 Designates Volume 269, Page 2)

Advance Draws - Property Tax	279-3
Affidavit for transfer of assets without administration	286-6
Annual Report of Trustees	291-7
	287-5
	283-5
	280-3
	264-3
	260-5
Appropriations	
Additional	269-2
Emergency	269-2
Encumbrances	295-4
	256-4
Insurance Refunds	282-3
Transfer	282-2
Assessing Expenses	278-4
	272-2
Assignment of Wages	256-3
Attorney General Official Opinion	290-3
Attorney - Township Board.....	295-3
Audits	275-6
Banks - Payments To - Compensation of Employees	250-4
Bond Issues – Audits	287-3
Bonds - Official	287-3
	286-4
Park and Recreation Employees	287-3
Building or Remodeling and Fire Equipment Fund (Cumulative Fire)	275-6
Burial of Patients of State Psychiatric Institutions.....	282-6
Capital Assets	274-2
Estimated Cost.....	276-4
	274-2
	259-7
	259-6
Capital Asset Records.....	274-2
	259-6
Cellular Phones.....	283-4
Cemeteries.....	293-2
Certification of Names to County Treasurers.....	285-2
Checks - Cancellation	261-3
Outstanding.....	293-4
	292-3
Compensation Due Employees - Payments to Banks	250-4
Compensatory Time	277-2
Computer Purchase	266-2
Computer and Internet Expenses	283-3

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 6

December 2011

Conflict of Interest	292-2 290-5 264-5
Contractor Withholding.....	295-4
Cumulative Firefighting Building and Equipment Fund.....	275-6
Data Collection Form	280-2
Data Processing Services by a Bank.....	275-7
Depositories	291-6 259-6
Depositories - Approved.....	295-4 276-3
Designation of Trustee	294-2 275-3 259-5
Digest of Laws	
2010	289
2009	285
2008	281
2007	277
2006	273
2005	269
2004	265
2003	261
2002	257
2001	293
2000	249
Dog Tax.....	272-3
Donations	293-3
Dormant Fund Transfers.....	282-6
DUNS Numbers	263-5
E-mail	286-2
Elected Officials - Leave Policy.....	277-3
Election Board.....	284-3
Electronic Revenue Filing Withholding	291-9
Emergency Medical Services.....	287-5
Employee – Duties	291-3 272-3
Energy Contracts	293-5
Establishing the Estimated Cost of Fixed Assets.....	259-7
Exact Replicas – Forms	267-3
Examination of Townships	291-6 275-6 259-6
Fair Labor Standards Act - Compensatory Time	277-2
Federal Tax Deposits – Electronic Funds Transfer	275-7
Fences (Partition).....	287-4
Financial Assistance to Entities	261-2
Financial Institutions Tax	248-4 283-6

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 7

December 2011

Fire Equipment – Purchase.....	285-3
Fire Protection Equipment.....	285-3
Fire Protection Territories.....	277-4
Fixed Asset Records.....	259-6
Food Stamp Distribution.....	286-3
Form Approval Process.....	273-2
Electronic.....	290-5
Spreadsheet.....	267-3
	258-5
Forms Prescribed by the State Board of Accounts.....	267-3
Forms Revisions	
Township Assistance.....	264-3
Funds Due Deceased Persons.....	286-5
Garnishment of Salaries and Wages.....	263-4
GAO Independence Standards.....	263-5
GASB 34.....	262-4
Ghost Employment.....	260-5
Grants - State Matching.....	280-2
Group Insurance - Dependents.....	284-3
Payment of Premiums.....	259-8
Guaranteed Energy Savings Contract.....	293-5
	260-6
Home Rule.....	284-4
Independence Standards.....	263-5
Indebtedness and Loans.....	275-8
Indiana Open Door Law.....	279-3
Installment Contracts - Firefighting Equipment.....	285-3
Insurance	
Payment of Premiums.....	259-8
Group.....	284-3
Internal Control Suggestions.....	260-4
Internet.....	283-3
	280-3
	260-4
Jury Duty.....	284-3
Lease Purchase Agreements.....	288-2
	261-3
Leave Policy - Elected Officials.....	282-4

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 8

December 2011

Legal Advertising Rates	288-2
	287-8
	284-2
	276-5
	268-6
	264-8
	260-8
	256-5
	292-4
Levy Excess Fund.....	276-2
	257-2
Loans and Other Indebtedness.....	275-8
Lucrative Offices - Dual Office Holding	258-4
Membership Dues in Organizations.....	264-3
Mileage Rate – State.....	287-5
	281-2
	271-6
	264-2
Mileage Reimbursement and General Form 101 – Mileage Claim.....	293-2
	290-4
National Guard Leaves	282-4
Notary Public Attorney General's Opinion	290-3
Office and Telephone Expenses	280-3
	288-2
OMB A-133	264-4
	263-5
Open Door Law	279-3
Optical Imaged Checks	284-4
Partition Fences	287-4
Payment of Employees during Absence	284-2
	259-8
Payments to Banks - Compensation of Employees.....	290-4
Payments of Funds Due Deceased Person.....	286-5
Penalties and Interest – Ways to Avoid	288-3
Poor Relief	
Burial - State Psychiatric Institutions.....	282-6
Forms	264-3
Quarterly TA-8.....	262-6
Property - Receiving from Predecessor	275-5
Property Tax Advances	279-3
Public Employees Retirement Fund.....	291-6

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 9

December 2011

Public Entity Risk Pools	270-2
Public Records	291-9
	290-4
	268-2
	260-3
Public Records – Destroy.....	268-5
Public Meetings - Records	290-4
Public Works – vs. - Public Purchases	285-2
Public Works Under \$150,000	286-5
Purchases - Public	266-3
Computers.....	266-2
Fire Equipment.....	285-3
Special	292-2
Qualifying for Office - Oath.....	291-3
	275-3
	259-3
Qualifying for Office – Official Bonds	291-3
	275-3
	259-3
Quarterly Poor Relief Report.....	262-6
Rainy Day Funds.....	263-6
Receiving Township Property and Records from Predecessor	291-5
	275-5
	259-5
Rent and, Other Utility Costs in The Home.....	283-4
Record of Hours Worked.....	263-4
Records - Public.....	291-6
	290-4
	260-3
Report Preparation and Distribution.....	287-6
Revenue-Electronic Filing Withholding	291-9
Risk Pools	270-2
Salary Resolution	294-3
Sales Tax Exemption Certificate	293-3
Single Audit Act Amendments	275-6
Social Security	
Rates.....	295-3
	292-1
	288-1
	284-1
	280-2
	276-2
	272-2
	268-2
	264-2
	260-2
	256-2

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 10

December 2011

Social Security Tax Base Changes January 1	295-3
Special Fuel Taxes	277-2
Spreadsheet Software.....	258-5
State Board of Accounts Meetings.....	294-2
	290-2
	286-7
	282-5
	278-3
	276-2
	274-3
	270-3
	266-4
	262-6
	258-3
State Matching Grants	280-2
Supplemental Security Income (SSI).....	287-3
Supplemental Security of CAGIT and COIT	278-2
Table of Cost Indexes	259-8
Telephone Expense	288-2
	280-3
Temporary Loans	280-3
Township Annual Report - Filing by Computer Disk	287-5
Township Assistance	
Burial - State Psychiatric Institutions.....	282-6
Forms	264-3
Quarterly TA-8.....	262-6
Township Assistance Statistical Report TA-7	271-7
	270-4
Township Board - Attorney.....	295-3
Township Board of Finance and Depositories	291-6
	275-6
	259-6
Township Employee – Duties	272-3
Township Government.....	266-3
Transfer of Township Records.....	275-5
	259-5
Transfers - Appropriations.....	282-2
Travel Expense	267-4
Trustee	
Compensation	284-5
	264-5
	262-3
Designation	294-2
	275-3
	259-5
Duties	291-3
	272-3
New Trustee Training.....	274-2
Newly Elected	258-3
Qualifying for Office.....	275-3

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 295, Page 11

December 2011

Vending Machine Commissions.....	276-2
Workman' Compensation.....	284-2