ITEMS TO REMEMBER

**September**

1. Last day for Townships to submit proposed 2016 budget, tax rates, and tax levies (as applicable) to county fiscal body or other appropriate fiscal body for review and recommendation or binding adoption. [IC 6-1.1-17-3.5, 6-1.1-17-20, 6-1.1-17-20.3]

7. Legal Holiday - Labor Day [IC 1-1-9-1]

13. Last day to submit notice to taxpayers of proposed 2016 budgets and tax levies and notice to taxpayers of public hearing (Budget Form 3) to DLGF through Gateway (at least 10 days before the public hearing). [IC 6-1.1-17-3]

20. Last day for second publication of proposed 2016 budgets, rates, and levies, and notice to taxpayers of public hearing. [IC 6-1.1-17-3]

23. State Board of Accounts called meeting. [IC 5-11-14-1]

30. All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1]

**October**

1. Last day for county fiscal body to complete review and issue non-binding recommendation to Townships regarding their proposed 2016 budgets, tax rates, and tax levies. [IC 6-1.1-17-3.5]

12. Legal Holiday - Columbus Day - [IC 1-1-9-1]

19. Last day for Townships to file excess levy appeals with DLGF. [IC 6-1.1-17-5]

23. Last possible day for Townships to hold a public hearing on their 2016 budgets. Public hearing must be held at least 10 days before budget is adopted (except in Marion and second class cities). This deadline is subject to the scheduling of the adoption meeting, which could be held before November 1. [IC 6-1.1-17-5]

In Marion County and second class cities, the public hearing may be held any time after introduction of the 2015 budget. [IC 6-1.1-17-5(a)] Note that November 1 is the last date for adoption of the budget.

30. Last possible day 10 or more taxpayers may object to a proposed 2016 budget, tax rate, or tax levy of a Township. Objection must be filed not more than seven days after the public hearing. This deadline is subject to the scheduling of the public hearing. [IC 6-1.1-17-5(b)]
ITEMS TO REMEMBER (Continued)

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

Last day to file report with the Indiana Department of Workforce Development for the quarter ending September 30.

All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1]

November

2 Deadline for Townships to adopt 2016 budgets, tax rates, and tax levies. [IC 6-1.1-17-5(a)]

4 Last day for Townships to file adopted 2016 budgets with the county auditor and County Tax Adjustment Board. [IC 6-1.1-17-5]

Last day for Townships to submit their 2016 budget, tax rates, and tax levies to the DLGF through Gateway.

11 Legal Holiday - Veterans’ Day [IC 1-1-9-1]

26 Legal Holiday - Thanksgiving Day [IC 1-1-9-1]

30 All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1]

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 Trustee shall certify a list of the name and address of each person who has money due from the Township to the County Treasurer. [IC 6-1.1-22-14]

16 Last day for the DLGF to accept additional appropriation requests for the 2015 budget year from Townships as prescribed by the DLGF.

25 Legal Holiday - Christmas Day [IC 1-1-9-1]

30 Deadline for Townships to file shortfall excess levy appeals with the DLGF. [IC 6-1.1-18.5-12(a)(2)]

31 Not later than December 31 of each year, the Trustee and all Board members must certify in writing that they have not violated IC 36-1-20.2.

Not later than December 31 of each year, the Trustee and all Board members much certify in writing that they have not violated IC 36-1-21.
STATE BOARD OF ACCOUNTS CALLED MEETING

The SBOA has called a meeting of all Township Trustees in accordance with IC 5-11-14-1. This meeting will be held on September 23, 2015, in conjunction with the Indiana Township Association Annual Meeting (September 20-23, 2015). The Indiana Township Association is providing arrangements of the meeting at the Sheraton Indianapolis Hotel & Suites, Keystone at the Crossing. The meeting will begin at 9:00 EST with registration beginning at 8:00. No preregistration is required or available.

Many items pertaining to our examinations of Townships will be discussed at the meeting. In addition, there will be a special group of SBOA Coordinators that will be available to answer questions and assist in fixing in-depth problems, such as reconciling, etc. So feel to come with questions and bring records that you are having trouble with.

RESOLUTION ESTABLISHING SALARIES OF TOWNSHIP OFFICERS AND EMPLOYEES (FORM 17)

IC 36-6-6-10 requires the Township board to set salaries; wages; rates of hourly pay; and remuneration other than statutory allowances of all Township officials and employees, except assessing officials and employees. However, please remember the Township board should RECORD THE SALARIES SO FIXED IN THE TOWNSHIP BOARD MINUTES. A type of format for recording these salaries should be the existing format of Township Form No. 17. We recommend the board set the salaries of Township officials and employees, in conjunction with the preparation and completion of the Township budget.

Salaries established for any one position should not have multiple classifications (i.e., a clerk position should not be annual and hourly and weekly, etc.).

Township Form No. 17 has been prescribed to fulfill the requirements of the statute.
STATE MILEAGE REIMBURSEMENT RATE

Indiana Code 36-6-8-3(b) states: “The Township executive is entitled to a sum for mileage in the performance of official duties equal to the sum per mile paid to state officers and employees. However, this subsection does not apply when the Township executive uses a Township vehicle in the performance of official duties.”

Effective July 1, 2015, the Department of Administration (DOA) and the State Budget Agency (SBA) adjusted the state mileage reimbursement rate to $.40 for each business mile driven. With the announcement of the adjustment, the DOA and SBA provided the following chart. The reimbursement rate will be reviewed quarterly and updated in accordance with this chart:

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If you have any questions, please contact the IDOA Travel Management Office (317) 232-4258.

OFFICIAL BONDS [SENATE ENROLLED ACT 393]

The bond amount for a Township Trustee must be thirty thousand dollars ($30,000) for each one million dollars ($1,000,000) of receipts of the Township during the last complete fiscal year before the purchase of the bond. The bond amount must be at least $30,000, but not greater than $300,000 unless approved by the fiscal body. [IC 5-4-1-18(d)(1), (2)]

Employees or contractors of a Township “whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to funds that belong to the federal government, the state, a political subdivision, or another governmental entity” must have a bond of at least $5,000. [IC 5-4-1-18(a)(7), (e)(2)]

The SBOA may increase minimum bond coverage amounts if an examination report finds malfeasance, misfeasance, or nonfeasance that resulted in the misappropriation of, diversion of, or inability to account for public funds. [IC 5-4-1-18(j), (k), (l)]

Effective January 1, 2016, all bonds must have a one year term. A continuation certificate is not sufficient. Consecutive yearly bonds must provide separate coverage for each year. [IC 5-4-1-18(m)(1), (2)]
OFFICIAL BONDS [SENATE ENROLLED ACT 393] (CONTINUED)

We will not take audit exception to a new calendar year bond term greater than one year if the current bond expires before December 31, 2015. For example, if the current bond expires on September 30, 2015, we will not take exception to a new bond term from October 1, 2015 to December 31, 2016, even though it is greater than one year. Similarly, we will not take audit exception to a new calendar year bond term less than one year if the current bond expires after December 31, 2015, but before December 31, 2016. For example, if the current bond expires on March 31, 2016, we will not take exception to a new bond term from April 1, 2016 to December 31, 2016, even though it is less than one year.

Term bonds issued on or after January 1, 2016, are not allowable [IC 5-4-1-18(m)(1)]. We recommend that all current term bonds be converted to one year bonds starting January 1, 2016, to comply with the spirit of the amended statute and to reduce the risk of financial exposure to the Township.

Blanket bonds are allowable if they are authorized by resolution, endorsed to cover faithful performance, and include aggregate coverage sufficient to cover all officers, employees, and contractors required to be bonded. [IC 5-4-1-18(b)]

Crime insurance policies providing additional coverage for criminal acts or omissions committed by officers, employees, or contractors are permitted if they are authorized by resolution. [IC 5-4-1-18(c)] Crime insurance policies do not take the place of bonds.

The aggregate liability for a surety or insurer for a policy year is the sum of the amounts specified in the bonds issued by the surety or insurer for that policy year. [IC 5-4-1-18(m)(2)] For example, if a Trustee has four consecutive yearly bonds for $30,000, the liability of the insurer is $30,000 for each of the four years.

Effective January 1, 2016, all bonds must commence on one of the following: The first day of the calendar year; the first day of the fiscal year of the Township; or the first day of the individual’s service in the office or employment position for which a bond is required. [IC 5-4-1-18(m)(1)]

All official bonds shall be made payable to the State of Indiana. [IC 5-4-1-10] The State is considered an additional named insured on all crime insurance policies. [IC 5-4-1-18(c)]

All bonds must be filed with the county. Beginning July 1, 2015, copies of the bonds must also be filed with the Trustee. [IC 5-4-1-5.1(b)]

Bonds must be filed with the county recorder and the Trustee within ten days after their issuance. [IC 5-4-1-5.1(c)]

The Trustee must submit copies of all bonds to the State Board of Accounts electronically via Gateway with their Annual Financial Report. [IC 5-4-1-5.1(e)]

Current bonds already filed with the county recorder are not required to be re-filed with the Trustee. For example, a bond obtained in January 2015, and properly filed with the county recorder does not need to be filed with the Trustee. However, when the January 2015 bond expires and a new bond is obtained in January 2016, it must be filed with both the county recorder and the Trustee.

Indiana Code 5-4-1-18(a)(7) states that bonds are required for individuals: “(A) who are employees or contractors of a city, town, county, or Township; and (B) whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to funds that belong to the federal government, the state, a political subdivision, or another governmental entity.”
OFFICIAL BONDS [SENATE ENROLLED ACT 393] (CONTINUED)

The Township must determine who must be bonded under the statute. The term “official duties” is not defined. It is our position that “official duties” may include duties set forth in a job description, duties that are customary or routinely performed, or duties that are assigned but not frequently performed. For example, if an office has three employees who routinely accept payments in the Townships office, then all three employees must be bonded. If an employee is assigned to accept certain registration fees but only receives funds once every other year, then that employee must be bonded.

There is no dollar threshold or de minimis exception in the statute. Thus, it is our position that all employees and contractors whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to public funds—regardless of the dollar amount—are required to be bonded. For example, if an office employee who, as part of her official duties, receives $5.00 per year for microfilm copies, then she is required to be bonded.