

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

Volume 323, Page 1

December 2018

ITEMS TO REMEMBER

DECEMBER

- 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 shall certify a list of the names and addresses of each person who has money due from the Township to the County Treasurer. [IC 6-1.1-22-14]
- December 14: Last day for the Department of Local Government and Finance to accept additional appropriation requests for the 2018 budget year.
- December 25: Legal Holiday - Christmas Day. [IC 1-1-9-1]
- December 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

- January 1: Legal Holiday - New Year's Day. [IC 1-1-9-1]
- January 1: Set up the Financial and Appropriation Record for the year 2019, by bringing forward the fund (cash) balances at the close of the year 2018 and entering appropriations as finally adopted and approved for 2019.
- January 1: Assessment date for mobile homes defined in IC 6-1.1-7-1. [IC 6-1.1-1-2]
- January 8: Annual meeting of township board to organize by electing one member as chairman and one member as secretary for the year. (First Tuesday after first Monday in January). [IC 36-6-6-7]
- January 19: Legal Holiday - Martin Luther King, Jr.'s Birthday. [IC 1-1-9-2]
- January 2-31: 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. (After the first Monday and on or before the last day of January). [IC 5-13-7-6, IC 5-13-7-7]

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 323, Page 2

December 2018

ITEMS TO REMEMBER

(Continued)

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| January | 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 | 31: | Last day to provide each employee with a W-2. |
| January | 31: | Last day to file quarterly 941 report for last quarter of 2018 with Internal Revenue Service. |
| January | 31: | Last day to file The Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R), with the State Board of Accounts, in Gateway. Navigate to https://gateway.ifionline.org to file the 100-R. Be sure to indicate the name and business address of the township and the name of the county on the form. [IC 5-11-13-1] |
| January | 31: | Last day to make report for last quarter of 2018 to the Department of Workforce Development. |

FEBRUARY

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| February | 12: | Legal Holiday – Lincoln’s Birthday. [IC 1-1-9-1] |
| February | 18: | Legal Holiday – Washington’s Birthday. [IC 1-1-9-1] |
| February | 19: | Last day for the annual meeting of the township board for the purpose of receiving, auditing and approving the Annual Report, (On or before the third Tuesday after the first Monday in February). [IC 36-6-6-9] |
| February | 28: | 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)] |
| February | 28: | Last day to file withholding statement together with Yearly Reconciliation of Employer's Quarterly Tax Returns with Social Security Administration and Indiana Department of Revenue, respectively. |

MARCH

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| March | 1: | Last day to file 2018 Annual Financial Report (AFR), in Gateway, with the State Board of Accounts. Navigate to https://gateway.ifionline.org to file the AFR. [IC 5-11-1-4] |
| March | 1: | Last possible day for a unit to hold its first public hearing and present appropriate information before adopting an ordinance or resolution to enter into or form a fire protection territory. IC 36-8-19-6 |

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 323, Page 3

December 2018

ITEMS TO REMEMBER

(Continued)

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| March | 1: | Deadline for each political subdivision to submit annual report to the Department of Local Government Finance in the Debt Management application of Gateway for any outstanding bonds or leases (as of January 1). IC 5-1-18-9 |
| March | 1: | Last day for political subdivisions to report to the Department of Local Government Finance information and data on their retiree benefits and expenditures. IC 36-1-8-17.5 |
| March | 3: | Last day for trustee to file the copy of the Annual Report, as approved by the township board, together with the 2018 vouchers, in the office of the county auditor (ten (10) days after the meeting of the township board on February 20). [IC 36-6-4-12] |
| March | 21: | Last day to publish the abstract of receipts and expenditures required by IC 36-6-4-13. In addition to the abstract, the publishing must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the Township have been filed with the County Auditor, and that the Chairman of the Township board has a copy of the report that is available for inspection by any taxpayer of the Township. |

STATE BOARD OF ACCOUNTS CALLED MEETINGS

The SBOA has called meetings of all Township Trustees in accordance with IC 5-11-14-1. These Meetings will be held on the following dates and locations.

- Ivy Tech – March 6, 2019
Auditorium
3800 N Anthony blvd 1200
Fort Wayne, IN 46805

- Vincennes University – March 8, 2019
Green Activities Center
1002 N. First Street
Vincennes, IN 47591

- Ivy Tech – March 15, 2019
Auditorium
300 N. 17th Street
Noblesville, IN 46060

The meetings will begin at 9:00 am EST with registration beginning at 8:00 am. No preregistration is required, but is available on our website. Many items pertaining to our Township audits will be discussed at the meeting. In addition, there will be time to answer questions about Township concerns such as submitting the Annual Financial Report (AFR), clarifications on audit positions, statutory requirements, suggestions to problems etc... So feel free to come with questions and bring records that you are having trouble with. If you are unable to attend one of these meetings, please let us know and we may be able to provide training at other locations around the state in the future.

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 323, Page 4

December 2018

INSURANCE FRAUD SCHEMES

We have received reports of illegitimate insurance agents failing to remit insurance premiums to their insurance companies and creating fraudulent insurance policies. We would like units to remain vigilant in protecting their taxpayers' funds and being aware of the following signs that could indicate an insurance company is fake.

1. If an insurance agent is very aggressive or pressures you into signing a policy immediately quoting significant savings.
2. When comparing insurance companies rates with some being much lower than their competitor's comparable coverage (typically 15-20% less).
3. When attempting to contact the insurer for more details and they are unreachable or there is no published phone number for the insurance company.

Before signing an application for an insurance policy or writing a check to an insurance company, we would recommend that units take the time to confirm the legitimacy of the business. The Indiana Department of Insurance (IDOI) can verify whether an insurance company exists and is authorized to sell insurance in Indiana. IDOI's website has additional resources and tips to combat insurance fraud.

<https://www.in.gov/idoi/2565.htm>

UNIFORM ELECTRONIC TRANSACTIONS ACT

The Uniform Electronic Act IC 26-2-8 allows governmental units to determine the extent that the entity will create and retain electronic records and convert written records to electronic records. In addition, the Act allows the governmental unit to send and accept electronic records and electronic signatures to and from other persons and otherwise create, generate, communicate, store, process, use and rely upon electronic records and signatures.

The State Board of Accounts' Accounting and Uniform Compliance Guidelines Manuals (now found in our Accounting and Uniform Compliance Guidelines Manual for Indiana Political Subdivisions – Information Technology) document the requirements for computerized accounting systems and storage of accounting information on electronic media.

These requirements are documented in the chapter on computer systems and within the section of Information Technology Services Controls (information now found in our Accounting and Uniform Compliance Guidelines Manual for Indiana Political Subdivisions – Information Technology).

The required areas of control include:

- Disaster Recovery Output Controls
- Back Up Processing Interface Controls
- Physical Security Internal Processing
- Logical Security Error Correction
- Change Controls Programming Documentation
- Audit Trails Operations Documentation
- Input Controls User Documentation
- Segregation of Duties Computer Output

If a governmental unit is utilizing only electronic records with no supporting documentation and deficiencies are noted in the required areas of computer controls, an audit result and comment and a federal finding could be included in the audit report for this governmental unit.

Severe deficiencies could also adversely affect the audit opinion provided for the governmental unit. If there are questions on the application of required computer controls related to electronic records or transactions, please contact the State Board of Accounts.

**TOWNSHIP BULLETIN
and Uniform Compliance Guidelines**

Volume 323, Page 5

December 2018

ANNUAL FINANCIAL REPORT VS. ANNUAL REPORT

We have received inquiries about the Annual Financial Report (AFR) and if the incoming Trustee or the outgoing Trustee is required to submit this in Gateway.

The incoming Trustee would be responsible for submitting the Annual Financial Report in Gateway and performing any duties of the Trustee when the office expires. There are three reports commonly referred to as the Annual report:

1. Report required by IC 36-6-4-12 to be presented to the Township Board;
2. Report required by IC 36-6-4-13 to be published in accordance with IC 5-3-1; and
3. Report required by IC 5-11-1-4 to be filed with the State Examiner (AFR in Gateway)

The first report should be presented to the incoming Trustee by the outgoing Trustee required by IC 36-6-4-12 no later than the 3rd Tuesday after the first Monday in February. We have designed the Gateway submission to accomplish all three required reports. The outgoing Trustee can have "edit rights" to the Gateway system and fill out the necessary information to print out a report to fulfill their duties in IC 36-6-4-12. Then the incoming Trustee could go in and verify the information input with the ledger and submit the AFR in Gateway before the deadline on March 1st. The prior Trustee providing this assistance is not required but recommended for a smooth transition if elected officials are changing. If the Gateway report is not submitted by the 3rd Tuesday after the first Monday in February the incoming Trustee can produce a custom report, that would be similar to the "Cash and Investment Combined" report in the AFR, from information recorded in the ledger.

Newly Elected Township Trustees Meeting

The SBOA is planning to provide training for newly elected Township Trustees on Wednesday January 23rd, 2019.

The meeting will be at the Metropolitan School District of Pike Township's Performing Arts Center, 6701 Zionsville Road, Indianapolis. Registration will start at 8:30 A.M. (Local Time) with the meeting starting promptly at 9:00 and will conclude around 12:00 P.M. Township Trustees that have been in office a short period of time may also be interested in attending.

The meeting is structured to specifically try to address the concerns and questions of new township trustees, including going through sample entries to be recorded in the Financial and Appropriation Record and budgetary questions. We will also go over some of the reporting requirements that you will have in your first two months of office. Please make every effort to attend the meeting and feel free to bring any deputies or assistants that you deem necessary.

INDEX TO
TOWNSHIP BULLETINS
VOLUMES 275 TO 315
(Symbol 312-2 Designates Volume 312, Page 2)

100R [Report of Names, Addresses, Duties, and Compensation of Public Employees].....	307-6
Access to Public Records.....	291-9
Accounting Systems	312-6
Affordable Care Act Penalties, Fines, or Tax	301-5
Advertising	316-2
Advertising of the Annual Financial Report.....	320-3
Annual Financial Report.....	307-7
Annual Financial Report and 100-R Not Filed Timely.....	319-6
Annual Financial Report vs Annual Report.....	323-5
Annual Report (Township Form 15) - Filing by Computer Disk.....	291-7
Approval of Accounting Forms and Systems	304-3
Assessing Expenses	318-3
Assignment of Wages	296-2
Attorney General Official Opinion 90-10 - Notarial Acts	290-3
Attorney General Official Opinion 91-5 - Cemeteries.....	293-2
Bond Issues - Audits.....	287-3
Board - Attorney.....	295-3
Board Approval of Salaries.....	314-6
Board of Finance and Depositories.....	315-4
Bonds of Officers and Employees of the Department of Parks and Recreation.....	287-3
Building or Remodeling and Fire Equipment Fund (Cumulative Fire).....	315-5
Cash Balance -vs- Appropriation Balance	312-4
Capital Asset Records.....	299-5
Cancellation of Checks.....	301-4
Cemetery Upkeep	316-2
Certification of Names and Addresses to County Treasurers	303-4
Compensatory Time Off Under the Fair Labor Standards Act	317-3
Conflict of Interest.....	304-2
Conflict of Interest Forms.....	309-3
Contracting Policy	302-5
Data Processing Services by a Bank.....	315-5
Depositories.....	295-4
Designation of Trustee.....	315-3
Disposition of Old Outstanding Checks	293-4
Donations.....	293-3
Election Board and Jury Duty.....	321-5
Elected Officials - Leave Policy	301-3
Emergency Medical Services.....	287-5
Encumbered Appropriations	303-4
Establishing Salaries of Township Offices and Employees.....	300-7
Establishing the Estimated Cost of Capital Assets	316-2
Examination of Trustee's Office.....	307-6
Filing of Annual Report and Vouchers in County Auditor's Office	303-6
Fire Protection Contracts with Volunteer Fire Departments.....	303-7
Fire Protection Territories (FPT)	317-4
Food Stamp Distribution.....	286-3
Forms Prescribed by the State Board of Accounts.....	303-3
Frequent Comments Noted in Township Letters	305-2
GAO Independence Standard	300-9
Garnishment of Salaries and Wages	303-5
GASB Pension Reporting.....	305-4
Gateway Annual Report and 100R	300-8
Ghost Employment.....	300-6

Group Insurance - Dependents of Employees.....	321-5
Guaranteed Energy Savings Contracts.....	293-5
Home Rule.....	321-7
IC 5-11-1-27(j)	311-4
Indiana Department of Revenue - Electronic Filing; Withholding	291-9
Insurance Fraud Schemes	323-4
Internal Control Suggestions	300-5
Internal Control Timeline (IC 5-11-1-27).....	312-5
Internal Controls	301-2
Investing in Securities.....	320-2
Issuing Duplicate Warrants.....	301-6
Indiana Open Door Law	319-4
Lease Purchase Agreements	288-2
Levy Excess Fund.....	316-2
Loans and Other Indebtedness	315-6
Local Government Public Records	308-2
Lucrative Offices - Dual Office Holding	298-5
Marion County Small Claims Court - SEA 523.....	311-7
Materiality Threshold (IC 5-11-1-27(j) & (l)).....	312-7
Membership Dues in Organizations.....	304-2
Mileage.....	304-3
Nepotism and Contracting (PL 135-2012, HEA 1005).....	301-9
Nepotism and Contracting Certifications.....	302-3
Nepotism Policy.....	302-4
New Laws Affecting Townships (2010).....	289-2
New Laws Affecting Townships (2011).....	293-8
New Laws Affecting Townships (2012).....	297-5
New Laws Affecting Townships (2013).....	301-29
New Laws Affecting Townships (2014).....	305-6
New Laws Affecting Townships (2015).....	309-3
New Laws Affecting Townships (2016).....	313-5
New Laws Affecting Townships (2017).....	317-5
New Laws Affecting Townships (2018).....	321-8
New Law Repeals 3% Contractor Withholding.....	295-4
Official Bonds.....	311-3
Optical Imaged Checks.....	284-4
Partition Fences	287-4
Payment by Public Employers of Group Health Insurance Premiums.....	299-7
Payment of Claims - Electronic Funds Transfer	322-3
Payment of Employees during Absence from Work on Account of Compensable Injury.....	321-4
Payment of Funds Due Deceased Person.....	286-5
Payments to Banks of Compensation Due Employees	290-4
Penalties and Interest - Ways to Avoid.....	288-3
Procedure in Emergency Appropriations	309-2
Property Tax Advances.....	319-4
Public Employee Retirement Fund (PERF) Contributions	291-6
Public Nature of Records and Meetings	290-4
Public Purchases	306-3
Public Records.....	300-2
Public Works Under \$150,000.....	286-5
Purchase of Firefighting Apparatus and Equipment	321-6
Purchases of Computer Hardware and Software	306-3
Office and Telephone Expenses	288-2
Qualifying for Office - Oath	307-3
Qualifying for Office - Official Bonds	307-3
Rainy Day Fund.....	322-4
Ransomware – How to Avoid.....	315-7
Rates for Legal Advertising.....	320-4
Receiving Township Property and Records from Predecessor	291-5

Record of Hours Worked.....	303-4
Records to the County Recorder.....	320-3
Report of Misappropriation	321-3
Reporting of All Funds on the Annual Financial Report	307-7
Request to Destroy Public Records.....	308-5
Resolution Establishing Salaries of Township Officials and Employees (Twp Form No. 17)	310-3
Sales Tax - Exemptions	293-3
Senate Enrolled Act 67	313-4
Social Security Withholdings	316-3
Special Purchases	292-2
Spreadsheet Software Utilization to Generate Exact Replicas of Prescribed Forms.....	298-4
State Examiner Directive 2016-1	313-4
State Examiner Directive 2018-1	322-2
State Matching Grants	320-2
State Mileage Reimbursement Rate.....	310-4
	312-3
	314-5
Supplemental Security Income (SSI).....	287-3
Supplemental Local Income Tax (LIT) Distributions	317-4
Telephone, Cellular, and Internet Expenses.....	319-5
Temporary Loans.....	320-3
Transition from Prior Trustee to Newly Elected Trustee	307-6
Travel Expense	307-8
Trustee Compensation	304-2
Vending Machine Commissions	316-2
Uniform Electronic Transactions Act	323-4
Uniform guidance - 2 CFR Part 200	315-4
Worker's Compensation	315-6
Website Features.....	316-2