



# INDIANA STATE BOARD OF ACCOUNTS

2023 Virtual District Meeting

Mitch Wilson

Beth Goss



## NEW LEGISLATION



- SEA 317: Contracting and Purchasing
- HEA 1001: Various Provisions
- HEA 1040: Unauditable Units, Vacant Clerk-Treasurer & Elected Officials Training
- HEA 1041: State Board of Accounts
- HEA 1055: Public Safety Matters
- HEA 1454: Public Safety Funds & Food and Beverage Tax
- HEA 1167: Live Streaming and Archiving Meetings
- HEA 1591: Various Education Matters



## SEA 317 – CONTRACTING & PURCHASING

- Indiana Code 5-11-10-1.6 (Effective July 1, 2023)
  - Allows advance payments to contractors
  - Allows payment prior to delivery of goods or completion of services.
- Advance payment of meal expenses is still allowable



## SEA 317 – CONTRACTING & PURCHASING

- Advance payment of meal expenses
  - Employee traveling on municipal business
  - Ordinance established that allows advance payment entails:
    - Maximum amount to be paid in advance
    - Required invoices/documentation that must be submitted
    - Reimbursement from wages if documents not submitted



## SEA 317 – CONTRACTING & PURCHASING

- Advance payment to contractors
  - Cannot exceed lesser of 50% of contract or \$2 million
  - Solicitation for contract must include:
    - Municipality will make advance payments
    - Limitations on the amount of advance payments
    - Requirements for documentation
    - Any other useful information pertaining to advance payments



## SEA 317 – CONTRACTING & PURCHASING

- Advance payment of goods and services
  - Cannot exceed lesser of 50% of contract or \$2 million
  - Fiscal body must authorize advance payments
  - Fiscal officer or designee must:
    - Track prepayments
    - Create prepayment invoice
    - Require insurance or surety bond if prepayment is >\$150,000



### PREPAYMENT PURCHASE ORDER

NOTE: NO CLAIMS WILL BE APPROVED FOR PAYMENT UNLESS ORIGINAL COPY OF THIS ORDER OR THE P.O. NUMBER IS MADE PART OF THE CLAIM.

P.O. \_\_\_\_\_  
This number must be on invoice, Voucher and Delivery Memo.

DATE \_\_\_\_\_

REQ. \_\_\_\_\_  
 IN ACCORDANCE WITH BID AND CONTRACT DATED \_\_\_\_\_

Subject to discount please indicate on invoice.

Charge to \_\_\_\_\_  
 Appropriation for \_\_\_\_\_ Appropriation Number \_\_\_\_\_

QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT

Do you have the local ordinance? Y/N \_\_\_\_\_ TOTAL AMOUNT OF ORDER \_\_\_\_\_

#### PREPAYMENTS

	Prepaid Amount	
	Prepaid check #	
	Prepaid check date	
	Invoice Number	
	Is there a surety bond or has a determination been made that one is not required?	

IC 5-11-10-1.6 specifies the requirements for prepayments \_\_\_\_\_ TOTAL AMOUNT REMAINING OF ORDER \_\_\_\_\_

I HEREBY CERTIFY THAT THERE IS AN UNOBLIGATED BALANCE IN THIS APPROPRIATION SUFFICIENT FOR THE ABOVE ORDER

BILLING ON THIS ORDER MUST BE ACCOUNTING TO PRICES SHOWN ABOVE

\_\_\_\_\_  
 SIGNATURE

\_\_\_\_\_  
 TITLE



## PREPAYMENT PURCHASE ORDER FORM

(FORM 98P)



## HEA 1001 – VARIOUS PROVISIONS

- Indiana Code 4-7-1-1 (Effective July 1, 2023)
  - Auditor of State shall now use the title “State Comptroller”
- Indiana Code 4-6-15-4 (Effective July 1, 2022)
  - Opioid settlement distributions minimum of twice per year
  - May transfer distribution to another municipality
  - May sell the right to receive the distribution





## HEA 1040 - UNAUDITABLE UNITS

- Indiana Code 5-11-1-9 (Effective January 1, 2024)
- SBOA can deem unit unauditale due to poor records
- Unit given 90 days to rectify situation
- Publish list of entities who are declared unauditale
- Require outside assistance from CPA



## HEA 1040 – VACANT CLERK-TREASURER

- Indiana Code 36-5-6-9 (Effective January 1, 2024)
- Three options for vacant Clerk-Treasurer position
  - Legislative body member shall assume duties
  - Enter into interlocal agreement with another Town
  - Hire a CPA
- New option:
  - Hire qualified person to perform duties



## HEA 1040 – ELECTED OFFICIALS TRAINING

- Indiana Code 5-11-14-1 and IC 36-4-10-8 (Effective January 1, 2024)
- SBOA required to annually call conference
  - SBOA will maintain attendance
  - Must attend at least once every two years
- Newly elected complete 5 hours of training before taking office
- All elected officials certify training requirements to SBOA
  - 14 hours of training first year in office
  - 36 hours within three years



## HEA 1041 – STATE BOARD OF ACCOUNTS

- Indiana Code 5-11-1-1 (Effective July 1, 2023)
- SBOA designated as independent external auditor of audited entities
- Requires annual reports be filed as set forth in uniform compliance guidelines
  - No later than 60 days after close of fiscal year
- Changes to opt-out audit requests
  - 6 years
  - Have not issued examination or special investigations report



## HEA 1055 – PUBLIC SAFETY MATTERS

- Indiana Code 5-2-1-9 and 36-8-4.5-6 (Effective July 1, 2023)
- Number of deputies town marshal may have participate in training program increases from two to six
- Removes ability for municipality with a population of less than 7,500 to have residency requirement for firefighters and police officers
  - Must have adequate means of transportation into district
  - Must maintain telephone service to communicate with department



## HEA 1454 – PUBLIC SAFETY FUNDS

- Indiana Code 6-3.6-6-8 (Effective July 1, 2023)
- Tax revenue from LIT Public Safety funds may be distributed to:
  - Volunteer fire departments
  - Fire protection territories
  - Fire protection districts
- Up to .05% of revenue from tax rate imposed for public safety
- Must pass resolution
  - Provide to County and DLGF within 15 days of adoption



## HEA 1454 – FOOD & BEVERAGE TAX

- Indiana Code 6-1.1-30-18 (Effective July 1, 2023)
- Local units that impose food and beverage tax must provide a report to SBOA noting expenditures of that revenue.
- Report is due before March 1<sup>st</sup> of each year
- Report must include for each check:
  - Date
  - Amount
  - Payee
  - Purpose – salary or capital project
- Report must be on a form prescribed by SBOA
- Required to be submitted annually to SBOA





## HEA 1167 – Live Streaming and Archiving Meetings

- Indiana Code 5-14-1.5-2.9 (Effective July 1, 2025)
- Required to provide on a publicly accessible platform
  - Live transmissions of meetings
  - Archived copies of live transmissions
- Archived copies of transmissions must include links to:
  - Agenda
  - Minutes
  - Memoranda
- Meeting notice must include website for live transmissions
- If no Internet capability then entity shall record meeting and retain for 90 days



## HEA 1591 – Various Education Matters

- Indiana Code 5-15-1-2 (Effective July 1, 2023)
- Originally just pertaining to education matters
- Indiana Archives and Records Administration required to:
  - Establish procedures to retain original records in electronic format
  - Establish time period as to when original record can be destroyed
  - Submit not later than Nov. 1, 2023



Summary of 2023 laws  
affecting Cities & Towns  
can be found in the June  
2023 Bulletin



## ELECTRONIC PAYMENTS

- IC 36-2-10-23
- Forms of payment entail:
  - Cash
  - Check
  - Bank Draft
  - Money Order
  - Bank/Credit Card
  - Electronic Funds Transfer
  - Any Other Financial Instrument Authorized by the Treasurer



# ELECTRONIC PAYMENTS

- Types of Electronic Payments
  - PayPal
  - Venmo
  - Cash App





## ELECTRONIC PAYMENTS

- Requirements of accepting electronic payments:
  - Fiscal body authorizes use of payment method
  - Authorized user for each account
  - Timely receipting, recording, and depositing
  - Monthly reconciliation must be completed
  - Methods should not be used for disbursements
  - Proper internal controls must be in place



# Contact Information

Mitch Wilson & Beth Goss

Government Technical Assistance & Compliance Directors

[cities.towns@sboa.in.gov](mailto:cities.towns@sboa.in.gov)

317-232-2513