

TOWNSHIP BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES ISSUED BY STATE BOARD OF ACCOUNTS

Volume 308

March 2015

ITEMS TO REMEMBER

March

- 1 Last Day to prepare, verify, and file the 2014 Gateway Annual Report with the State Board of Accounts (not later than sixty (60) days after the close of each fiscal year). The report must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7. (IC 5-11-1-4(a))
- 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))

April

- 3 Legal Holiday – Good Friday (IC 1-1-9-1)
- 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 fourth quarter of 2014.
- 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))

May

- 5 Legal Holiday – Primary Election Day (IC 1-1-9-1)
- 25 Legal Holiday – Memorial 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))

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 to the county treasurer a list of the names and addresses of each person who has money due from the township. (IC 6-1.1-22-14)

TOWNSHIP BULLETIN and Uniform Compliance Guidelines

Volume 308, Page 2

March 2015

STATE BOARD OF ACCOUNTS CALLED MEETING

Once again, the State Board of Accounts anticipates (in accordance with IC 5-11-14-1) calling a meeting of all Township Trustees in conjunction with the Indiana Township Association 2015 Education Conference September 20 through September 22, 2015, in Indianapolis. Many items pertaining to our examinations of townships will be discussed at our meeting on Wednesday, September 23, 2015. The Indiana Township Association will again provide for arrangements of the meeting location at the Sheraton Indianapolis Hotel & Suites, Keystone at the Crossing. We will have a special group of SBOA Special Investigators that will be available to answer questions and assist in fixing in-depth problems, such as reconciling, record corrections, etc. So feel free to come with questions and bring records that you are having trouble with.

LOCAL GOVERNMENT PUBLIC RECORDS

Responsibility

The responsibility for township records management rests with the Trustee. Records management is defined as a program to apply management techniques to the purchase, creation, utilization, maintenance, retention, preservation, and disposal of records, undertaken to improve efficiency and reduce costs of record keeping, including management of the following:

1. Filing and microfilming equipment and supplies.
2. Filing and information retrieval systems.
3. Records.
4. Historical Documentation.
5. Micrographic retention programming.
6. Critical records protection.

IC 5-15-6 provides the specific duties and responsibilities for the participants in the local government records disposal process. The participants are:

- a. The local governmental official who is the records custodian;
- b. The Commission of Public Records of the county in which the local governmental official is located;
- c. The Indiana State Archives, Indiana Commission on Public Records;
- d. A county historical or genealogical society.

County Commissions

“(a) A commission is hereby created in each county of the state which shall be known as the county commission of public records of _____ county. (b) The county commission shall consist, ex officio, of the judge of the circuit court, the president of the board of county commissioners, the county auditor, the clerk of the circuit court, the county recorder, the superintendent of schools of the school district in which the county seat is located and the city controller of the county seat city, and if there is no city controller, then the clerk-treasurer of the county seat city or town shall be a member of such commission. (c) The commission shall elect one (1) of its members to be chairman. The clerk of the circuit court or the county recorder must be secretary of the commission. The person who serves as secretary shall be determined as follows: (1) By mutual agreement of the clerk of the circuit court and the county recorder. (2) If a mutual agreement cannot be reached under subdivision (1), by an affirmative vote of a majority of members of the county commission. The members of the county commission shall serve without compensation and shall receive no disbursement for any expense. (d) The county commission shall meet at least one (1) time in each calendar year.” (IC 5-15-6-1)

TOWNSHIP BULLETIN and Uniform Compliance Guidelines

Volume 308, Page 3

March 2015

LOCAL GOVERNMENT PUBLIC RECORDS (Continued)

Duties of County Commission

"(a) It shall be the duty of the county commission to determine the following: (1) Which public records, if any, are no longer of official or historical value. (2) Which public records are of current official value and should be retained in the office where they are required to be filed. (3) Which public records are of official value but are consulted and used so infrequently that they are no longer of appreciable value to the officer with whom they are required to be filed. (4) Which public records are of no apparent official value but which do have historical value. (b) The county commission may request the assistance of the commission on public records established under IC 5-15-5.1 in developing records management programs." (IC 5-15-6-2)

Retention Schedules and Records Not Covered By Retention Schedules

IC 5-15-6-2.5 states in part: "(a) The county commission shall implement retention schedules for use by local government officials as part of a records management program for local government public records not more than thirty (30) days after adoption by the oversight committee on public records as established by IC 5-15-5.1-18. (b) All requests to destroy, transfer, or otherwise dispose of records that are not covered by an approved retention schedule are to be submitted to the county commission according to the procedure established under this chapter. ... (e) Whenever a local government includes parts of more than one (1) county, the commission of the county that contains the greatest percentage of population of the local government has jurisdiction over the records of the local government for the purposes of this chapter."

Destruction of Records

IC 5-15-6-3 states in part: "(a) As used in this section, 'original records' includes the optical image of a check or deposit document when: (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process described in subsection (e); and (2) the drawer of the check receives an optical image of the check after the check is processed for payment or the depositor receives an optical image of the deposit document after the document has been processed for the deposit. (b) All public records which, in the judgment of the commission, have no official or historical value, and which occupy space to no purpose in the offices and storerooms of the local government of a county, shall be destroyed or otherwise disposed of. Except as provided in this section, such records shall not be destroyed until a period of at least three (3) years shall have elapsed from the time when the records were originally filed, and no public records shall be destroyed within a period of three (3) years if the law provides that they shall be kept for a longer period of time, or if the law prohibits their destruction. (c) Subject to this section, records may be destroyed before three (3) years elapse after the date when the records were originally filed if the destruction is according to an approved retention schedule. **(d) No financial records or records relating thereto shall be destroyed until the earlier of the following actions: (1) The audit of the records by the state board of accounts has been completed, report filed, and any exceptions set out in the report satisfied.** (2) The financial record or records have been copied or reproduced as described in subsection (e)." (Our Emphasis)

TOWNSHIP BULLETIN and Uniform Compliance Guidelines

Volume 308, Page 4

March 2015

LOCAL GOVERNMENT PUBLIC RECORDS (Continued)

State Archives

"Public records having an official value but which are used infrequently by the officer with whom they are filed or maintained shall, on order of the commission, be removed and transferred to the Indiana state archives." (IC 5-15-6-5)

Orders Of Commission; Historical Or Genealogical Societies

IC 5-15-6-7 states in part: "...A copy of any order to destroy public records shall be delivered to: (1) the state archivist at the Indiana state archives; (2) any active genealogical society of the county; and (3) any active historical society of the county; not later than sixty (60) days before the destruction date, accompanied by a written statement that the state archivist at the Indiana state archives or society may procure at its expense such records for its own purposes..."

Penalties

"A public official or other person who recklessly, knowingly, or intentionally destroys or damages any public record commits a Level 6 felony unless: (1) the commission shall have given its approval in writing that the public records may be destroyed; (2) the commission shall have entered its approval for destruction of the public records on its own minutes; or (3) authority for destruction of the records is granted by an approved retention schedule established under this chapter." (IC 5-15-6-8)

There are two authorized methods to dispose of public records. The first is that of submitting a request to the County Commission of Public Records to authorize the destruction or transfer of listed public records, created by the 1939 law. The second method is to use retention schedules, which was added by the General Assembly in 1991. IC 5-15-6 applies only to nonjudicial public records.

TOWNSHIP BULLETIN and Uniform Compliance Guidelines

Volume 308, Page 5

March 2015

HOW TO SUBMIT A REQUEST TO DESTROY PUBLIC RECORDS

If an official has identified public records that are no longer needed or required to be retained, and no retention schedule exists that covers the record or records involved, that official should:

- a) obtain a blank **PR-1** form ("Request to Destroy/Transfer Public Records") from the Clerk of the Circuit Court of the county. The Clerk is the ex-officio Secretary of the county Commission of Public Records;
- b) fill out the form, listing the records to be disposed of;
- c) submit the completed form to the Clerk of the Circuit Court (ie., Secretary of the Commission);
- d) the Clerk will either call a meeting of the county Commission of Public Records, or add the request to the agenda of the scheduled meeting. At the meeting, the Commission will vote to authorize the disposal of the records;
- e) if the Commission grants authority to dispose of the records, the requests are reviewed by the Indiana State Archives and the designated historical or genealogical society of the county during the 60 day review period. If either the State Archives or the society wishes to obtain any of the records, those records should be set aside to be picked up by the requestor.
NOTE: HISTORICAL AND GENEALOGICAL SOCIETIES MAY NOT OBTAIN CONFIDENTIAL PUBLIC RECORDS;
- f) if no request is made to obtain the public records within the review period, the records may be destroyed or otherwise disposed of. **NOTE: CONFIDENTIAL RECORDS MUST BE DESTROYED IN A MANNER THAT PRESERVES THE CONFIDENTIALITY OF THE INFORMATION (IE., SHREDDING, BURNING, ETC.).**(Guide to Preservation and Destruction of Local Government Public Records)

STATE EXAMINER DIRECTIVES

The State Examiner has passed a number of formal directives to political subdivisions. If you wish to further examine them, then they can be accessed on the State Board of Accounts website (<http://www.in.gov/sboa/4415.htm>). The current directives that apply to townships are 2014-1; 2015-2; and 2015-4.