



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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MEMORANDUM

TO: All Units
FROM: Paul D. Joyce, CPA, State Examiner
RE: Continuity of Essential Operations
DATE: April 3, 2020

Dear Officials:

As we all continue to work and provide essential government services through this Public Health Emergency, the Indiana State Board of Accounts encourages all units of government to develop a plan which will allow your government to continue essential operations through a sustained period of significant absenteeism by employees and public officials.

Although your unit provides many different types of essential services, the Indiana State Board of Accounts will provide guidance on those positions related to fiscal operations.

Please review the following items to consider as you develop your plan to continue fiscal operations during this Public Health Emergency. This is intended to be an ongoing document to spur additional thoughts on the steps necessary to continue essential government operations during the Public Health Emergency. We would appreciate receiving additional ideas to share with all governmental units.

Also, your government may wish to view the Federal Emergency Management Agency (FEMA) Continuity Resource Toolkit located at this link: <https://www.fema.gov/continuity-resource-toolkit>.

If you have questions on the implementation of a continuity plan, please feel free to contact one of our Directors of Audit Services, as follows:

Counties

Lori Rogers or Ricci Hofherr
317-232-2512
counties@sboa.in.gov

Cities, Towns, Libraries, and Special Districts

Todd Caldwell or Susan Gordon
317-232-2513
cities.towns@sboa.in.gov
libraries@sboa.in.gov
specialdistricts@sboa.in.gov

Schools and Townships

Chase Lenon or Jonathan Wineinger
317-232-2512
Schools.townships@sboa.in.gov

If you have ideas for us to share with other units of government, please contact Debbie Gibson, Director of Audit Services for Local Governments, at 317-232-2512 or djibson@sboa.in.gov.

Items to Consider in Preparing for Continuity of Essential Operations

1. In the event that the unit fiscal officer is temporarily unable to perform duties, consider designating individuals who will fill in for the fiscal officer in order of succession. At least one of the designated individuals should be outside of the government office, such as a member of the governing body. We recommend providing the name, position, and email address of the designated individuals to the governing body and the unit attorney.
2. We recommend that you work with the unit attorney to develop a Delegation of Authority for each designated individual which will become operative in order of succession if the fiscal officer is temporarily unable to perform duties. We recommend providing these delegations to the governing body and to the unit attorney. You may also need to provide these to your banking representative, accounting software representative, and other persons when considered necessary. Please seek the advice of your attorney.
3. Contact your banking representative to determine procedures for providing designated individuals with access to the bank account temporarily in the event that the fiscal officer is unable to perform banking functions.
4. Provide the designated individuals with the following contact information.
 - a. Names and contact information for government body members, department heads and other key people in your government.
 - b. Contact information for the State Board of Accounts as shown on the first page of this document.
 - c. Name and contact information for your local banking representative.
 - d. Name and contact information for your accounting software vendor.
 - e. Name and contact information for your Information Technology (IT) staff.
 - f. Contact information for the government association and neighboring fiscal officer.
 - g. Other contact information as considered necessary.
5. Provide the designated individuals with Information Technology (IT) protocols, including steps to back up computer information offsite and recover back up information.
6. Provide the name and email address of the designated individuals to your department heads, IT staff, and other key people in your government, your banking representative, and your accounting system software representative.
7. Identify essential tasks to be performed by the designated individual, e.g. processing payroll, claims, and collections.

- a. Provide designated individuals with information on how to access the office, records, mail, claims, and other information necessary to perform the essential tasks.
- b. Provide designated individuals with access to written procedures and critical dates for each identified task.
 1. For example, provide information necessary for designated individuals to process employee withholding remittances, e.g. PERF, payroll taxes, health insurance, etc.
 2. For example, provide designated individuals with information necessary to process other state or federal remittances, e.g. sales tax, utility receipts tax.
 3. For example, provide designated individuals with procedures to secure mail, safeguard cash, and make deposits. Consider that this will require access to the safe or locked cabinet or office.
 4. For example, provide designated individuals with procedures to process claims and payroll.
8. Identify other tasks which may be postponed during the Public Health Emergency.
9. Adjust internal control procedures as necessary to reflect changes in staffing during the Public Health Emergency.
 - a. For example, segregation of duties is of extreme importance in the check writing process. The fiscal officer should not personally be selecting the invoices for payment, preparing the checks, signing the checks, and entering the checks in the unit's records. These tasks should be separated when possible. If the tasks cannot be separated, then another person should review and approve each task.
 - b. For example, invoices could be emailed for payment approval. Authorized person could make these payments, email confirmations of payment, and bank statements could be reviewed or provided to the board.
10. Consider equipment and procedures needed to allow officials, employees, and designated individuals to work remotely.
11. Determine controls and procedures which will be put in place to review all transactions after the Public Health Emergency and to ensure that all transactions were properly processed.


Paul D. Joyce, CPA
State Examiner