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OFFICIAL OPINION NO. 14

April 8, 1960

Mr. T. M. Hindman
State Examiner
State Board of Accounts
304 State House
Indianapolis 4, Indiana

Dear Mr. Hindman:

This is in response to your recent request for my Official Opinion relative to appropriations for the County Agricultural Extension Service Office and 4-H Club activities. Your letter reads, in part, as follows:

"We have recently encountered certain conditions arising out of the expenditure of funds appropriated in the budgets of the county agricultural extension service offices, pursuant to Burns 28-4911, which present the following questions on which we request your Official Opinion:

"1. In view of the Public Accounting Law, Burns 60-202, and the Budget Law, Burns 64-1331, which requires the State Board of Accounts to prescribe the budget forms for all county offices and departments, in which expenses are uniformly classified for all counties, is it proper to include and charge to a blanket appropriation for 4-H club work in the county agricultural extension service budget, expenses which are normally required to be classified and charged to other budget classifications? For example, could such an appropriation be used for traveling expenses of county agricultural extension service agents, when specific provision is made in the budget forms for such expenses to be separately itemized and budgeted under classification of 'Traveling Expenses'?

"2. Where such an appropriation is made, and is supplemental to an allowance made under the provisions of Burns 15-317, would expenditures from such appropriations be restricted only to expenses incurred by the county agricultural extension service office in carrying out its duties and responsibilities under Burns
28-4911, or may such appropriation be used for any 4-H club activities?

"3. Would the expense of transporting individual persons or 4-H groups, not officially connected with the county agricultural extension service office, to various 4-H or agricultural activities or exhibits, including meals and other expenses of such persons or groups, be lawful expenditures from an appropriation made under Burns 28-4911?"

Your first question asks whether or not expenses which normally fall in a particular budget classification can be charged to another separate or different budget classification. The budget classifications with which we are concerned are for the office of the county agricultural extension service agent. This office is created by Acts of 1913, Ch. 24, Sec. 12, as last amended by Acts of 1949, Ch. 142, Sec. 1, as found in Burns' (1959 Supp.), Section 28-4911. A portion of the statute dealing with appropriations and expenses reads as follows:

"* * * The county council shall appropriate, annually, not less than one thousand dollars [$1,000], which shall be used in paying office help, expenses of the county agricultural extension service agents, travel expense, rent, office supplies, equipment and other incidental expenses. The county council may make additional appropriations for the salaries and other additional expenditures of the county agricultural extension service agents. * * *"

All the appropriations for the County Agricultural Extension Service Office are subject to the provisions of the County Reform Act, Acts of 1889, Ch. 154, Sec. 1 to Sec. 51, as found in Burns' (1948 Repl.), Sections 26-501 to 26-551. Section 16 of that Act, as found in Burns' (1948 Repl.), Section 26-516, requires the officer in charge to prepare an estimate, with as great particularity as possible, of the amount of money required for his office for the ensuing calendar year. These estimates are prepared on forms prescribed by the State Board of Accounts pursuant to the authority and duty set forth in Acts of 1909, Ch. 55, Sec. 2, as amended and as found in Burns' (1951 Repl.), Section 60-202, and by Acts of 1919, Ch. 59,
Sec. 200, as amended and as found in Burns' (1951 Repl.), Section 64-1331.

The county council has the authority to make the appropriation for the County Agricultural Extension Service Office in any amount, not less than one thousand dollars, which it deems necessary for the operation of the office. Our Supreme Court has held that, since the Legislature made only the minimum requirement for appropriation, the county council has the power within the limits fixed to determine the total amount of any particular classification.

Board of Commissioners of Allen County et al. v. State ex rel. Lockhart (1939), 216 Ind. 125, 23 N. E. (2d) 494.

However, the council cannot make an appropriation greater than the amount requested in the budget estimate by the officer in charge of the department and, if it chooses, the council may require the officer preparing the budget estimate to submit a more detailed, itemized estimation. Burns' 26-520, supra.

The County Reform Act further provides that no funds can be expended from the county treasury unless there has been an appropriation made for that purpose by the county council. Burns' 26-522, supra. There are certain exceptions to this rule but the exceptions are not in issue here.

By virtue of the authority set forth above, you can readily see that it was the intent of the Legislature to provide for a budget and appropriations in accordance with specific classifications established on forms provided by the State Board of Accounts. In order to carry out this policy, all expenditures must be properly allocated to the specific classification contained in the budget estimate and the appropriations therefor.

The first question singles out the duty of the County Agricultural Extension Service Agent with respect to 4-H Club work and asks whether or not the agent's travel expenses, which are normally chargeable to the travel expense classification, can also be charged to the classification from which expenses for 4-H Club work are charged when the travel expenses are incurred in connection with 4-H Club work or activities.
As noted above, Burns' 26-522, *supra*, allows money to be drawn from the county treasury only from an appropriation for a specific purpose. Therefore, since the County Agricultural Extension Service Office has a specific classification for travel expenses, it is my opinion, in answer to your first question, that the travel expenses of the county agent can be paid only from that specific classification and cannot be charged to any appropriation which may exist for 4-H Club work.

Your second question asks whether moneys appropriated in a "blanket appropriation" for 4-H Club work, in the budget of the County Agricultural Extension Service Office, is restricted to expenses incurred by the county agricultural agents in performing their duties under Burns' 28-4911, *supra*, or whether such appropriation can be used for any 4-H Club work. First of all, I presume you mean by use of the term "blanket appropriation," an appropriation for a specific thing without any further itemization as to how or for what purpose the funds are to be used within the special classification. In the budget of the County Agricultural Extension Service Office this type of appropriation, if it is proper at all, would fall under the category of "other incidental expenses" or "other operating expenses" since the specifications of the statute provide no designated place for expenditures the county agent might incur in the carrying out of his duties with the various agricultural groups in the county.

The duties of the County Agricultural Extension Service Office are primarily educational and advisory and are directed towards several agricultural organizations in the county including 4-H Clubs. These duties are prescribed by Burns' 28-4911, *supra*, and read as follows:

"* * * It shall be the duty of such county extension agents, under the supervision of the agricultural extension service of Purdue University, to cooperate with farmers' institutes, farmers' organizations, home economic organizations, and other rural and civic organizations; to conduct practical farm and home demonstrations, 4-H club work, work with rural youth; to give information and counsel to farmers, growers, producers and distributors regarding production, processing and marketing of agricultural products; to give counsel and technical assistance that will conserve the
soil and soil fertility and other agricultural resources; to give advice and educational information to homemakers; to promote other movements for the advancement of agriculture and the welfare of the citizens of Indiana. * * *

Since Burns' 28-4911, supra, prescribes certain duties which the county agricultural agent will perform for specified organizations, it is proper that he designate the organization for which he will expend funds at the time he prepares his budget. Under the broad category of other operating expenses or other incidental expenses, as the case may be, the county agent would be required to list these organizations as they appear in the act. If there is only a listing of the organizational name with no further itemization as to how or for what purpose the funds will be used, then there is certainly what might be called a "blanket appropriation." However, under the requirements of Burns' 26-519, supra, it would seem that such a summary listing would be improper and contrary to the intent and purpose of the County Reform Act as hereinbefore described. The fact that there is no general classification for these organizations would not, in my opinion, obviate the necessity for making an itemization of the proposed expenditures within the various group classifications. Moreover, if the county agricultural agent did request what would amount to a "blanket appropriation," the county council, under the authority of Burns' 26-520, supra, would have the power to require a more complete and detailed itemization in his estimate.

In the final analysis, the funds which he will have available in the different classifications will rest primarily with the county council which has the authority to decide what amount will be appropriated in any given classification.

Board of Commissioners of Allen County et al. v. State ex rel. Lockhart, supra.

Most of the organizations enumerated above will have their own funds available for activities which they wish to conduct. As an illustration of this, you will note that Acts of 1905, Ch. 104, Sec. 1, as amended and as found in Burns' (1950 Repl.), Section 15-317, provides for an appropriation from the county for duly organized 4-H Clubs. In addition to funds available from authorized appropriations, many of these
organizations would have funds from membership dues and private donations. There are undoubtedly some instances where the county agent, in carrying out his duties under the act, will need to conduct some type of program for an agricultural group such as the 4-H Club. He must then have funds available for this purpose.

Therefore, in answer to question No. 2, it is my opinion that the appropriation made for the carrying out of the county agent's duties under Burns' 28-4911, supra, must be restricted to his expenses in connection with his duties under the act and should not be used generally for activities of an organization such as the 4-H Club. The funds for general activities of these organizations, even though they are requesting advice and guidance from the county agent, must come from the organization's own funds or from a fund under their control such as the one provided for in Burns' 15-317, supra.

The third and final question asks whether the expense of transporting individuals or 4-H groups, not officially connected with the county agricultural extension service office, to various 4-H or agricultural activities would be a lawful expenditure under the appropriation for Burns' 28-4911, supra. In answer to question No. 2 I have enumerated some of the funds which would be available to certain of the county agricultural organizations for their various activities. Certainly these funds would be the primary source from which to pay expenses of individual members of the groups if it became necessary to finance the individual expenses of the groups in connection with any organizational activity.

Burns' 28-4911, supra, is silent as to what extent the county agent is permitted or required to furnish funds for the activities of the county agricultural organizations. Obviously, he would not be required to use money from his appropriations to finance the entire operation of the local 4-H Club. It is my belief, from reading the duties for the county agent, prescribed in Burns' 28-4911, supra, that the Legislature intended only that he have funds available to assist him in his direct work with the various agricultural organizations as a group and that funds would not be appropriated to finance any individual persons in the organization. The funds which the agent must expend should be directed to the furtherance, improvement and continued progress of the agricultural interest of the
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community through counseling and education and should not be expended to pay the expenses for the individual members of the group.

Therefore, in answer to your third question, it is my opinion that the County Agricultural Extension Service Office Agent cannot use money appropriated to this office to pay the personal expenses of individuals attending either the various activities of the 4-H Club or the activities sponsored by other county agricultural organizations.

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OFFICIAL OPINION NO. 15

April 19, 1960

Hon. William E. Wilson
State Superintendent of Public Instruction
227 State House
Indianapolis, Indiana

Dear Mr. Wilson:

Your letter of April 4, 1960, has been received and reads as follows:

"May I have an Official Opinion interpreting Chapter 379, Indiana Acts 1959 (Burns, Section 28-186 et seq.) herein referred to as the '2½% Loan Act.' The facts to which this request relates are as follows:

"The County School Corporation of Brown County, Indiana (herein referred to as the 'Brown County School Corporation'), was organized on or about August 1, 1950, under the terms of Section 2 of Chapter 226, Indiana Acts 1949 (Burns, Section 28-2432) by the consolidation of five school townships. The civil county of Brown County, Indiana, is composed of only five townships; there were not prior to, and have not been since, the formation of the Brown County School Corporation any school towns or school cities within the boundaries of the civil county; and the boundaries of the Brown County School Corporation are coterminous with the boundaries of the civil county.

"There has been no reorganization of school corporations involving the Brown County School Corporation