

## No. 184

## AN ACT

Amending the act of June twenty-four, one thousand nine hundred thirty-seven (Pamphlet Laws 2017), entitled "An act creating in each county (except of the first class) as a separate corporation, and in each city of the first and second class as a part of the city government, an institution district for the care and maintenance of certain indigent persons and children; prescribing the powers and duties of county commissioners, county treasurers, city departments of public welfare, the State Department of Welfare and the State Department of Public Assistance in respect thereto; abolishing certain poor districts and terminating the terms of directors, overseers, guardians and managers of the poor and poor district auditors, and providing for the temporary employment of certain of them; providing for the transfer, vesting, sale and disposition of the property of poor districts and the payment of their obligations; imposing certain existing obligations on institution districts and on the Commonwealth; regulating the affairs of poor districts until abolished; revising, amending, changing and consolidating the law relating to the care of the poor; and repealing existing laws", further providing for the administration of the fiscal affairs of the county institution districts in counties of the third to eighth classes; regulating the making of contracts and purchases; authorizing such districts to take by gift, grant, devise or bequest, money and property; and conferring powers and imposing duties on county commissioners, county treasurers, county controllers and county auditors.

"County Institution District Law."

Section 305, act of June 24, 1937, P. L. 2017, amended September 29, 1951, P. L. 1619, further amended.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section three hundred five, act of June twenty-four, one thousand nine hundred thirty-seven (Pamphlet Laws 2017), known as the "County Institution District Law," amended September twenty-nine, one thousand nine hundred fifty-one (Pamphlet Laws 1619), is amended to read:

Section 305. Powers and Duties as to County Institution District Property.—As a function of the institution districts and with its funds, the commissioners of each county shall have the power and it shall be their duty:

(a) With the approval of the Department of Welfare as to suitability and of the Court of Quarter Sessions of the Peace as to the amount of money to be expended, and upon such notice as the court may require, to acquire, by purchase or the right of eminent domain, lands and buildings for the care of dependents and for farms, taking title in the name of the county institution district;

(b) To erect, equip, maintain, repair, alter and add to institutions for the care of dependents, and to equip, maintain, cultivate and improve farms, using their produce for the support of dependents. Any plan for the

erection or substantial alteration of an institution must be approved as to suitability by the Department of Welfare and as to the amount of money to be expended by the Court of Quarter Sessions of the Peace;

(c) With the approval of the Court of Quarter Sessions of the Peace, upon such notice as the court may require, to sell or lease real and personal property of the institution district;

(d) To pay the other necessary expenses of the institution district;

(e) *In counties of the third to eighth classes to take by gift, grant, devise or bequest, any money or property, real, personal or mixed, for the benefit of the institution district.*

Section 2. Section three hundred nine amended April twenty-one, one thousand nine hundred forty-nine (Pamphlet Laws 705), and May ten, one thousand nine hundred forty-nine (Pamphlet Laws 1074), is repealed in so far as it relates to counties of the third to eighth classes.

Section 3. The act is amended by adding thereto, after section three hundred nine, five new sections to read as follows:

*Section 309.1. In Counties Third to Eighth Classes Fiscal Year and Adoption of Budget.—The fiscal year of each county institution district in counties of the third to eighth classes shall begin on the first day of January.*

*Section 309.2. In Counties of the Third to Eighth Classes Preparation of Proposed Annual Budget.—(a) In counties of the third to eighth classes, the commissioners shall, at their first meeting after the November election in each year, begin the preparation of the proposed budget for the succeeding fiscal year.*

*(b) The county controller in such counties shall transmit to the commissioners a comparative statement of revenues for the current and the immediately preceding fiscal year, and a comparative statement of expenditures, including interest due and to fall due on all lawful interest bearing debts of the district for the same years.*

*(c) The controller's statement shall also indicate the amounts of all appropriations requests, submitted to the controller or to the commissioners and supplied by them to the controller, from the several district offices and agencies, including estimates of expenditures contemplated by the commissioners as forwarded by them to the controller.*

*(d) The said statements, in such form and detail as the commissioners direct, shall be prepared upon forms furnished by the Department of Internal Affairs of the*

Section 309, act of June 24, 1937, P. L. 2017, amended April 21, 1949, P. L. 705, and May 10, 1949, P. L. 1074, repealed as to counties third to eighth classes.

Section 309, act of June 24, 1937, P. L. 2017, amended by adding sections 309.1, 309.2, 309.3, 309.4, and 309.5.

*Commonwealth. With this information as a guide, the commissioners shall, within a reasonable time, prepare a proposed budget for the succeeding fiscal year.*

*(e) In such counties not having a controller, the commissioners shall prepare the statements hereinbefore required.*

*Section 309.3. In Counties of the Third to Eighth Classes Adoption of Budget; Publication of Proposed Budget and Notice of Final Action Date.—(a) The proposed budget in counties of the third to eighth classes shall be prepared and adopted not later than March 31st, and notice thereof shall be published once in at least one newspaper of general circulation, and the proposed budget shall be made available for public inspection for at least twenty days prior to the date set for adopting the budget. The date set for final action on the budget shall in like manner be made a matter of public notice for at least ten days prior thereto.*

*(b) Should it appear upon any revision of the proposed budget in such counties, after it has been published, that the estimated expenditures in the adopted budget would be increased more than ten per centum in the aggregate or more than twenty-five per centum in any function over the proposed budget as made available for public inspection, such revised budget shall not be adopted with any such increases therein, unless it be again made available for public inspection, and for protest of such increases, for a period of at least ten days after notice to that effect is published as hereinbefore provided.*

*Section 309.4. In Counties of the Third to Eighth Classes Annual Budget Appropriations and Tax; Filing Budget.—In counties of the third to eighth classes, the budget shall reflect as nearly as possible the estimated revenues and expenditures for the year for which it is prepared. It shall be prepared on forms prepared and furnished as provided in this act. The commissioners shall, upon adopting the budget, adopt the appropriation measures required to put \*it into effect and shall fix such rate of taxation upon the valuation of the property taxable for institution district purposes as will, together with all other estimated revenues of the district, raise a sufficient sum to meet the said expenditures. Within fifteen days after the adoption of the budget, the commissioners shall file a copy thereof in the office of the Department of Internal Affairs.*

*Section 309.5. In Counties of the Third to Eighth Classes Supplemental Appropriation; Transfers of Funds; Appropriation Limits.—The commissioners in*

\* "it", omitted in original.

counties of the third to eighth classes may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand or estimated to be received within the fiscal year and not otherwise appropriated, including the proceeds of any borrowing now or hereafter authorized by law. The commissioners may authorize the transfer of any unencumbered balance of any appropriation item or any portion thereof. During the last fifteen days of any fiscal year, the county commissioners shall have the power to authorize the transfer of any unencumbered balance, or any portion thereof, from any institution district fund to any county fund, and to reappropriate such moneys to the county.

No work shall be hired to be done, no materials purchased, no contracts made, and no order issued for the payment of any moneys by the commissioners, which will cause the sums appropriated to be exceeded.

Section 4. Section three hundred ten, amended July three, one thousand nine hundred forty-one (Pamphlet Laws 256), is amended to read:

Section 310, act of June 24, 1937, P. L. 2017, amended July 3, 1941, P. L. 256, further amended.

Section 310. Fiscal Administration; Accounts and Audits.—(a) The commissioners of each county and the county treasurer shall keep accurate accounts of the moneys of the institution district. In the case of institution districts in counties having no county controller such accounts shall be audited by the county auditors. The commissioners and the treasurer, as officers of the institution district, shall be subject to the same fiscal supervision and control as are provided by law with respect to county funds.

(b) [In] *Subject to the power and duty of the county commissioners to manage and administer the fiscal affairs of the institution district in counties having a county controller, the county controller shall have general supervision and control of the fiscal affairs of the institution district and of the accounts and official acts of all officers or other persons who shall collect, receive or distribute the public moneys of the district or who shall be charged with the management or custody thereof. In counties of the third to eighth classes, the discretionary powers of the controller shall not be applicable to the management of the fiscal policies of the commissioners or to matters not involving the accounts and transactions of officers or other persons in the district, but he shall refuse to authorize any fiscal transaction which is by law subject to his supervision and control where it appears that such transaction is not authorized by law or has not been undertaken according to law or has not received approval according to law, or as to which he desires upon reasonable grounds to investigate for or has already*

*discovered any fraud, flagrant abuse of public office or any criminal act or neglect of any officer or other person of the district relating to their public \*accounts and transactions. [He] In all counties the controller may at any time require from any of them in writing an account of all moneys or property which may have come into their control. He shall immediately on the discovery of any default or delinquency report the same to the commissioners [and the court of common pleas of the county and] who shall immediately take action to recover the money, and to the district attorney for such prosecution as may be warranted, and shall take immediate measures to secure the public moneys or property [and remove the delinquent party, if in office and not removed by the commissioners].*

(c) The controller shall furnish the commissioners of the county whenever required by them a detailed account of any officer or other person having in his possession or under his control funds belonging to the institution district and shall between the hours of ten o'clock antemeridian and two o'clock postmeridian give information respecting any of said accounts to any taxpayer of the county demanding the same.

He shall have power and authority to require each and every county officer to make a quarterly statement with respect to moneys in his possession or control as an institution district officer showing the amount of cash on hand and the amount deposited in banks, banking institutions and trust companies, together with the names of such institutions. He shall have power to examine every such account of an institution district officer in any bank, banking institution or trust company to verify the accuracy of the statement of such officer, and it shall be the duty of every such bank, banking institution or trust company, its officers and agents, to furnish full information to the controller in relation to such account of such officer. No bank, banking institution or trust company, its officers or agents shall be subject to prosecution under other laws of this Commonwealth for disclosing any such information with respect to any account of an institution district officer.

(d) The county controller shall have the custody of all title deeds to real estate owned by the district and of all contracts entered into by or on behalf of the district and of all books, documents and papers relating to its financial affairs and of all bonds and other obligations issued by said district when paid. Such bonds and other obligations when so paid shall be distinctly cau-

\* "accounts", in original.

celled by the controller and carefully and regularly filed, a register of which cancellation shall be kept by him in a book to be provided for that purpose.

(e) The controller shall keep a full and regular set of books in detail by double entry of all the fiscal operations of the institution district, embracing as many accounts under appropriate titles as may be necessary to show distinctly and separately all the property of the district, its receipts and expenditures, and all debts and accounts due by the officers of the district or others, and amount raised from each source of revenue, and the expenditures in detail and classified by reference to the objects thereof. He shall prescribe the form and manner of keeping the books and papers used by each of the officers of the district in connection with the fiscal affairs of the district. *Where the controller prescribed a new system of accounting as to the fiscal affairs of the district offices, it shall be subject to the approval of the commissioners.*

(f) He shall in the month of January in every year make a report verified by oath or affirmation to the court of common pleas of the county of all receipts and expenditures of the institution district for the preceding year in detail and classified as required in the preceding section of this act, together with a full statement of the financial conditions of the district. Such report shall thereupon be published one time in such newspapers published in the county as the controller may direct, the aggregate cost of which shall not exceed five hundred dollars in any one year to be paid for out of the funds of the institution district. *In counties of the third to eighth classes, the report may also be published in printed pamphlets at the cost of the district, the number and cost thereof to be determined by the controller and the county commissioners.* Such report may be published in conjunction with, and as a part of, the similar report of the fiscal affairs of counties.

(g) The county treasurer as treasurer of the institution district shall receive all moneys due or accruing to the [county] *institution district*. He shall keep a just and true account of all moneys received and disbursed. The books of the treasurer shall at all times during office hours be open to the inspection of the county controller. He shall report daily to the controller all moneys received by him for the district, the person by whom and on what account they were paid. The treasurer shall give his receipt for all moneys paid into the treasury of the institution district. Such receipts shall be countersigned by the controller who shall keep an accurate record of the same.

(h) The controller shall scrutinize, audit and decide on all bills, claims and demands whatsoever against the institution districts. All persons having such claims shall first present the same to the controller and if required make oath or affirmation before him to the correctness thereof. The controller may if he deems it necessary require evidence by oath or affirmation of the claimant and otherwise that the claim is legally due and that the supplies or services for which payment is claimed have been furnished or performed under legal authority. He may inquire or ascertain whether any officer or agent of the district is interested in the contract under which any claim may arise or has received or is to receive any commission, consideration or gratuity relating thereto, or whether there has been any evasion of [section three hundred and fifteen of this act] *the law* by making two or more contracts for small amounts which should have been in one. If he shall find that there has been any evasion or that any such officer or agent is so interested he shall refuse to approve the claim. [All] *In counties of the second class all* claims which he shall find legally due he shall certify to the commissioners. The commissioners *in such counties* shall draw no warrant on the treasury for any debt, claim or demand whatsoever not audited and approved by the controller as provided for in this section.

(i) [All] *In counties of the second class all* warrants drawn on the treasury of the institution district by the commissioners shall be countersigned by the controller who shall keep a correct register thereof noting the number, date and amount of each, the date of payment and to whom and for what issued. The controller shall report to commissioners monthly, or oftener if required by them, the amount of outstanding warrant registered and the amount of money in the treasury. The treasurer shall pay no money out of the treasury of the institution district except on warrants drawn by a majority of the commissioners and countersigned by the controller. He shall cancel all warrants when paid by distinctly spearing or cutting them and shall deliver such warrants to the controller who shall also cancel the same. He shall report daily to the controller all moneys paid out by him, giving the number of the warrant and the party to whom paid. All outstanding warrants issued before the controller enters upon the duties of his office shall be presented to him as other claims against the district.

(j) *In counties of the third to eighth classes, the auditors shall audit, settle and adjust the accounts of all institution district officers, and make an annual report thereof, on or before the first Monday of March, to the court of common pleas, unless upon due cause shown the*

court shall grant an extension of time therefor. Said report shall be in detail, showing distinctly and separately all receipts and expenditures of the several offices, and all debts and accounts due, and the amount raised from each source of revenue, and the expenditures in detail and classified by reference to the object thereof, together with a full statement of the financial conditions of the institution district, and a statement of the balance due from or to such officers.

The auditors' report shall be prepared and placed in the printer's hands for publication within ten days after being filed in the court of common pleas, and shall be published once in such newspapers published in said county as the commissioners direct. The expense of the publication of said report shall be paid by the institution district.

Section 5. The act is amended by adding thereto, after section three hundred ten, three new sections to read:

*Section 310.1. In Counties of the Third to Eighth Classes Voucher Check System.—The controller in counties of the third to eighth classes shall draw and certify vouchers for all bills, claims and demands presented to him, which he approves and only for such as he approves, and shall forward the vouchers together with checks therefor with the bills, claims or demands to the county commissioners for their approval. If the county commissioners approve a voucher, at least two commissioners shall sign the check as properly drawn upon the county treasury. In such cases facsimiles of their signatures may be used. Thereupon the bill, claim or demand, and the voucher thereof, shall be returned to the controller for filing in his office and the check shall be forwarded to the county treasurer. The county treasurer shall sign the check as his draft upon the funds of the institution district in the county treasury, but the treasurer shall not sign any check not already signed, as herein provided, by the commissioners and the controller. Vouchers shall be numbered serially before the controller forwards them to the county commissioners and every check incident thereto shall bear the same serial number as the voucher as well as the number or numbers which may be put upon it or them by the county treasurer. If the county commissioners refuse to approve any bill, claim or demand, they shall return the same together with the voucher and check involved to the controller for filing in his office. In counties not having a controller, the county commissioners shall approve each transaction and the voucher and check shall be drawn by their chief clerk who shall keep files of the bills, claims or demands involved and of the vouchers. At least two commissioners*

Section 310, act of June 24, 1937, P. L. 2017, amended by adding three new sections, 310.1, 310.2, 310.3.



*shall sign the checks either personally or by facsimile, and they shall be forwarded, as hereinbefore provided, to the county treasurer for his signature. In all cases the cancelled checks shall be filed in the office of the county treasurer, but he shall transmit, at such times as the controller shall establish, a list of all checks paid from the funds of the institution district in the county treasury and not previously transmitted, giving their voucher serial numbers.*

*Section 310.2. In Counties of the Third to Eighth Classes Claims Not Approved by Controller.—If the controller in such counties does not approve a claim, bill or demand presented to him, he shall forward it to the county commissioners together with his notice that he has refused to approve the same and his reasons thereof. The county commissioners shall consider the claim, bill or demand and, if they consider that it should be paid by the institution district, they shall so notify the controller. If the controller thereafter continues to refuse his approval no payment shall be made thereon by the district except pursuant to an order of court upon a proper issue thereto directing the controller to approve payment.*

*Section 310.3. In Counties of the Third to Eighth Classes Controller's Register of Vouchers; Reports to Commissioners.—The controller in counties of the third to eighth classes shall keep a register of all vouchers drawn and a copy of each voucher. When the check or checks drawn upon each voucher has been paid by the treasury the controller shall cancel the voucher or otherwise indicate the payment. The controller shall report to the commissioners monthly or oftener, if required by them, the amount of outstanding checks registered and the amount of money in the treasury or the amount of any particular unencumbered appropriation items involved.*

**Section 311, act of June 24, 1987, P. L. 2017, further amended.**

Section 6. Section three hundred eleven of the act is amended to read:

*Section 311. Reports to Department of Internal Affairs.—Within sixty days after the close of each fiscal year of any county institution district, the county controller or the county auditors of each county shall report the financial condition of the district to the Department of Internal Affairs on forms furnished by the department. Any auditors or controller refusing or wilfully neglecting to file such report shall, upon conviction in a summary proceeding brought at the instance of the Department of Internal Affairs, be sentenced to pay a fine of five dollars (\$5) for each day's delinquency and costs. All fines recovered shall be for the use of the Commonwealth.*

Section 7. Section three hundred fifteen of the act is amended to read:

Section 315, act of June 24, 1937, P. L. 2017, further amended.

Section 315. Contracts [of Five Hundred Dollars or More to Be in Writing].—It shall be the duty of the commissioners to purchase all supplies for the maintenance of the inmates of the institutions under their supervision, [by written contract where such contract involves an expenditure of five hundred dollars or more. The commissioners shall by advertisement, inserted in at least one newspaper of the county in which said institution is located, once a week for two weeks, invite sealed proposals for the furnishing of such supplies, and shall award all such contracts to the lowest responsible bidder, and shall take from such bidder a bond with sufficient sureties conditioned for the faithful performance of his contract.

Any commissioner violating the provisions of this section shall be guilty of a misdemeanor, and, on conviction thereof, shall be sentenced to pay a fine not exceeding five hundred dollars, or to undergo an imprisonment not exceeding six months, or both.]*and to contract for and purchase all services and personal property for county institution district officers and agencies. They shall where possible anticipate the needs of the various officers and agencies of the district, and endeavor to purchase in wholesale quantities where practicable and where savings could be achieved thereby. The commissioners may make contracts and purchases for all purposes expressly or impliedly authorized by law.*

*All contracts and purchases made by the commissioners for the county institution district shall be made in the same manner and under the same procedure as if they were being made for the county, and shall be subject to the same restrictions, regulations and controls provided by law for county contracts and purchases.*

Section 8. This act shall take effect January one, one thousand nine hundred fifty-six.

Act effective January 1, 1956.

APPROVED—The 7th day of October, A. D. 1955.

GEORGE M. LEADER

No. 185

AN ACT

Amending the act of May two, one thousand nine hundred forty-five (Pamphlet Laws 382), entitled "An act providing for the incorporation as bodies corporate and politic of 'Authorities' for municipalities, counties and townships; prescribing the rights, powers and duties of such Authorities heretofore or hereafter incorporated; authorizing such Authorities to acquire, construct, improve, maintain and operate projects, and