

# TOWN OF ULEN

108 ULEN BLVD.

## TOWN BOARD

LEBANON, INDIANA 46052

## TOWN OFFICIALS

STEVEN S. LEWIS, PRES.

KENNETH C. KEENE, CLERK-TREAS.

JO KERR

JENNIFER JONES

### ORDINANCE 2016-2

#### ORDINANCE/RESOLUTION ADOPTING A POLICY FOR INTERNAL CONTROL STANDARDS AND PROCEDURES

BE IT RESOLVED by Town of Ulen Council of Boone County, Indiana that a policy for Internal Control Standards and Procedures shall be established. Said policy made is pursuant to the definition created by the Indiana State Board of Accounts in accordance with IC 5-11-1-27(e). In recognition that the Town of Ulen has promoted in the past effective internal control standards, the referenced and attached Indiana Code provision is specifically incorporated in its entirety into Ordinance 2016-2.

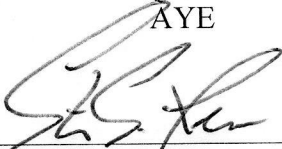
BE IT FURTHER RESOLVED that all required personnel shall receive training concerning this policy pursuant to IC 5-11-1-27(g)(2), the referenced Indiana Code provision being attached hereto and specifically incorporated in its entirety herein.

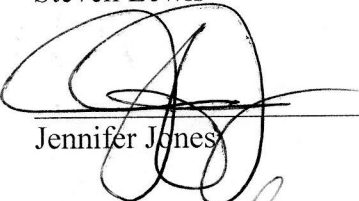
BE IT FURTHER RESOLVED that the Clerk-Treasurer is hereby authorized to certify that the Town of Ulen has complied with the requirement to adopt a policy for internal control standards and procedures, and that all required personnel receive training concerning the internal control standards and procedures contained within the adopted policy.

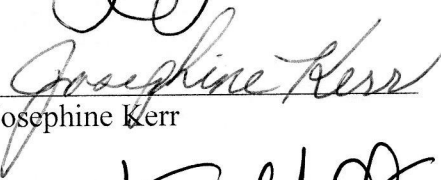
Duly adopted by the following members of said Town of Ulen Council this 21<sup>ST</sup> day of December, 2016.

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Steven Lewis

  
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Jennifer Jones

  
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Josephine Kerr

Attest:

  
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Kenneth C. Keene, Clerk-Treasurer

**IC 5-11-1-27**

(e) In the compliance guidelines authorized under section 24 of this chapter, the state board of accounts shall define and the audit committee shall approve not later than November 1, 2015, the acceptable minimum level of internal control standards and internal control procedures for internal control systems of political subdivisions, including the following: (1) Control environment. (2) Risk assessment. (3) Control activities. (4) Information and communication. (5) Monitoring. The internal control standards and procedures shall be developed to promote government accountability and transparency.

(g) After June 30, 2016, the legislative body of a political subdivision shall ensure that: (1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision.

h) After June 30, 2016, the fiscal officer of a political subdivision shall certify in writing that: (1) the minimum internal control standards and procedures defined under subsection (e) have been adopted by the political subdivision; and (2) personnel, who are not otherwise on leave status, have received training as required by subsection (g)(2). The certification shall be filed with the state board of accounts at the same time as the annual financial report required by section 4(a) of this chapter is filed. The certification shall be filed electronically in the manner prescribed under IC 5-14-3.8-7.

## **Town of Ulen Policy for Internal Controls and Procedures**

### **Control Environment**

1. The oversight body shall be the Town of Ulen Board. Management shall be the Clerk-Treasurer. Both shall demonstrate a commitment to integrity and ethical values.
2. The oversight body shall oversee the Town of Ulen's internal control system.
3. Management shall establish an organizational structure, assign responsibility, and delegate authority to achieve the Town of Ulen's objectives.
4. Management shall demonstrate a commitment to attract, develop and retain competent individuals.
5. Management shall evaluate performance and hold individuals accountable for their internal control responsibilities.

### **Risk Assessment**

6. Management shall define objectives clearly to enable the identification of risks and defines risk tolerances.
7. Management shall identify, analyze, and respond to risk related to achieving the defined objectives.
8. Management shall consider the potential for fraud when identifying, analyzing and responding to risks.
9. Management shall identify, analyze, and respond to significant changes that could impact the internal control system.

### **Control Activities**

10. Management shall design control activities to achieve objectives and respond to risks.
11. Management shall design the political subdivision's information system and related internal control activities to achieve objectives and respond to risks.
12. Management shall implement control activities through policies.

### **Information and Communication**

13. Management shall use quality information to achieve the Town of Ulen's objectives.
14. Management shall internally communicate the necessary quality information to achieve the political subdivision's objectives.
15. Management shall externally communicate the necessary quality information to achieve the Town of Ulen's objectives.

### **Monitoring Activities**

16. Management shall establish and operate monitoring activities to monitor the internal control system and evaluate the results.
17. Management shall remediate identified internal control deficiencies on a timely basis.