

Ordinance for compliance with the Uniform Internal Control Standards for Indiana Political Subdivisions in accordance with IC 5-11-1-27

Whereas, in 2015 the Indiana Legislature passed, and the Governor signed, P.L.184-2015;

Whereas, after June 30, 2016 and thereafter, IC 5-11-1-27(g) requires the East Central Indiana (ECI) Regional Planning District, Inc. Board of Directors to ensure that the acceptable minimum level of internal control standards and internal control procedures for internal control systems of political subdivisions, developed by the State Board of Accounts and approved by the Audit and Financial Reporting Subcommittee of the Legislative Council established by IC 2-5-1.1-6.3, is adopted and that the appropriate personnel under IC 5-11-1-27(c) are trained upon such;

Whereas, the minimum level of internal control standards and procedures of the East Central Indiana (ECI) Regional Planning District, Inc. must include the following: (1) Control Environment, (2) Risk Assessment, (3) Control Activities, (4) Information and Communication and (5) Monitoring;

Whereas, the (1) Control Environment refers to the demonstration of a commitment of the East Central Indiana (ECI) Regional Planning District, Inc. to (a) integrity and ethical values, (b) oversight of the internal control system, (c) establishment of an organization structure that oversees the operations, reporting and compliance of the objectives of the internal controls system, (d) attracting developing and retaining competent individuals and (e) evaluating performance and holding individuals responsible for internal control duties and responsibilities;

Whereas, the (2) Risk Assessment refers to the process that identifies and assesses internal and external risks and establishes tolerances of the East Central Indiana (ECI) Regional Planning District, Inc. sufficient to (a) enable the identification of risks and the amount of risks tolerated, (b) identify, analyze and respond to risks, (c) consider the potential for fraud in the risk assessment process and (d) identify, analyze and respond to significant changes impacting the internal control system;

Whereas, the (3) Control Activities refers to the East Central Indiana (ECI) Regional Planning District, Inc.'s actions and tools established through policies and procedures that go towards the detection, prevention or the reduction of identified risks of loss while still providing government operations by (a) designing control activities, (b) designing information systems and (c) implementing policies;

Whereas, the (4) Information and Communication refers to the internal and external communication needed to support an internal controls system that is valued and used by (a) receiving quality information, (b) internally communicating quality information and (c) externally communicating quality information;

Whereas, the (5) Monitoring Activities refers to the activities of the East Central Indiana (ECI) Regional Planning District, Inc.'s officials to see that all of the components of the internal control system that meet or exceed the standards herein are functioning properly by (a) establishing and operating monitoring activities and then evaluating them on an ongoing or periodic basis and (b) the timely remediation of deficiencies;

Whereas, the East Central Indiana (ECI) Regional Planning District, Inc.'s officials shall ensure that these minimum standards and procedures are met or exceeded needs to adopt a policy that at least includes the requirements set forth in IC 5-11-1-27 and also the approved compliance guidelines of the State Board of Accounts dated September 2015 that is reasonable for its size;

Whereas, the standards listed are considered in light of the operations objectives, the reporting objectives and the compliance objectives of the East Central Indiana (ECI) Regional Planning District, Inc. in performing certainly its financial activities of governance but also the other governmental activities;

Whereas, because governments vary in size and complexity, there is no single method or set of internal control policies and procedures that is applicable, and

Whereas, after thoughtful consideration and in order to comply with IC 5-11-1-27 and the guidelines, the East Central Indiana (ECI) Regional Planning District, Inc. believes it is in the best interests of its citizens to adopt as its policy the minimum requirement of IC 5-11-1-27 and implement it in the manner stated below;

Now, therefore, the East Central Indiana (ECI) Regional Planning District, Inc. Board of Directors state as follows:

1. The East Central Indiana (ECI) Regional Planning District, Inc. finds that its mission as related to an internal control system is as follows:
 - a. Provision of a democratic governmental structure at the grassroots level;
 - b. Provision of services as determined through the political process including but not limited to the grant-writing activities and economic development;
 - c. Promotion of government efficiency, accountability, reliability and transparency; and
 - d. Promotion of safeguards to reduce the risk of loss due to fraud, waste abuse, mismanagement or errors.
2. The East Central Indiana (ECI) Regional Planning District, Inc. finds that its interrelated and often overlapping objectives as related to an internal control system are as follows:
 - a. Operations Objectives which involve the ways governmental services are performed and the performance of those providing governmental services including, by way of example, budgeting, purchasing, permitting, cash management and planning among others.

- b. Reporting Objectives which involve the filing of financial and non-financial information to those inside the government and those outside of the government including, by way of example, filing the annual report, audit and examination cooperation, filing uniform conflict of interest forms and the other filings with any governmental agency or official or information required to be kept such as an OSHA log and responding to a public records request among others.
 - c. Compliance Objectives involve the adherence to law and regulations including, by way of example, following guidance documents such as the State Board of Accounts' manuals, bulletins, directives and the Department of Local Government Finance's forms and directions and including other outside of government trainings and documents.
3. The East Central Indiana (ECI) Regional Planning District, Inc. adopts and directs the minimum level of internal control standards and internal control procedures for an internal control system that include the following five (5) standards to promote government accountability and transparency as described in the Uniform Internal Control Standards for Indiana Political Subdivisions guidance document from the State Board of Accounts dated September 2015 and as thereafter modified:
 - (1) Control Environment
 - (2) Risk Assessment
 - (3) Control Activities
 - (4) Information and Communication
 - (5) Monitoring
4. The East Central Indiana (ECI) Regional Planning District, Inc. adopts and directs the following principles in explanation of the pertinent standards above be followed at all levels of the East Central Indiana (ECI) Regional Planning District, Inc. government:
 - (1) Control Environment:
 - a. The oversight body and management demonstrate a commitment to integrity and ethical values.
 - b. The oversight body oversees the East Central Indiana (ECI) Regional Planning District, Inc.'s internal control system.
 - c. Management establishes an organizational structure, assigns responsibility and delegates authority to achieve the East Central Indiana (ECI) Regional Planning District, Inc.'s objectives.
 - d. Management demonstrates a commitment to attract, develop and retain competent individuals.
 - e. Management evaluates performance and holds individuals accountable for their internal control responsibilities.
 - (2) Risk assessment:
 - a. Management defines objectives clearly to enable the identification of risks and defines risk tolerances.

- b. Management identifies, analyzes and responds to risk related to achieving the defined objectives.
- c. Management considers the potential for fraud when identifying, analyzing and responding to risks.
- d. Management identifies, analyzes and responds to significant changes that could impact the internal control system.

(3) Control Activities:

- a. Management designs control activities to achieve objectives and respond to risks.
- b. Management designs the East Central Indiana (ECI) Regional Planning District, Inc.'s information system and related control activities to achieve objectives and respond to risks.
- c. Management implements control activities through policies.

(4) Information and communication:

- a. Management uses quality information to achieve the East Central Indiana (ECI) Regional Planning District, Inc.'s objectives.
- b. Management internally communicates the necessary quality information to achieve the East Central Indiana (ECI) Regional Planning District, Inc.'s objectives.
- c. Management externally communicates the necessary quality information to achieve the East Central Indiana (ECI) Regional Planning District, Inc.'s objectives.

(5) Monitoring:

- a. Management establishes and operates monitoring activities to monitor the internal control system and evaluate the results.
 - b. Management remediates identified internal control deficiencies on a timely basis.
5. The East Central Indiana (ECI) Regional Planning District, Inc. adopts the internal control standards above so as to establish an effective internal control system for the East Central Indiana (ECI) Regional Planning District, Inc. through its design, implementation and operation.
6. The East Central Indiana (ECI) Regional Planning District, Inc. directs that the above standards be used to design, implement, operate and modify current operations, reporting and compliance objectives that will safeguard the assets of the East Central Indiana (ECI) Regional Planning District, Inc., promote reliability, accountability and transparency of financial and non-financial information and to assure compliance with laws and regulations for each office, department and personnel (as defined below) for an effective and reasonable internal control system of the East Central Indiana (ECI) Regional Planning District, Inc.
7. The East Central Indiana (ECI) Regional Planning District, Inc. authorizes the East Central Indiana (ECI) Regional Planning District, Inc. Board of Directors to review the current internal control system of the East Central Indiana (ECI) Regional

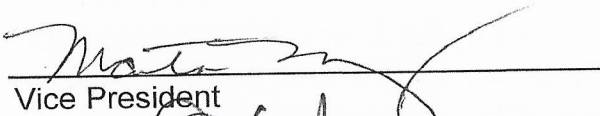
Planning District, Inc. and adopt a policy for the future internal control system to be effective as of the date of adoption of this Ordinance.

8. The personnel, whether an official, appointee or employee, of the East Central Indiana (ECI) Regional Planning District, Inc. whose official duties include receiving, processing, depositing, disbursing, or otherwise have access to funds that belong to the federal government, state government, a political subdivision, or another governmental entity shall comply with these minimum internal control standards and procedures and any other policy regarding standards and procedures determined necessary by the East Central Indiana (ECI) Regional Planning District, Inc. now and as modified in the future.
9. The personnel of the East Central Indiana (ECI) Regional Planning District, Inc. whose official duties include receiving, processing, depositing, disbursing, or otherwise have access to funds that belong to the federal government, state government, a political subdivision, or another governmental entity shall be trained at least once during a calendar year and annually thereafter, unless on leave status, on the minimum internal control standards and procedures and any other standards and procedures determined necessary by the East Central Indiana (ECI) Regional Planning District, Inc. and shall cooperate with the East Central Indiana (ECI) Regional Planning District, Inc.'s fiscal officer or designee so that the fiscal officer can timely certify to the State Board of Accounts that the training was received annually by the personnel as provided by law.
10. The East Central Indiana (ECI) Regional Planning District, Inc. authorizes the East Central Indiana (ECI) Regional Planning District, Inc. Board of Directors to determine the position and person who are the personnel referred to in sections 8 and 9 above and notify such personnel.
11. The Executive Director, in coordination with the East Central Indiana (ECI) Regional Planning District, Inc. Board of Directors, will develop, maintain, and train personnel on Internal Control Standards and Policies, and all new personnel shall receive training in a timely manner.
12. All elected and appointed officials, appointees and employees of the East Central Indiana (ECI) Regional Planning District, Inc. are hereby directed to abide by and to cooperate fully in the implementation of the internal control system of the East Central Indiana (ECI) Regional Planning District, Inc.
13. An employee who fails to abide by or cooperate with the implementation, compliance and certifications connected with the Internal Control System commits a violation of and may result in the discipline, including termination of the employee.
14. An elected or appointed official of the East Central Indiana (ECI) Regional Planning District, Inc. who fails to abide by or cooperate with the implementation and the mandated certification of the Internal Control System may be subject to any action allowed by the law.

15. This Ordinance may be implemented by any and all of the following actions or such others as authorized by this Board of Directors (or the delegated authority); a) posting a copy of this Ordinance in its entirety in at least one of the locations of East Central Indiana (ECI) Regional Planning District, Inc. where it posts employer posters or other notices to its employees; b) providing a copy of this Ordinance to its employees and elected and appointed officials; c) providing or posting a notice of the adoption of this Ordinance; or d) any such other action or actions that would communicate the policies established by this Resolution to its employees and elected and appointed officials.

Adopted this 14th day of May, 2019

President



Vice President



Secretary



Treasurer