

RESOLUTION NO: 2016- 6**RESOLUTION OF THE CORDRY-SWEETWATER CONSERVANCY DISTRICT
DETERMINING THE MATERIALITY THRESHOLD FOR REPORTING IRREGULAR
VARIANCES, LOSSES, SHORTAGES AND THEFTS**

WHEREAS, I.C.5-11-1-27 provides that all political subdivisions must develop their own policy of materiality for purposes of recognizing and reporting irregular variances, losses, shortages, and thefts which may occur; and,

WHEREAS, I.C.5-11-1-27(j) requires that all erroneous or irregular material variances, losses, shortages or thefts of district funds or property shall be reported immediately to the State Board of Accounts and that the Cordry-Sweetwater Conservancy District ("CSCD") may define what is considered material for reporting purposes; and,

WHEREAS, the CSCD, by and through its Board of Directors, acting in its capacity as the fiscal body of CSCD and acting as such designating body for purposes of I.C.5-11-1-27 is the best determiner of the qualitative and quantitative factors unique to CSCD in arriving at materiality; and,

WHEREAS, the CSCD has had discussions with the CSCD Staff and Management regarding analysis of any variances, losses, overages or shortages which occur within the political subdivision and CSCD does find that said amounts are typically de-minimis and not material; and,

WHEREAS, the CSCD, through separate Resolution, is further maintaining and establishing a system of internal controls required to promote accountability and transparency; and,

WHEREAS, the CSCD specifically recognizes, confirms and acknowledges that pursuant to I.C.5-11-1-27(1) public officials who have actual knowledge of or reasonable cause to believe that there has been a misappropriation of public funds shall send written notice of the misappropriation to the State Board of Accounts and the prosecuting attorney and nothing set forth in this materiality resolution adopting internal controls is intended to circumvent the provisions of the above cited statute; and,

WHEREAS, the Conservancy District Manager of CSCD maintains documentation regarding the assets, properties, and accounting of the monies and property of CSCD and shall continue to do so in the future; and,

WHEREAS, after thorough consideration and review, the CSCD Board of Directors determines that in accordance with I.C.5-11-1-27 the materiality level for CSCD shall be the sum of One Hundred Dollars (\$100.00); and,

WHEREAS, the CSCD Board of Directors believes it is in the best interest of the freeholders of CSCD that CSCD, as the fiscal body, should establish a policy of materiality.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORDRY-SWEETWATER CONSERVANCY DISTRICT THAT:

1. That the above recitations are adopted as findings by CSCD.
2. It is further ordered and determined that the materiality level for CSCD for purposes of I.C.5-11-1-27 shall be the sum of One Hundred Dollars (\$100.00).
3. It is further determined that the provisions of I.C.5-11-1-27 are recognized and acknowledged as said statutes require public officials who have actual knowledge or reasonable cause to believe there has been a misappropriation of public funds shall immediately send written notice of the misappropriation to the State Board of Accounts and the Brown County Prosecuting Attorney.
4. It is further determined and adopted that the materiality level for CSCD shall be One Hundred Dollars (\$100.00) applicable to funds and to public property.
5. It is further resolved that the office of CSCD shall maintain all documentation related to the public funds and property of CSCD as well as any documentation and resolution of incidents that do not meet the materiality threshold.

6. It is further enacted that any resolutions inconsistent or in conflict with the terms of this Resolution are of no further force and effect and are specifically repealed. This Resolution shall be in full force and effect immediately upon adoption as set forth herein and approval by the Board of Directors of CSCD.

THIS RESOLUTION DULY PASSED THIS 17TH DAY OF MAY, 2016 by the CSCD Board of Directors, having been passed by a vote 6 in Favor and 0 Opposed. This Resolution shall take effect immediately upon adoption.

CORDRY-SWEETWATER CONSERVANCY DISTRICT BOARD OF DIRECTORS


Aye Nay

Aye Nay

X —

Absent

— —


Jerry Engle, Chairman

Chad Crimmins, Member


Herbie Benshoof, Vice Chairman


X —


James Ray, Secretary


X —


Patrick Sherman, Member

X —


Joshua Edwards, Member

X —


Matthew Pettersen, Member

X —