

Sponsor: Janet Venecz
Councilwoman At Large

RESOLUTION NO. R35

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA, ADOPTING INTERNAL CONTROL STANDARDS

WHEREAS, Indiana Code 5-11-1-27 requires all Indiana political subdivisions to adopt minimum levels of internal control standards developed by the State Board of Accounts; and

WHEREAS, Indiana Code 5-11-1-27 requires that all appropriate personnel of the political subdivision be trained on such internal control standards and procedures; and

WHEREAS, the Indiana State Board of Accounts has defined the acceptable minimum level of internal control standards and developed *Uniform Internal Control Standards for Indiana Political Subdivisions* as they pertain to the following five components: 1) Control Environment; 2) Risk Assessment; 3) Control Activities; 4) Information and Communication; and 5) Monitoring; and

WHEREAS, Control Environment, in accordance with IC 5-11-1-27, refers to the demonstrations of commitment of the City of Hammond and its entities 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 control system, (d) attracting, developing and retaining competent individuals and (e) evaluating performance and holding individuals responsible for internal control duties and responsibilities; and

WHEREAS, Risk Assessment, in accordance with IC 5-11-1-27, refers to the process that identifies and assesses internal and external risks and establishes tolerances of the City of Hammond sufficient to (a) enable the identification of risks and the amount of risks tolerated, (b) identify, analyze and respond to significant changes impacting the internal control system; and

WHEREAS, Control Activities, in accordance with IC 5-11-1-27, refers to the City of Hammond'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; and

WHEREAS, Information and Communication, in accordance with UC 5-11-1-27, refers to the internal and external communication needed to support an internal support an internal control system that is valued and used by (a) receiving quality information, (b) internally communicating quality information and (c) externally communicating quality information; and

WHEREAS, Monitoring Activities, in accordance with IC 5-11-1-27, refers to the activities of the City of Hammond officials to see that all of the components if the internal control that meet or exceed 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;

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WHEREAS, the City of Hammond and its related entities, wish to promote government accountability and transparency through the use of the five components defined above; and

WHEREAS, the City of Hammond and its related entities, in accordance with Indiana Code 5-11-1-27, desire to adopt internal control standards in compliance with the minimum standards established by the Indiana State Board of Accounts in its Uniform Internal Control Standards Manual;

BE IT THEREFORE RESOLVED, by the Common Council that the City of Hammond, Indiana hereby adopts the minimum internal control standards and procedures as set forth in IC 5-11-1-27 and the Uniform Internal Controls Standards for Indiana Political Subdivisions manual published by the Indiana State Board of Accounts.

ADOPTED AND APPROVED BY the Common Council of the City of Hammond, Indiana, this 12th day of December, 2016.

Janet Venecz, President /s/
Hammond Common Council

ATTEST:

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, this 13th day of December, 2016.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

The foregoing Resolution No. R35 consisting of two (2) typewritten pages, including this page, was APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 16th day of December, 2016.

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Thomas M. McDermott, Jr., Mayor /s/

City of Hammond, Indiana

PASSED by the Common Council on the 12th day of December, 2016 and approved by the Mayor on the 16th day of December, 2016.

Robert J. Golec, City Clerk, /s/

Hammond, Indiana