



Lake Lemon Conservancy District

RESOLUTION 8-19-03

~~WHEREAS~~ Board of the Lake Lemon Conservancy District recognizes their responsibility to the residents and tax-payers of the district to maintain minimum internal control standards as defined by the State Board of Accounts and IC 5-11-1-27(g).

IT IS THEREFORE RESOLVED AND ESTABLISHED that the Board of Directors of the Lake Lemon Conservancy District do hereby adopt internal control standards/principles (attached), and ensure that personnel receive training.

PRESENTED to the Board of Directors of the Lake Lemon Conservancy District this 24th day of August 2019.

ADOPTED BY THE FOLLOWING VOTE:

	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
 PAM DUGAN, CHAIRMAN	_____	_____	_____
 MARY JANE BROWN, VICE-CHAIR	_____	_____	_____
 MIKE BLACKWELL, TREASURER	_____	_____	_____
 MICHAEL KLITZING, Sub-Area I	_____	_____	_____
DEBRA LADYMAN, Sub-Area II	_____	_____	_____
 LORA SCHELL, Sub-Area IV	_____	_____	_____
 LES WADZINSKI, Sub-Area V	_____	_____	_____

ATTEST:
LLCB District Manager



Principles of Internal Controls

Principle 1. The oversight body and management demonstrate a commitment to integrity and ethical values.

Principle 2. The oversight body oversees the entity's internal control system.

Principle 3. Management establishes an organizational structure, assigns responsibility, and delegates authority to achieve the political subdivision's objectives.

Principle 4. Management demonstrates a commitment to attract, develop and retain competent individuals.

Principle 5. Management evaluates performance and holds individuals accountable for their internal control responsibilities.

Principle 6. Management defines objectives clearly to enable the identification of risks and defines risk tolerances.

Principle 7. Management identifies, analyzes, and responds to risk related to achieving the defined objectives.

Principle 8. Management considers the potential for fraud when identifying, analyzing, and responding to risks.

Principle 9. Management identifies, analyzes, and responds to significant changes that could impact the internal control system.

Principle 10. Management designs control activities to achieve objectives and respond to risks.

Principle 11. Management designs the political subdivision's information system and related control activities to achieve objectives and respond to risks.

Principle 12. Management implements control activities through policies.

Principle 13. Management uses quality information to achieve the political subdivision's objectives.

Principle 14. Management internally communicates the necessary quality information to achieve the political subdivision's objectives.

Principle 15. Management externally communicates the necessary quality information to achieve the entity's objectives.

Principle 16. Management establishes and operates monitoring activities to monitor the internal control system and evaluate the results.

Principle 17. Management remediates identified internal control deficiencies on a timely basis.