

RESOLUTION NO. 2 - 2016

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASS LAKE  
CONSERVANCY DISTRICT DETERMINING THE MATERIALITY THRESHOLDS  
FOR REPORTING IRREGULAR VARIANCES, LOSSES, SHORTAGES AND  
THEFTS OF PUBLIC FUNDS OR PROPERTY**

*WHEREAS*, Ind. Code § 5-11-1-27 provides that all political subdivisions within the State of Indiana must develop their own policies of materiality for purposes of recognizing and reporting irregular variances, losses, shortages and thefts of public funds and property; and

*WHEREAS*, Ind. Code § 5-11-1-27(j) requires that all erroneous and irregular material variances, losses, shortages or thefts of public funds or property be reported immediately to the Indiana State Board of Accounts;

*WHEREAS*, Ind. Code § 5-11-1-27 authorizes political subdivisions within the State of Indiana such as the Bass Lake Conservancy District (“District”), to define what is considered material for reporting purposes; and

*WHEREAS*, the District, by and through its Board of Directors, acting in its capacity as the fiscal body of the District 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 the District to define what is considered material for the District for reporting purposes; and

*WHEREAS*, after thorough consideration and review, the Board of Directors of the District determines that in accordance with I.C. 5-11-1-27, the materiality level for the District for irregular variances, losses, shortages or thefts of public funds shall be in the sum of Five Hundred Dollars (\$500.00); and

*WHEREAS*, after thorough consideration and review the Board of Directors of the District further determines that in accordance with I.C. 5-11-1-27 the materiality level for the District for irregular variances, losses, shortages or thefts of all other public property excluding public funds shall be in the sum of Five Hundred Dollars (\$500.00); and

*WHEREAS*, the Board of Directors believes it is in the best interest of the District that the Board, as the fiscal body, adopt this Resolution in order to establish a policy of materiality for reporting purposes for the District.

*NOW, THEREFORE*, the Board of Directors of the Bass Lake Conservancy District resolves and enacts the following:

Section 1. That the above-recitations or whereas clauses are adopted as findings of fact by the Board of Directors.

Section 2. It is further ordered and determined that the materiality level for reporting purposes for the Bass Lake Conservancy District for irregular variances, losses, shortages or thefts of public funds shall be the sum of Five Hundred Dollars (\$500.00).

Section 3. It is further ordered and determined that the materiality level for reporting purposes for the Bass Lake Conservancy District for irregular variances, losses, shortages or thefts of all other public property excluding public funds shall be the sum of Five Hundred Dollars (\$500.00).

Section 4. It is further determined that the provisions of I.C. 5-11-1-21 are recognized and acknowledged as said statutes require public officials who have actual knowledge or reasonable cause to believe that there has been a misappropriation of public funds to immediately send written notice of the misappropriation to the Indiana State Board of Accounts.

Section 5. It is further resolved that the Board of Directors shall maintain all documentation related to the public funds and property of the Bass Lake Conservancy District, as well as any documentation and resolution of incidences that do not meet the materiality threshold.

Section 6. It is also resolved that whenever an irregular variance, loss, shortage or theft of District funds or property occurs, no matter the amount or value, or the requirement to report such to the State Board of Accounts, the District shall investigate any and all such irregular variances, losses, shortages or thefts of District funds or property and shall take such action, if any, it deems necessary to recoup said funds or property.

Section 7. It is further ordained that any resolutions inconsistent or in conflict with the terms of this Resolution are of no further force and effect and are specifically repealed.

Section 8. This Resolution shall be in full force and effect immediately upon adoption.

Section 9. If any portion of this Resolution shall be held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other portion of provision of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Bass Lake Conservancy District, by a 5-0 vote of all members present and voting this 12 day of December, 2016.

Eugene Dullis  
Chairman

A. R. Collier  
Vice-Chairman

Jerry Broadstreet  
Member

Shirley R. Kepler  
Member

Russell A. Blair  
Member

ATTEST:

Marianne Gappa