

ORDINANCE NO. 8-2016

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO,
INDIANA, 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 City of Valparaiso, Indiana (“City”), to define what is considered material for reporting purposes; and

WHEREAS, the City, by and through its Common Council, acting in its capacity as the fiscal body of the City 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 City to define what is considered material for the City for reporting purposes; and

WHEREAS, after thorough consideration and review, the Common Council of the City determines that in accordance with I.C. 5-11-1-27, the materiality level for the City 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 Common Council of the City further determines that in accordance with I.C. 5-11-1-27 the materiality level for the City for irregular variances, losses, shortages or thefts of all other public property excluding public funds shall be in the sum of One Thousand Dollars (\$1,000.00); and

WHEREAS, the Common Council believes it is in the best interest of the City that the Council, as the fiscal body, adopt this Ordinance in order to establish a policy of materiality for reporting purposes for the City.

NOW, THEREFORE, the Common Council of the City of Valparaiso, Indiana, ordains and enacts the following:

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

Section 2. It is further ordered and determined that the materiality level for reporting purposes for the City of Valparaiso 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 City of Valparaiso for irregular variances, losses, shortages or thefts of all other public property excluding public funds shall be the sum of One Thousand Dollars (\$1,000.00).

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 Office of the City of Valparaiso, Clerk-Treasurer shall maintain all documentation related to the public funds and property of the City of Valparaiso, as well as any documentation and resolution of incidences that do not meet the materiality threshold.

Section 6. It is further resolved that a copy of this Ordinance shall be circulated by the Clerk-Treasurer's office to all department heads of the City.

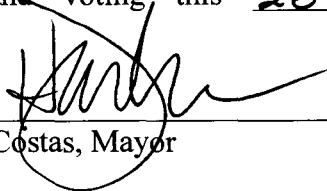
Section 7. It is also resolved that whenever an irregular variance, loss, shortage or theft of City funds or property occurs, no matter the amount or value, or the requirement to report such to the State Board of Accounts, the City shall investigate any and all such irregular variances, losses, shortages or thefts of City funds or property and shall take such action, if any, it deems necessary to recoup said funds or property.

Section 8. It is further ordained that any ordinances inconsistent or in conflict with the terms of this Ordinance are of no further force and effect and are specifically repealed.

Section 9. This Ordinance shall be in full force and effect immediately upon adoption as set forth herein and approval by the Mayor.

If any portion of this Ordinance 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 Ordinance.

PASSED AND ADOPTED by the Common Council of the City of Valparaiso, Indiana, by a 7-0 vote of all members present and voting this 23rd day of May, 2016.

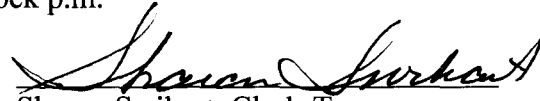


Jon Costas, Mayor

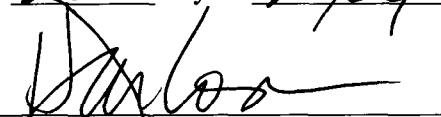
ATTEST:


Sharon Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this 23rd day of May, 2016, at 7:45 o'clock p.m.


Sharon Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this 23rd day of May, 2016, at 7:45 o'clock p.m.


Jon Costas, Mayor