

Internal Control Timeline

IC 5-11-1-27 requires all Indiana political subdivisions to adopt the minimum level of internal control standards developed by the state board of accounts as published in the *Uniform Internal Control Standards for Indiana Political Subdivisions*. Each political subdivision must adopt these standards, train appropriate personnel, and implement policies and procedures consistent with the standards. The following is a guide to fulfilling these requirements and deadlines for action.

Statutory Requirements - *Uniform Internal Control Standards for Indiana Political Subdivisions* (Statutory Deadline: After June 30, 2016)

Legislative Body – Uniform Internal Control Standards

1. **Adopt Standards.** The legislative body shall ensure that the *Uniform Internal Control Standards for Indiana Political Subdivisions* are adopted. We recommend adoption by ordinance or resolution.

The *Uniform Internal Control Standards for Indiana Political Subdivisions* are available on our website at www.in.gov/sboa.

2. **Train Personnel.** The legislative body shall ensure that personnel, as defined in statute, receive training concerning the *Uniform Internal Control Standards for Indiana Political Subdivisions*.

Approved training materials are located in Part Two of the *Uniform Internal Control Standards for Indiana Political Subdivisions*; the Video Presentation materials in Section One accompany the Internal Control Webinar located on our website at www.in.gov/sboa.

Training by each employee should be documented on the Internal Control Training Certification Form located in the Appendix to the *Uniform Internal Control Standards for Indiana Political Subdivisions*. Retain this documentation for audit.

Please note that training is an ongoing process as new employees are hired.

Fiscal Officer – Uniform Internal Control Standards

1. **Certify Adoption of Standards.** The fiscal officer shall certify in writing that the *Uniform Internal Control Standards for Indiana Political Subdivisions* have been adopted.

2. **Certify Training of Personnel.** The fiscal officer shall certify in writing that the personnel, as defined in statute, have received the required training.

3. **Submit Two Certifications with Annual Financial Report in 2017.** Both the Adoption of Standards Certification and the Training of Personnel Certification shall be filed electronically with the state board of accounts at the same time as the annual financial report is filed.

Ongoing Requirements - Implementation of Internal Control Policies and Procedures

Management - Responsibility to Implement Internal Control Policies and Procedures

The term “management” is defined for each unit of government in the Introduction section of the *Uniform Internal Control Standards for Indiana Political Subdivisions*.

After June 30, 2016, management should document in writing the specific internal control policies and procedures required for use in each department of the unit. Examples of such policies and procedures are contained in Part Two Section 2 of the *Uniform Internal Control Standards for Indiana Political Subdivisions*.

The implementation of internal control policies and procedures is an ongoing process. We recommend that management start by documenting procedures already in place and evaluating those policies and procedures in light of the five components of internal control. If any of the five components is missing, true internal control is not achieved. An effective implementation of Internal Control is a process and requires regular evaluation and adaptation for changes affecting your office. Over time controls may be added, deleted, or adjusted as necessary.