

Fall 2016

CTAS News and Notes

Small City & Town Accounting System (CTAS)

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CTAS 7 Files No Longer Accepted

The Office of the State Auditor (OSA) no longer offers support for CTAS Version 7. Beginning with year-end 2016 reporting, files generated in Version 7 will not be accepted by the State Auditor's Form Entry System (SAFES).

If you are still using CTAS Version 7, you will need to upgrade to the latest version of CTAS before electronically submitting your State Auditor File for 2016 to the OSA. Order forms for CTAS Version 8 can be downloaded from our website (pdf, 115k) at:

www.auditor.state.mn.us/other/ctas/docs/CTAS_v8_Order_Form.pdf

Step-by-step written instructions are available for download on the updated program. Videos are also available to make the transition to CTAS Version 8 as smooth as possible. This information is located on our website at:

www.auditor.state.mn.us/default.aspx?page=ctasv8training.

The written instructions and videos include steps for installing the full version of CTAS; installing updates (patches) to CTAS; updating the chart of accounts; and importing Version 7 data to Version 8.

IMPORTANT: Remember to back up your data using an external storage device before upgrading your CTAS system. Information on backing up CTAS data can be found later in this Newsletter.

State Auditor's E-Update

Each week the OSA e-mails the State Auditor's E-Update, which publishes information and events related to local government financial activities, including CTAS news and information on reporting.

To view recent E-Updates and sign up to receive the E-Update each week, go to:

www.auditor.state.mn.us

Once you're there, find the "Latest News" tab at the top of the page and click on the "E-Updates" link.

Coming Soon: CTAS 2017

We are pleased to announce that an updated version of CTAS will be released before the end of 2016. The update will be called CTAS 2017, the first version of CTAS to reflect a new easy-to-remember naming convention for CTAS versions.

We plan to make updates to CTAS each year in an effort to continue to improve the program. To help users keep track of the most current version of CTAS, the name will now reflect the year of the update. **All entities that have purchased CTAS Version 8 will be able to upgrade to CTAS 2017 at no cost.**

CTAS 2017 will include feature enhancements requested by users as well as fixes to bugs that have been discovered. We want to thank all CTAS users who have contacted us with suggestions for the program and those of you who participated in our survey to determine which features to include in this update.

When CTAS 2017 is released we will contact all entities that purchased CTAS Version 8. The update will be available for download from the State Auditor's Form Entry System (SAFES). Compact disks (CDs) containing the program can also be requested for those entities that have difficulty downloading it from SAFES. As with CTAS 8, CTAS 2017 will work on Windows 7, 8, 8.1 and Windows 10.

CTAS User Manual

The CTAS User Manual has been updated and is now available on our website at:

www.auditor.state.mn.us/default.aspx?page=ctasv8manual.

The CTAS Manual includes chapters on setting up your CTAS system; the Accounting Modules (Receipts, Claims, Disbursements, Budget, Financial Reports, Chart of Accounts, Administration, etc.); Payroll; Investments; Indebtedness; and Program Support.

We appreciate your cooperation and patience during the review process.

Important Reporting Dates

Due March 31:

Town Financial Reporting Form – Cash Basis of Accounting

City Financial Reporting Form – Cash Basis of Accounting

City Financial Statements Audited or Unaudited - Cash Basis of Accounting

Due June 30:

Town Financial Reporting Form – in Accordance with Generally Accepted Accounting Principles (GAAP)

Town Audited Financial Statements – GAAP Basis of Accounting

City Financial Reporting Form – GAAP Basis of Accounting

City Audited Financial Statements – GAAP Basis of Accounting

Using CTAS for Accounting of Investments

One feature of CTAS explained in the Version 8 Manual is the Investment Module (Chapters 16 and 17). The Investment Module is designed to track investments and investment values. Investments you can track in CTAS include certificates of deposits (CDs), savings accounts, and money market accounts. The Investment Module also can account for interest earned and interest accrued on investments.

CTAS can print the following reports: Current Investments Report; Current Investments with Accrued Interest Report; Schedule 8 - Investment Activity Report; Schedule 8 - Investment Activity Report with Accrued Interest; Investment Worksheet Report; and Investment Worksheet with Accrued Interest Report.

The Investment Module integrates with the Accounting Module. When you enter information for an investment, the corresponding transaction is recorded in the receipts or disbursements.

It is very important to note that Investments should not be accounted for as transfers. A transfer is recorded when money is moved from one Fund to another Fund: for example, from the General Fund to a Fire Department Fund. The CTAS program was designed for savings, CDs, and money market accounts to be accounted for in the Investment Module. Please note:

- Any time money comes from an investment (savings, CDs, money markets, etc.) into a checking account it must be accounted for as a sale of an investment to the designated Fund and not as a transfer.
- Any time money goes to an investment (savings, CD's, money market, etc.) from a checking account it must be accounted for as a purchase of an investment and not a transfer.

For more information, please see Chapter 16 of the CTAS Manual which provides step-by-step instructions for the features of the Investment Module. Chapter 17 includes instructions for printing reports. Both chapters include detailed screenshots from the program. To access chapters 16 and 17, go to:

www.auditor.state.mn.us/default.aspx?page=ctasv8manual.

CTAS Checks

The vendors listed here offer checks that work with CTAS. The OSA does not recommend vendors, but offers this resource for your CTAS check printing needs.

Tammy & Shaun Stottler
American Solutions for
Business

19562 Halwood Rd
Glenwood, MN 56334
Phone: (320) 634-3344
Fax: (320) 634-0287
stottle@americanbus.com

Rose Shorma
Proforma Rose Shorma
826 East Lake Geneva Rd.
Alexandria, MN 56308
Phone: (320) 763-5535
Fax: (320) 762-1555
Cell: (320) 760-8212
rose.shorma@proforma.com

Lonny Duenow
Victor Lundeen Corp.
126 West Lincoln Avenue
Fergus Falls, MN 56537
Phone: (218) 736-5433
Phone: (800) 346-4870
lonny@victorlundeens.com

Bob Closser
Government Forms & Supplies
390 E Tyrone St
Le Center MN 56057
Phone: (844) 224-3338
bclosser@frontiernet.net

These vendors also offer window envelopes for mailing checks printed with CTAS.

Account Code Update

We recommend that all CTAS users follow the CTAS Chart of Accounts. This can be found under the "CTAS Documents" heading on the CTAS page of the OSA website at:

www.auditor.state.mn.us/default.aspx?page=ctas.

There are some changes from past practice we want to make you aware of. We recommend entities use the following Fund and Account Codes:

- Fund 225 as the Fire Fund;
- Account Code number 33470 as State Fire Aid;
- Account Code number 33480 as State Police Aid;
- Account Code 41950 for Assessing. This Account code will classify the expenditure under Other General Government. In the past, Account code 41550 was used for Assessing and the expenditures were classified under Financial Administration.
- Account Code 41960 for Elections. This Account Code will classify the expenditure under Other General Government. Please note: these expenditures are for Election expenditures that are not related to the City/Town Clerk's Election time and costs. Election expenditures incurred for the City/Town Clerk would continue to be coded to account code 41410.

Please note that refunds from the League of Minnesota Cities Insurance Trust (LMCIT) and the Minnesota Association of Townships Insurance Trust (MATIT) should be coded to Miscellaneous (revenue). Expenditures for insurance, excluding health and dental insurance, should be coded to 41970 under General Government.

If you are already using the above Fund and Account numbers for other items, we recommend that you assign the numbers you are currently using to a different Fund and Account code before submitting year-end reports.

All the above changes are included in the CTAS Chart of Accounts. Be sure to refer to the CTAS Chart of Accounts when creating or searching for Fund, Account or Object codes.

Access CTAS Training Materials Online

Video and printed instructions for downloading, installing and using CTAS Version 8 are available on the OSA website.

To access these materials, go to the OSA website, www.auditor.state.mn.us. Find the “For Local Officials” tab at the top of the page, then click on “CTAS”. This will bring you to the CTAS page: once there, click on “Getting Started”. This page is frequently updated with new training materials.

Audit Requirements for Cities and Towns

Not all cities and towns have the same audit requirements. Audit requirements vary depending on a variety of factors including the population of the city or town, whether the clerk and treasurer positions are combined, and whether the city or town is above or below the current audit revenue threshold.

Please review audit requirements to make sure your entity is in compliance. Audit requirements can be found on the OSA website at:

<http://www.auditor.state.mn.us/default.aspx?page=faq>.

Please feel free to contact us at GID.OSA@osa.state.mn.us if you have any questions regarding audit requirements.

SAFES Usernames and Passwords

We want to thank all of the entities who use the State Auditor’s Form Entry System (SAFES) to download and submit their forms and documents to the OSA. If you are a SAFES user, here are helpful hints when using SAFES:

1. Each SAFES user must have a username and password. Others should not know or use your password. If you need a SAFES username and password, please send an e-mail to SAFES@osa.state.mn.us with your entity name, your name, position, mailing address, phone number, and e-mail address.
2. Your SAFES e-mail address is used to reset usernames and passwords. For security, you should use an e-mail address that only you have access to. You should not use a shared e-mail address such as an entity’s e-mail address as your SAFES e-mail.
3. The contact information you provide to us is considered public. The OSA will be required to provide your contact information if a data request is made for it. Please keep this in mind when choosing the contact information you provide to us.

The CTAS Helpline is Available to Help You



Call, fax or e-mail your CTAS questions. If no one is immediately available, we will respond the next workday.

Call:

(651) 296-6262

Fax:

(651) 296-4755

E-mail:

CTAS@osa.state.mn.us

Electronic Fund Transfer (EFT) Payments

Some local governments receive multiple Electronic Fund Transfer (EFT) payments from the State. The payments are generated by the office of Minnesota Management & Budget (MMB). Each local government can log into MMB’s website at <https://mn.gov/mmb/> to view EFT payment information, including the amounts and type of payments. Local governments can also sign up for e-mail alerts indicating when payments are made, the amounts, and the type of payment. The MMB EFT phone number is 651-201-8106, and their e-mail is efthelpline.mmb@state.mn.us.

There are many benefits to receiving electronic fund payments from the State, including assuring that checks don’t get lost or that you won’t have to go out in a snowstorm. EFT also eliminates the confusion over which year a deposit should be recorded. When an entity receives EFT payments from the State, the OSA’s review of financial reporting forms is simplified and the number of questions we may need to ask you is reduced.

Tax Tables

Please make sure that your tax tables in the Payroll Module are updated for 2016. CTAS Version 8 and CTAS 2017 contain a feature to allow you to update them directly into the program. The tax tables are also posted on the OSA’s website at:

www.auditor.state.mn.us/default.aspx?page=ctas.

Please note that in CTAS Version 7, the tax tables contained two decimal places. If you migrate data from CTAS Version 7 to CTAS Version 8, please update the payroll tax tables for three decimal places.

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CTAS@osa.state.mn.us

Reminder: Report Change of Officers

When the person filling the role of a Clerk or Treasurer for local government changes, the local government is responsible for contacting the OSA to update this information as soon as possible. Reminder notices or other important information may not reach the correct individuals if the change is not reported.

Remember to Back Up Your Data!

The OSA has been able to help CTAS users recover data when they have made a backup copy of their CTAS information. Backup copies can be saved to a CD, flash drive or other external storage device.

Backups should be created using the backup process in the CTAS program. We recommend backing up all of your data as frequently as possible, at least once a week. In addition to backing up the information in the CTAS program, you should back up related files created by other programs such as word processing and spreadsheet programs.

Contact us at Your Convenience

A number of CTAS users conduct town or city business in the evening or on weekends when the CTAS Helpline is not available. By using the CTAS e-mail, CTAS@osa.state.mn.us, a response to your question will generally be sent to you the next business day.

Also, the CTAS page on the OSA website has information that is accessible 24/7 that may help answer your questions. To view the page, please go to:

www.auditor.state.mn.us/default.aspx?page=ctas.