



# OFFICE OF THE STATE AUDITOR

## *E-Update*

*The official online news  
publication of the Office  
of the State Auditor*

**State Auditor  
Rebecca Otto**

**March 7, 2008**

1. Pension Update: Certification Deadline and State Aid
  2. TIF Update: March Newsletter
  3. Upcoming Reporting Deadlines
  4. Avoiding Pitfalls: Management Override
- 

### **1. Pension Update**

#### **Certification Deadline and State Aid**

The Office of the State Auditor is pleased to announce that the remaining 41 volunteer fire relief associations met all reporting requirements to be certified as eligible for receipt of their 2007 state aid in the third round of aid disbursements. All of the 700-plus relief associations in Minnesota have now been certified as eligible for their 2007 aid. The third certification deadline for state aid was March 1, with aid payments being disbursed on or about March 15. A listing of the fire state aid amounts is posted on the Office of the State Auditor's website at

[http://www.auditor.state.mn.us/forms/pen/pensionFireAid\\_07.pdf](http://www.auditor.state.mn.us/forms/pen/pensionFireAid_07.pdf).

#### **Pension Training Update**

Over 200 relief association trustees, municipal officials, accountants and investment brokers have already registered to attend one of the Pension Division's 13 free training sessions being held during March and April. The training sessions are filling quickly, so please be sure to register as soon as possible if you would like to attend. If you have questions regarding the training sessions, please contact Rose Hennessy Allen at (651) 296-5985 or [Rose.Hennessy-Allen@state.mn.us](mailto:Rose.Hennessy-Allen@state.mn.us).

---

## **2. TIF Update: March Newsletter**

The March TIF Newsletter is now available on our website at [http://www.auditor.state.mn.us/other/tifDocs/tifNewsletter\\_0803.pdf](http://www.auditor.state.mn.us/other/tifDocs/tifNewsletter_0803.pdf).

The newsletter features answers to frequently asked questions about administrative expenses and includes a helpful table listing administrative expense limits.

---

## **3. Upcoming Reporting Deadlines**

For upcoming reporting deadlines, please remember to check our homepage's "Upcoming Deadlines" section at <http://www.auditor.state.mn.us>.

All reporting deadlines for 2008 can be viewed at the "Calendar and Deadlines" page at <http://www.auditor.state.mn.us/default.aspx?page=calendar>.

---

## **4. Avoiding Pitfalls: Management Override**

Governmental entities may find themselves dominated by someone who can override internal controls. It may be an elected official or a department head. It may be the person with the strong personality, or the one who has "too many important things to do" to comply with internal control procedures. Left unchecked, "management override" can negate the effectiveness of other internal control measures.

One of the best ways to lessen the risk of management override is to create a culture where integrity is held in high esteem and practiced every day. A strong control environment within a public entity sets the tone of the public entity. The message must be clear: internal control policies and procedures apply to everyone. In addition, the message should start at the top -- with the governing body. In a strong control environment, timely and appropriate actions should be taken when problems are discovered, and employees should feel comfortable reporting irregularities without fear of retaliation.

---