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## Annual Reporting Tips

By *Rebecca Otto, State Auditor*

Happy 2018! For this issue I want to share some information to assist your township with successfully submitting your statutorily-required financial reporting form.

### Convenient Reporting Through SAFES

Each year more and more townships access, submit and manage their forms through the State Auditor's Form Entry System (SAFES). The system is a user-friendly online reporting portal that is easily accessed through the Office of the State Auditor (OSA) website. Township officials can download each year's reporting form, fill it out and then submit it, all through SAFES. The system is designed to allow you to be paperless!

If your township is not yet using SAFES and would like to, our staff will be happy to work with you to help you get started. Please contact us by e-mailing [SAFES@osa.state.mn.us](mailto:SAFES@osa.state.mn.us). Please include your name, title, township, township mailing address, and phone number. We will respond promptly.

If you're interested in seeing how SAFES works, a brief introductory video can be found on the OSA website, [www.auditor.state.mn.us](http://www.auditor.state.mn.us). Once there, find the "Forms" menu item, then select "SAFES". You will be brought to the SAFES login page, where you will find a link to the short video. If you do not have high-speed internet, most libraries in Minnesota do and the librarians are happy to help those who request assistance.

### Reporting Using CTAS

If your township uses the Small City and Town Accounting System (CTAS), you can directly submit the 2017 Annual Financial Reporting Form (referred to as the State Auditor Data File) to our office from the program. To submit the State Auditor Data File, you will need to use your SAFES user name and password. In CTAS, find the link to submit your file by going to the Admin section and clicking on the Year-End Processing tab (F5).

Remember, year-end processing should only be completed after the December/January bank reconciliation is completed, all year-end reports have been printed, and the financial records are ready for the Town Board of Audit.

### **Does Your Township Need An Audit?**

Is your township required to be audited or have an Agreed-Upon Procedures engagement? The answers to those questions are determined by a township's size; whether it has a combined clerk/treasurer; and if township revenues exceed an annual threshold:

- If a township has over 2,500 in population (according to the latest census) with revenue over the annual threshold, it must have an annual audit in accordance with generally accepted accounting principles.
- If a township has a combined clerk/treasurer and annual revenue over the threshold, it must have an annual audit performed by the Office of the State Auditor or a public accountant.
- If a township has a combined clerk/treasurer and annual revenue equal to or less than the threshold, it must have an [Agreed-Upon Procedures engagement](#) performed by the Office of the State Auditor or a public accountant once in every five-year period.

The annual thresholds are released in February and published in the State Auditor's E-Update and on the Frequently Asked Questions page of our website, [www.auditor.state.mn.us](http://www.auditor.state.mn.us). If you have any questions, please do not hesitate to contact the staff of our Government Information Division by email at [GID@osa.state.mn.us](mailto:GID@osa.state.mn.us) or call them 651-297-3682. OSA staff members are great and very easy to work with.

### **Reminder**

The 2017 financial information for towns reporting on a cash basis of accounting is due to the OSA by April 2, 2018. The due date for towns reporting on a GAAP basis of accounting is July 2.

I want to thank all of the township officials who complete and submit the Town Financial Reporting Form to our office. If your township hasn't yet submitted your form, we're happy to assist you with any questions at (651) 297-3682. If you call after hours, please leave a message and someone from the OSA will contact you at their earliest opportunity.