



OFFICE OF THE STATE AUDITOR

E-Update

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State Auditor
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1. Avoiding Pitfalls – Release of Not Public Data to the State Auditor

Political subdivisions sometimes ask if they can release to the State Auditor information that is classified as “not public data” under the Minnesota Government Data Practices Act (MGDPA). Minnesota law expressly allows political subdivisions to provide the State Auditor with not public information for an examination, financial audit, compliance audit, or investigation performed by the State Auditor. In addition, local government employees and officials may provide the State Auditor with not public information when evidence of financial fraud or the possible misuse of public funds is discovered, in compliance with the mandatory reporting obligations found in Minn. Stat. § 609.456, subd. 1.

For more information about the classification of State Auditor data, see Minn. Stat. § 6.715, found at http://ros.leg.mn/bin/getpub.php?pubtype=STAT_CHAP_SEC&year=current§ion=6.715.

2. Pension Training Update

Members of the Pension Division will be conducting a training course at the annual Minnesota State Fire Department Association conference in Brainerd. Our session will be from 8:00 to noon on the morning of June 8th. If you didn't have an opportunity to attend one of our training sessions earlier this spring, you are encouraged to register for the MSFDA training class. Our

class is 02 – State Auditor Reports, and will cover topics including bylaws, investments, compliance issues, and reporting forms. For more information about registering you can call 1-877-832-4275 pin #3737 or email fireconventioninfo@ci.brainerd.mn.us. If you will be at the MSFDA conference but are not able to attend our training, please stop by before or after the session to meet members of our Pension team.

3. Statements of Position

Employee Recognition Programs and Events

The Employee Recognition Programs and Events Statement of Position, No. 2007-1006, has been revised to reflect legislation recently signed by the Governor granting specific statutory authority for a wellness and employee recognition program to cities. In addition, the revised Statement also identifies separate specific authority given to school boards to establish and operate an employee recognition program for district employees, including teachers.

The revised Statement of Position is available on our website at http://www.auditor.state.mn.us/other/Statements/employeerecogprogevents_0705_statement.pdf.

Enterprise Fund Accounting

Enterprise Fund Accounting, No. 2007-1018, a new Statement of Position, provides concise information on the accounting standards applicable to enterprise funds. It can be found at http://www.auditor.state.mn.us/other/Statements/enterprisefundaccounting_0705_statement.pdf.

4. FYI – Communications Tax Exemption for Governmental Entities

Many individuals and businesses received a refund on their 2006 tax returns because the Internal Revenue Service refunded the federal excise tax previously collected on long-distance or bundled telephone services. States and their political subdivisions have long been exempt from the 3% telecommunications excise tax. As a result, they were not included in the

tax refund program. However, political subdivisions with **substantial** long distance telephone use may want to check old telephone bills to make sure they were not erroneously charged the communications excise tax.

Information on how to determine if a political subdivision was erroneously charged the excise tax, and how to obtain a refund, is available on our website at

http://www.auditor.state.mn.us/other/educationalmaterials/communications_tax_exemptions.pdf.