



# OFFICE OF THE STATE AUDITOR

## *E-Update*

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State Auditor  
Rebecca Otto

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### **1. Public Records Damaged by Flooding**

The recent flooding in southeastern Minnesota has damaged homes, businesses and government facilities. One important concern for local governments is how to handle damaged local government records.

The Minnesota Historical Society's Outreach Conservator, Bob Herskovitz, is available to advise local governments on how to deal with flood-damaged public records. If they are damp or are only a small quantity of wet records and can be air-dried immediately, do so following the detailed "Emergency Salvage Procedures for Wet Items" available from the Minnesota Historical Society's website:

<http://www.mnhs.org/preserve/conservation/emergency.html>. If the quantity is more than can be dealt with right away, then wrap individual books or batches of files in freezer paper and freeze as soon as possible. This will prevent mold growth and other further damage until decisions can be made about what to do next.

Contact Mr. Herskovitz at (651) 259-3465 or [Bob.Herskovitz@mnhs.org](mailto:Bob.Herskovitz@mnhs.org) if you have specific questions on how to handle damaged government records.

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## **2. Pension Update –Edward Jones Investment Brokers**

It has come to the attention of the Office of the State Auditor that the Edward Jones investment company has made a corporate decision to no longer invest assets for volunteer fire relief associations in Minnesota. There are currently about 90 volunteer fire relief associations in the State that invest with Edward Jones. These relief associations will need to contact their broker with instructions on where to transfer their assets. Each affected relief association should promptly make preparations to hold a meeting of its board to discuss investment options and vote on an intended course of action.

As you weigh your different investment options, one option available to relief associations is investing through the State Board of Investment (SBI)'s Supplemental Fund. If you would like additional information regarding the SBI please view its website at [www.sbi.state.mn.us](http://www.sbi.state.mn.us) or call (651-296-3328).

Finally, when considering investment options, relief associations should be aware that transferring or liquidating assets may result in investment fees. Liquidating mutual funds may result in back end load fees, while purchasing mutual funds may result in up front sales fees. Relief associations should understand how their new advisor or broker is compensated. Ask your advisor or broker to explain their compensation structure and the fees associated with the relief association's investments.

If you have questions or concerns regarding this matter please contact Rose Hennessy Allen at (651) 296-5985 or [Rose.Hennessy-Allen@state.mn.us](mailto:Rose.Hennessy-Allen@state.mn.us). If your relief association transfers assets and uses the services of an investment advisor or broker, please remember to provide your new advisor or broker with a copy of your association's investment policy. The new advisor or broker must also sign the Broker Certification form.

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## **3. Pension Training Opportunities**

The Pension Division conducts free training sessions throughout Minnesota each spring. Topics for upcoming training sessions include a hands-on interactive work session with your individual bylaws, investment policies, measuring investment performance, reporting requirements and reporting forms. If you have topics that you would like considered for our free training sessions, or recommendations for training locations, please contact Gail Richie at (651) 282-6110 or [Gail.Richie@state.mn.us](mailto:Gail.Richie@state.mn.us).

#### **4. Avoiding Pitfalls – Computer Access by Employees**

In many public entities, technology staff is responsible for granting computer access to employees. Technology staff should be notified when an employee ends public employment, so the former employee's access to the entity's computer network is terminated. Similarly, technology staff should be notified when an employee transfers to a position where the need for data is more limited than it was in the former position, so the employee's access to not public information is appropriately restricted. By communicating changes in employee status to technology staff on a timely basis, access to the entity's computer network and applications can be controlled and safeguarded.

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#### **5. Office of the State Auditor at the Minnesota State Fair**

The Office of the State Auditor has an informational booth in the Education Building on Cosgrove Street. Our booth is staffed 9 a.m. to 9 p.m. through Labor Day. Stop on by and try to solve our audit mysteries, or, for our younger visitors, we've got an Office of the State Auditor word search.

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