



OFFICE OF THE STATE AUDITOR

E-Update

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State Auditor
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1. Pension Update – Certification Deadline and State Aid
 2. Revised Statement of Position
 3. County Financial Reporting Form – Helpful Hints
 4. Avoiding Pitfalls – Internal Control: More Than the Annual Audit
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1. Pension Update – Certification Deadline and State Aid

The Office of the State Auditor is pleased to announce that 580 volunteer fire relief associations and other pension plans met all reporting requirements to be certified as eligible for receipt of their state aid in the first round of aid disbursements. The first certification deadline for state aid was September 15, with aid payments being disbursed on or about October 1.

We were recently informed by the Department of Revenue that state fire aid this year decreased by about 13 percent from last year. The decrease is due in part to lesser taxes collected on insurance premiums and in part to prior year adjustments.

For further information on this, you can call the Department of Revenue at 651-556-6096.

A listing of the fire 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.

2. Revised Statement of Position

A revised Statement of Position is now available on our website. In 2007, the Minnesota Legislature authorized cities and some other government entities to use a “best value” procurement process for “construction, building alteration, improvement or repair [and maintenance] contracts.” City

Building and Contract Requirements, No. 2007-1007, has been updated to include the “best value” alternative. It can be found on our website at http://www.auditor.state.mn.us/other/Statements/citybidcontractreq_0703_statement.pdf .

3. County Financial Reporting Form – Helpful Hints

For those who have been completing the County Financial Reporting Form, here are some helpful hints:

1. Enter only the December 31 liability for the Compensated Absences and Other Post-employment Benefits.
 2. After completing the form, upload the form on the Office of the State Auditor’s website. The directions for uploading the form are on the Helpful Hints sheet of the spreadsheet.
 3. Do not delete sheets from the form. The whole form (Excel file) needs to be uploaded. If sheets have been removed, it will not upload.
 4. To upload properly, the name of the county must be selected on the Revenues sheet.
 5. If you have any problems or concerns while completing the online form, please contact David Kazeck by e-mail at Dave.Kazeck@state.mn.us.
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4. Avoiding Pitfalls – Internal Control: More Than the Annual Audit

To lessen the risk of fraud, public entities need more than an annual audit. They need to design and implement internal controls to prevent and detect fraud. Every public employee plays a role in the internal control process. Discussions about internal controls should take place at all levels to emphasize the importance the public entity places on fraud prevention, and to help employees understand their role in the process.

For more information about internal controls, see our Statement of Position 2007-1010 found at http://www.osa.state.mn.us/other/Statements/importanceic_0703_statement.pdf .