



OFFICE OF THE STATE AUDITOR

E-Update

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State Auditor
Rebecca Otto

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1. New: Office of the State Auditor Website

The Office of the State Auditor this week unveiled its new website, www.auditor.state.mn.us. The main goals of this new and improved website are to be user-friendly for all audiences, to allow visitors to be just two clicks away from the information they are seeking, and to be secure.

Please visit the new site at your earliest convenience.

Feel free to e-mail any feedback to Communications Director Jeff Falk at jeff.falk@state.mn.us.

2. Reminder: Office of the State Auditor Seminar on Jan. 31

The deadline for registering for the Office of the State Auditor Seminar, “Internal Controls, Accounting, Auditing, and Legal Compliance,” to be held on January 31st, is Thursday, January 24th. The Ramada Mall of America has extended its deadline to register for a hotel room at a special conference rate of \$86.37 (includes taxes) to Thursday, Jan. 24.

For complete details, please see the conference information and registration form on our website, on the front page under “Training Opportunities,” at <http://www.auditor.state.mn.us/default.aspx?page=audittrainingseminar>

Also, please note the change in the scheduled presenter for the session on internal controls, from Glen Helms to Michael Morgan.

3. Reminder: Best Practices Review Survey

The Best Practices Review Survey on “Reducing Energy Costs in Local Government” was sent to local governments via email and mail this week. Email with a link was sent through the online survey tool, SurveyMonkey, to local governments whose email addresses the Office currently has on file. All others will get a letter and a paper copy of the survey in the mail.

The survey needs to be completed by February 15th, 2008.

If your local government did not receive the survey, please contact Julie Wroblewski at 651-297-3681 or email her at Julie.Wroblewski@state.mn.us.

4. Pension Update: 2006 Large Public Pension Plan Investment Report

The Office of the State Auditor released a report this week on the investment performance of Minnesota’s large public pension plans for calendar year 2006. The report contains in-depth analysis of rate of return, asset allocation and benchmark comparison information. The report also provides information and graphic representation of funding ratios, unfunded liabilities, net assets and administrative expenses.

The six individual large public pension plans included in the report are the Bloomington Fire Department Relief Association, the Duluth Teachers’ Retirement Fund Association, the Minneapolis Employees Retirement Fund (MERF), the Minneapolis Firefighters’ Relief Association, the Minneapolis Police Relief Association, and the St. Paul Teachers’ Retirement Fund Association.

The report can be viewed at or downloaded from the Office of the State Auditor’s website at www.auditor.state.mn.us. If you have questions, or would like to request a paper copy of the report, please contact Pension

Director Rose Hennessy Allen at (651) 296-5985 or Rose.Hennessy-Allen@state.mn.us.

5. TIF Update: March 1st Deadline for TIF Authorities to Update 2007 TIF Reporting Information

The TIF Division is finalizing the pre-populated data for the 2007 TIF Reports. Please let us know of any corrections or changes that need to be made in the locked and pre-populated data portions of the Report(s).

All dates on page 1 of the Report are pre-populated and locked, as is the information on page 3, the District Report Operating Statement, Column A – Original TIF Plan Budget, and Column B – Cumulative Modified TIF Plan Budget. Check these locked and pre-populated portions of your Report to determine whether changes need to be made.

Pre-populated and locked portions of the Reports can only be changed by our office. Providing this information to our office at your earliest convenience will save you time in filling out your Report(s).

Please send this information to our office no later than **March 1, 2008**. The corrections can be sent by one of the following options:

Mail: 525 Park Street, Ste. 500, St. Paul, MN 55103

Email: Marsha.Pattison@state.mn.us

Fax: (651) 297-3689 (attention: Marsha Pattison)

If you have any questions, please contact our office at (651) 296-4716.

6. New: Revised Statement of Position

Statement of Position #2007-1016, Education Foundations, has been revised to update the internet links cited and to make minor corrections in the text.

The Statement is posted on our website at

http://www.auditor.state.mn.us/other/statements/educationfoundations_0703_statement.pdf.

7. Avoiding Pitfalls: Cash Register Theft Schemes – Voids and Returns

For entities using cash registers, voids and returns can be used to cover up cash register theft schemes. To reduce the risk of becoming a target of such a scheme, remember to segregate duties: the person ringing up the sale should not be able to approve voids or returns.

One very simple control is the use of void and return forms at each register. The forms would identify the amount of the void or return, the employee working the cash register, and the customer involved in any return. The forms would require a manager's approval of the void or return. If the manager is the person initiating the void or handling the return, a second person's approval would be required. Once the void or return is approved, the form would be placed in the cash register drawer and maintained with the cash register tapes. Some cash register systems can be programmed to require a manager's key or code for the approval of a void or return. Whatever type of cash register system is used, implement procedures to detect and deter cash register theft schemes using voids and returns.
