



## OFFICE OF THE STATE AUDITOR

*E-Update*

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**State Auditor  
Rebecca Otto**

- 1. New Report: Best Practices Review to be Released**
  - 2. Released: 2008 City Summary Budget Report**
  - 3. Pension Update: Reporting Reminder**
  - 4. GID Update: Reporting Deadline for Cities and Towns**
  - 5. Avoiding Pitfalls: Fraud Prevention – The Perception of Detection**
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### **1. New Report: Best Practices Review to be Released**

The Best Practices Review on Reducing Energy Costs in Local Government will be released by the end of next week.

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### **2. Released: 2008 City Summary Budget Report**

The 2008 City Summary Budget Report has been released. The report presents 2007 (revised) and 2008 budget data for Minnesota cities. The complete report can be found on the Office of the State Auditor's website at: <http://www.auditor.state.mn.us/default.aspx?page=20080624.004>

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### **3. Pension Update: Reporting Reminder**

The 2007 reporting year forms are due by June 30, 2008, for volunteer fire relief associations with assets or liabilities of at least \$200,000. Copies of the online Excel forms are available in the Pension Forms section of the

Office of the State Auditor's website at:

<http://www.auditor.state.mn.us/default.aspx?page=20070105.001>.

If you have questions regarding your reporting requirements or need to obtain your username and password for accessing the online forms, please contact Gail Richie with the Pension Division at (651) 282-6110 or [Gail.Richie@state.mn.us](mailto:Gail.Richie@state.mn.us).

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#### **4. GID Update: Reporting Deadline for Cities and Towns**

To receive their July Local Government Aid payment, cities reporting on a cash basis must submit both the reporting form and the financial statements to the Office of the State Auditor by noon on **Monday, June 30**. The deadline for reporting forms and financial statements for those cities and towns that report on a GAAP basis is also **Monday, June 30**.

##### **Cities Reporting on a Cash Basis**

The required form can be found on the home page of the State Auditor website at: [www.auditor.state.mn.us](http://www.auditor.state.mn.us), under Forms. In the column under Forms, find: State Auditor Form Entry System (SAFES). Click on this link and then enter your username and password to access the spreadsheet. The spreadsheet is a Microsoft Excel spreadsheet. You will need to have Microsoft Excel installed on your computer to use the spreadsheet.

A copy of the financial statements must also be submitted. The financial statements can be mailed or submitted electronically using the Adobe Acrobat format. For cities that are audited on a cash or regulatory basis, the audit firm must prepare a copy of the audit in the Adobe Acrobat format.

When emailing the financial statements, the body of the email should contain the name of the person sending the report, their title, and the name of the city. In addition, the subject line of the email should contain the name of the city. The financial statements should be emailed to [cashcity@auditor.state.mn.us](mailto:cashcity@auditor.state.mn.us).

## **Cities Reporting on a GAAP Basis**

The required form can be found on the home page of the State Auditor website at: [www.auditor.state.mn.us](http://www.auditor.state.mn.us), under Forms. In the column under Forms, find: State Auditor Form Entry System (SAFES). Click on this link and then enter your username and password to access the spreadsheet. The spreadsheet is a Microsoft Excel spreadsheet. You will need to have Microsoft Excel installed on your computer to use the spreadsheet.

A copy of the audited financial statements must also be submitted electronically using the Adobe Acrobat Format (PDF). Email the audited financial statements to [gaapcity@auditor.state.mn.us](mailto:gaapcity@auditor.state.mn.us). When filing the audit report, include the name of your city on the subject line of the email. The body of the email should contain the name of the person sending the reports, their title, and the name of the city.

## **Towns Reporting on a GAAP Basis**

The required form can be found on the home page of the State Auditor website at: [www.auditor.state.mn.us](http://www.auditor.state.mn.us), under Forms. In the column under Forms, find: State Auditor Form Entry System (SAFES). Click on this link and then enter your username and password to access the spreadsheet. The spreadsheet is a Microsoft Excel spreadsheet. You will need to have Microsoft Excel installed on your computer to use the spreadsheet.

A copy of the audited financial statements must also be submitted electronically using the Adobe Acrobat Format (PDF). Email the audited financial statements to [gaaptown@auditor.state.mn.us](mailto:gaaptown@auditor.state.mn.us). When filing the audit report, include the name of your town on the subject line of the email. The body of the email should contain the name of the person sending the reports, their title, and the name of the town.

If you have any questions about how to complete the reporting process, please contact Dave Kazeck at (651) 297-3682 or [dave.kazeck@state.mn.us](mailto:dave.kazeck@state.mn.us).

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## **5. Avoiding Pitfalls: Fraud Prevention – The Perception of Detection**

Preventing fraud is generally less costly than trying to recover losses resulting from internal thefts. An inexpensive, yet effective, fraud prevention measure is to increase the perception of detection. For example, internal controls are most effective at preventing fraud if they are known by those who may be tempted to steal from the public entity. This means letting all employees know that the public entity is taking steps to detect fraud.