



State Auditor  
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## OFFICE OF THE STATE AUDITOR

# *E-Update*

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August 6, 2010

1. Meeting: Collaborative Governance Council
  2. Pension: Schedule Form Revisions
  3. Avoiding Pitfalls: Schools - Cash Receipts
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### **1. Meeting: Collaborative Governance Council**

The next meeting of the Collaborative Governance Council will be held on Thursday, August 12 at 1:00 p.m. in the Association of Minnesota Counties building, 125 Charles Ave., St Paul. Council meetings are open to the public. For more information on the Council, and to access meeting materials, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20100702.000>.

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### **2. Pension: Schedule Form Revisions**

The Office of the State Auditor has received questions from volunteer fire relief associations regarding the 2010 Schedule Form that was just recently completed and certified to the municipality. Specifically, relief association trustees have asked if revisions can be made to the Form later this year, to take into consideration investment gains or other revenue increases since August 1, when the form was certified.

The Schedule Form is required to be completed during July and be certified to the municipality or independent nonprofit firefighting corporation by August 1. After it has been certified, the form should not be revised to update revenue or expenditure amounts that deviated from the projected amounts. Any deviations between forecasted and actual revenues and expenditures will be reflected on the 2011 Schedule Form that is completed next year.

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### **3. Avoiding Pitfalls: Schools - Cash Receipts**

Another school year will soon begin, and it's a good time for schools to review some basic internal control procedures for payments received from students, parents, and members of the community. Here are some basics worth following:

- Provide a sequentially pre-numbered receipt to the person turning in the payment. If a teacher/coach collects the payments, the teacher/coach should use a pre-numbered receipt book. At a minimum, the teacher/coach should maintain a list of the individual payments received, including whether the payments were cash or checks (and the check number). The teacher/coach should be provided with a receipt when the funds are turned into the main office for deposit.
- Indicate on the receipts whether the payment was in the form of cash or check (and indicate the check number).
- Use pre-numbered tickets for events and document the starting and ending numbers of the tickets sold at the event. Have someone other than the ticket seller reconcile the number of tickets sold to the money collected.
- Segregate duties so the person preparing the deposit slip is not the person collecting the money. Have someone other than the person preparing the deposit slip verify that the description of the deposit on the supporting receipts agrees with the funds actually being deposited (e.g., cash vs. check amounts on the receipts match the deposit; the receipted checks are the checks actually being deposited).

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