



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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March 18, 2011

1. Deadline: City & Special District Financial Reporting Forms
2. Released: New and Revised Statements of Position
3. Released: Collaborative Governance Council Legislative Report
4. Reminder: Required Broker Certification Form
5. Avoiding Pitfalls: Pre-numbered Receipts for Payments Received

1. Deadline: City & Special District Financial Reporting Forms

City Financial Reporting Form

Thursday, March 31st is the deadline for cities using the cash basis of accounting to submit their financial reporting forms and audited or unaudited financial statements. The Financial Reporting Form can be found at:

<https://www.auditor.state.mn.us/safes/>.

Special District Financial Reporting Form

Special District Financial Reporting Forms and financial statements are due March 31st for districts whose fiscal year ended September 30, 2010. The Financial Reporting Form can be found at:

<https://www.auditor.state.mn.us/safes/>.

2. Released: New and Revised Statements of Position

Jobs Stimulus Program – TIF

The new Statement of Position entitled Jobs Stimulus Program – TIF has been released. The Statement discusses the Jobs Stimulus Program that allows development authorities to

temporarily use available and uncommitted tax increment to stimulate economic development by providing assistance to private development. The full Statement can be viewed at:

http://www.auditor.state.mn.us/other/Statements/tifJobsStimulusProgram_1103_statement.pdf.

Pooling Restrictions and the Five-Year Rule

The Statement of Position on Pooling Restrictions and the Five-Year Rule has been revised to explain that, temporarily, the Jobs Stimulus Program trumps the requirements of the Five-Year Rule. To view the complete Statement, go to:

http://www.auditor.state.mn.us/other/Statements/poolingrestrictionsand5yearrule_1004_statement.pdf.

3. Released: Collaborative Governance Council Legislative Report

The Collaborative Governance Council has released its legislative report. The Council brought together key representatives from local governments with other stakeholders to develop recommendations to the Governor and Legislature for increasing government collaboration. To see the Report, go to:

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

4. Reminder: Required Broker Certification Form

Volunteer fire relief associations and other local public pension plans using the services of a broker must complete a uniform Broker Certification Form. For purposes of this reporting requirement, a “broker” means a broker, broker-dealer, investment advisor, investment manager, or third-party agent who transfers, purchases, sells, or obtains investment securities for, or on behalf of, a covered pension plan. The Certification Form must be completed before a public pension plan (including relief associations) may enter into a business arrangement with a broker, and must be completed annually thereafter. A copy of each completed form should be submitted to the Office of the State Auditor with the pension plan’s annual reporting forms.

The Broker Certification Form for volunteer fire relief associations is available at:

http://www.auditor.state.mn.us/forms/pen/ReportingForms/pensionrf_brokercert_volunteer.pdf.

Broker Certification Forms for other types of local public pension plans are available at:

<http://www.auditor.state.mn.us/default.aspx?page=20030101.031>.

5. Avoiding Pitfalls: Pre-numbered Receipts for Payments Received

From time to time, some local governments receive payments from the public for items such as building or park rentals, swimming lessons, building permits, or animal licenses. Some entities only issue receipts for these payments if the customer requests a receipt. Some entities do not use pre-numbered receipts.

We recommend that public entities issue pre-numbered receipts for all such payments. Otherwise, it is much harder to determine whether all funds collected were turned in for deposit. Receipts should include the following information:

- Date of the transaction;
- The amount received;
- From whom payment was received;
- The method of payment (cash, check or credit card);
- The reason for payment; and
- The signature or initials of the person preparing the receipt.

The receipts can be hand-written or generated by a computer or cash register. When proper receipts are given for all payments, the daily reconciliation between the number of items sold (permits issued, rentals made, etc.) and the money collected is much easier to perform.

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