



State Auditor  
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## OFFICE OF THE STATE AUDITOR

# *E-Update*

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publication of the Office  
of the State Auditor*

August 5, 2011

1. Pension: Schedule Form Revisions
2. Website: Fully Operational
3. Avoiding Pitfalls: Ticket Sales

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

Lump-sum relief associations were required to complete the 2011 Schedule Form during July and to certify the Form to the affiliated municipality or independent nonprofit firefighting corporation by August 1, 2011. Relief association trustees have inquired whether revisions can be made to the Form later this year to take into consideration investment gains or other revenue increases that occur after August 1.

Projected amounts on the Form are frozen as of the date of certification. After certification, the Form cannot be revised to update revenue or expenditure amounts that deviated from the originally-certified projections. Minnesota law does not authorize any process by which a relief association may modify its Schedule Form to change projected amounts once the actual year-end amounts are known. Any deviations between forecast and actual revenues and expenditures can be reflected on the 2012 Schedule Form, which is to be completed during the next calendar year.

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### **2. Website: Fully Operational**

The Office of the State Auditor website was temporarily out of service earlier this week due to a storm-related power outage in St. Paul. All functions of the website are once again operational. If you have any questions about your entity's form status, please contact the appropriate Division of our office directly.

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### **3. Avoiding Pitfalls: Ticket Sales**

When cash is involved, public entities need to take extra precautions to prevent fraud. One situation where cash is prevalent is when tickets are sold, for example, at a school event or for a public swimming pool. Ticket sales present an opportunity for “skimming,” the taking of cash before it is recorded on the entity’s books.

Using pre-numbered tickets is one method to guard against skimming. When the sale of tickets is reported, the person responsible for the ticket sales should turn in the corresponding amount of cash and the correct number of unsold tickets, and obtain a receipt for what they've turned in.

To properly document ticket sales, entities should develop a form that records the starting and ending numbers on the tickets sold at an event and the total amount of money collected. The number of tickets sold multiplied by the ticket price should equal the amount of money collected. The form that records this information should be signed by the ticket seller(s) and maintained by the entity as supporting documentation. Someone other than the ticket seller(s) should confirm that the number on the first ticket used for the next event begins where the numbers on the tickets for the prior event ended. Following these precautions can reduce an entity's risk of an employee skimming from ticket sales.

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