



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Released: 2011 Statewide Single Audit
2. Revised: Statements of Position on TIF & Volunteer Fire Reliefs
3. Website: Update to Pension Forms and Documents Webpages
4. Invitation: Meet Your Pension Analyst
5. Avoiding Pitfalls: Small Entities - Review of Checks

1. Released: 2011 Statewide Single Audit

The Office of the State Auditor has released the report on Federally Assisted Programs of Subrecipients of the State of Minnesota, also known as the Statewide Single Audit, for the year ended June 30, 2011. The report contains information on agencies that received federal funds from the State of Minnesota and provides information about subrecipients' compliance with federal award programs. The report can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20120215.000>.

2. Revised: Statements of Position on TIF & Volunteer Fire Reliefs

TIF Administrative Expenses

The Statement of Position entitled TIF Administrative Expenses has been revised. The revised Statement clarifies an important definition in the TIF Act. The Statement can be viewed at:

<http://www.auditor.state.mn.us/default.aspx?page=20110518.001>.

Interest Earnings for Deferred Members of Fire Relief Associations

The Statement of Position entitled Interest Earnings for Deferred Members of Volunteer Fire Relief Associations has been revised. The revised statement identifies choices related to

payment of interest earnings to deferred members, including how to count the period over which interest is earned. The revised Statement can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20110527.005>.

3. Website: Update to Pension Forms and Documents Webpages

Updates have been made to the OSA website (www.auditor.state.mn.us) so that forms and documents for volunteer fire relief associations are easier to locate. Now, under the “Forms” menu option, you can select “Pension Forms” to view current relief association reporting forms and helpful resources for completing the forms.

Under the “For Local Officials” menu option, choose “Pension Documents” to access relief association bylaw guides, the selected relevant statutes booklet and summary, and fire and police state aid amounts.

Both web pages also contain links to other resources available on the OSA website, such as Pension Newsletters, Working Group information, and answers to Frequently Asked Questions.

4. Invitation: Meet Your Pension Analyst

Several fire service organizations have organized Fire Service Day at the State Capitol, which will be held on Tuesday, February 21. Volunteer firefighters who are attending the conference and visiting the State Capitol are encouraged to stop by our office to meet their pension analyst and the Pension Division team.

Our office is located one block north of the capitol at 525 Park Street, on the fifth floor. For directions, see <http://www.osa.state.mn.us/default.aspx?page=directions>. Information regarding Fire Service Day can be found on the Minnesota State Fire Chiefs Association website at http://www.msfc.org/day_at_capitol/day_at_capitol.html.

5. Avoiding Pitfalls: Small Entities - Review of Checks

The Office of the State Auditor sometimes discovers evidence of theft that occurred because no oversight procedures were developed to counteract the lack of segregation of duties in small entities with a limited number of office personnel.

A timely review of bank statements and check images (or original checks, if returned by the bank) needs to be performed to detect problem checks. Specifically, the bank statements and check images should be compared to the claims list approved for payment at the prior board/council meeting(s). This brief review should be performed on a monthly basis by someone who is not involved in the writing of checks. For example, in small entities, it could be performed by a town supervisor or city council member.

The review could disclose bank encoding errors, but it could also detect the theft of public funds, such as the issuance of unauthorized checks or the alteration of the payee and/or amount of the check.

If an entity's financial institution charges high fees to provide optical images of checks with each month's bank statement, the public entity should try to negotiate lower fees or consider a bank or credit union that charges lower fees.

If you are interested in signing up to receive an e-mail version of the E-Update regularly, [click here](#).

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