



State Auditor  
Rebecca Otto

## OFFICE OF THE STATE AUDITOR

# *E-Update*

*The official online news  
publication of the Office  
of the State Auditor*

May 4, 2012

1. Training: Small City & Town Accounting System (CTAS)
2. Reminder: Special District Reporting, Audit, and Filing Requirements
3. Released: City Summary Budget Report
4. Released: Pension Division Newsletter
5. Avoiding Pitfalls: Petty Cash (Imprest) Funds - Part I

---

### **1. Training: Small City & Town Accounting System (CTAS)**

The Office of the State Auditor is offering training on the CTAS system Thursday, May 10. The training session will be held at the Office of the State Auditor's St. Paul Office from 9:00 a.m. until approximately 1:00 p.m.

This is a basic beginners' course designed for those users who have limited or no experience using CTAS. A training workbook will be provided.

To register for the training session, please contact Mr. Mark Albarado at (651) 282-6114 or at [Mark.Albarado@osa.state.mn.us](mailto:Mark.Albarado@osa.state.mn.us). Resources available for training limit the session to a maximum of eight people, and only a few spots remain for this session.

---

### **2. Reminder: Special District Reporting, Audit, and Filing Requirements**

Special districts are required to file governing documents, including articles of incorporation, bylaws, or agreements, and any amendment to these documents within 60 days of their adoption with the Office of the State Auditor.

For more information on special districts, including a definition of special districts and audit and reporting requirements, please view the OSA FAQ page under the Audit section and the GID section at: <http://www.osa.state.mn.us/default.aspx?page=faq#AuditFAQs>.

### **3. Released: City Summary Budget Report**

The Office of the State Auditor has released the Minnesota City Summary Budget Report, which includes 2012 city budget data together with 2011 revised city budget data. The *2011 budgets* are the budgets adopted by city councils in November and December of 2010. The *2012 budgets* are the budgets adopted by city councils in November and December of 2011.

To view the complete Report, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20120430.000>.

---

### **4. Released: Pension Division Newsletter**

The April **Pension Newsletter** is now available. It contains information on treasurer bonds, survivor benefits and beneficiaries, and submitting relief association audit reports through the SAFES system. The Newsletter also provides a reminder about corporate registration requirements.

The complete Newsletter can be viewed at:

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

---

### **5. Avoiding Pitfalls: Petty Cash (Imprest) Funds - Part I**

Petty cash funds, referred to as “imprest funds” in Minnesota’s statutes, are authorized for school districts, towns, counties, and cities. Due to the fact that these are cash funds (currency in the form of coins and bills), extra security precautions should be taken to safeguard these funds.

Each petty cash fund must be established by an entity's governing body, and a “custodian” of the fund must be appointed. Meeting minutes should document the creation, custodian, and amount of any petty cash fund. The governing body should periodically review these funds to determine whether they are still necessary.

Petty cash funds are not separate checking accounts. Rather, by law, these funds are cash (currency). They are allowed for the payment of any proper claim if “it is impractical” to pay the claim in any other manner. The statutes prohibit the funds' use for salaries or personal expenses of an officer or employee. Counties and school districts have additional statutory authority to use a petty cash fund for certain travel advances.

A claim itemizing all disbursements from a petty cash fund must be presented to the governing body at its next meeting. If the governing body approves the claim, the fund’s custodian should be given payment to replenish the fund. If the governing body fails to approve the claim in full, the fund’s custodian is personally responsible for the difference.

The laws governing petty cash (imprest) funds are [Minn. Stat. §§ 123B.11](#) (school districts), [366.01, subd. 12](#) (towns), [375.162](#) (counties), and [412.271, subd. 5](#) (cities).

---

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

The Office of the State Auditor is located at 525 Park Street, Suite 500, St. Paul, MN 55103.  
Phone: (651) 296-2551 or (800) 627-3529 (TTY) Fax: (651) 296-4755.  
Web: [www.auditor.state.mn.us](http://www.auditor.state.mn.us).