



State Auditor
Rebecca Otto

OFFICE OF THE STATE AUDITOR

E-Update

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

1. Released: Pension Newsletter & TIF Newsletter
 2. Updated: Pension Online Training
 3. Avoiding Pitfalls: Contracting Procedures
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1. Released: Pension Newsletter & TIF Newsletter

Pension Newsletter

The August **Pension Newsletter** has been released. It provides information on reporting deadlines, an IRS issue, the Volunteer Relief Association Working Group, the new sample bylaw guides and the legislative update. To view the complete Newsletter, please go to:

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

TIF Newsletter

The August **TIF Newsletter** has been released. The newsletter provides an update on 2011 Annual TIF Reporting Forms and information on a new TIF Statement of Position. The Newsletter can be viewed at:

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

2. Updated: Pension Online Training

An updated version of the online training for fire relief associations on how to use the State Auditor's Form Entry System (SAFES) is now available for viewing. The recorded session demonstrates how to sign relief association reporting forms electronically using SAFES. It is 11 minutes in length. The training can be accessed at any time by going to:

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

3. Avoiding Pitfalls: Contracting Procedures

Under the Uniform Municipal Contracting Law, the contracting procedures a local government must follow depend on the estimated amount of the contract.

Specifically, if the amount of a contract is estimated to exceed \$25,000, but not to exceed \$100,000, the contract may be made either upon sealed bids or by direct negotiation. If direct negotiations are used, then two or more quotes for the purchase or sale must be obtained when possible. The quotations must be kept on file for a period of at least one year.

If the amount of the contract is estimated to be \$25,000 or less, the governing body can then decide to use quotations or the open market. If the contract is made upon quotations, it must then be based, so far as practicable, on at least two quotations that must be kept on file for at least one year.

The Office of the State Auditor has published two Statements of Position on the topic. The Statement on City Bidding and Contract Requirements can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20110531.005>.

The Statement on County Bidding and Contract Requirements can be accessed at:

<http://www.auditor.state.mn.us/default.aspx?page=20110531.006>.

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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.