



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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February 1, 2013

1. Released: 2012 Revenue Thresholds for Audit Requirements
2. Revised: Statement of Position
3. Released: Pension Newsletter
4. Invitation: Meet Your Pension Analyst
5. Avoiding Pitfalls: Update Bank Signature Cards

1. Released: 2012 Revenue Thresholds for Audit Requirements

Cities - A city with a population over 2,500 must have an annual audit performed.

Cities with Combined Clerk/Treasurers - A city with a population of 2,500 or less and a combined clerk/treasurer must have an annual audit for 2012 if its annual revenue is greater than \$202,000. A city with a combined clerk/treasurer and annual revenue of \$202,000 or less must have an Agreed-Up Upon Procedures engagement once every five years.

Towns - A town with a population over 2,500 and 2012 annual revenue greater than \$902,000 must have an annual audit.

Towns with Combined Clerk/Treasurers - A town with a combined clerk/treasurer must have an annual audit for 2012 if its annual revenue was greater than \$202,000. A town with a combined clerk/treasurer and annual revenue of \$202,000 or less must have an Agreed-Up Upon Procedures engagement once every five years.

Special Districts - A special district must have an annual audit for 2012 if its annual revenue was greater than \$202,000. A special district with annual revenue of \$202,000 or less must have an Agreed-Up Upon Procedures engagement once every five years.

The Office of the State Auditor has developed minimum procedures and a reporting format for Agreed-Up Upon Procedures engagements of cities and towns that have combined the offices of clerk and treasurer, and special districts, with annual revenues less than the audit threshold. The minimum procedures and reporting format for Agreed-Up Upon Procedures engagements can be found on the OSA website at:

<http://www.auditor.state.mn.us/default.aspx?page=20111222.001>.

2. Revised: Statement of Position

The Statement of Position entitled TIF Interfund Loans has been revised. The Statement now provides more detail on interfund loan requirements and clarifies the distinction between interfund loans made before and after August 1, 2001. To view the complete Statement, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20110519.000>.

3. Released: Pension Newsletter

The January **Pension Newsletter** has been released. The Newsletter contains an update on the Volunteer Fire Relief Association Working Group's legislative proposals. The Newsletter also contains a reminder about records retention schedules and SAFES User Authorization Forms. The complete Newsletter can be viewed at:

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

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 5. 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: Update Bank Signature Cards

When an employee of a local government entity or public official with check-signing authority no longer has that authority, that person's name should be removed immediately from the entity's bank signature card(s). This is a key internal control designed to manage and reduce the risk of a theft of public funds.

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

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