



State Auditor
Rebecca Otto

OFFICE OF THE STATE AUDITOR

E-Update

July 5, 2013

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

1. New: Statement of Position on TIF
 2. Pension: Maximum Benefit Calculations
 3. Released: TIF Newsletter
 4. Avoiding Pitfalls: Mandatory Vacations
-

1. New: Statement of Position on TIF

A new Statement of Position entitled TIF Plan Requirements provides a comprehensive list and description of the items that must be included in a TIF plan. To view the complete Statement, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20130628.000>.

2. Pension: Maximum Benefit Calculations

Volunteer fire relief associations that offer or pay lump sum, monthly, or monthly/lump sum combination service pensions must annually calculate the average amount of available financing per active covered firefighter.

The Office of the State Auditor provides the Maximum Benefit Worksheet for performing this calculation. The calculation determines the maximum lump sum and monthly benefit levels that the relief association is authorized under State law to establish for the year. Relief associations are to perform the maximum benefit calculation on or before August 1 as part of the association's annual certification of the financial requirements and minimum municipal obligation.

Maximum Benefit Worksheet forms are available in the State Auditor's Form Entry System (SAFES) at:

<https://www.auditor.state.mn.us/safes/>.

To see a Statement of Position that provides additional information about maximum benefit levels, please go to:

<http://www.auditor.state.mn.us/default.aspx?page=20110531.003>.

A recorded online training on completing the form can be accessed under the “Pension Division” heading at:

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

3. Released: TIF Newsletter

The July **TIF Newsletter** has been released. The Newsletter includes information on the 2012 TIF Annual Reporting Forms and on the TIF Plan certification request date as well as additional notes on 2013 TIF legislation. To view the Newsletter, go to:

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

4. Avoiding Pitfalls: Mandatory Vacations

Public entities should consider a mandatory vacation policy for employees – especially those with financial responsibilities. When an employee never takes a day off from work, it may be a red flag for fraud. Employees who engage in fraud may resist taking a vacation, fearing that someone else doing their job in their absence may discover the irregularities.

For a mandatory vacation to be effective as a fraud deterrent and detection tool, someone else must be cross-trained in the bookkeeping and cash functions and must perform the work during the mandated vacation.

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.