



State Auditor  
Rebecca Otto

## OFFICE OF THE STATE AUDITOR

# *E-Update*

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

September 26, 2014

1. Released: 2014 Fire and Police State Aid Amounts
2. Revised: Statement of Position on TIF
3. Avoiding Pitfalls: Contract Quotations

---

### **1. Released: 2014 Fire and Police State Aid Amounts**

The 2014 fire and police state aid amounts have been released by the Minnesota Department of Revenue and posted to the OSA website at:

<http://www.auditor.state.mn.us/default.aspx?page=20120214.000>.

---

### **2. Revised: Statement of Position on TIF**

The Statement of Position entitled "TIF Five-Year Rule and Six-Year Rule" has been revised to include changes enacted by the 2014 Legislature. The Statement can be viewed at:

<http://www.auditor.state.mn.us/default.aspx?page=20130503.000>.

---

### **3. Avoiding Pitfalls: Contract Quotations**

Minnesota's Uniform Municipal Contracting Law uses dollar-amount thresholds to determine whether local government contracts may be entered into on the basis of competitive bids, quotations, or purchase or sale in the open market. Contracts estimated to exceed \$100,000 must generally be made using sealed bids, solicited by public notice. In general, contracts with estimated values of \$100,000 or less can be made based on quotations. Contracts estimated not to exceed \$25,000 may be made on either quotations or on the open market.

A valid quotation must include a price offered by a vendor who can actually sell an item. A vehicle's "bluebook" price alone is not a quotation for purposes of these provisions. If quotations are used, at least two quotations must be obtained, if possible, and all quotations

should be kept on file for at least one year. For recordkeeping purposes, a written quotation from the vendor is recommended.

For contracts for the purchase of supplies, materials or equipment estimated to exceed \$25,000, a municipality must consider the state's Cooperative Purchasing Venture (CPV) before purchasing through another source. More information on the CPV can be found in our Avoiding Pitfall at:

<http://www.auditor.state.mn.us/default.aspx?page=20091113.000>.

---

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).