



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Deadline: Special District Reporting Forms
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1. Deadline: Special District Reporting Forms

Special District Financial Reporting Forms and Financial Statements are due December 31 for districts whose fiscal year ended June 30, 2014. The reporting form can be found at:

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

2. Available: Summary Budget Reporting Forms for Cities and Counties

The Summary Budget Financial Reporting Forms are now available for cities and counties. The forms can be accessed at:

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

The deadline to file the forms is January 31. Instructions for completing the forms can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20111209.001>.

3. Update: Volunteer Fire Relief Association Working Group

The Volunteer Fire Relief Association Working Group met on December 8. The Group continued its discussion on the maximum service pension calculation and reviewed draft

language that would provide the Office of the State Auditor with discretion, if certain conditions are met, to exempt relief associations from the penalty that occurs if a service pension is paid using a benefit level that exceeds the statutory maximum.

The Working Group reviewed draft language that would clarify the legislative intent that a fire department have only one affiliated volunteer fire relief association at one time. The Group also discussed providing the option of expanding membership to volunteer emergency medical personnel and reviewed draft language that would define when membership in a relief association begins.

An additional meeting of the Volunteer Fire Relief Association has been scheduled for Thursday, January 15, at 11:00 a.m. at our 525 Park Street office in Saint Paul. Meetings are open to the public. Working Group meeting materials are available at:

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

4. Avoiding Pitfalls: Segregation of Duties 2

When the segregation of accounting functions is not possible due to the size of an entity, management should constantly be aware of this condition. The concentration of duties and responsibilities in a single individual is not desirable from an accounting point of view. Additional internal control policies and procedures should be used to compensate for the lack of segregated duties.

Additional policies and procedures to consider are:

1. Minutes should include the claim number of bills approved for payment;
2. A formal, numbered receipt book should be used for all receipts;
3. Invoices should be canceled to ensure they are not paid twice;
4. Town supervisors or city council members should determine that reports are submitted promptly, and are in agreement with cash balances and grant expenditures; and
5. The town board or city council should adopt a formal conflicts of interest policy.

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