



State Auditor  
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# OFFICE OF THE STATE AUDITOR

## *E-Update*

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August 7, 2015

1. Released: Draft CTAS Version 8 User Manual
2. Deadline: Forfeiture Reporting
3. Reminder: OPEB Investment Reporting
4. Update: Fire Department Joint Powers Subgroup
5. Avoiding Pitfalls: Monitoring Federal Grant Subrecipients

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### **1. Released: Draft CTAS Version 8 User Manual**

A comprehensive User Manual for the Small City and Town Accounting System (CTAS) Version 8 has been published in draft form. We have made a draft version available to provide detailed information on how to use the program.

The Draft Manual is illustrated with screenshots from the program and contains step-by-step instructions. The Draft Manual can be viewed or downloaded in chapters or as the full version. To view or download the Draft Manual, go to the Office of the State Auditor website:

<http://www.auditor.state.mn.us/default.aspx?page=ctasv8manual>.

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### **2. Deadline: Forfeiture Reporting**

August 20th is the deadline for law enforcement agencies to report final disposition of property seized subject to forfeiture for the month of July. To report final disposition of forfeitures, please go to:

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

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### **3. Reminder: OPEB Investment Reporting**

Other Postemployment Benefits (OPEB) include all benefits, other than pensions, promised to retirees. Minnesota law permits local government entities to create trusts to set aside money to pay future OPEB obligations.

Starting in 2015, administrators of OPEB trusts created by local governments are required to annually report and certify certain investment information to the Office of the State Auditor by October 25. Trust administrators must also certify that the procedures used to compute rates of return are consistent with certain industry standards. The information must be reported based on a fiscal year-end of June 30.

The OPEB reporting form will be available for completion through our State Auditor's Form Entry System (SAFES) next month. If you have questions regarding the new reporting requirements, please contact us at [OPEB@osa.state.mn.us](mailto:OPEB@osa.state.mn.us).

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#### **4. Update: Fire Department Joint Powers Subgroup**

The Fire Department Joint Powers Subgroup held its last regularly-scheduled meeting on Tuesday, August 4. The Subgroup discussed best practice suggestions for when fire departments consolidate. The Subgroup agreed to forward several suggested legislative changes to the Volunteer Fire Relief Association Working Group for possible inclusion in the Working Group bill. A Best Practices Review will be drafted based on the Subgroup's work.

Subgroup meeting materials are available at:

<http://www.auditor.state.mn.us/default.aspx?page=20150612.000>.

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#### **5. Avoiding Pitfalls: Monitoring Federal Grant Subrecipients**

A governmental entity may pass federal grant funds to another entity. The second entity, known as the "subrecipient" of the grant funds, may be another governmental entity or a non-profit organization. In this situation, the original recipient of the funds has a responsibility to monitor the subrecipient to ensure the grant funds are being used for authorized purposes and as required by the grant agreement and applicable regulations.

These monitoring activities should occur throughout the year and may take various forms, such as:

- Reviewing financial and performance reports submitted by the subrecipient;
- Performing site visits; and
- Maintaining regular contact with the subrecipient and inquiring about program activities.

The Office of Management and Budget (OMB) Circular A-133, Compliance Supplement 2015, Part 3, provides detailed information on subrecipient monitoring. OMB Circular A-133 Compliance Supplement 2015 can be found at:

[https://www.whitehouse.gov/omb/circulars/a133\\_compliance\\_supplement\\_2015](https://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2015).

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