



**State Auditor
Rebecca Otto**

OFFICE OF THE STATE AUDITOR

E-Update

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1. Deadline: Forfeiture Reporting

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

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

2. CTAS: Training Session in St. Michael

The OSA will be conducting a CTAS training session at the Minnesota Association of Townships offices in St. Michael on Thursday, February 23rd from 10 am to 2 pm. The session is designed for users who have limited or no experience using CTAS. The session is free, and a training workbook and practice computer will be provided. A box lunch will be available for purchase.

To register for the session, please e-mail us at ctas@osa.state.mn.us. If you have any questions, please call our CTAS helpline at (651) 296-6262.

3. Reminder: Broker Certification Form for Volunteer Fire Relief Associations

Volunteer fire relief associations that use the services of a broker must complete a uniform Broker Certification Form that is provided by the OSA. The Broker Certification Form must be completed before a relief association may enter into a business arrangement with a broker

and must be completed annually thereafter. A copy of each completed form should be submitted to the OSA with the relief association's annual reporting forms.

The State Board of Investment (SBI) is not considered a broker for purposes of this reporting requirement. A relief association that invests with the SBI is therefore not required to have the SBI complete a Broker Certification Form.

If any portion of the relief association's assets are held by a security broker or its agent, the security broker or its agent must acknowledge in writing annually that sufficient insurance has been obtained from the Securities Investor Protection Corporation (SIPC), supplemented by additional insurance, if necessary, to cover the full amount of the relief association's assets held by the security broker or its agent.

The Broker Certification Form for volunteer fire relief associations is available on the Pension Forms page of our website, under "Current Forms." The Pension Forms page can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20070105.001>.

4. Avoiding Pitfalls: General Ledger Journal Entries

A local government employee who makes journal entries on an entity's accounting system is able to change the entity's most basic financial records. To prevent abuse, the number of employees allowed to make journal entries should be limited. Public entities should periodically review who can make journal entries and determine if those employees need access to this function.

Entities should also maintain supporting documentation for each journal entry. The supporting documentation should explain who made the journal entry and why.

Journal entries should be reviewed and approved by someone other than the person making the entries. One way to accomplish this approval process is to provide the reviewer with a report of all journal entries made during the prior week or month. When the reviewer understands the journal entries and their purpose, consulting the supporting documentation where necessary, the reviewer should sign the report to show approval of the entries.

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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.