



**State Auditor  
Rebecca Otto**

## **OFFICE OF THE STATE AUDITOR**

# ***E-Update***

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

**March 31, 2017**

1. Released: Large Public Pension Plan Investment Report
  2. Released: Tax Increment Financing (TIF) Legislative Report
  3. Released: Pension Newsletter
  4. Avoiding Pitfalls: Donations to Non-Profit Entities by Governmental Units
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### **1. Released: Large Public Pension Plan Investment Report**

The State Auditor released the Large Public Pension Plan Investment Report for the year ended December 31, 2015. The report contains in-depth analysis of rate of return, asset allocation, and benchmark comparison information. The report also provides information and graphic representation of funding ratios, unfunded liabilities, net assets, and administrative expenses.

To view the complete report, which includes an Executive Summary, tables, and graphs, go to:

<http://www.osa.state.mn.us/default.aspx?page=20170329.000>.

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### **2. Released: Tax Increment Financing (TIF) Legislative Report**

This week the State Auditor released the Tax Increment Financing Legislative Report. The Report summarizes information reported for 1,719 districts for the calendar year ended December 31, 2015.

To view the complete Report, which includes an Executive Summary, tables, and graphs, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20170327.000>.

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### **3. Released: Pension Newsletter**

The March **Pension Newsletter** has been released. The Newsletter provides important

information about problems that may arise if relief association reporting forms are completed using Excel 2007.

The Newsletter also contains helpful hints for completing the relief association reporting form and a link to the 2017 Investment Performance Information document. The complete Newsletter can be accessed at:

<http://www.osa.state.mn.us/default.aspx?page=pensionDocs>.

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#### **4. Avoiding Pitfalls: Donations to Non-Profit Entities by Governmental Units**

An expenditure of public funds must have both a public purpose and specific statutory or charter authority. Although charities and other non-profit entities may benefit their communities, government entities may not donate to them without specific statutory or charter authority. For example, while the Red Cross works to benefit the public, a local unit of government is not specifically authorized to donate funds to it.

Public entities may contract with a non-profit entity for a particular service that the public entity is authorized to provide. To avoid allegations that an impermissible donation has been made, the public entity should enter into a written agreement with the non-profit entity, documenting what the public entity is receiving in exchange for the payment.

For more information on this topic, see our Statement of Position entitled Public Expenditures: Donations and Dues, at:

<http://www.auditor.state.mn.us/default.aspx?page=20110607.028>.

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