



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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

August 31, 2018

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1. Released: TIF Newsletter

The August **TIF Newsletter** has been released. The Newsletter contains information on TIF Plan filing requirements and details on proper certification of a TIF district. The Newsletter also includes information on two recently-updated TIF Statements of Position.

To view the complete Newsletter, go to:

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

2. Pension: Protecting Private Member Data

Some reporting forms completed by volunteer fire relief associations contain private member information. For example, the annual Schedule Form completed by defined-benefit lump-sum relief associations contains member birth dates, years of service, leaves of absence, and vesting information.

All private data must be protected in accordance with Minnesota's Data Practices Act. A relief association, therefore, should not post a copy of the Schedule Form or other reporting forms containing private member data in the fire hall or other public place without first redacting (removing or covering up) all private data.

The Data Practices Office within the Minnesota Department of Administration provides information about data practices on its website, at: <https://mn.gov/admin/data-practices/>.

3. Avoiding Pitfalls: Documentation of Accounting Policies and Procedures

All local units of government should document their accounting policies and procedures. This documentation is traditionally maintained in a written policy statement or manual which spells out the accounting policies and procedures that make up the entity's internal control system. The detail and complexity of the documentation will depend on the size of the entity.

The documentation should:

- Describe the procedures as they are intended to be performed;
- Indicate which employees are to perform which procedures;
- Explain the design and purpose of control-related procedures to increase employee understanding and support for controls; and
- Be reviewed and updated periodically.

The written accounting policies and procedures will:

- Enhance employees' understanding of their role and function in the internal control system;
- Establish responsibilities;
- Provide guidance for employees;
- Improve efficiency and consistency of transaction processing;
- Improve compliance with established policies;
- Help prevent deterioration of key elements in the entity's internal control system;
- Maintain consistency in procedures from year to year and during employee transitions; and
- Help decrease circumvention of the entity's policies.

The written documentation of accounting policies and procedures should be prepared by appropriate levels of management. It should be approved by the entity's governing body to emphasize its importance and authority.

To be effective, the written documentation should be shared with all employees. Entities may want to ask employees to sign a form acknowledging receipt of the policy or manual and to agree to adhere to the policies contained in the policy or manual.

If you are interested in signing up to receive an e-mail version of the E-Update regularly, send an e-mail with your contact information to Jim.Levi@osa.state.mn.us

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