



State Auditor  
Rebecca Otto

## OFFICE OF THE STATE AUDITOR

# *E-Update*

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June 22, 2018

1. Deadline: Performance Measurement Program Reporting
  2. Pension: Fire Department Grants
  3. Released: TIF Newsletter
  4. Avoiding Pitfalls: Consolidation of Cash Collection Points
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### **1. Deadline: Performance Measurement Program Reporting**

Cities and counties that choose to participate in the Performance Measurement Program must file a report with the Office of the State Auditor (OSA) by July 1. Details on the reporting requirements can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20130214.000>.

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### **2. Pension: Fire Department Grants**

Occasionally, the OSA sees grant revenue deposited into a relief association's general fund. Relief associations that receive grant funds should be sure that the terms of the grant are followed. A grant may require that the funds be given directly to the fire department. If the fire department is a city or town fire department, this means that the funds would need to be given directly to the municipality.

Minnesota law requires city councils and town boards to have full control over their municipality's financial matters. Any money intended for use by a municipal fire department must be controlled by the city council or town board.

In addition, a relief association should not purchase or install fire department equipment without the governing body's approval. The disbursement of city and town funds, including fire department funds, must comply with a process set forth in law.

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### **3. Released: TIF Newsletter**

The June **TIF Newsletter** has been released. The Newsletter contains information on upcoming TIF trainings for development authorities and on timely payment of the TIF enforcement deduction. The Newsletter also includes information on differences between “excess TIF” and tax increment.

To view the complete Newsletter, go to:

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

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### **4. Avoiding Pitfalls: Consolidation of Cash Collection Points**

Public entities should review their policies for where cash is collected. Entities should specifically review whether it is necessary for money to be collected by individual departments or divisions. It may be more appropriate for all funds to be collected at one central location, where internal control procedures (checks and balances) are fully implemented.

If an entity has multiple cash collection points, each collection point – even those that handle a small volume of cash – must implement basic internal control procedures, such as segregation of duties, the use of pre-numbered receipts, and regular (preferably daily) deposits.

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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](mailto:Jim.Levi@osa.state.mn.us)

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](http://www.auditor.state.mn.us).