1. Message from Auditor Blaha

We have officially hit the one year mark of working from home at the Office of the State Auditor. While our office will continue to work exclusively from home through June 2021, we are beginning the process of evaluating what we hope to take from this year of remote work. We, as a society, have had losses over the past year but, at the same time, we have gained patience, understanding, flexibility, and more balance between work life and home life.

As we continue to evaluate our next steps and what we will build permanence around, we welcome your feedback. If you have thoughts on this process (i.e. likes or dislikes around the remote process, things you would like to see return to "normal," etc.), please email State.Auditor@osa.state.mn.us.

2. Pension: Information on Municipal Contribution Requirements

Two Statements of Position are provided on the Office of the State Auditor’s website that explain when a municipality is required to pay a contribution to its affiliated volunteer fire relief association and how the contribution amount is calculated.

Municipal contribution information for relief associations that pay a defined-benefit lump-sum service pension can be found at:

https://www.auditor.state.mn.us/default.aspx?page=20110527.009

Municipal contribution information for relief associations that pay or offer a defined-benefit monthly service pension can be found at:

https://www.auditor.state.mn.us/default.aspx?page=20110527.008

3. TIF: Correction of Errors

The Tax Increment Financing (TIF) Act allows a county auditor to correct errors or mistakes that result in improper decertification of a district, failure to certify a district, incorrect certification of a district, or failure to correctly compute the amount of increment. To learn more, visit:


If you have any questions, please contact us at TIF@osa.state.mn.us.

The 2020 Annual Financial Reporting Form (Reporting Form) is now available through the State Auditors Form Entry System (SAFES) at:

https://www.auditor.state.mn.us/SAFES/Default/Login

Instructions on completing the Reporting Form may be found at:

https://www.auditor.state.mn.us/default.aspx?page=20130724.003

CTAS Users are now also able to submit the State Auditor Data File and Financial Statements right from CTAS. Instructions can be found at:

https://www.auditor.state.mn.us/other/ctas/docs/YearEndReportingInstructions.pdf

For cities and townships reporting on a cash basis of accounting, the Reporting Form (CTAS: State Auditor Data File) and Financial Statements or Audit are due by March 31, 2021. For entities reporting on a GAAP basis of accounting, the Reporting Form and Audit are due by June 30, 2021. For Special Districts, the Annual Financial Reporting Form and Financial Statements/Audit are due 180 days after the end of the District's fiscal year.

5. Sign Up: Electronic Fund Transfers from the State of Minnesota

Minnesota municipalities can greatly benefit from having electronic fund transfer (EFT) payments from the Department of Revenue. When you sign up for the service, disbursements from the State of Minnesota are deposited right into the municipalities bank account. This assures timely recognition and avoids delays in getting checks to the bank, especially during winter snow storms. For questions or help to get signed up for EFT payments contact: 651-201-8106 or efthelpline.mmb@state.mn.us.

6. Avoiding Pitfall: Fraud Risk Questions During an Audit

As part of an audit, auditors are required to consider the risk of material misstatement of the financial statements due to fraud. As a result, even when auditors do not suspect fraud, they will be asking questions designed to assess the risk of fraud, in compliance with auditing standards. Fraud risks can be considered in the following context:

- Are employees or management under pressure or do they have an incentive to commit fraud?
- Does the opportunity to commit fraud exist?
- Do employees or management have an attitude that allows them to rationalize committing fraud?

This Avoiding Pitfall is available on our website here:

https://www.auditor.state.mn.us/default.aspx?page=20090724.005

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 signup@osa.state.mn.us.

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