1. Message from Auditor Blaha

As State Auditor, I sit on the Minnesota State Board of Investment (SBI) which oversees retirement accounts for the State of Minnesota. This week, the SBI strengthened their commitment to investments in the greater good including a specific commitment to increase the racial diversity and inclusion actions of our funds’ investment management firms.

The first promise SBI board members make to Minnesotans is to protect public employee pensions with effective investments. There is ample research showing that diverse workforces and racially equitable corporate practices increase a company’s performance, which in turn strengthens our fund. Leveraging our investment power to advance environmental, social, and good governance goals in this way, is not just a matter of principle; it is grounded in sound fiduciary actions.

This is a reminder that we all have a role to play in supporting and advancing racial equity.

As we head into another beautiful weekend, please remember to do your part to keep our community safe.

2. Released: OPEB Trust Investment Reporting Form

The investment reporting form for OPEB trusts has been released and is available for completion through the State Auditor’s Form Entry System (SAFES). An e-mail containing SAFES login information and instructions for accessing and completing the reporting form has been sent to each trust administrator. If you have any questions regarding the reporting requirement, or if you did not receive an e-mail with your login information, please contact us at OPEB@osa.state.mn.us.

Other Postemployment Benefits (OPEB) include all benefits, other than pensions, promised to retirees. Minnesota law permits local government entities to create trusts to set aside money to pay future OPEB obligations. Administrators for these trusts are to annually report and certify certain investment information by October 25 to the Office of the State Auditor.
3. Released: Pension Newsletter

The August Pension Newsletter has been released. The Newsletter provides information about the upcoming certification deadline for relief associations to be eligible for 2020 fire state aid. The Newsletter also provides information about the responsibilities of a relief association’s board of trustees, and a reminder about authorized uses of charitable gambling funds.

The complete Newsletter can be accessed at: https://www.auditor.state.mn.us/other/PensionDocs/pensionNewsletter_2008.pdf.

4. TIF: Amending a TIF Plan for Project Cost Increases

Authorities should monitor their project costs to ensure that they do not exceed the project costs authorized in the TIF plan. A modification of the TIF plan may be desired. This article highlights important notes to consider: https://www.auditor.state.mn.us/default.aspx?page=AmdTIFPlnProjCIncr.

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

5. Avoiding Pitfalls: Tangible Asset Inventories

Each governmental entity should have an inventory of tangible assets. In addition to complying with accounting standards, an inventory may help determine the extent of loss if a break-in fire or other disaster occurs. It can also help detect employee thefts.

To develop and maintain a tangible asset inventory system, we recommend that public entities:

- Set a minimum dollar value for assets or class of assets that will be included on the asset inventory list(s);
- Assign actual or estimated historical costs to each item;
- Create an inventory listing of all assets above the minimum dollar amount;
- Assign the responsibility for knowing the location of each asset to a department head or official;
- Label each asset with identifying information, such as the name of the public entity and a unique asset number;
- Record the disposal and acquisition of assets; and
- Keep your asset inventories current by conducting physical inventory inspections and counts on a regular basis.

This Avoiding Pitfall is available on our website at: https://www.auditor.state.mn.us/default.aspx?page=20090724.084

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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