1. Deadline: Relief Association Schedule Form Certification

2. Released: TIF Newsletter

3. Avoiding Pitfalls: Phantom Vendors

1. Deadline: Relief Association Schedule Form Certification

The 2017 Schedule Form for lump-sum volunteer fire relief associations must be certified on or before August 1, 2017. The certification must be made to the entity responsible for satisfying the minimum required contribution to the relief association’s special fund.

The 2017 Schedule Form is designed to help determine both a relief association’s projected assets and liabilities for 2017 and the minimum required contribution for 2018. The Schedule Form is available for download from the State Auditor’s Form Entry System (SAFES) at:

https://www.auditor.state.mn.us/safes/.

For additional information about required contributions, see the Office of the State Auditor (OSA)’s Statement of Position on this topic at:


Relief associations are encouraged to submit their Schedule Form to the OSA following certification so that a preliminary review of the form data can be conducted.

2. Released: TIF Newsletter

The July TIF Newsletter has been released. The Newsletter contains information on the upcoming deadline for TIF Annual Reporting Forms and reminders about consultant SAFES authorization and the Confirmation of Decertified TIF District Form.

To view the complete Newsletter, go to:

3. Avoiding Pitfalls: Phantom Vendors

One method of fraud involves payments to fictitious companies for goods never delivered or services never provided. To protect against this, public entities need procedures in place to determine whether new vendors that are added to their accounts payable system are legitimate.

The ability to set up new vendors on the accounts payable system should be limited to those individuals with a logical need for this function. When new vendors are added to the system, the vendors should be reviewed by someone outside the accounts payable system. The outside reviewer should verify that the new vendor is legitimate. Finally, the vendor list should be reviewed periodically, and unused vendors should be removed from the system.

This fraud is more likely to occur when a public entity has a large number of vendors. Warning signs of a potential “phantom vendor” include:

- Sequentially-numbered invoices from the vendor;
- Invoice amounts just below the amount needing additional approval for payment; and
- Companies with only P.O. Box addresses, companies lacking taxpayer identification numbers, or vendor identification numbers that match an employee’s social security number.

If you are interested in signing up to receive an e-mail version of the E-Update regularly, [click here](#).

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