



OFFICE OF THE STATE AUDITOR

E-Update

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

State Auditor
Rebecca Otto

September 14, 2007

1. Pension Reminder – 2006 Reporting Forms Past Due
 2. Avoiding Pitfalls – Accounting Policies and Procedures
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1. Pension Reminder – 2006 Reporting Forms Past Due

There are over 100 volunteer fire relief associations that have yet to submit some or all of their 2006 reporting year forms to the Office of the State Auditor. The reporting information was due by March 31 for relief associations with less than \$200,000 in assets and liabilities, and by June 30 for those that exceed the threshold. Please contact the board officers of your affiliated relief association to make sure that the reporting information has been submitted to our office. It is important that reporting information be submitted as soon as possible because it must be fully received, reviewed, and any identified issues resolved before the relief association may be certified as eligible for receipt of its state fire aid. If you have questions, please contact Gail Richie with the Pension Division at (651) 282-6110 or Gail.Richie@state.mn.us.

2. Avoiding Pitfalls – Accounting Policies and Procedures

During our audits, we found that some towns and cities do not have formalized accounting policies and procedures. We recommend that towns and cities develop, and town boards and city councils adopt, written policies and procedures for their financial activities. Written policies and procedures should set forth requirements to account for such matters as the receipt and deposit of funds, the purchase of goods and services, the approval and payment of bills, record keeping for payroll activities, reconciliation of bank accounts, and accounting for capital assets. Written policies and procedures provide some assurance that accounting records will be maintained as intended and will be consistent from year to year.