OFFICE OF THE STATE AUDITOR

E-Update

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State Auditor
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1. **Pension Update: May Pension Newsletter**
2. **NEW Statement of Position: Retention of TIF Records**
3. **Avoiding Pitfalls: Employee Tips**

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1. Pension Update: May Pension Newsletter

The May Pension Newsletter was released last week and is available on the Office of the State Auditor's website at http://www.auditor.state.mn.us/default.aspx?page=pensionDocs. The newsletter provides an in-depth legislative update for volunteer fire relief associations regarding changes made in the Omnibus Pension Bill. Sample bylaw language and a bylaw "to-do" list will be provided with our June Pension Newsletter. Several of the legislative changes may require that relief associations amend their bylaws. If you have questions regarding the recent pension legislation, please contact Rose Hennessy Allen at (651) 296-5985 or Rose.Hennessy-Allen@state.mn.us.

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2. NEW Statement of Position: Retention of TIF Records

New record retention provisions for certain tax increment financing (TIF) records have been adopted. These new record retention provisions provide a reasonable retention period for certain types of TIF records, such as bills, invoices, and cancelled checks. The new retention periods are similar to retention periods for other types of public records. The new retention periods are 6 or 10 years, depending on the type of document and the practice of the city. The complete Statement of Position can be found on the Office of the State Auditor's website at: http://www.auditor.state.mn.us/default.aspx?page=statements

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3. Avoiding Pitfalls: Employee Tips

Studies show that the most common method of detecting fraud committed by an employee is through a tip – often from another employee.

Public entities should keep channels of communication open so employees feel that their concerns will be positively received. Appropriate action should then be taken in response to these tips.

For more information on employee theft, see the most recent study by the Association of Certified Fraud Examiners, found at:
http://www.acfe.com/documents/2006-rttn.pdf