



State Auditor  
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# OFFICE OF THE STATE AUDITOR

## *E-Update*

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publication of the Office  
of the State Auditor*

January 21, 2011

1. Available: CTAS Version 7 / FICA Issue
2. Deadlines: City/County Budget & Lobbying Reporting Forms Due
3. Meeting: Volunteer Fire Relief Association Working Group
4. Released: Investment Study Group Report
5. Avoiding Pitfalls: IRS Form W-2 and Form 1099

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### **1. Available: CTAS Version 7 / FICA Issue**

CTAS Version 7.0.14 is now available. This version correctly calculates the employer's share of FICA for 2011. The size of the update makes it easy to download, even with dial-up. The update can be obtained from the OSA website at:

<http://www.auditor.state.mn.us/default.aspx?page=ctas>.

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### **2. Deadlines: City/County Budget & Lobbying Reporting Forms Due**

#### **City and County Summary Budget Reporting Forms**

January 31st is the deadline for submitting the City and County Summary Budget Reporting Forms. The forms can be accessed at:

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

#### **Local Government Lobbying Reporting Forms**

Local Government Lobbying Reporting Forms are due January 31st. The forms can be accessed at:

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

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### **3. Meeting: Volunteer Fire Relief Association Working Group**

The Volunteer Fire Relief Association Working Group will hold their final meeting of the season on Tuesday, January 25 at 11:00 a.m. at our office in Saint Paul. Meetings are open to the public. Working Group meeting materials are available at:

<http://www.auditor.state.mn.us/default.aspx?page=reliefworkinggroup>.

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### **4. Released: Investment Study Group Report**

The Investment Study Group, created by the 2010 Legislature to study public pension investment-related provisions, authorities, and limitations under Minnesota law, has completed its work and released its report. The report includes proposed changes to the local public pension plan investment statutes for consideration by the legislature. The proposed technical changes, if adopted, will result in improved compliance with investment statutes, enhanced protection of public pension funds, and statutes that are more current and user-friendly. The complete report is available at:

<http://www.auditor.state.mn.us/default.aspx?page=20100826.001>.

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### **5. Avoiding Pitfalls: IRS Form W-2 and Form 1099**

Local governments are required to file Internal Revenue Service (IRS) Form W-2 to report employee wages, tips, and other compensation. In addition, entities need to file Form 1099-MISC for non-employees (e.g., independent contractors) who received \$600 or more for their services. The forms must be submitted to the recipient of the income and to the IRS.

Consult with your attorney if you are uncertain whether a person is an employee or an independent contractor. The IRS website also contains considerable information on this topic at: <http://www.irs.gov/faqs/content/0,,id=199973,00.html>. In addition, the IRS may be contacted directly about any specific situation.

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