

Summer 2015

CTAS News and Notes

Small City & Town Accounting System (CTAS)

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CTAS Version 8 Update

Since the last CTAS Newsletter, quite a bit has happened with CTAS! We released CTAS Version 8.0 in November 2014 and have released three updates since then, Versions 8.1, 8.2, and 8.3. The third update is now available and includes many changes suggested by CTAS 8 users.

CTAS Version 8.3 contains all updates included in Versions 8.1 and 8.2 as well as corrections to some additional issues. We have placed a list of the issues corrected in Version 8.3 on our website at:

[http://www.auditor.state.mn.us/default.aspx?
page=ctasv830correctedissues](http://www.auditor.state.mn.us/default.aspx?page=ctasv830correctedissues).

Version 8.3 is now available for download from the State Auditor's Form Entry System (SAFES) at <https://www.auditor.state.mn.us/safes/> to users registered in SAFES as Form Preparers for entities which have purchased CTAS 8. You have two options:

- 1.) The Full Install of Version 8.3, or
- 2.) The Version 8.3 Update (also called the Patch)

The Full Install (a file size of 168 MB) includes the entire CTAS Version 8.3 program, while the Update (13.4 MB) works with previously-installed copies of Version 8.0, 8.1, and 8.2. Both options include all of the corrections to Versions 8.1 and 8.2. If you have not yet installed Version 8.0, 8.1, or 8.2, you will need to download and install the Full Install. If you have begun using Versions 8.0, 8.1, or 8.2, you can download either the Full Install or the Update. We recommend downloading the Update to any Version 8.0, 8.1, or 8.2 users who are currently using dial-up Internet.

To safeguard your data, we encourage you to continue using Version 7 for the first several months you use Version 8.

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State Auditor's E-Update

Each week the OSA e-mails the State Auditor's E-Update, which publishes information and events related to local government financial activities, including CTAS news and information on reporting.

To view recent E-Updates and sign up to receive the E-Update each week, go to:

www.auditor.state.mn.us

Once you're there, find the "Latest News" tab at the top of the page and click on the "E-Updates" link.

CTAS Version 8 Update (continued)

Video and printed instructions for downloading and installing Version 8.3 are available at:

<http://www.auditor.state.mn.us/default.aspx?page=ctasv8training>.

Additional instructional materials will be posted to this page.

Updating Fund and Account Numbers

For 2015, we are recommending entities use the following Fund and Account Numbers:

- Fund 225 as the Fire Fund;
- Account Number 33470 as State Fire Aid;
- Account Number 33480 as State Police Aid;
- Account Number 41950 for Assessing. This account number should be used for outside vendors performing assessments. This number will classify the expenditure under Other General Government. Account Number 41550 should continue to be used for in-house assessments. The expenditures will continue to be classified under Financial Administration;
- Account Number 41960 for Elections. This will classify the expenditure under Other General Government. This number is for Election expenditures that are not related to the City/Town Clerk and Treasurer's Election time and costs. Election expenditures incurred for the City/Town Clerk would continue to be coded to Account Number 41410;
- Account Number 31702 for Wheelage Tax. This will classify the revenue under taxes.

If you are already using the above Fund or Account Numbers for other items, we recommend that you assign those items to a different Fund or Account Number. We want to give CTAS users these recommended changes before they are formally made to the CTAS 8 program. These recommendations are being made so Fund and Account Numbers are properly classified when you submit your data to the OSA using CTAS.

If you have any questions regarding account numbers, please continue to refer to the CTAS Chart of Accounts, which can be found on the CTAS page of our website at <http://www.auditor.state.mn.us/default.aspx?page=ctas>. CTAS 8 will be updated to reflect these updates.

The CTAS Helpline is Available to Help You



*Call, fax or e-mail
your CTAS questions.
If no one is immedi-
ately available, we
will respond the next
workday.*

Call:

(651) 296-6262

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City and Town Reporting Information

The 2014 financial information for cities and towns reporting on a GAAP basis of accounting is due by June 30, 2015. The 2014 financial information for cities and towns report on a cash basis of accounting was due to the OSA by March 31. Please make sure to report on time.

The OSA wants to clarify some questions about financial reporting to ensure prompt and trouble-free compliance.

Cities and towns reporting on the GAAP basis of accounting or who are being audited must download their financial reporting form from SAFES, which can be accessed at www.auditor.state.mn.us/safes/. The OSA provides a downloadable Excel spreadsheet to assist entities in reporting their annual financial information. Once the form has been completed, entities should submit the form along with Adobe Acrobat (PDF) copies of their audited financial statements and their Management Letter through SAFES.

Entities reporting on a cash basis can download and complete the Excel reporting form from SAFES or generate a reporting file from CTAS. The completed Excel reporting form or generated reporting file and the financial statements should be uploaded through SAFES.

Upcoming CTAS Training Opportunities

Office of the State Auditor (OSA) staff are presenting CTAS training sessions at the Minnesota Association of Townships (MAT) Summer Short courses, which are being held through June 26 at various locations through the State. These are hands-on sessions for CTAS Version 8 beginners. Computers will be provided for this training. To register, go to the MAT website at www.mntownships.org. The link to the Summer Short Courses is on the home page.

CTAS Checks

The vendors listed here offer checks that work with CTAS. The OSA does not recommend vendors, but offers this list as a resource for your CTAS check printing needs.

Tammy & Shaun Stottler

American Solutions for Business

19562 Halwood Rd

Glenwood, MN 56334

Phone: (320) 634-3344

Fax: (320) 634-0287

tstottle@americanbus.com

Rose Shorma

Proforma Rose Shorma

826 East Lake Geneva Rd.

Alexandria, MN 56308

Phone: (320) 763-5535

Fax: (320) 762-1555

Cell: (320) 760-8212

rose.shorma@proforma.com

Paul Schmidt

Victor Lundeen Corp.

126 West Lincoln Avenue

P.O. Box 486

Fergus Falls, MN 56538

Phone: (218) 736-5433

Phone: (800) 346-4870

pauls@victorlundeens.com

These vendors also offer window envelopes for mailing checks printed with CTAS.

Audit Requirements for Cities and Towns

Not all cities and towns have the same audit requirements. Audit requirements vary depending on a variety of factors, including the population of the city and town, whether the clerk and treasurer offices are combined, and whether the city and town are above or below the current audit threshold.

Cities over 2,500 in population, according to the latest census, must have an annual audit in accordance with generally accepted accounting principles.

Cities under 2,500, where there are **separate offices of clerk and treasurer**, are not required to have an audit.

Cities under 2,500 with the combined office of clerk and treasurer must have an annual audit if total revenues exceed the annual threshold. For the year ended December 31, 2014, the audit threshold is \$204,000.

Cities under 2,500 with the combined office of clerk and treasurer must have an Agreed-Upon Procedures engagement once in every five-year period if total revenues are equal to or less than the annual threshold (\$204,000 for 2014).

Towns over 2,500 in population must have an annual audit in accordance with generally accepted accounting principles if total revenues equal or exceed the annual threshold. For the year ended December 31, 2014, the audit threshold for towns over 2,500 is \$910,000.

Towns under 2,500, where there are separate offices of clerk and treasurer are not required to have an audit.

Towns under 2,500 with the combined office of clerk and treasurer must have an annual audit if total revenues exceed the annual threshold. For the year ended December 31, 2014, the audit threshold for towns under 2,500 is \$204,000.

Towns under 2,500 with the combined office of clerk and treasurer must have an Agreed-Upon Procedures engagement once in every five-year period if total revenues are equal to or less than the annual threshold.

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Access CTAS Training Materials Online

Video and printed instructions for downloading, installing and using CTAS Version 8 are available on the OSA website.

To access these materials, go to the OSA website, www.auditor.state.mn.us. Find the “For Local Officials” tab at the top of the page, then click on “CTAS”. This will bring you to the CTAS page: once there, click on “Getting Started”. This page is frequently updated with new training materials.

Audit Requirements (continued)

The Office of the State Auditor has developed minimum procedures and a reporting format for Agreed-Upon Procedures engagements of towns with annual revenues less than the audit threshold that have combined the offices of clerk and treasurer. The minimum procedures and reporting format for Agreed-Upon Procedures engagements can be found on the OSA website at:

<http://www.auditor.state.mn.us/default.aspx?page=20111222.001>.

Audit thresholds are recalculated annually. When new thresholds are released, updated information can be found on our website at <http://www.auditor.state.mn.us/default.aspx?page=faq>. Please contact us at GID@auditor.state.mn.us if you have any questions regarding reporting requirements.

SAFES Usernames and Passwords

We want to thank all of the entities who use the State Auditor’s Form Entry System (SAFES) to download and submit their forms and documents to the OSA. If you are a SAFES user, here are some ways you can help ensure the most efficient and secure operation of SAFES:

- Each SAFES user should have their own unique log-in information. Please do not share or pass along usernames and passwords. If you need a SAFES username and password, please e-mail us at SAFES@auditor.state.mn.us and include your entity name with your name, position, mailing address, phone number, and e-mail address.
- Please do not use the same e-mail address as another SAFES user. SAFES requires each user to have a unique e-mail address for security. The e-mail address you provide is used to reset usernames and passwords as well as send e-mails to notify of due dates, etc.

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SAFES Usernames & Passwords (cont'd)

- Please remember that the contact information you provide to us is considered public, so please do not provide us with contact information you consider private.

Thank you!

CTAS 8 User Manual Update

The User Manual for CTAS 8 has been compiled and is currently in the review phase. Once the technical review has been completed, a draft version will be posted to the OSA website and an announcement will be made in the State Auditor's E-Update.

Remember to Back Up Your Data!

Our staff has often been able to help CTAS users recover data when they have made a backup copy. Backup copies can be saved to a CD, flash drive or other external storage device. We recommend backing up all of your data as frequently as possible, at least once a week. This includes CTAS, word documents, and spreadsheets.

We recommend rotating among three separate external storage devices for backing up your data. The first time you back up, backup to a device you might call Backup 1. The second time, use a device called Backup 2. The third time, use a device called Backup 3. The fourth time, use Backup 1 again. The possibility that all three backups are corrupt is small: therefore, the chances of recovering most if not all of the data are very good.

Reminder: Report Change of Officers

When the person filling the role of a Clerk or Treasurer for local government changes, the local government is responsible for contacting the OSA to update this information as soon as possible. Reminder notices or other important information may not reach the correct individuals if the change is not reported.

To report a change of officers, e-mail us at

GID@auditor.state.mn.us. Please use the subject line "Change in Contact Information". Thank you!