



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Deadline: Forfeiture Reporting
2. Available: Relief Association Investment Performance Tools
3. Avoiding Pitfalls: Timely Deposits

1. Deadline: Forfeiture Reporting

July 20th is the deadline for law enforcement agencies to report final disposition of property seized subject to forfeiture for the month of June. To report final disposition of forfeitures, please go to:

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

2. Available: Relief Association Investment Performance Tools

Relief association trustees should understand their fund managers' investment strategies and hold investment advisors accountable for the performance of the assets being managed. Relief association trustees are not relieved of their fiduciary duties by hiring professional consultants or investment advisors. Trustees, including municipal trustees who serve on a relief association's board, should regularly compare the investment performance of their advisors with the performance of passively-managed index funds and other benchmarks.

The Office of the State Auditor (OSA) provides two educational tools to help relief association trustees compare investment performance. One tool, an "Investment Report Card," is sent by email to each relief association after our review of the relief association's financial and investment reporting forms is complete. The report card provides one-year and multi-year rates of return calculated for the relief association, as well as a custom benchmark rate of return. The custom benchmark rate of return can be used to measure the relief association's actual investment performance against market returns.

Another tool is the annual "Financial and Investment Report of Volunteer Fire Relief Associations" that is published annually by the OSA. The report includes one-year and multi-

year rates of return, calculated custom benchmarks, asset allocations, and market values for each relief association in Minnesota. The report is available on the OSA website at:

<http://www.auditor.state.mn.us/list.aspx?type=rpt&div=pen>.

3. Avoiding Pitfalls: Timely Deposits

Deposits should be made as often as possible, preferably daily. Failing to make timely deposits increases the risk of error and the risk of misappropriation of funds.

In addition, by not making frequent deposits, the public entity is missing out on interest that could be earned if the deposits were made in a timely fashion.

If you are interested in signing up to receive an e-mail version of the E-Update regularly, send an e-mail with your contact information to Jim.Levi@osa.state.mn.us

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