OFFICE OF THE STATE AUDITOR

E-Update

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State Auditor Rebecca Otto

June 10, 2011

1. Deadlines: City, Town, Special District Financial Reporting Forms Due

2. Reminder: Fidelity Bonds for Volunteer Fire Relief Associations

3. Avoiding Pitfalls: Records Retention

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1. Deadlines: City, Town, Special District Financial Reporting Forms Due

City Financial Reporting Form & Audited Financial Statements for cities in accordance with GAAP are due June 30. The financial reporting form can be found at:

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

Town Financial Reporting Form & Audited Financial Statements in accordance with GAAP are due June 30. The financial reporting form can be found at:

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

Special District Financial Reporting Form & Audited Financial Statements are due June 30 for districts whose fiscal year ended December 31, 2010. The financial reporting form can be found at:

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

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2. Reminder: Fidelity Bonds for Volunteer Fire Relief Associations

State law requires the treasurer of a volunteer fire relief association to be bonded for at least ten percent of the association assets; however, the amount of the bond need not exceed $500,000. Officers of relief associations that are affiliated with a city fire department, where the city is bonded through the League of Minnesota Cities Insurance Trust (LMCIT), are automatically defined as covered employees on the city's bond. In these cases the relief association does not need to purchase a separate bond because the association treasurer and other officers are already bonded. The relief association should obtain a copy of the city's

LMCIT bond to ensure that the amount of the bond is at least ten percent of the association assets.

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3. Avoiding Pitfalls: Records Retention

Government records must be preserved according to state law. In Minnesota, local governments may destroy government records only pursuant to:

- An approved “Application for Authority to Dispose of Records”;
- An adopted and approved records retention schedule; or
- An adopted general records retention schedule that has been pre-approved by the State Records Disposition Panel.

If the governmental entity has adopted the pre-approved general records retention schedule and that schedule is subsequently updated by the State Records Disposition Panel, the governmental entity does not have to adopt the new version of the general schedule. Instead, the State Records Disposition Panel will assume the governmental entity will use the most recent version of the general schedule.

Links to various records retention schedules for Minnesota governmental entities, including counties, cities, townships, and school districts are found on the Minnesota Historical Society’s website at:

http://www.mnhs.org/preserve/records/retentionsched.html.

In addition, the Minnesota Historical Society and State Archives website offer guidelines, information leaflets and forms to assist governmental entities in managing their paper and electronic records. For example, the site provides information leaflets for records of watershed districts, soil and water conservation districts, law enforcement, county auditors, public libraries, public health care facilities, heritage preservation commissions, towns, cities, and school districts. The information can be found at:

http://www.mnhs.org/preserve/records/recser.html.

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