



# Pension Division Newsletter

June 2021

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## Training Opportunities

The Office of the State Auditor (OSA) is pleased to offer three *free* webinar training sessions for relief association officers, board members, and auditors. Recordings of the webinars will also be available on the OSA website soon after the last session, for those unable to attend the live training.

The first training session covers basic information for new trustees and members to become more familiar with the required reporting information. The second training session includes discussion regarding legislative updates made during 2019, 2020, and 2021 that pertain to relief associations. The third training session includes common filing errors and answers to common relief association questions.

Click on the desired link(s) below to register for each webinar:

[Wednesday, July 14th, 2:00 pm to 3:30 pm \(New Trustee Training\)](#)

[Thursday, July 22nd, 2:00 pm to 3:30 pm \(Legislative Update\)](#)

[Tuesday, July 27th, 2:00 pm to 3:30 pm \(Question and Answer Session\)](#)

Please contact us with any questions at (651) 282-6110 or [pension@osa.state.mn.us](mailto:pension@osa.state.mn.us).

## Reporting Reminder

Reporting forms for relief associations with assets or liabilities of at least \$500,000 are required to be submitted to the OSA by June 30. Relief associations with assets or liabilities above this statutory threshold must also submit an annual audit to the OSA.

Whether a relief association has exceeded the statutory threshold is determined using end of year asset and liability amounts, and is based on Special Fund amounts only. After a relief association exceeds the threshold in either assets or liabilities, an audit is required beginning with the next reporting year's reports.

The reporting forms can be accessed through the [State Auditor's Form Entry System \(SAFES\)](#) website.

Helpful hints for completing, submitting, and electronically signing the reporting forms can be found [here](#).

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**What’s Ahead:**

**June 30:**

Reporting forms for relief associations with assets or liabilities of at least \$500,000 are due to the OSA

**August 1:**

The 2021 Schedule Form must be certified to the municipality or independent nonprofit firefighting corporation

**September 15:**

First certification deadline for 2021 fire state aid. To be certified as eligible, all 2020 information must be submitted to the OSA, the OSA review must be completed, and any issues resolved.

## Internal Controls for Special Events

As pandemic restrictions have eased, some relief associations are planning to hold special events or fundraisers this summer. For a relief association hosting a special event, written policies and procedures documenting internal controls for the handling of funds at the event are important. Approval of the policies and procedures by the relief association’s board of trustees emphasizes their importance and authority.

Documenting the policies and procedures will help people who work at the event understand their role in the internal control system. Documentation will also improve the efficiency and consistency of transaction processing and will support risk identification, evaluation, and mitigation. The documentation should:

- Describe procedures as they are intended to be performed;
- Indicate who is responsible for performing each procedure; and
- Explain the design and purpose of control-related procedures.

A Statement of Position answering some questions frequently asked regarding internal controls can be found on the [OSA website](#).

Additional information that is specific to relief association fundraising activities is provided in a separate Statement of Position on the [OSA website](#). This document provides suggested practices for relief associations holding fundraisers or soliciting donations and information about donations from a relief association to the affiliated municipality.

## Requirement to Report Evidence of Theft

Public pension plan trustees and employees, including trustees and employees of volunteer fire relief associations, are required to promptly report in writing to the OSA and local law enforcement evidence of theft or misuse of public funds. The written report to the OSA must include a detailed description of the alleged incident or incidents.

In addition, whenever a public accountant discovers evidence pointing to nonfeasance, misfeasance, or malfeasance on the part of a relief association trustee or employee during the course of auditing the books and affairs of the relief association, the public accountant must promptly make a report of such discovery to the OSA and the county attorney.

Information on how to report financial concerns to the OSA, and to access the form for reporting, can be found on the [OSA website](#).

## Records Retention Schedule

**Statements of Position:**

[Combined Service Pensions](#)

[Firefighter Service Credit Determinations](#)

[Paying a Defined-Benefit Lump-Sum Service Pension](#)

Relief associations are governmental entities that receive and manage public money. Therefore, they must follow state guidelines that govern the retention of records.

A relief association has several options for the retention of its records. A relief association’s board of trustees may choose to adopt the General Records Retention Schedule for Volunteer Fire Relief Associations in its entirety and notify the Minnesota Historical Society of its adoption. Relief associations choosing this option may destroy certain types of records after they have been maintained for a specified length of time as detailed in the schedule.

Alternatively, a relief association may choose to modify the General Records Retention Schedule or to create its own schedule. Relief associations choosing these options must submit the proposed schedule to the State Records Disposition Panel for approval before the customized schedule can be used and any records destroyed.

**If a relief association fails to choose one of these options, the association must permanently retain all of its records.**

The general records retention schedule, instructions, and a form for use in notifying the Minnesota Historical Society that the schedule has been adopted can be found on the [Minnesota Historical Society’s website](#).

Additional information about relief association records management can be found in a Statement of Position on this topic, posted on the [OSA website](#). The Statement of Position describes different types of records that a relief association may maintain and identifies records that are public records.

## Pension Division Staff

If you have questions, please contact us:

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