CITY OF MINNEAPOLIS
REVIEW OF FILINGS OF THE STATEMENT OF ECONOMIC INTEREST
CALENDAR 2008

MARCH/APRIL 2009

INTERNAL AUDIT
CITY OF MINNEAPOLIS
ROBERT BJORKLUND, DIRECTOR OF INTERNAL AUDIT

Internal Audit
Review of Filings of the Statement of Economic Interest
Calendar 2008 (SEI filing period ending 3/31/08)

In compliance with Minnesota Statute 10A.09, Internal Audit has reviewed the filings of the Statement of Economic Interest (SEI) and related documents, for calendar year 2008.The statute, as it applies here, stipulates the SEI document is to be filed within 60 days of accepting employment as a public or a local official in a metropolitan governmental unit.

Statements are filed by appointed officials as well as candidates and elected officials in a metropolitan government unit. In addition to the City proper, governmental units under review include the Park & Recreation Board. As of this year's review (2008), the Minneapolis Library has merged with the Hennepin County Library system, hence, the Minneapolis Library Board ceased to exist and is no longer included in this review.

The adoption of the Code of Ethics in 2003 resulted in several additional positions being defined as local officials and includes Mayoral and City Council appointees and representatives from the City Planning Commission, Metropolitan Sports Facilities Commission, Minneapolis Public Housing Authority, Bassett Creek Watershed Management Commission, McKnight Family Housing fund and the Shingle Creek Watershed Management Commission. Finally, the Minneapolis School Board was added in 2004 to those SEI's maintained by Elections.

The City's Elections Office handles the coordinating and centralized processing, collection and retention of the SEI statements. All individuals required to comply with this filing were sent SEI material, reminders were sent to those who did not initially respond, plus follow-up contact via phone calls and/or emails was also made.

The reviews conducted here sought first to verify that the appropriate form was on file, signed by the individual, dated and contained the requested information. Internal Audit also selects, by means of a judgement sample, three City employees who have "signature authority" in order to further review their SEI listed holdings/investments in more detail to determine if there is the potential for conflict of interest. None of the three employees reviewed this year had any investments or holdings come to IA's attention which may have been construed as a potential conflict of interest with their City employment.

The City of Minneapolis has sixteen elected positions which are required to file the SEI document on an annual basis. Additionally there are another 147 appointed positions when fully staffed (currently seven vacancies exist) which require SEI filing, including 36 members of various boards and commissions. When an individual initially begins employment or serving on a board/commission they are sent what is called the Original Statement of Economic Interest which is not date sensitive, from that point on they file the annual Statement of Economic Interest which has an annual March 31, end date.

At the time of the initial IA review, ten SEI forms were unaccounted for. According to Minnesota Statute 10A.09 Subd. 7 and 8; late filings or failure to file can lead to subsequent fines and/or suspension. IA then allowed Elections ten days to followup on missing SEI documents. At the end of those ten days, one document was still out, however prior to the issuing of this final report the missing SEI was filed and reviewed.

In a related matter, Council Office Associates Jennifer White, Ruth Weakley, Amy Duncan and Mary Petersen, all started their respective positions in the January/February 2009 time frame and were initially requested to file a SEI form. City Clerk, Steve Ristuben, later discussed this item at a monthly City Council leadership meeting with the ultimate decision being that these positions did not need to file a SEI document. The memorandum explaining this in more detail can be found at the end of this report.

Memorandum

Date: April 8, 2009

From: Steve Ristuben, City Clerk

To: Carol Strong, Office of City Clerk Elections Division Staff
Robert Bjorklund, Internal Auditor

Subject: Statements of Economic Interest

On April 1, 2009 a monthly City Council leadership meeting occurred which was attended by Council President Barbara Johnson, Council Vice President Robert Lilligren, Council staff members, Sara Goodnough and Nimco Ahmed and Steve Ristuben and Cynthia Reichert, Assistant City Clerk/Director of Elections. One of the agenda items was a discussion with Council Members of a recommendation Assistants/Aides and Council Office Associates; both appointed positions must file an annual Statement of Economic Inertest.

It was the decision of leadership that neither appointed position met the threshold of expenditure of public funds decision making as defined in the City Charter, 15.80 Statement of Economic Interest.

At this time, Assistants and Associates do not need to complete Statement of Economic Interest forms.