



**FINANCIAL AUDIT DIVISION REPORT**

---

# **Teachers Retirement Association**

## **Financial Statement Audit**

**Year Ended June 30, 2013**

---

**December 20, 2013**

**Report 13-34**

---

FINANCIAL AUDIT DIVISION  
Centennial Building – Suite 140  
658 Cedar Street – Saint Paul, MN 55155  
Telephone: 651-296-4708 • Fax: 651-296-4712  
E-mail: [legislative.auditor@state.mn.us](mailto:legislative.auditor@state.mn.us)  
Web site: <http://www.auditor.leg.state.mn.us>  
Through Minnesota Relay: 1-800-627-3529 or 7-1-1





December 20, 2013

Senator Roger Reinert, Chair  
Legislative Audit Commission

Members of the Legislative Audit Commission

Members of the Teachers Retirement Association Board of Trustees

Ms. Laurie Hacking, Executive Director  
Teachers Retirement Association of Minnesota

In auditing the Teachers Retirement Association's basic financial statements for the year ended June 30, 2013, we considered internal controls over financial reporting. We also tested compliance with significant legal provisions impacting the basic financial statements. However, given the limited nature of our audit work, we do not express an overall opinion on the effectiveness of the Teachers Retirement Association's internal controls or compliance. In addition, our work may not have identified all significant control deficiencies or instances of noncompliance with legal requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. This report meets the audit standard requirements of the American Institute of Certified Public Accountants and the Government Accountability Office to communicate internal control matters identified in a financial statement audit. The audit was conducted by Jim Riebe, CPA, (Audit Manager) and Carl Otto, CPA, CISA, (Audit Coordinator) and assisted by auditors Cassie Harlin and Nicholas Ludwig.

Our audit opinion on the financial statements was included in the Association's annual financial report. Access to the report is available at the following Web site:  
<https://www.minnesotatra.org/FORMSPUB/eepubs.html>.

We did not identify any deficiencies in internal controls over financial reporting that we consider to be material weaknesses. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. In addition, the results of our tests of legal provisions disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Senator Roger Reinert, Chair

Members of the Legislative Audit Commission

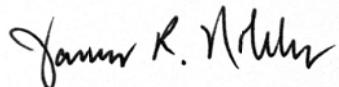
Members of the Teachers Retirement Association Board of Trustees

Ms. Laurie Hacking, Executive Director

December 20, 2013

Page 2

This report is an integral part of our audit of the financial statements of the Teachers Retirement Association in considering its internal controls over financial reporting and compliance. Accordingly, this report is not suitable for any other purpose.



James R. Nobles  
Legislative Auditor



Cecile M. Ferkul, CPA, CISA  
Deputy Legislative Auditor

End of Fieldwork: December 13, 2013

Report Signed On: December 19, 2013

# Report Summary

## Conclusion

The Teachers Retirement Association's (TRA) financial statements for the year ended June 30, 2013, were fairly presented, in all material respects, in accordance with generally accepted accounting principles.

Our report on internal controls and compliance over financial reporting did not include any findings.

## Audit Objectives and Scope

### Audit Objectives:

- To audit TRA's basic financial statements for the fiscal year ended June 30, 2013.
- To report on TRA's internal controls and compliance over financial reporting.

### Audit Scope:

- Cash and Investments
- Contributions and Investment Income
- Benefit Payments