



OFFICE OF THE STATE AUDITOR

E-Update

*The official online news
publication of the Office
of the State Auditor*

**State Auditor
Rebecca Otto**

June 1, 2007

1. Avoiding Pitfalls – Accountants’ Obligation to Report Evidence of Misconduct
 2. Pension Division – 2007 Schedule Update
-

1. Avoiding Pitfalls – Accountants’ Obligation to Report Evidence of Misconduct

Public accountants performing an audit of a county, city, town, school district, or other public corporation, must report to the State Auditor the discovery of evidence during the audit that points to nonfeasance, misfeasance, or malfeasance on the part of an officer or employee of the entity being audited. The county attorney of the county in which the governmental unit is located must also be notified.

The report must be made “promptly.” “Prompt” reporting should be done prior to the routine filing of the public entity’s audit with the Office of the State Auditor. Especially in cases where evidence of fraud is discovered, the State Auditor may be able to assist with auditing or investigative services. Once the audit is completed, the public accountant is also required to provide a copy of the audit report to the State Auditor and the county attorney.

This mandatory reporting requirement is found in Minn. Stat. § 6.67.

2. Pension Division – 2007 Schedule Update

The 2007 Schedule form for lump sum volunteer fire relief associations will be available for download from the Office of the State Auditor’s website in June. We are currently finishing work with the data pre-population and testing, and will ensure that the form is ready for use before July, when relief

associations are statutorily required to complete the form. Notices will be provided in the Pension Newsletter and the State Auditor's E-Update once the form is available. If you have questions, please contact Gail Richie at (651) 282-6110 or Gail.Richie@state.mn.us.
