

levy may be reduced by such village to a sum sufficient to maintain the balance at not less than \$50,000.

Sec. 5. **Salary deductions.** In addition and only if such tax is levied the officer charged with the responsibility of the village's finances, shall, each month deduct from the salary of each policeman the sum of four percent of the basic pay of all such policemen.

Approved April 24, 1957.

CHAPTER 631—H. F. No. 2033

[Coded]

An act relating to cooperation between the public examiner and public accountants; the establishment of minimum audit procedures for local governments; the furnishing of assistance and services to public accountants; and the exchange of records and information.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. [215.31] **Cooperation between public accountants; public accountant defined.** There shall be mutual cooperation between the public examiner and public accountants in the performance of auditing, accounting, and other related services for cities, villages, boroughs, towns, school districts, and other public corporations. For the purposes of this act the term public accountant shall have the meaning ascribed to it in Minnesota Statutes 1953, Sections 125.21 and 426.08.

Sec. 2. [215.32] **Minimum procedures for auditing prescribed.** The public examiner shall prescribe minimum procedures for auditing the books, records, accounts, and affairs of local governments in Minnesota.

Sec. 3. [215.33] **Certain practices of public accountants authorized.** Any public accountant may engage in the practice of auditing the books, records, accounts, and affairs of cities, villages, boroughs, towns, school districts, and other public corporations which are not otherwise required by law to be audited exclusively by the public examiner.

Sec. 4. [215.34] **Copy of report of audit to public examiner.** Whenever a public accountant in the course of his audit of the books and affairs of a city, village, borough, town, school district, or other public corporations, shall discover evidence pointing to nonfeasance, misfeasance, or malfeas-

ance, on the part of an officer or employee in the conduct of his duties and affairs, the public accountant shall furnish a copy of his report of audit to the public examiner and to the county attorney of the county in which the governmental unit is situated. The county attorney shall act on such report in the same manner as he is required by law to act on reports made to him by the public examiner.

Sec. 5. [215.35] Public examiner may assist public accountant in audit. Subdivision 1. If in his audit of a city, village, borough, town, school district, or other public corporation, a public accountant has need of the assistance of the public examiner, he may obtain such assistance by requesting the governing body of the governmental unit being examined to request the public examiner to perform such auditing or investigative services, or both, as the matter and the public interest require.

Subd. 2. The public examiner shall work in close cooperation with the public accountant in rendering the services so requested and the public examiner shall make such report of his findings to the county attorney as he is required by law to make of nonfeasance, misfeasance, and malfeasance discovered by him. The governmental unit shall be liable for the payment of such services so performed by the public examiner in the same manner as if it had requested the services pursuant to Minnesota Statutes 1953, Section 215.20.

Sec. 6. [215.36] Information furnished public accountant by public examiner. Subdivision 1. The public examiner, whenever time and facilities permit, shall furnish information to public accountants, when requested by them to do so, concerning governmental accounting and auditing principles, practices, and procedures, and other related matters.

Subd. 2. The public examiner may charge the actual cost of furnishing such information and the public accountant shall pay the amount so charged promptly after receipt of the claim.

Sec. 7. [215.37] Access to reports. The public examiner and the public accountants shall have reasonable access to each other's audit reports, working papers, and audit programs concerning audits made by each of cities, villages, boroughs, towns, school districts, and other public corporations.

Sec. 8. [215.38] Scope of examination by public examiner may be limited. Whenever the governing body of a city, village, borough, town, or school district shall have requested a public accountant to make an audit of its books and

affairs, and such audit is in progress or has been completed, and freeholders petition the public examiner to make an examination covering the same, or part of the same, period, the public examiner may, if he deems it in the public interest, limit the scope of his examination to less than that specified in Minnesota Statutes 1953, Section 215.19, but the scope shall cover, at least, an investigation of those petitioners' complaints which are within the public examiner's powers and duties to investigate.

Approved April 24, 1957.

CHAPTER 632—S. F. No. 5

[Not Coded]

An act relating to the issuance and sale of bonds or certificates of indebtedness by certain cities to provide funds for the purchase of fire department equipment and providing the method of paying such obligations at maturity.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Bonds for fire equipment. Any city of the fourth class operating under a home rule charter, now or hereafter having an assessed valuation of more than \$2,000,000, more than 70 percent of which is made up of valuation of iron ore, and which has not less than 2,000 nor more than 3,000 inhabitants, shall issue bonds or certificates of indebtedness in the year 1957, for the purpose of purchasing equipment for its fire department in an amount not exceeding \$18,500.

Sec. 2. Bonds may be authorized by resolution. Bonds of the city or certificates of indebtedness shall be authorized by the city by a resolution of the council determining that it is necessary to issue and to sell bonds of the city or certificates of indebtedness, and prescribing the amount thereof, the rate of interest, maturity date or dates, the form and the time and the manner of sale.

Sec. 3. Tax levy. The city may levy an annual tax to provide for the payment of such bonds or certificates of indebtedness and interest thereon as they mature in excess of the limitation of Minnesota Statutes, Section 275.11, but within the limitations of Laws 1955, Chapter 638 as amended. Payment of such bonds or certificates shall be an authorized purpose under Laws 1955, Chapter 638.

Approved April 24, 1957.
