

## CHAPTER 6

## STATE AUDITOR

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**6.01 DUTIES; SEAL.** The state auditor shall superintend and manage the fiscal concerns of the state as required by law, and have general supervision of all lands owned by the state, or in which the state is interested as trustee or otherwise, and of the leasing, sale, or other disposition thereof. He may execute in behalf of the state assignments and satisfactions of judgments rendered in its favor. He shall have a seal, bearing the words "Seal of the Auditor of Minnesota," and affix the same to all official certificates and conveyances executed by him.

[R. L. s. 33] (65)

**6.02 EMPLOYEES.** The state auditor shall appoint a deputy, who may perform all the duties of the office when the auditor is absent or disabled. He may also employ, and at pleasure dismiss, an accountant, a chief and an assistant land clerk, nine additional clerks, and a stenographer, which employees shall render such service as the auditor may prescribe.

[R. L. s. 34] (66)

**6.03 AUDIT OF CLAIMS.** Every demand directed by law to be paid out of the state treasury shall first be examined and adjusted by the auditor. If there be sufficient money in the treasury appropriated to its payment and not otherwise, he shall issue his warrant on the treasurer for the amount found to be justly due. Warrants shall be drawn on printed blanks progressively numbered and for every warrant issued the number, amount, date, and name of payee shall be entered in progressive order in books kept by him for that purpose.

[R. L. s. 35; 1917 c. 480 s. 1] (67)

**6.04 APPROVAL OF CLAIMS.** When claims against the state for any purpose are made for which there is an appropriation available the official having authority over the appropriation from which the claim is to be paid shall cause the claim to be approved by some individual having knowledge that the service was performed, or the goods or material furnished, and shall have voucher made giving the name and address of person, firm, or corporation to whom the money is due, the date and nature of the claim, and reference to the appropriation from which the same is to be paid. Departments and institutions shall forward such claims to the state auditor accompanied by transmittal form prescribed by him.

[1905 c. 96; 1909 c. 120 s. 1; 1917 c. 480 s. 2] (68)

**6.05 AUDITOR TO PRESCRIBE FORM.** The form of the claim shall be such as is prescribed by the state auditor and shall be a voucher-warrant. The warrant to be filled in and signed by the auditor pursuant to the provisions of sections 6.04 to 6.06 and the treasurer, upon approval of the claim by the auditor, shall accept such warrant with his signature, making such voucher-warrant negotiable. The treasurer may confer authority upon one or more of his assistants to accept such warrant in his behalf. The voucher side of the voucher-warrant shall bear the date of the invoice it represents. The warrant side shall bear the date of the issuance of the warrant, and be entered on the warrant record the same as a cash payment.

[1905 c. 96 s. 1; 1909 c. 120 s. 2; 1909 c. 169 s. 1; 1917 c. 480 s. 3] (69)

**6.06 ENDORSEMENT.** The endorsement by the payee of the voucher-warrant shall constitute a receipt in full for the claim therein.

[1905 c. 96 s. 2; 1909 c. 120 s. 3; 1917 c. 480 s. 4] (70)

**6.07 ACCOUNTS ITEMIZED.** Before any charge, bill, or expense account against the state shall be audited, it shall be itemized and verified as to the correctness thereof.

[1917 c. 498 s. 1] (71)

**6.08 AUDITOR TO ISSUE SUBPOENA TO VERIFY BILL FOR EXPENSE.** The state auditor is hereby authorized to issue subpoena to any person who has or shall hereafter render an account to the state, be the same in the nature of a bill for expenses for articles sold or purchased, or involving any other transaction between the state and any person, corporation, or copartnership; and he shall have the power to place any such individual under oath and to examine the person or individual as to the correctness of any account rendered. The state auditor is further empowered to subpoena such witnesses, to administer oaths, and to examine them under oath in any transaction entered into between the state and any person, copartnership, or corporation.

[1917 c. 498 s. 2] (72)

**6.09 DUTIES.** The state auditor shall examine every account, bill, claim, and demand against the state and, if previously authorized by the commissioner of administration, and if otherwise a legal and proper claim, he shall approve the same and issue his warrant in payment thereof in the manner provided by law. The public examiner may require that all claims of a particular class approved for payment by the state auditor be submitted to him for further audit and approval, but this provision shall not apply to claims, salaries, or appropriations the exact amount of which has been previously fixed by the commissioner of administration, or by law. Any person feeling aggrieved by the action of the auditor in approving or disapproving any claims, in whole, or in part, may appeal to the public examiner, who shall review the action of the auditor and his decision thereon shall be final. The public examiner also may review any other claim allowed by the auditor and either approve or disapprove same. The public examiner shall require the auditor to make periodical reports to him of all receipts and disbursements as shown by the books of his office.

[1925 c. 426 art. 3 s. 11] (53-14)

**6.10 CANCELATION AND ISSUANCE OF WARRANTS.** At the beginning of each fiscal year, the state auditor and the state treasurer shall cancel upon their books all outstanding unpaid state auditor's warrants that have been issued and delivered for more than six years prior to that date and credit back to the proper funds the respective amounts of the canceled warrants.

When any canceled warrant is presented for payment the same shall be taken up by the auditor and a new warrant for the same amount, payable to the lawful holder thereof, but bearing a current number, shall be issued against the same fund as the original warrant. All appropriations available for the payment of any such original warrants are hereby made available for the payment of any new warrants issued in lieu of the canceled warrants.

[1923 c. 288 ss. 1, 2] (73)

**6.11 LOST WARRANT; DUPLICATE.** When it shall be shown to the auditor, by affidavit, that any unpaid state warrant has been lost or destroyed, he may issue to the owner a duplicate thereof and thereupon the original shall be void. If it shall appear to him that any person may be damaged thereby, he may require from the applicant a bond of indemnity to the state in double the amount of the warrant, conditioned for the benefit of any person so damaged. The auditor, in his discretion, may refuse such issue and, if he shall act in good faith, he shall not be liable, whether the application be granted or denied.

[R. L. s. 36] (74)

**6.12 ACCOUNTS.** The state auditor shall enter and keep in his office, in suitable books, a record of all such accounts and documents as are required by law to be returned to or filed with him, and shall file and preserve all receipts and other vouchers relating to his official business. He shall keep an account with the treasurer, charging him therein with all moneys paid into the treasury and crediting all warrants redeemed by him and returned. An account shall likewise be kept with each money appropriation made by the legislature, showing all disbursements made

therefrom, and such other accounts as shall be necessary to exhibit the condition of the state finances from day to day.

[R. L. s. 37] (75)

**6.13 EXPENDITURES WITHOUT APPROPRIATIONS FORBIDDEN; EXCEPTION.** No money belonging to or for the use of the state shall be expended or applied by any official, department, or agency of the state government or any institution under its control, except in pursuance of an appropriation by law and upon warrant of the state auditor, except that the use of the grain inspection fund by the railroad and warehouse commission, as provided in section 233.27, is hereby authorized and continued, subject to the provisions and limitations of Laws 1925, Chapter 426.

[1925 c. 426 art. 3 s. 12] (53-15)

**6.135** [Repealed, 1947 c. 416 s. 3]

**6.136 REFUNDMENT OF MONEY.** Subdivision 1. **Presentment and approval of claim; warrant in payment.** When money has been paid into the state treasury through error, or under circumstances such that the state is not legally entitled to retain the same, the money so paid may be refunded upon the submission of a verified claim therefor as hereinafter provided. The claimant shall present his verified claim, together with a complete statement of facts and reasons for which the refund is claimed, to the head of the state agency concerned, who shall forthwith examine it and endorse thereon his approval or disapproval thereof, together with his reasons therefor. Upon approval, the head of the state agency shall submit the claim to the state auditor, who shall issue his warrant in payment thereof out of the fund to which such money was credited in the manner provided by law.

Subd. 2. **Appropriation.** There is hereby appropriated to the persons entitled to such refund, from the fund in the state treasury to which such money was credited, an amount sufficient to make such refund and payment.

[1947 c. 416 s. 1, 2]

**6.14 CONTRACTS INVOLVING EXPENDITURES WITHOUT AVAILABLE APPROPRIATIONS TO MEET FORBIDDEN.** No official, department, or agency of the state government or institution under its control shall enter into any contract, agreement, or obligation involving the expenditure of money unless or until the public examiner shall first certify that there is a balance in the appropriation from which such obligation is required to be paid which is not otherwise encumbered to pay obligations previously incurred.

[1925 c. 426 art. 3 s. 13] (53-16)

**6.15 ORIGINAL BILLS, CLAIMS, DEMANDS KEPT IN AUDITOR'S OFFICE; CERTIFIED COPIES OF CONTRACTS FILED WITH PUBLIC EXAMINER.** The original bills, claims, demands, and vouchers on which money has been paid or may be paid by the state treasurer shall be kept in the state auditor's office and all departments, officers, or commissions authorized to make contracts under which money may be payable from the treasury shall file with the public examiner certified copies thereof.

[1925 c. 426 art. 3 s. 14] (53-17)

**6.16 RECORDS OF STATE LANDS.** The auditor shall keep a record of all parcels of land leased or sold, and the quantity of each, all timber or other products sold therefrom, the moneys received therefor as principal and as interest, and the persons paying the same, and shall credit all such payments to the proper funds. He shall have the custody of all maps, books, and papers relating to the public lands, whether held in trust or otherwise, and keep books showing in what capacity the several tracts are held. All deeds, leases, and other contracts relating to such lands shall be recorded in books kept in his office, and upon all instruments so recorded he shall certify the book, page, and date of record. These books, maps, and records shall be notice of the facts therein disclosed. All conveyances of land to the state and all abstracts of title thereto, for whatsoever purpose such lands are required or held, shall be deposited with and kept by the auditor.

[R. L. s. 38] (76)

**6.17 BOOKS AND STATIONERY.** All books, blanks, and stationery required to be used or furnished by the auditor shall be supplied at the cost of the state and all the books, records, vouchers, and accounts of his office shall be open to inspection

and shall be exhibited and explained to the legislature, or to any committee thereof, whenever required.

[R. L. s. 39] (78)

**6.18 REPORTS.** On or before the third day of each regular session of the legislature, the auditor shall report to each house thereof an account of the receipts and disbursements of the treasurer during the preceding two years, the unexpended balances of the several appropriations, the amount remaining in the treasury, and the warrants issued and unpaid, if any there be, which account shall be accompanied by such remarks on the state finances as he shall deem proper. This report shall show the lands sold or leased, the amounts received therefor, the amount paid in for interest and for other purposes and to what funds credited, and all other matters proper to be communicated concerning state lands.

[R. L. s. 40] (79)

**6.19 INTEREST ON UNPAID STATE AUDITOR'S DRAFTS.** Drafts issued by the state auditor for claims due the state and delivered to the state treasurer for collection shall be paid within 30 days thereafter. If not paid within such period interest shall accrue and be collected upon the principal of such claims at the rate of eight per cent per annum from date of the draft or date when due. The provisions of this section shall not apply to drafts issued for timber stumpage, gross earnings taxes, or for amounts due for principal or interest upon state loans, or other claims due the state where the interest is now provided by law.

[1919 c. 497] (80-1)

**6.20 GRANTS FROM UNITED STATES TO BE USED FOR STATED PURPOSES ONLY.** All funds received by the state from the government of the United States as grants-in-aid for the purpose of assisting in paying old age benefits, or aid to dependent children commonly called "mothers' pensions," or aid to the blind, or for maternal and child health services, or for the care of crippled children, or for the care of neglected children and child welfare generally, or for vocational rehabilitation, or for the extension of public health services, or for any other public assistance or public welfare purpose shall be used solely for the purpose for which the grant was made, and any interest or income arising from the funds so granted shall be accredited by the state treasurer to the particular account for which such grant was made and used solely for the purpose of such grant or repaid to the United States treasury as the proper authorities of the government of the United States may require.

[1937 c. 25 s. 1] (53-18a)

**6.21 DUTIES OF STATE AUDITOR GENERALLY.** The state auditor shall continue to exercise the rights, powers, and duties now vested in and imposed upon his office. He shall have charge of the administration of the financial affairs of the state and he shall keep the general books of account of the state. The general books of account shall be on a double entry control basis, with such revenue, expenditure, asset and liability accounts as will give complete control over all financial and expenditure operations of the state and over all officials, departments, and other agencies of the state government. Accounts shall be set both as to expenditures and revenue according to generally accepted practice in governmental accounting. The auditor, with the advice and assistance of the commissioner of administration and the public examiner, shall formulate and prescribe for all departments and other state agencies a system of uniform records, accounts, statements, estimates, revenue receipt forms, vouchers, bills, and demands with suitable instructions governing the installation and use thereof. The accounting system and form so prescribed shall be adopted and employed by all officials, departments, and agencies of the state government and the auditor, with the assistance of the public examiner, shall exercise constant supervision and control over the same. All accounting and financial records shall be kept on the fiscal year basis of 12 months ending at midnight between June 30 and July 1. The auditor and his designated agents shall at all times have free access to the books, records, accounts, and papers of the several departments and agencies. The commissioner of administration and his designated employees shall have free access at all times to the books, records, accounts, and papers of the state auditor and the auditor shall allow the commissioner and his agents sufficient desk space for using and inspecting the same.

[1939 c. 431 art. 3 s. 1] (80-2)

**6.22 OTHER DUTIES OF STATE AUDITOR.** The auditor or his designated agents shall examine every receipt, account, bill, claim, refund, and demand against

the state, and if a legal, correct, and proper claim, he shall approve the same, designate the account to be charged therefor, and issue his warrant in payment thereof in the manner provided by law. He shall approve all documents and reports showing evidences of payments into receipts by the state treasurer and shall designate the fund to be credited therewith.

All liquor, fermented malt beverage stamps, and other stamps, tokens, or forms evidencing the payment of taxes or fees of any kind due to the state shall be pre-numbered serially, so far as practicable, in such manner as the state treasurer may direct. All officers and employees having custody of such stamps, tokens, or forms shall be accountable therefor at all times and shall keep such records and make such reports thereof as the state auditor may direct. Upon purchasing or contracting for such stamps, tokens, or forms the commissioner of administration, with the advice and approval of the state treasurer, shall designate and design the form and denomination thereof, prescribe such requirements and provide for such supervision of the manufacture and delivery thereof as may be necessary to prevent forgery, misappropriation, and fraud. The printer or manufacturer of any such stamps, tokens, or forms shall deliver the same upon completion to the officer or employee of the state entitled to custody thereof and shall, at the same time, execute in triplicate a sworn statement stating the kind and number of the articles printed or manufactured and delivered, what precautions have been taken to prevent forgery, misappropriation, and fraud in connection therewith, and such other information as may be required by the commissioner of administration and the state treasurer. One of these statements shall be delivered with the articles described therein to the officer or employee of the state receiving the same, one to the commissioner of administration, and one to the state auditor. No claim for payment for any such articles shall be allowed until these statements have been delivered.

All liquor and fermented malt beverage stamps and other tokens and forms which are salable for cash without further certification or authentication shall be delivered, when printed or manufactured, to the state treasurer, who shall exclusively sell the same. Other tokens or forms of any kind hereinbefore referred to shall be delivered to and issued by the state treasurer. The state treasurer shall issue daily duplicate reports to the state auditor and liquor commissioner showing the sales of stamps and denominations thereof and the persons purchasing the same. Refunds to any purchaser of money paid for any stamps returned unfit for use or otherwise unused may be made upon proof required by the state auditor pertaining to such refund who shall, if he finds the same to be correct, draw his voucher upon the state treasurer for the amount to be paid.

The forging, with intent to defraud, of any liquor stamp, license form, or other stamp, token, or form evidencing, or intended to evidence, the payment of any tax or fee due to the state, or any plate, die, or other device for the printing or manufacture of any such stamp, token, or form, shall be forgery in the third degree and shall be punished accordingly. Every such stamp, token, or form which is salable for cash, without further authentication or certification, for the purposes of payment of any such tax or fee shall be deemed to be of the value of the amount of money designated thereon and for which the same is salable, and larceny thereof in any manner shall be punished accordingly. The provisions of this section shall not exclude the application of any other laws, not inconsistent herewith, relating to the same subject matter, but shall be supplementary thereto.

[1939 c. 431 art. 3 s. 2] (80-3)

**6.23 NO MONEY TO BE EXPENDED EXCEPT BY APPROPRIATION; EXCEPTIONS.** Unless otherwise expressly provided by law, no money belonging to or for the uses of the state shall be expended or applied by any official, department, or agency of the state government or any institution under its control, except under authority of an appropriation by law and an allotment relating thereto as herein provided, and upon warrant of the auditor.

[1939 c. 431 art. 3 s. 3] (80-4)

**6.24 ALL DOCUMENTS TO BE UNDER SUPERVISION OF AUDITOR.** Except as otherwise provided by law, all original bills, claims, contracts, deeds, leases, demands, and vouchers on which money has been paid or may be paid by the state treasurer shall be kept in the office of the auditor and shall be under the supervision and control of the auditor.

[1939 c. 431 art. 3 s. 4] (80-5)

**6.25 TO PREPARE QUARTERLY STATEMENTS.** The auditor shall prepare and submit to the governor and make available to the public at the end of every quarterly period and at the end of each fiscal year a summary statement showing all revenues and expenses for the period covered by such statement, including a comparison with the previous corresponding period. Such statements shall be in sufficient detail as to appropriations and funds as to show the exact financial condition of the state and each department and agency thereof. The auditor shall prepare and submit to the legislature and governor a biennial report.

[1939 c. 431 art. 3 s. 5] (80-6)

**6.26 SALARY; BOND.** The salary of the state auditor shall be \$6,000 annually and he shall give a corporate bond of \$50,000 to the state for the faithful discharge of his duties.

[1939 c. 431 art. 3 s. 6] (80-7)

**6.27 PUBLICATION OF OFFICIAL GUIDE BOOK, SALE.** There is hereby appropriated to the state auditor from any moneys in the state treasury not otherwise appropriated, the sum of \$1,500 for a revolving fund, the moneys of the fund to be used for the purpose of republishing the official state capitol guide books and history, which shall be offered for sale at a price sufficient to defray the cost of printing, publishing, and distribution.

[1937 c. 396 ss. 1, 2] (5680-1, 5680-2)