

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

Section 1. [128.38] **Cooperative research in education; acceptance of federal aid.** The provisions of Public Law 531, an act of the 83rd Congress of the United States entitled "An act to authorize cooperative research in education", and approved July 26, 1954, be and the same are hereby accepted, and the benefits of all funds appropriated under the provisions of such act are hereby accepted as provided in such act.

Approved April 24, 1959.

CHAPTER 517—H. F. No. 1664

An act relating to school districts and limitations upon tax levies thereof; amending Minnesota Statutes 1957, Section 275.12, Subdivision 5.

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

Section 1. Minnesota Statutes 1957, Section 275.12, Subdivision 5, is amended to read:

Subd. 5. **School districts, tax levies.** This section does not apply to any independent school district situated in a county having over 300,000 and less than 600,000 inhabitants, nor in a county having over 600,000 inhabitants, to any school district having less than 1200 resident pupil units in average daily attendance in kindergarten and grades one to twelve, inclusive, and an assessed value in excess of \$3500 per such resident pupil unit.

Approved April 24, 1959.

CHAPTER 518—S. F. No. 952

[Coded In Part]

An act relating to examinations by the public examiner of the books, records, accounts, and affairs of cities, boroughs, villages, counties, towns, school districts, public utility commissions, public corporations, and other instrumentalities; amending Minnesota Statutes 1957, Sections 215.19, 215.20, 215.225, 215.26, Subdivision 2, 215.34, and 215.38.

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

Section 1. Minnesota Statutes 1957, Section 215.19, is amended to read:

215.19 Municipal activities; freeholders' petition.
The freeholders of any city, borough, village, or town may petition the public examiner to examine the books, records, accounts, and affairs of any such city, borough, village, town, or of any organizational unit, activity, project, enterprise, or fund thereof; and the scope of the examination may be limited by the petition, but such examination shall cover, at least, all cash received and disbursed and the transactions relating thereto, provided that the public examiner shall not examine more than the six latest years preceding the circulation of the petition, unless it appears to the public examiner during his examination that the audit period should be extended to permit a full recovery under bonds furnished by public officers or employees, and may if it appears to him in the public interest confine the period or the scope of audit, or both period and scope of audit, to less than that requested by the petition. When the population of any such city, borough, village, or town is not more than 2,000, the petition shall be signed by at least six freeholders for each 100 inhabitants; when the population thereof is over 2,000 the petition shall be signed by at least four freeholders for each 100 inhabitants. Likewise the freeholders of any school district may petition the public examiner in the same manner and he shall be subject to the same restrictions regarding the scope and period of audit, provided that the petition shall be signed by at least ten freeholders for each 50 pupils in average daily attendance during the preceding school year as shown on the records in the office of the county superintendent of schools. In no case shall the petition for an examination of a town bear the names of less than 25 freeholders; and in the case of a city, borough, or village having a population over 2,000 said petition shall be signed by not less than 120 freeholders; and provided, that in the case of school districts and all other cities, villages, and boroughs, said petition shall be signed by at least ten freeholders. At the time it is circulated, every petition shall contain a statement that the cost of the audit will be borne by the city, village, borough, town, or school district as provided by law. Before such petition is delivered to the public examiner it shall be presented to the auditor of the county in which such city, borough, town, village, or school district is situated, who shall determine whether such petition is signed by the required number of freeholders and shall certify such fact thereon, and such certificate shall be conclusive evidence thereof in any action or proceeding for the recovery of the costs,

charges and expenses of any examination made pursuant to such petition.

Sec. 2. Minnesota Statutes 1957, Section 215.20, is amended to read:

215.20 Municipal activities; resolution of governing body. The governing body of any city, borough, village, town, county or school district, by appropriate resolution may ask the public examiner to examine the books, records, accounts and affairs of their government, *or of any organizational unit, activity, project, enterprise, or fund thereof*; and the public examiner shall examine the same upon receiving, pursuant to said resolution, a written request signed by a majority of the members of the governing body; and *the governing body of any public utility commission, or of any public corporation having a body politic and corporate, or of any instrumentality joint or several of any city, borough, village, town, county, or school district*, may request an audit of its books, records, accounts and affairs in the same manner; provided that the scope of the examination may be limited by the request, but such examination shall cover, at least, all cash received and disbursed and the transactions relating thereto. Such written request shall be presented to the clerk, or recording officer of such city, borough, village, town, *county*, school district, *public utility commission, public corporation, or instrumentality*, before being presented to the public examiner, who shall determine whether the same is signed by a majority of the members of such governing body and, if found to be so signed, shall certify such fact, and the fact that such resolution was passed, which certificate shall be conclusive evidence thereof in any action or proceeding for the recovery of the costs, charges and expenses of any examination made pursuant to such request. Nothing contained in any of the laws of the state relating to the public examiner, shall be so construed as to prevent any city, borough, village, town or school district from employing a certified public accountant to examine its books, records, accounts and affairs.

Sec. 3. [215.261] **Public utility commissions, public corporations, etc., application.** *The units of government set forth in Sections 215.21, 215.22, 215.23, 215.24, and 215.26 shall be construed, where applicable, to include, in addition to those therein specifically named, public utility commissions, public corporations, and instrumentalities.*

Sec. 4. Minnesota Statutes 1957, Section 215.225 is amended to read:

215.225 **Revolving fund.** The revolving fund established by Laws 1947, Chapter 634, Section 24, shall be used to employ personnel, pay other expenses, *and for the acquisition of equipment used in connection with reimbursable examinations only. Notwithstanding any law to the contrary, the acquisition of equipment may include duplicating equipment to be used in producing the reports issued by the department.* All receipts from such *reimbursable* examinations shall be deposited in the fund and are hereby reappropriated to that purpose. The public examiner is directed to adjust his schedule of charges for such examinations to provide that such charges shall be sufficient to cover all costs of such examinations and that the aggregate charges collected shall be sufficient to pay all salaries and other expenses *including charges for the use of the equipment used in connection with such reimbursable examinations.* The public examiner shall review and adjust the schedule of charges for such examinations at the end of each six months and have all schedules of charges approved by the commissioner of administration before they are adopted so as to insure that the amount collected shall be sufficient to pay all the salaries and expenses connected with such examinations during the fiscal year and that the unobligated balance, including accounts receivable, in the revolving fund at the end of each fiscal year shall not be less than \$165,000. The unobligated balance in the revolving fund in excess of said \$165,000, as of June 30 of each fiscal year, shall be canceled into the general revenue fund.

Sec. 5. Minnesota Statutes 1957, Section 215.26, Subdivision 2, is amended to read:

Subd. 2. **Cost of post-audit.** The amount of said levy shall be the amount of the claim or claims submitted by the public examiner for such services or his estimate of the entire cost, and said amount shall be certified by the governing body, after the *request or petition for the audit has been filed*, to the county auditor, along with amounts requested for other governmental purposes. *If such levy has been made in excess of statutory limitations, and if the request or petition is withdrawn after the amount of the levy has been certified but the levy cannot be canceled because it has been spread on the tax lists, the governing body shall cause the proceeds of such levy to be transferred to the general fund and reduce the succeeding year's levy for general purposes accordingly.* Provided, however, counties, cities, and other governmental units whose financial affairs are required by statute or charter to be audited at regular intervals may levy annually or biennially in antici-

pation of the audit expense, without the presentment of such claim or estimate by the public examiner.

Sec. 6. Minnesota Statutes 1957, Section 215.34, is amended to read:

215.34 Public accountants; report of evidence pointing to nonfeasance, etc. 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 corporation, shall discover evidence pointing to nonfeasance, misfeasance, or malfeasance, on the part of an officer or employee in the conduct of his duties and affairs, *the public accountant shall promptly make a report of such discovery to the public examiner and the county attorney of the county in which the governmental unit is situated and the public accountant shall also furnish a copy of his report of audit upon completion to said officers.* 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. 7. Minnesota Statutes 1957, Section 215.38, is amended to read:

215.38 Scope of examiners' investigation. 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 *or the governing body requests or both* 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, section 215.19, but the scope shall cover, at least, an investigation of those complaints which are within the public examiner's powers and duties to investigate.

Approved April 24, 1959.

CHAPTER 519—H. F. No. 945

An act relating to law libraries in counties and providing for the collection of fees in district, probate, and municipal courts for the acquisition and maintenance thereof; amending Minnesota Statutes 1957, Sections 140.30; 140.31; 140.41, Subdivision 1; 140.42, Subdivision 1; and 140.43, Subdivision 1.