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609 Reporting, CTAS Training and More

By Rebecca Otto, State Auditor

As a township official, the last thing you want to have happen under your watch is theft of township funds. Some think, "It would never happen in our community." Unfortunately, employee theft happens.

In Minnesota, unlawful use of public funds is rare. But when evidence is discovered, the public employee or officer making the discovery must promptly report the incident to law enforcement and to the Office of the State Auditor (OSA). Minn. Stat. § 609.456, subd. 1 reads:

"Whenever a public employee or public officer of a political subdivision . . . discovers evidence of theft, embezzlement, unlawful use of public funds or property, or misuse of public funds, the employee or officer shall promptly report to law enforcement and shall promptly report in writing to the state auditor a detailed description of the alleged incident or incidents."

Under this statute, a detailed description of the alleged incident(s) must be made "promptly" and "in writing". "Prompt" reporting means that the OSA should be contacted when the evidence is first discovered. The report may include information that is classified as not public data.

Not Public Data

Information that could reasonably be used to determine the identity of the person making the mandatory report to the OSA is classified as "private" data (Minn. Stat. § 6.715, subd. 2). In this way, Minnesota law protects the identity of the person making the report to encourage public employees and officers to come forward with evidence without fear of retribution or retaliation.

Tools for Reporting

To make the reporting obligation easier, a “Report a Concern to the Office of the State Auditor” form can be found on the OSA website at www.osa.state.mn.us, under the “Investigations” tab, and then under “Report a Concern”.

The form asks about the facts, and requests that supporting documentation be provided. The form also asks whether law enforcement has been notified, and whether internal control changes have been put in place in response to the incident. Finally, the OSA generally does not bill a local government for services provided in response to these types of reports.

Reports should be sent to:

Office of the State Auditor
Legal/Special Investigations Division
525 Park Street, Suite 500
St. Paul, Minnesota 55103

If you have questions about whether a report should be made, please feel free to contact Jeff Reed, Supervisor of Special Investigations, by phone at (651) 297-5853 or by e-mail at Jeff.Reed@osa.state.mn.us.

Upcoming CTAS Version 8 Training Sessions

Staff from the OSA will offer CTAS training at this year’s MAT Summer Short courses. The courses will be held from June 15th to June 26th at various locations throughout the state. This is a hands-on course for CTAS Version 8 beginners and computers will be provided for this training. Please visit the MAT website for more information on the short courses.

Reporting Reminder

The 2014 financial information for towns reporting on a GAAP basis of accounting is due to the OSA by June 30, 2015. The 2014 financial information for towns reporting on a cash basis of accounting was due by March 31. The financial reporting form can be found on our website at:

<https://www.auditor.state.mn.us/safes/>.

I would like to thank all of the township officials who have completed and submitted your Town Financial Reporting Form to our office. If your township hasn’t yet submitted your form, we’d be happy to assist you with any questions. You can contact us for assistance at (651) 297-3682. If you call after hours, please leave a message and someone from the OSA will contact you at their earliest opportunity.