

## Final Exam (Part 1)

### Question 2

The Office of the State Auditor examines:

- A. counties and cities of first class under an unfunded mandate.
- B. school districts, small cities and townships.
- C. all Legislative Branch employees for pork-related trichinosis.
- D. both A & B above.

D. Incorrect:

Fool me once, shame on you; fool me twice, shame on me.



Minnesota State Statutes *do not* grant the State Auditor an unfunded mandate on school districts, small cities and townships, *only* counties and cities of first class.

Minnesota State Statute 6.58 requires that audit costs of the State Auditor be recovered. Furthermore, because school districts, small cities and townships are not covered under an unfunded mandate, the OSA will not examine the accounting and budgeting cycles of school districts, small cities and townships because no one will pay for the examination. Hence, private CPA firms are hired from the private sector to audit school districts, small cities and townships.

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