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Statement from State Auditor Rebecca Otto

Today the Supreme Court issued a decision in the lawsuit I brought challenging the 2015 county audit privatization law. I am grateful to the Court for considering the important legal questions raised by this case.

Since the 2015 law change, certain counties have actively rejected the State Auditor's authority to review county finances once a private CPA conducted an audit. The Supreme Court has now made clear that the State Auditor has authority and responsibility over county finances, including the authority to conduct additional examinations of a county following a private CPA firm audit, and that the counties are responsible for the costs. The Court clarified that the State Auditor "retains substantial and substantive responsibilities in connection with county audits, even those that private CPA firms conduct." The Court also reiterated that "the State Auditor retains the authority to 'examine all accounts and records relating to the receipt and disbursement of the public funds' of each county at any time and without previous notice." The Court's opinion now clearly establishes the role of the State Auditor in county finances and sets an important precedent that insures future protection of taxpayer dollars by the Office of the State Auditor.

As I have said all along, I have a sworn and solemn duty to uphold the Minnesota Constitution and protect Minnesota taxpayers, and in pursuing clarity from the Supreme Court regarding the role of the State Auditor, I have fulfilled my obligation. As State Auditor, I fully intend to use our full authority, on behalf of Minnesota taxpayers, to provide strong oversight over counties.

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Constitutional issues of this magnitude come along once in a generation. Just like the Legislature and Governor, I had a solemn duty to go to the courts to fight for, in my case, the taxpayers. Notably, our Office was able to carry out this two-year fight at a much smaller cost to the taxpayers than the Legislature's own recent litigation against the Governor. Our constitutional authority has been affirmed by the Minnesota Supreme Court, which is a win for the taxpayers.