

4525.0500 INVESTIGATIONS AND AUDITS; GENERAL PROVISIONS.

Subpart 1. **No complaint.** The board may undertake investigations or audits with respect to statements and reports which are filed or should have been filed under Minnesota Statutes, chapter 10A, although no complaint has been filed. Any decision as to whether an investigation should be undertaken must be made at a closed meeting of the board.

Subp. 2. [Repealed, 39 SR 757]

Subp. 2a. **Penalties.** In exercising discretion as to the imposition of a civil penalty for violation of a statute within the board's jurisdiction, the board must consider the factors identified in Minnesota Statutes, section 14.045. The board also may consider additional factors such as whether a violator created and complied with appropriate internal controls or policies before the violation occurred, whether the violator could have avoided the violation, whether the violator voluntarily reported or corrected any violation, and whether the violator took measures to remedy or mitigate any violation or avoid future violations.

Subp. 3. **Contested case hearing.** At any time during an investigation or audit, the board may hold a contested case hearing before making a finding on any investigation or audit.

Subp. 4. [Repealed, 20 SR 2504]

Subp. 5. **Board meetings.** Board meetings related to an investigation or audit must be conducted in accordance with part 4525.0200, subparts 4 and 5. At every board meeting, the executive director must report on the status of each active investigation and audit.

Subp. 6. **Subpoenas.** The board may issue subpoenas when necessary to advance an investigation or audit. The board may not issue a subpoena for the production of documents or witness testimony until a respondent has had at least 14 days to respond to a written request for the documents or testimony. When deciding whether to issue a subpoena, the board must consider the level of staff resources in taking witness testimony and conducting discovery.

Subp. 7. **Respondent submission.** In any investigation, audit, or staff review or other summary proceeding, the respondent may supply additional information not requested by the board, including sworn testimony. The executive director must provide the information submitted by the respondent to the board in advance of the meeting at which the board will consider the matter.

Statutory Authority: *MS s 10A.01; 10A.02; 10A.022; 10A.025*

History: *11 SR 1611; 12 SR 1809; 20 SR 2504; 30 SR 903; 39 SR 757; 49 SR 979*

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