

8410.0150 ANNUAL REPORTING AND EVALUATION REQUIREMENTS.**Subpart 1. Requirement for annual activity and audit reports.**

A. An organization shall annually:

(1) within 120 days of the end of the calendar year submit to the board an activity report for the previous calendar year; and

(2) within 180 days of the end of the organization's fiscal year, submit to the board and the state auditor's office an audit report for the preceding fiscal year if the organization has expended or accrued funds during this time, except as provided in Minnesota Statutes, section 6.756. When a county or city audit report contains the financial statements for an organization, the organization must submit to the board excerpts from the audit report concerning the organization within 30 days of completion of the audit report. The audit report must be prepared by a certified public accountant or the state auditor in the format required by the Government Accounting Standards Board.

B. The reports may be combined into a single document.

Subp. 2. [Repealed, 40 SR 6]

Subp. 3. **Content of annual activity report.** The annual activity report must include the following information:

A. a list of the organization's board members, names of designated officers, and the governmental organization that each board member represents for joint powers organizations and the county that each member is appointed by for watershed districts;

B. identification of a contact person capable of answering questions about the organization including a postal and electronic mailing address and telephone number;

C. an assessment of the previous year's annual work plan that indicates whether the stated activities were completed including the expenditures of each activity with respect to the approved budget unless included in the audit report;

D. a work plan and budget for the current year specifying which activities will be undertaken;

E. at a minimum of every two years, an evaluation of progress on goals and the implementation actions, including the capital improvement program, to determine if amendments to the implementation actions are necessary according to part 8410.0140, subpart 1, item C, using the procedures established in the goals and implementation sections of the plan under parts 8410.0080, subpart 1, and 8410.0105, subpart 1;

F. a summary of significant trends of monitoring data required by part 8410.0105, subpart 5;

G. a copy of the annual communication required by part 8410.0105, subpart 4;

H. the organization's activities related to the biennial solicitations for interest proposals for legal, professional, or technical consultant services under Minnesota Statutes, section 103B.227, subdivision 5;

I. an evaluation of the status of local water plan adoption and local implementation of activities required by the watershed management organization according to part 8410.0105, subpart 1, items B and C, during the previous year;

J. the status of any locally adopted ordinances or rules required by the organization including their enforcement; and

K. a summary of the permits and variances issued or denied and violations under rule or ordinance requirements of the organization or local water plan.

Subp. 3a. **Watershed management organization Web sites.** An organization shall have a Web site that, at a minimum, contains the location, time, agenda, and minutes for organization meetings and hearings; contact information for the organization including a person capable of answering questions about the organization; the current watershed management plan; annual activity reports and audits for the past three years; rules and regulatory program, if any; a list of the organization's board members including identification of designated officers and the governmental organization that each board member represents for joint powers organizations and the county that each board member is appointed by for watershed districts; and a list of employees including postal and electronic mailing addresses and telephone numbers. The Web site shall be kept current on a monthly basis or more frequently.

Subp. 4. **Procedure for state audit.** The board shall use the procedure described in items A to D to determine whether to order a state financial or performance audit of an organization.

A. Before the board will consider ordering a state audit, a written complaint must be filed with the board's executive director requesting the board to order a state audit. The complaint must state as specifically as possible the grounds for requesting a state audit. Valid grounds for requesting a state audit include the mishandling or misuse of public funds or the documented failure to implement an approved plan.

B. The executive director shall determine whether there is a basis for a complaint before reporting the complaint to the board. The executive director shall ensure that the affected organization and the plan review agencies are notified of the complaint and given an opportunity to respond to, or comment on, the allegations before determining whether there is a basis for the complaint.

C. If the executive director determines there is a basis for the complaint, the affected organization shall be given an opportunity to appear before the board's dispute resolution committee established under Minnesota Statutes, section 103B.101, subdivision

10, and respond to the allegations in the complaint. The complainant shall also be given an opportunity to be heard.

D. After providing an opportunity for the organization and the complainant to be heard, the board shall decide whether to order a state financial or performance audit of the organization. The cost of state financial and performance audits shall be paid for by the organization.

Statutory Authority: *MS s 103B.101; 103B.211; 103B.227; 103B.231; 103B.235; 103B.239*

History: *17 SR 146; 40 SR 6*

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