

Summary of Changes to 2025 Minnesota Legal Compliance Audit Guides

Cities

On page 7-4 N. Changed to [deletions ~~stricken~~, additions underlined]

If the city (1) received fire state aid, (2) ~~is~~ does not have firefighters covered by the statewide lump-sum volunteer firefighter plan under Minn. Stat. ch. 353G, and (3) had no firefighters' relief association, or the association has dissolved or has been removed as trustee of state aid:

On page 5-4 Under Part III C. 1. (c)(2) changed comma to a period in "Minn. Stat. § 353,028" so it reads: "Minn. Stat. § 353.028"

On page 7-5 changed citation for P. to "§ 423A.022, subd. 2(c)(2)"

On page 7-5 changed 2.d. so it reads:

If it has firefighters covered by the public employees police and fire retirement plan or part-time firefighters covered by the general employees retirement plan or both, did it disburse fire state aid to pay the employer contribution requirement with respect to firefighters covered by either or both of the applicable retirement plans?

On page 7-5 changed the citation for O. so it reads: § 424A.08(d)

Counties

On page 3-3 changed h. [which cites 373.40, subd. 2] to read [deletions ~~stricken~~, additions underlined]:

"... issued under a capital improvement plan under Minn. Stat. § 373.40, where notice was published at least ~~14~~ ten but not more than 28 days before the county held a hearing for public comment on issuing the bonds under this section; ..."

Relief Associations

On page 1-2 changed Part I, D.1. to read:

In the case of volunteer firefighters' relief associations, the payment or direct rollover under § 356.633 of disability and service pensions or disability benefits to members of the relief association;

On page 1-2 changed Part I, D.2. to read:

"for the purchase of an annuity;"

On page 1-2 changed Part I, D.3. to read:

“payment or direct rollover under § 356.633 of survivor’s benefits or death benefits to the estate of a deceased active or deferred firefighter as allowed by Minn. Stat. § 424A.05, subd. 3(4) ...”

On page 1-2 changed Part I, D.4 to read:

“for the payment of the fees, dues and assessments to the Minnesota State Fire Department Association and to the Minnesota State Fire Chiefs Association as allowed by Minn. Stat. § 424A.05, subd. 3(5);”

On page 1-2 changed Part I, D.6 to read:

“for the payment or direct rollover under § 356.633 of a service pension to the former spouse of a member or former member of a relief association, if the former spouse is an alternate payee designated in a qualified domestic relations order under subdivision 5 of Minn. Stat. § 424A.05;”

On page 1-13 changed C. [which cites 424A093, subd. 1] to read:

“If the relief association previously provided a monthly benefit service pension, but discontinued that practice and either replaced the monthly benefit amount with a lump sum benefit amount consistent with Minn. Stat. § 424A.02, subd. 3(a)(2) or purchased an annuity in the same amount as the monthly benefit from an insurance company licensed to do business in Minnesota, were the actuarial, overall funding balance, and minimum obligation requirements of Minn. Stat. § 424A.092 complied with?”

On page 1-16, in Part IX, the citation was changed from “423.022” to “423A.022”

Towns

On page 7-4 changed K.2.d. to read:

“If it has firefighters covered by the public employees police and fire retirement plan or part-time firefighters covered by the general employees retirement plan or both, did it disburse fire state aid to pay the employer contribution requirement with respect to firefighters covered by either or both of the applicable retirement plans?”

On page 7-4 changed citation for L. to read: “§ 424A.08(d)”

School Districts

On page 4-12 added a new 9, citing Minn. Stat. § 123B.52, subd. 6a.

“If the school district disposed of school books, including library books, and textbooks with accompanying materials without following Minn. Stat. §§ 471.345, 123B.52 or any other provisions, did it do so by:

- a. Donating them to a family of a student residing in the district, or
- b. Donating them to a charitable organization under § 501(c)(3) of the I.R.S. Code?”

Charter Schools

On page 1-1 removed the fifth paragraph down and replaced it with:

“The charter school, with the assistance of the auditor conducting the audit, must include with the report, as supplemental information: (1) a copy of any management agreement with a CMO or EMO; and (2) a copy of a service agreement or contract with a company or individual totaling over five percent of the audited expenditures for the most recent audit year. The agreements must detail the terms of the agreement, including the services provided and the annual costs for those services...” Minn. Stat. § 124E.16, subd. 1 (c).”

On page 1-3, added a new Part II [and changed former Part II to Part III and the subsequent Parts accordingly], citing Minn. Stat. § 124E.26

The new Part II asks whether the charter school adopted a procurement policy, and whether the procurement policy includes:

1. Conflict of interest provisions consistent with Minn. Stat. §124E.14,
2. Thresholds for purchases by employees without board approval,
3. Thresholds for purchases that require competitive procurement processes:
 - a. For purchases estimated to exceed \$25,000 but not \$175,000 requiring a competitive procurement process or direct negotiation by obtaining two or more bids or proposals for purchase or sale, and
 - b. For procurements estimated to exceed \$175,000 a competitive procurement process consistent with Minn. Stat. § 124E.26, subd. 4a,
4. A prohibition on breaking up a procurement into smaller components to avoid competitive procurement thresholds?