COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE: October 10, 2016
AGENDA NUMBER: 9
ITEM: Auditor Comments on 2015 Audit

POLICY IMPACT: Policy
FISCAL IMPACT: Budgeted

REQUEST
Acknowledge receipt of Auditor’s reports

BACKGROUND
On Tuesday, October 4 the District met with Randy Vogt, OSA for the exit meeting on the 2015 audit. President Byron Westlund and Treasurer Nick Phelps were present.

All Managers should have received a copy of the Audit directly from the Office of the State Auditor.

A complete report on the Auditor’s meeting will be provided at the Board meeting. Attached is a copy of the Exit Meeting Document.

One issue was found during the Audit under Legal Compliance: Contract Compliance

Criteria: Minn. Stat. § 16C.285 states that for each construction contract in excess of $50,000 awarded pursuant to a lowest responsible bidder or best value process, the successful contractor must submit verification of compliance signed under oath by an owner or officer verifying compliance with the minimum criteria set forth in Minn. Stat. § 16C.285, subd. 3.

Condition: During our testing of contracts for compliance with contracting and bid laws, we noted two construction contracts where the District was unable to provide the signed responsible bidder certification form.

Context: The responsible bidder certification statute is new for 2015.


Cause: District staff was not aware of the requirements of the new statute for construction contracts over $50,000 awarded through the lowest responsible bidder or best value process.
**Recommendation:** We recommend the District obtain the responsible bidder certification forms on all construction contracts over $50,000 and bid through the lowest responsible bidder or best value process.

**Client’s Response:** Below

**ISSUES/CONCERNS**  
**Response to Contract Compliance Finding:** The District was not aware of the requirements of the new statute for construction contracts over $50,000 awarded through the lowest responsible bidder or best value process, notes this finding and has already initiated procedures to insure that the District obtains the responsible bidder certification forms on all construction contracts over $50,000 and bid through the lowest responsible bidder or best value process.

**RECOMMENDATION**  
Receive Auditor’s report