

**3300.2052 WITHDRAWAL OF ALLOCATED FUNDS.**

Subpart 1. **Criteria for withdrawal of allocated state funds.** The commissioner may withdraw allocated state funds from a provider when:

A. an extended employment program is not being administered according to the extended employment program rule;

B. program certification has been terminated as provided in part 3300.2010, subpart 8; or

C. a review of an existing provider's programs demonstrates a need for new or alternative services. The commissioner may then withdraw funding from the existing extended employment provider and issue a request for proposals. The commissioner shall consider the following factors in determining the need for new or alternative services:

(1) the results of the department's annual survey or program evaluation indicates dissatisfaction with an existing provider's services;

(2) the existing provider has not complied with department requests to implement changes in ongoing employment support services to workers in the extended employment program;

(3) the local vocational rehabilitation office requests new or alternative extended employment program services; and

(4) a request from a county social service agency that the department issue a request for proposals for existing extended employment program funds; the issuance of a request for proposals for extended employment services by a county social services agency; or a change in the vendor for extended employment services by the county social services agency.

Where there is a demonstrated need for new or alternative services, the department shall consult with the county social services agency and the local vocational rehabilitation office in developing the request for proposals and issue a request for proposals under part 3300.2030, subparts 1 and 2. The request for proposals shall identify the needs to be addressed by new or alternative services. The department shall also notify the existing provider of the request for proposals and of the right of the existing provider to apply for funding under the request for proposals.

Subp. 2. **Notice of withdrawal.** Except where there is an imminent danger to the health or safety of workers, the commissioner must give written notice at least 45 days before allocated state funds may be withdrawn from a provider. The notice must state the reasons for the withdrawal of funds. If program certification is to be terminated in addition to the withdrawal of funds, the notice must also state the reasons for termination of certification.

Subp. 3. **Right of appeal.** A provider has the right to appeal the commissioner's withdrawal of allocated state funds. The appeal procedure is provided for in part 3300.2055.

Subp. 4. **Reallocation.** When the withdrawn allocation to be redistributed is less than one percent of the total allocation for either the center-based fund or the community support fund, the reallocation shall take place under the department guidelines in part 3300.2035, subpart 3. When the reallocation to be redistributed is one percent or more of the total allocation in either the center-based fund or the community support fund, the withdrawn funds shall be reallocated by the commissioner through the request for proposals process in part 3300.2030, subparts 1 and 2. Withdrawn funds may be reallocated by the commissioner on an interim basis for up to 120 days when that is necessary to continue the employment of workers in the extended employment program until the request for proposals process in part 3300.2030, subparts 1 and 2, can be completed.

**Statutory Authority:** *MS s 268.021; 268.0122; 268A.03; 268A.15*

**History:** *22 SR 2294*

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