

9571.0040 RECOGNITION OF COMMUNITY ACTION AGENCIES.

Subpart 1. **Provisional recognition.** The department will provisionally recognize a designation if the department establishes compliance with applicable state law, federal law, all the designation requirements of part 9571.0030, and, where applicable, with the change of designation requirements of part 9571.0050. Provisional recognition may occur within 60 calendar days of the department's receipt of the documents required in part 9571.0030, subpart 8, an approved transition plan, where applicable, as specified in part 9571.0050, subpart 4, and the most current copies of the following:

- A. articles of incorporation and bylaws;
- B. Internal Revenue Service certificate of 501(c)(3) tax exempt status and Minnesota Department of Revenue certificate of tax exempt status where applicable to nonprofit community action agencies; and
- C. list of board of directors, including their addresses and telephone numbers, that indicates officers and committee memberships, and the sector each director represents.

If the department finds noncompliance it must inform both the governing body and the designee within the 60-day period and, if possible, offer remedies for achieving compliance.

Subp. 2. **Governor's recognition.** After the requirements in subpart 1 have been met and the department has provisionally recognized a designation, the department will request recognition by the governor.

Subp. 3. **Maintenance of recognition records.** To maintain recognition, a community action agency must maintain the following records and make current copies available to the department as requested:

- A. articles of incorporation with any amendments and bylaws with any amendments;
- B. Internal Revenue Service certificate of 501(c)(3) tax exempt status and Minnesota Department of Revenue certificate of tax exempt status where applicable to nonprofit community action agencies;
- C. list of board of directors, including their addresses and telephone numbers, that indicates officers and committee memberships, tenure on the board, and the sector each director represents as required by the act;
- D. board minutes of the past year and latest annual corporate report;
- E. organizational chart, personnel policies, data privacy policies, affirmative action plan, voter registration plan, and client service appeals policy; and
- F. the planning and evaluation processes described in parts 9571.0120 and 9571.0130.

Subp. 4. **Merging of designated and recognized community action agencies.** Two or more community action agencies previously designated by one or more governing bodies and recognized by the state may seek approval to merge their organizations. The boards of directors of the community action agencies seeking to merge must:

- A. notify the department of their intent to merge;
- B. submit to the department a transition plan for the composition of the board of directors, the leadership and staffing of the merged agency, and the uninterrupted continuation of services; and
- C. provide documentation showing that the board of directors of each community action agency involved in the proposed merger supports the merger.

Subp. 5. **Review and approval of merger transition plan.** The department has 60 days from the date of receipt of the transition plan to either approve or disapprove the plan. The department may request additional information and meetings with the boards of directors or their representatives and with the leadership of the agencies. The department will consider the proximity of the service areas and the priorities listed in part 9571.0050, subpart 2, when it reviews proposed merger plans. If the transition plan is not approved, the department must provide written comments and the options for remedy of the department's concerns. The boards of directors may submit a subsequent transition plan consistent with the department's comments.

Statutory Authority: *MS s 256.01; 268.0122; 268.021*

History: *16 SR 2319; 33 SR 1300*

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