



Minnesota Department of Transportation

395 John Ireland Boulevard MS682
Saint Paul, MN 55155

June 9, 2011

To: Permittees and Agreement Holders

Re: Potential Temporary Suspension of State Contract Performance

We are writing to you because your organization has a relationship with this agency under an active agreement, work order, or permit, or will have a relationship under a new agreement, work order, or permit that will become effective in the near future.

As you may know, the Minnesota State Legislature adjourned May 23, 2011, without appropriating money to fund the operations of state government for the fiscal year that begins July 1, 2011. Although negotiations continue, we have no assurance that the involved parties will reach an agreement, or that a special legislative session called prior to July 1, 2011 will result in fund appropriations.

This agency operates on a biennial budget. The Minnesota Legislature appropriates funds every two years. Each fiscal year begins on July 1 and ends on June 30 of the following calendar year. Our current biennial budget is due to end after June 30, 2011. In the absence of legislation specifically appropriating funds for the continuing operations of the agency for the next biennium, we will have no or very limited authority to expend or release funds to pay for goods or services after June 30, 2011. In this event, expenditures will be limited to fund or support only critical life, health, and safety functions of state government.

Because we do not know whether the biennial budget process will conclude in time to avoid a disruption to our operations, we must advise all contractors, vendors, and grantees that if the legislature does not authorize appropriations as of July 1, 2011, all work, activity, and performances under our agreements, work orders, and permits must be suspended as of that date, pending authorized appropriations. Future agreements, work orders, permits, plan review, closeouts, payments or invoices will not be processed during this time.

In the event that any agreement, work order, or permit concerns a critical state function, as described above, we will notify you by separate letter, publication, bulletin, or other appropriate means.

We will work to keep you informed of progress regarding legislative authorization of appropriations, and we will make every reasonable effort to issue public notices promptly when

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budgets are approved and you may resume work. We do suggest that you monitor state web sites, bulletins, and media publications for further information.

Sincerely,

Valerie K. R. Svensson

Valerie K. R. Svensson
Director, Pre-Letting Services
Office of Technical Support

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