



Protecting, maintaining and improving the health of all Minnesotans

Date: June 7, 2011

To: Contractors, Vendors and Grantees

Re: Potential Temporary Suspension of State Contract Performance

We are writing because your organization has a relationship with the Minnesota Department of Health (MDH) either under a current contract with an expiration date after June 30, 2011, or a new contract that is to become effective on or after July 1, 2011.

The information in this letter applies to all contractors, vendors and grantees, regardless of funding source (state, federal or other) or year appropriated.

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.

MDH operates on a biennial budget. Funds are appropriated by the Minnesota Legislature every two years, with each fiscal year beginning on July 1 and ending 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 are advising all contractors, vendors and grantees that in the absence of legislatively authorized appropriations as of July 1, 2011, all work, activity and performances under our contracts must be suspended as of that date, pending authorized appropriations, as will all payments required of this agency under those contracts.

In the event that any contract concerns a critical state function, as described above, you will be notified 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 budgets are approved and contract performance may be resumed. We do suggest that you monitor state web sites (including www.bereadymn.com), bulletins and media publications for further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward P. Ehlinger", is written over a white background.

Edward P. Ehlinger, MD, MSPH
Commissioner
P.O. Box 64975
St. Paul, MN 55164-0975

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