

**3300.6045 DISTRIBUTION OF AVAILABLE FUNDS.**

Subpart 1. **Available funds.** The commissioner must distribute funds that become available due to any of the following:

- A. a general increase in the state appropriation;
- B. the underproduction penalty process as described in part 3300.6040; or
- C. unspent funds due to termination of a contract.

Subp. 2. **Distribution of available funds; considerations.**

A. The commissioner must consider the factors in this subpart when determining which method of distribution of additional available funds under subpart 3 will be used.

(1) Priority for allocation of funds must go toward the service needs of individuals who would benefit from ongoing employment support services.

(2) The commissioner must consider input from stakeholders such as current extended employment providers, other community rehabilitation providers, representatives of county social service agencies, vocational rehabilitation staff, and representatives from advocacy organizations.

(3) The commissioner must consider the amount of one-time funds or ongoing funds available for distribution.

(4) The commissioner must consider the relationship of additional extended employment services to current services.

(5) The commissioner must consider the performance of current extended employment services.

(6) The commissioner must consider the geographic distribution of current extended employment services and the distribution method's ability to respond to needs for geographic distribution of extended employment services.

B. When funds are available for distribution, the commissioner must distribute funds on a one-time basis, a time-limited basis, or by adding to a provider's subsequent year initial extended employment contract starting point.

Subp. 3. **Distribution method; supported employment overproduction.** If the commissioner distributes available funds through the supported employment overproduction provision, the commissioner must distribute funds to extended employment providers that have overproduced in the supported employment subprogram based on a proportionate share of the total supported employment subprogram overproduction by all extended employment providers. Overproduction means an extended employment provider's audited supported employment subprogram hours exceed the provider's supported employment contract allocation in a given fiscal year.

Subp. 4. **Distribution method; supported employment incentive.** If the commissioner distributes available funds through the supported employment incentive provision, the commissioner

must distribute funds to extended employment providers based on each provider's audited supported employment hours divided by the total audited supported employment hours of all extended employment providers in the audited fiscal year.

Subp. 5. **Distribution method; new or expanded services.** If the commissioner distributes available funds through the new or expanded services provision, the commissioner must develop and publish a request for proposals for new or expanded services. New or expanded services must only be to provide ongoing employment support services to individuals in competitive, integrated employment. Community rehabilitation providers may apply for distribution of available funds by responding to a request for proposals for new or expanded services issued by the commissioner.

A. In developing the request for proposals for new or expanded extended employment services, the commissioner shall consider how to foster innovation and promote state-of-the-art best practices in providing ongoing employment support services to individuals in competitive, integrated employment. The commissioner may waive program requirements as outlined in this chapter to conduct pilot projects, foster innovation, and promote state-of-the-art best practices in competitive, integrated employment.

B. The underproduction penalty in part 3300.6040 does not apply to a new or expanded services contract allocation. A contract for new or expanded services must include production goals within identified time frames. If a provider's audited production for the new or expanded services in an audited fiscal year is less than the production goals identified in the contract for new or expanded services, the provider must develop and implement a corrective action plan to meet the goals in the contract. The commissioner must approve and monitor the corrective action plan. If the provider does not administer extended employment services according to the corrective action plan approved by the commissioner, the commissioner must withdraw allocated state funds for new and expanded services under part 3300.6055.

Subp. 6. **Distribution method; supported employment subprogram rate adjustment.** If the commissioner distributes available funds through a supported employment subprogram rate adjustment, the commissioner must use the available funds to adjust the statewide uniform reimbursement rates for the supported employment subprogram as provided under part 3300.6050.

**Statutory Authority:** *MS s 268A.15*

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