

1 Bureau of Mediation Services

2

3 Adopted Permanent Rules Relating to Minnesota Area

4 Labor-Management Committee Grant Program

5

6 Rules as Adopted

7 5520.0100 APPLICATION.

8 Parts 5520.0100 to 5520.0800 apply to the preparation,
9 submission, and approval of applications for grants under the
10 Minnesota Area Labor-Management Committee Grant Program.

11 5520.0110 POLICY.

12 Parts 5520.0100 to 5520.0800 shall be liberally construed
13 to accomplish the provisions and purposes of the Minnesota Area
14 Labor-Management Committee Grant Program.

15 5520.0120 DEFINITIONS.

16 Subpart 1. **Scope.** For the purpose of parts 5520.0100 to
17 5520.0800, the terms defined in this part have the meanings
18 given them.

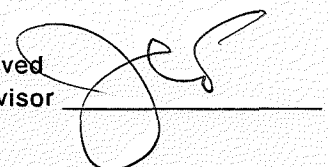
19 Subp. 2. **Application.** "Application" means a written
20 request for grant funds completed on a form developed by and
21 available from the bureau.

22 Subp. 3. **Bureau.** "Bureau" means the Minnesota Bureau of
23 Mediation Services.

24 Subp. 4. **Commissioner.** "Commissioner" means the
25 commissioner of the bureau or an authorized agent.

26 Subp. 5. **Area Labor-Management Committee or committee.**
27 "Area Labor-Management Committee" or "committee" means an
28 organization of representatives from multiple labor
29 organizations and multiple employer enterprises within a
30 geographic area or statewide employment sector which has as its
31 principle purpose the strengthening of union-management
32 relations within the area or sector.

33 Subp. 6. **Grant program.** "Grant program" means the
34 Minnesota Area Labor-Management Committee Grant Program, as



1 created in Minnesota Statutes, sections 179.81 to 179.85.

2 Subp. 7. **Office of Cooperative Labor-Management Programs.**

3 "Office of Cooperative Labor-Management Programs" means the
4 office within the bureau created to administer the grant program.

5 Subp. 8. **Technical assistance delivery area (TADA).**

6 "Technical assistance delivery area (TADA)" means a geographical
7 area or a statewide employment sector outside of the
8 jurisdiction of an established Area Labor-Management Committee
9 that has been designated by the commissioner to receive
10 technical assistance from a grant recipient.

11 5520.0200 GRANT APPLICATIONS.

12 Subpart 1. **Scope.** The procedures in this part will be
13 used by the commissioner in receiving and considering grant
14 program applications.

15 Subp. 2. **Notice and deadline.** On or before September 1 of
16 each calendar year, the commissioner shall publish a notice of
17 the availability of funds under the grant program in the State
18 Register. An application for a grant must be submitted to the
19 bureau by October 15 of the previous year.

20 Subp. 3. **Application form and purpose.** Each application
21 must be on forms available from the bureau and must include a
22 statement of purpose and a description of the Area
23 Labor-Management Committee requesting grant funds. All current
24 committee members and officers must be identified in the
25 application and a brief description of the committee's existing
26 or proposed operating procedures must be included. A copy of
27 the committee bylaws, if adopted, must also accompany the
28 application.

29 Subp. 4. **Statement of goals.** The application must include
30 a descriptive statement of the labor-management climate and
31 major issues or problems existing in the committee's area of
32 jurisdiction, as well as the major purpose or goal of the
33 committee in the context of the problems. The goal statement
34 must describe specific changes or outcomes the committee seeks
35 to accomplish through use of grant program funds. Quantifiable,

1 specific goal and problem statements are encouraged. Applicants
2 should avoid broad, generic, overly-generalized statements.

3 Subp. 5. **Methodology.** The application must include a
4 description of the approach and methodology to be used by the
5 committee in solving the problems and achieving the goals
6 identified in subpart 4. The application must include an
7 implementation plan setting forth specific and measurable goals
8 and objectives to be accomplished during the grant period, the
9 major action steps to be taken, a timetable indicating when
10 those action steps will be taken, and when goals and objectives
11 will be accomplished.

12 Subp. 6. **Financial plan.** The application must include a
13 four-year financial plan detailing the revenues and expenditures
14 anticipated over a four-year period, commencing with the year
15 for which the grant is being requested. The plan must identify
16 the total amount of state funding necessary to carry out the
17 committee's goals and objectives and the money to be raised from
18 other sources to meet the guidelines of the grant program. The
19 plan must be accompanied by a proposed committee budget over the
20 four-year period detailing how all money, including state grant
21 money, is to be expended. Existing committees must also submit
22 copies of actual financial statements for the four-year period
23 preceding the proposed grant period.

24 5520.0250 GRANT RESTRICTIONS.

25 Subpart 1. **Labor negotiations, grievances, or disputes.**
26 No committee funded, in whole or in part, through the grant
27 program may engage in activities directly or indirectly related
28 to labor negotiations, contract disputes, or grievance
29 procedures. Violation of this subpart is grounds for
30 termination of the grant.

31 Subp. 2. **Prior obligations.** No grant money may be used
32 directly or indirectly to cover costs incurred before the
33 effective date of the grant nor to cover costs that are not
34 specifically related to the goals in the application. No
35 finder's fee or other form of payment for successful application

1 shall be permitted in conjunction with the grant program.

2 Subp. 3. TADA set-aside. An amount equal to ten percent
3 of the total amount of every grant shall be designated and may
4 only be used to provide technical assistance to the technical
5 assistance delivery area designated by the commissioner,
6 pursuant to a technical assistance work plan approved by the
7 commissioner.

8 Subp. 4. Delegation or transfer. A successful applicant
9 may not, in whole or in part, delegate or transfer
10 responsibility for the management of the grant or control and
11 use of its funds to any other organization or entity.

12 5520.0300 GRANT PERIOD AND AMOUNT.

13 Subpart 1. Grant period. All grants are awarded for a
14 12-month period commencing January 1.

15 Subp. 2. Amount. The amount of each grant will be
16 determined by the commissioner after considering the merits and
17 reasonableness of each application, the total funds available in
18 relationship to the total amounts requested, prior awards and
19 experiences with individual applicants, the usual and customary
20 costs of operating a committee, and the overall purposes and
21 goals of the program.

22 Subp. 3. Ratio of state and nonstate funds. Regardless of
23 the funds available, no grant will be awarded that would be
24 inconsistent with the following ratio of state and nonstate
25 revenues for the committee: (Year 1 is the first year state
26 funds are received under this program, Year 2 is the second,
27 etc.)

	% Nonstate Revenues	% State Revenues
28 YEAR 1	10	90
29 YEAR 2	20	80
30 YEAR 3 & Beyond	50	50

33 5520.0400 TECHNICAL ASSISTANCE DELIVERY AREA.

34 Subpart 1. Designation. Based upon an assessment of
35 overall needs and potential, as well as the recommendations of
36 grant applicants, the commissioner shall designate an external
37 geographic area or statewide employment sector as a technical

1 assistance delivery area for each grant recipient.

2 Subp. 2. Work plan. In consultation with the Office of
3 Cooperative Labor-Management Programs, each grant recipient
4 shall prepare and submit a plan for using the TADA portion of
5 its grant to foster the growth and development of an Area
6 Labor-Management Committee within the area or sector designated
7 by the commissioner in subpart 1. The plans are subject to the
8 approval of the commissioner and ~~may~~ shall not be amended with
9 without advance written consent of the commissioner. ~~Failure-to~~
10 ~~submit-or-adhere-to-a-TADA-work-plan-may-be-grounds-for~~
11 ~~termination-of-a-grant.~~

12 Subp. 3. Reports. Each grant recipient shall provide
13 written quarterly reports to the commissioner concerning
14 progress on its TADA work plan and expenditures of its TADA
15 portion of the grant.

16 5520.0500 APPLICATION REVIEW PROCEDURES.

17 Subpart 1. Competitive basis. All timely and complete
18 applications will be reviewed on a competitive basis. Grants
19 will be awarded by the commissioner in amounts and to parties as
20 deemed consistent with the overall purposes of the grant
21 program. In evaluating applications and awarding grants, the
22 factors described in this part will be considered.

23 Subp. 2. Appropriateness. The appropriateness of the
24 proposal must be evaluated. Appropriateness includes:

25 A. consistency of the proposal's purpose with the
26 public policy objectives of the grant program;

27 B. the extent and history of labor-management
28 activity within the area to be served by the proposed grant;

29 C. other past or present cooperative labor-management
30 activities within the designated area;

31 D. the need for public funding of the endeavor; and

32 E. the reasonableness of proposed expenditures in
33 relationship to benefits to be derived.

34 Subp. 3. Attainability of goals. The attainability of the
35 goals in the proposal must be evaluated. Attainability includes:

1 A. ability of the applicant to articulate
2 quantifiable and meaningful goals and activities;

3 B. evaluation of the applicant's ability and capacity
4 to implement program activities necessary to achieve stated
5 goals;

6 C. prior success of the applicant in achieving
7 previous program goals;

8 D. other labor-management activities in the area; and

9 E. the relationship of the proposed goals with the
10 overall objectives of the grant program.

11 Subp. 4. **Support for the proposal.** Evidence of support
12 for the proposal from multiple labor-management representatives
13 within the area will be reviewed. The evidence may be submitted
14 in the form of letters of endorsement, resolutions of support
15 adopted by ad hoc groups, or other form that permits
16 consultation and verification with individual representatives by
17 the bureau. Established committees must attach a copy of the
18 minutes of the meeting at which the proposal was approved and
19 the minutes should reflect the names and organizations of all
20 persons present for the meeting.

21 Subp. 5. **Financial plans.** The thoroughness of the
22 four-year financial plan submitted as a part of the proposal,
23 including an analysis of the overall reasonableness of revenue
24 and expense projections; the detail and reasonableness of
25 projected funding sources and amounts; and the detail and
26 reasonableness of projected expenditures will be considered.
27 Established committees must attach copies of actual financial
28 operating statements that reflect annual revenue sources and
29 amounts and expense categories and amounts for each year of the
30 three-year period preceding the current year, as well as for the
31 current year-to-date.

32 Subp. 6. **Work plans.** The thoroughness of detailed plans
33 for achieving the major goals and objectives of the committee
34 will be evaluated to determine the ability of the committee to
35 identify key tasks and action steps necessary to the attainment
36 of goals; the designation of appropriate time frames; relevance

1 of work plans to objectives of the grant program; and the extent
2 of planning undertaken by the applicant with regard to its goals.

3 Subp. 7. TADA plans. Demonstrated understanding,
4 capacity, and willingness to develop a meaningful technical
5 assistant work plan for an external and independent technical
6 assistance delivery area designated by the commissioner,
7 including an expression of preferred technical assistance area
8 and narrative discussion of potential work plan, will also be
9 considered when evaluating an application.

10 5520.0520 WORK PLAN.

11 Each grant application must include a work plan that
12 describes the major work steps to be undertaken by the committee
13 during the grant period in achieving its individual goals and
14 objectives. Work plans should describe each area of substantial
15 program activity contemplated by the committee, the key steps
16 necessary to achieving each program activity, and a time frame
17 for determining progress in each activity area. Grantees are
18 responsible for compliance with their work plans and for
19 advising the Office of Cooperative Labor-Management Programs of
20 any significant alterations in the goals, objectives, or work
21 plans of the committee. Written quarterly reports, describing
22 the progress and problems in adhering to the work plan, must
23 accompany financial reports in conformance to the provisions of
24 part 5520.0560.

25 5520.0540 BUDGET ADJUSTMENTS.

26 Grant recipients must consult, in writing, with the Office
27 of Cooperative Labor-Management Programs before making budget
28 adjustments that:

29 A. result in changes in the scope or objectives of
30 the program in the approved application;

31 B. result in more grant money available than is
32 necessary to meet the needs of the program;

33 C. result in a change in the percent of state funds
34 available to the grantee that would be inconsistent with part
35 5520.0300, subpart 3, or Minnesota Statutes, section 179.85; or

1 D. amount to ten percent or more of the total grant
2 awarded.

3 5520.0560 QUARTERLY REPORTS.

4 Each grant recipient must file detailed financial and
5 activity reports on a quarterly basis in accordance with the
6 following schedule:

7 A. Period covered: January 1 to March 31, date due:
8 April 20;

9 B. Period covered: April 1 to June 30, date due:
10 July 20;

11 C. Period covered: July 1 to September 30, date
12 due: October 20; and

13 D. Period covered: October 1 to December 31, date
14 due: January 20.

15 ~~A-failure-to-file-timely-reports-will-cause-a-suspension-of~~
16 ~~the-grant-and-may-cause-reductions-in-the-amount-of-or~~
17 ~~termination-of-the-grant.~~

18 5520.0600 ACCOUNTING SYSTEM.

19 Each grant recipient must establish and maintain a system
20 of financial management of the grant that complies with accepted
21 accounting practices. The system must provide accurate,
22 current, and complete information on the financial status of
23 each grant-supported activity and must include the generation of
24 periodic reports indicating the allocation of funds by activity,
25 the amount expended, and the amount obligated. Each dollar of
26 Area Labor-Management Committee Grant Program money must be
27 traceable through the accounting system.

28 All accounting documents must be supported by source
29 documentation such as payroll records, invoices, and purchase
30 vouchers. All employees paid in whole or in part from grant
31 funds must prepare time sheets reflecting the number of hours
32 worked on grant activities during the pay period and the payroll
33 must be based on these time sheets. Any purchase of services
34 agreement entered into by the committee must specify the amount
35 and nature of services to be provided in a manner that

1 facilitates determination of an hourly or per-unit rate for
2 those services.

3 5520.0620 AUDITS.

4 Subpart 1. Financial and compliance audits. All grant
5 recipients must arrange for and undergo a financial and
6 compliance audit at least once every two years. The audits must
7 be performed by qualified individuals who are independent of
8 those persons who authorize, manage, and carry out the
9 expenditure of funds to ensure unbiased opinions, conclusions,
10 or judgments. Grant recipients are responsible for arranging
11 and paying for these audits. The purpose of the audit is to
12 report on whether:

13 A. the financial operations have been conducted
14 properly;

15 B. financial and other reports submitted as a part of
16 the program have been presented fairly and accurately;

17 C. the grantee has complied with applicable laws,
18 regulations, and policies;

19 D. resources are used and managed in an economic and
20 efficient manner; and

21 E. program objectives and results are being
22 effectively and economically achieved.

23 Normal accepted auditing methods and standards must be
24 applied in the performance of this audit. Should an auditor
25 become aware of irregularities in financial or programmatic
26 performance, the auditor must promptly notify the commissioner
27 of those irregularities and, if appropriate, higher grantee
28 management officials than the level at which irregularities
29 appear to lie.

30 Subp. 2. Audit reports. A written audit report shall be
31 prepared and include:

32 A. a statement of the standards used in the
33 performance of the audit;

34 B. financial statements and audit comments on the
35 statements for the period;

1 C. audit comments regarding compliance and internal
2 control; and

3 D. comments regarding the accuracy and completeness
4 of financial and program reports filed by the grantee.

5 Three copies of the written audit report must be provided
6 to the commissioner and a copy shall be made available to each
7 member of the committee.

8 5520.0700 INITIAL PAYMENTS.

9 No grant payments will be issued until the grant
10 application and required work plans have received final approval
11 by the commissioner and a written grant contract has been
12 executed and approved.

13 5520.0710 SUBSEQUENT PAYMENTS.

14 Subsequent grant payments will be made on a quarterly basis
15 based on submission of a payment request form and other required
16 reports. When computing requests for payment, the recipient
17 should first apply any unused portions of a previous grant
18 payment toward the next month's anticipated expenditures.

19 5520.0800 TERMINATION OF GRANTS.

20 Subpart 1. General. Grants ~~may~~ shall be suspended,
21 terminated, or withdrawn, in whole or in part, by the
22 commissioner if funds provided are used in a manner inconsistent
23 with the policies of parts 5520.0100 to 5520.0800, or if it
24 appears that funds are being used in a manner inconsistent with
25 the stated goals and purpose of the grant application or
26 approved amendments. Grants ~~may~~ shall also be suspended,
27 terminated, or withdrawn if it appears that the applicant is
28 unable or unwilling to fulfill responsibilities set forth in the
29 application.

30 Subp. 2. Notice. In the event the commissioner believes
31 that there is reason to suspend, terminate, or withdraw a grant,
32 the commissioner shall provide written notice to the grant
33 recipient stating the nature of the contemplated action, the
34 anticipated effective date, and the reasons for the action. The

1 grant recipient may submit a written response to the notice
2 within five working days of receipt of the notice from the
3 commissioner. After investigating the situation, including any
4 information provided by the committee in response to the
5 commissioner's notice, the commissioner shall determine final
6 action with regard to suspension, termination, or withdrawal of
7 the grant. The commissioner shall provide written notice of the
8 final determination to all interested parties.