

## CHAPTER 16

### DEPARTMENT OF ADMINISTRATION

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**16.01 COMMISSIONER OF ADMINISTRATION.** The department of administration shall be under the supervision and control of a commissioner of administration, in sections 16.01 to 16.23 also referred to as the commissioner, who shall be ex officio the state budget director and state purchasing agent.

The commissioner of administration shall be appointed by the governor, by and with the advice and consent of the senate. The term of the first commissioner appointed hereunder shall expire February 1, 1941, and succeeding terms shall be two years thereafter. The governor may remove the commissioner at any time for cause, after notice and hearing.

[1939 c 431 art 2 s 1; 1949 c 739 s 1; 1951 c 713 s 3] (53-4a)

**16.011 STATE AGENCY.** As used in this chapter, the term "agency of the state" or "state agency" means and includes every department, board, commission, officer, employee, and other agency of the state, including, without limiting the general effect of the foregoing, state colleges, state hospitals, state penal institutions, and other state institutions, enterprises, and activities, wherever located, but excepting the regents of the state university, and persons and institutions under their control, and excepting all cities, villages, boroughs, towns, counties, school districts, and other municipal corporations or political subdivisions of the state, and excepting the professional and regulatory examining and licensing boards enumerated in Mason's Minnesota Statutes of 1927, Chapter 35, and the 1938 Supplement to Mason's Minnesota Statutes of 1927, Chapter 35.

[1939 c 431 art 2 s 2; 1957 c 576 s 1, 2] (53-4b)

**16.02 POWERS, DUTIES.** Subject to other applicable provisions of Laws 1939, Chapter 431, as amended, and to other laws not inconsistent therewith, the commissioner shall have the following powers and duties respecting all agencies of the state:

(1) To purchase, rent, or otherwise provide for the furnishing of all supplies, materials, equipment, printing, and utility services, prescribe standard specifications

therefor, to provide for inspecting and testing the same, and otherwise to enforce compliance with such specifications; to prescribe and designate classes of state printing;

(2) To prescribe time, manner, authentication, and form of making requisitions for supplies, materials, equipment, printing, and utility services and the manner and form in which claims therefor shall be submitted, allowed, and paid;

(3) To supervise and control the making of all contracts for building, highways, and other improvements, and to prescribe the amount of certified checks, deposits, or bonds to be submitted in connection with bids and contracts, when not otherwise provided for by law;

(4) To cause to be prepared plans and specifications for the construction, alteration, or enlargement of all state buildings, structures, and other improvements except highways and bridges; to approve such plans and specifications; to advertise for bids and award all contracts in connection with such improvements; to supervise and inspect all work relating thereto; after any contract for such an improvement is let, to approve all lawful changes in plans and specifications; to approve estimates for payment; and to accept such improvements when completed according to such plans and specifications;

(5) To maintain and operate the state capitol building, state office building, historical society building, and the grounds appertaining thereto, also, where deemed advisable and practicable by the commissioner, any other building or premises owned or rented by the state for the use of any state department or other administrative agency; provided, that this shall not apply to state hospitals or to educational, penal, correctional, or other institutions the control of which is vested by law in some other agency;

(6) To provide for the periodical inspection and appraisal of all state property, real and personal, and for keeping current and perpetual inventories thereof, and to require all departments and agencies to make reports of the real and personal property in their custody at such intervals and in such form as he may deem necessary;

(7) To inspect all state power, heating, and lighting plants, and to make such rules regulating the operation thereof and to recommend such improvements therein as will promote economical and efficient operation;

(8) To supervise and control the making of necessary repairs to all state buildings and structures, except structures, other than buildings, under the control of the state highway department;

(9) To rent land and other premises when necessary for state purposes; provided, that no such land or premises shall be rented for a term exceeding two years at a time; except that, with the approval of the legislative advisory committee, the commissioner may lease land or premises for a term not exceeding five years, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use;

(10) To prepare a biennial budget, under the supervision of the governor-elect;

(11) To operate the allotment system;

(12) To provide for the printing and distribution of the session laws, the capitol guide book, official reports, and other publications of all kinds, and to supervise and control the form of such reports and publications so as to coordinate them, avoid duplications, and make them useful and informative to the public;

(12) (a) Superseded

(12) (b) Repealed [1945 c 65 s 1]

(13) To rent out, with the approval of the governor, any state property, real or personal, not needed for public use, the rental of which is not otherwise provided for or prohibited by law; this shall not apply to state trust fund lands, or other state lands under the jurisdiction of the department of conservation, or to property under the jurisdiction of the conservator of rural credit, or to lands forfeited for delinquent taxes; no such property shall be rented out for a term exceeding two years at a time excepting property acquired under Minnesota Statutes, Section 298.22. Any rentals of property heretofore made under Minnesota Statutes, Section 298.22 for more than two years are hereby validated;

(14) To have charge of all central store rooms and supply rooms serving more than one department now or hereafter established and operated by the state;

(15) To maintain and operate for state departments and agencies a central mailing service, and a duplicating division in which all duplication shall be done;

to require that all equipment now or hereafter owned by the state be turned into the central duplicating division for use therein with the following exceptions:

(a) duplicating machines may be used in any department, institution, or state agency not located in St. Paul or Minneapolis, or in the state department of civil defense, or by the attorney general,

(b) the motor vehicle department may continue to fill the necessary data on motor vehicle license registration cards on duplicating machines or by duplicating process,

(c) the civil service department may continue to produce work of confidential nature on their own duplicating machines;

(d) the railroad and warehouse commission may utilize a duplicating machine for the purpose of issuing its orders and other work which is confidential until the time of its release.

The duplicating work to be done by the duplicating division shall be restricted to producing any form, booklet or pamphlet as follows:

(a) four pages or less, not to exceed 5,000 copies,

(b) over four pages and not to exceed 24 pages, not to exceed 1,000 copies,

(c) over 24 pages and not to exceed 50 pages, not to exceed 750 copies,

(d) over 50 pages, not to exceed 500 copies;

(16) To sell all public books and documents which are subject to sale;

(17) To transfer to or between state departments and agencies or to sell supplies, materials, and equipment which are surplus, obsolete, or unused, making proper adjustments in the accounts and appropriations of the departments or agencies concerned;

(18) To purchase from the state penal institutions and other state institutions all articles manufactured by them which are usable by the state;

(19) To make rules and regulations relative to travel of state officers and employees on state business and the expenses incurred thereon;

(20) To enter into a contract with any airline company regularly engaged in carrying passengers on schedule flights in interstate commerce for the establishment of an air travel account for the State of Minnesota, subject to such terms and conditions as may be necessary and proper to facilitate air travel by officers and employees of the state, and to deposit with the airline company not more than \$500 to the credit of such account. The sum of \$500 or so much thereof as may be necessary is hereby appropriated to the commissioner of administration out of the general revenue fund in the state treasury for the purposes of this clause.

(21) To make rules and regulations relative to the expense of moving state officers and employees to new stations, subsistence, and such other expenses as may be necessary and incident to assignments to such stations, and to provide for the payment thereof by reimbursement of actual expenses or payment therefor at a daily flat rate.

(22) [Obsolete]

(23) [Obsolete]

[1939 c 431 art 2 s 3; 1941 c 381 s 1; 1941 c 392 s 1; 1943 c 270 s 1, 2; 1943 c 359 s 1; 1945 c 65 s 1; 1945 c 446 s 1, 2; 1947 c 365 s 5; 1953 c 745 s 5; 1955 c 323 s 1; 1955 c 547 s 1] (53-18b)

**16.021 PERMITS TO SEARCH FOR LOST PROPERTIES.** Upon application therefor the commissioner of administration, referred to in sections 16.021 to 16.023 as the commissioner, is hereby authorized to grant a permit to search upon lands owned by the state for abandoned or lost property.

The commissioner may grant such permit upon such terms and conditions, including the division between the state and finder of the proceeds from such property, if unclaimed by the rightful owner, as he may deem proper. The commissioner may require from the applicant a bond conditioned upon the payment to the state of any damage to the premises whereon such search is to be conducted and for the faithful performance of the terms and conditions upon which such permit is granted.

[1943 c 357 s 1]

**16.022 CUSTODY OF PROPERTY FOUND.** All such lost or abandoned property, if found, shall be placed in the custody of the commissioner and held by him subject to the following provisions. If the rightful owner of such property is known to the commissioner, no publication of notice of the finding of such property shall be necessary. Notice shall be given to such owner by registered mail of the finding

of such property and upon the payment by the owner of all expenses incurred in the search therefor such property shall be turned over to him. If the owner of such lost or abandoned property is unknown, the commissioner shall give two weeks' published notice in the county where such property is found of the finding thereof and elsewhere as the commissioner may determine. If within six months after the publication of such notice or the giving of notice by him the rightful owner thereof claims the property, it shall be turned over to him upon payment of the expenses incurred in finding the same and the cost of the publication of such notice.

If such property is not claimed within the time provided in this section, the commissioner, if such property is not money, is authorized to have such property sold at public sale after two weeks' published notice thereof in the county wherein such property has been found and in such other newspapers as he may deem advisable.

[1943 c 357 s 2]

**16.023 STATE'S SHARE OF PROPERTY FOUND PUT INTO GENERAL REVENUE FUND.** All lost or abandoned moneys found under the permit granted hereunder, and the proceeds from the sale of other abandoned or lost property found under such permit, shall be deposited in the general revenue fund. The commissioner shall authorize in a manner provided by law the payment to the finder of the share due him under the terms and conditions provided when permission to search therefor was granted. There is hereby appropriated from the general revenue fund such amounts as may be necessary to pay to the finder the amount to which he is entitled under the terms and conditions of the permit granted to him.

[1943 c 357 s 3]

**16.024 ADMINISTRATION REVOLVING FUND.** Subdivision 1. **Creation.** There is hereby created the Administration Revolving Fund for the purpose of carrying on repair and maintenance activities in connection with state property.

Subd. 2. **Appropriations.** Such fund shall consist of the \$5,000 appropriated therefor and the moneys transferred to it as herein provided which are reappropriated to the commissioner of administration for the purposes of sections 16.024 and 16.025.

Subd. 3. **Where kept.** Such fund shall be in the state treasury and shall be paid out in the manner prescribed by law for moneys therein.

Subd. 4. **Uses.** Such fund shall be used for the purchase of raw materials, payment of salaries, wages, and other expenses necessary and proper in the conduct of the activities provided for in sections 16.024 and 16.025.

[1943 c 440 s 1-4]

**16.025 PERFORMANCE OF CERTAIN WORK FOR STATE AGENCIES.** Subdivision 1. **Nature of work.** The commissioner of administration may repair, alter, or construct machinery, furniture, or other property for any officer, department, or agency of the state, or construct any partition or alter any arrangement of an office upon written requisition by such officer or the head of such department or agency. Such requisition shall be subject to the allotment and incumbrance provisions of Laws 1939, Chapter 431.

Subd. 2. **Transfer of funds.** When such repair, alteration or construction has been completed, the commissioner of administration shall present to the department or agency a detailed statement of the cost thereof. If the head of the department or agency approves the statement, he shall request the state auditor to transfer the amount thereof from the proper appropriation to the administration revolving fund and the state auditor is hereby authorized to make such transfer. If the head of any department or agency disapproves of any statement so presented, the dispute shall be submitted to the governor whose decision shall be final and binding upon the officer or the head of the department or agency.

Subd. 3. **Request for transfer from fund to appropriation item.** When the commissioner of administration shall have paid from his appropriation for salaries, supplies or expense for any materials or labor used for the purposes of sections 16.024 and 16.025, he shall request the state auditor to transfer the amount thereof from the administration revolving fund to the appropriation item from which it was paid and the state auditor is hereby authorized to make such transfer.

[1943 c 440 s 5]

**16.026 STATE AGENCY REPORTS.** Subdivision 1. **Supervision by Commissioner.** The commissioner of administration shall supervise and control the making

and distribution of all reports required by Laws 1955, Chapter 847, and shall prescribe the manner and form of issuing the same.

**Subd. 2. Supervision of publications.** The commissioner of administration shall supervise and control the making and distribution of publications of all kinds issued by the State of Minnesota and the departments and agencies thereof when not otherwise prescribed by law.

**Subd. 3. Prescribe fees.** The commissioner of administration may prescribe a schedule of fees to be charged for services rendered by the state or any department or agency thereof in furnishing to applicants therefor certified copies of records or other documents, certifying as to the nonexistence of such records or documents, and for such other reports, publications, or related material as may be applied for. The fees so prescribed by the commissioner of administration, unless the same are otherwise prescribed by law, shall be in an amount as nearly as may be to the fees prescribed by Minnesota Statutes, Chapter 357, for like or similar services; if there be any fees so prescribed by said chapter for a like or similar service, then the commissioner may establish a fee which shall be commensurate with the cost of furnishing such service. Nothing herein contained shall authorize the commissioner to furnish any service which is now prohibited or unauthorized by law.

**Subd. 4. Sale of publications.** The commissioner of administration may sell official reports and other publications of all kinds and may delegate the sale thereof to state departments and agencies and to establish facilities therefor within the department of administration and elsewhere within the state service.

**Subd. 5. Use of fees.** All fees prescribed by Laws 1955, Chapter 847, and other provisions of the law not inconsistent therewith for the rendering of the services herein provided shall be deposited in the state treasury by the collecting department or agency and the amounts thereof are hereby appropriated to the commissioner of administration for the purposes of Laws 1955, Chapter 847.

**Subd. 6. Exceptions.** Laws 1955, Chapter 847, shall not apply to the Regents of the University of Minnesota or to the State Agricultural Society.

**Subd. 7. Rules.** The powers conferred herein to the commissioner of administration are in addition to those powers and duties prescribed by Minnesota Statutes, Section 16.02. The commissioner of administration shall promulgate rules and regulations for the purposes of carrying out the duties herein imposed upon him but no such rule or regulation shall in any way limit the subject matter of any report or publication of any department or agency required to be made or authorized by law.

[1955 c 847 s 30-36]

**16.027 TIME TO PAY SALARIES OF STATE OFFICERS AND EMPLOYEES.**

**Subdivision 1.** The commissioner of administration, with the approval of the governor, shall fix the time for payment of salaries due elective and appointive officers and employees of the state government. As herein determined said salaries shall be paid either monthly, semi-monthly or for each two week period; provided, however, that no employee whose salary is less than \$500 a month shall be paid on a monthly basis.

**Subd. 2.** Until the commissioner of administration, with the approval of the governor, exercises the power herein conferred, payment of salaries to elective and appointive officers and employees of the state government shall continue to occur in the manner now provided by law.

[1957 c 414 s 1]

**16.03 DEFINITIONS.** **Subdivision 1. Terms.** Unless the language or context clearly indicates that a different meaning is intended, the following terms shall, for the purposes of sections 16.01, 16.02, and 16.03 to 16.23, be given the meanings subjoined to them.

**Subd. 2. Supplies, materials, and equipment.** The terms "supplies," "materials," and "equipment" mean and include any and all articles and things used by or furnished to any department or agency of the state government, including printing, binding, and publication of books and records, repairs, and improvements.

**Subd. 3. Utility services.** The term "utility services" means and includes any and all telephone, telegraph, postal, electric light, and power service, and any and all other services required for the maintenance, operation, and upkeep of buildings and offices.

[1939 c 431 art 2 s 4] (53-18c)

**16.04 ENUMERATION NOT EXCLUSIVE.** The enumeration of the things specified in section 16.03 shall not be deemed exclusive.

[1939 c 431 art 2 s 4] (53-18c)

**16.05 RULES.** The commissioner shall have power, with the approval of the governor, to make and amend rules and regulations, not inconsistent with law, respecting any matter within the scope of the powers and duties conferred by sections 16.01 to 16.23, which rules and regulations shall have the force and effect of law; provided, that every such rule or regulation affecting any person or agency, other than a member of the department of administration, shall be filed with the secretary of state, and shall not take effect until so filed.

[1939 c 431 art 2 s 5] (53-18d)

**16.06 SUPPLIES, MATERIALS; PURCHASE.** Subdivision 1. **Agencies may buy direct.** Under rules and regulations prescribed by him, the commissioner may authorize any agency of the state government to purchase directly specified supplies, materials, equipment, and utility services; provided, that in making such purchases the authorized agency shall call for bids and proceed otherwise in like manner as herein required in case of purchases by the commissioner.

**Subd. 2. Emergency purchases.** Under rules and regulations prescribed by him, the commissioner may purchase or may authorize any agency to purchase directly any supplies, materials, equipment, or utility services for immediate use in emergencies, without calling for bids; provided, that the conditions constituting an emergency shall be defined by regulation.

**Subd. 3. Repealed** [1957 c 808 s 8]

**Subd. 4.** All regulations made by the commissioner under this section shall prescribe the manner in which purchases shall be made, not inconsistent herewith, and the manner of accounting for and reporting the same to the commissioner and the auditor; provided, that every such purchase shall be so reported within three days.

[1939 c 431 art 2 s 6; 1945 c 155 s 1; 1955 c 675 s 1; 1955 c 754 s 1, 2] (53-18e)

**16.061 DEFINITIONS.** Subdivision 1. For the purposes of this chapter, unless the context clearly indicates otherwise, the words, terms and phrases defined in this section shall have the meanings ascribed to them.

**Subd. 2.** The commissioner means the commissioner of administration who is the state agency designated herein to purchase, accept, and distribute surplus property made available by the federal government.

**Subd. 3.** Surplus property means commodities, equipment, materials, supplies, books, printed matter, and other property made available by the federal government to a governmental or non-profit organization.

**Subd. 4.** Governmental or non-profit organization means the State of Minnesota, its departments, agencies, political subdivisions, and other instrumentalities thereof, and any non-profit and tax-exempt medical institution, hospital, clinic, health center, school, school system, college, university, or other institution organized and existing for any purpose authorized by federal law to accept surplus property.

[1957 c 808 s 1]

**16.062 COMMISSIONER OF ADMINISTRATION MAY HANDLE FEDERAL SURPLUS PROPERTY.** Subdivision 1. The commissioner is designated as the state agency to purchase, accept, and distribute surplus property made available by the federal government or any department or agency thereof to a governmental or non-profit organization for any purpose authorized by federal law and in accordance with any rules and regulations promulgated thereunder.

**Subd. 2.** The commissioner may purchase or accept surplus property for the State of Minnesota and may purchase or accept surplus property for the benefit of any other governmental or non-profit organization. And any such governmental or non-profit organization may designate the commissioner to purchase or accept surplus property for it upon such terms and conditions as may be mutually agreed upon.

[1957 c 808 s 2, 3]

**16.063 SURPLUS PROPERTY REVOLVING FUND.** In order to enable the commissioner to pay for surplus property received from the federal government for any governmental or non-profit organization, including the expenses of accepting and distributing such property, there is hereby created a surplus property

revolving fund. Any moneys paid into said surplus property revolving fund are hereby appropriated to the commissioner for the purposes of sections 16.061 to 16.066.

[1957 c 808 s 4]

**16.064 SURPLUS PROPERTY, STORAGE TRANSFER, REIMBURSEMENT OF REVOLVING FUND.** Subdivision 1. The commissioner may store surplus property until needed and any expenses incurred in connection therewith shall be paid from the surplus property revolving fund.

Subd. 2. Whenever the State of Minnesota or any of its departments or agencies operating pursuant to a legislative appropriation obtain surplus property from the commissioner the state auditor upon request of the commissioner shall transfer the cost thereof, including any expenses of accepting and distributing such property, from the appropriation of the state department or agency receiving the surplus property to the surplus property revolving fund. The determination of the commissioner as to the cost of such surplus property to the state department or agency receiving the same shall be final.

Subd. 3. Whenever any governmental or non-profit organization other than a state department or agency receives surplus property from the commissioner, such governmental or non-profit organization shall reimburse the surplus property revolving fund for the cost thereof, including the expenses of accepting and distributing the same, in such amount as the commissioner may determine. The commissioner may, however, require such governmental or non-profit organization to deposit in advance in the surplus property revolving fund moneys covering the cost of such surplus property and upon such terms and conditions as may be mutually agreed upon.

[1957 c 808 s 5]

**16.065 DELEGATION OF DUTIES BY COMMISSIONER.** The commissioner may delegate duties imposed upon him by sections 16.061 to 16.066 to the head of any state department or agency and to any of his subordinates. Such duties, if delegated, are to be exercised in the name of the commissioner and under his supervision and control.

[1957 c 808 s 6]

**16.066 POWERS ADDITIONAL.** Sections 16.061 to 16.066 are in addition to the powers now imposed upon or vested in state officers or departments and relating to their transactions with the federal government or any of its agencies.

[1957 c 808 s 7]

**16.07 COMPETITIVE BIDS.** Subdivision 1. **Application.** Except as otherwise provided by sections 16.01, 16.02, and 16.03 to 16.23, all contracts for construction or repairs and all purchases of and all contracts for supplies, materials, purchase or rental of equipment, and utility services shall be based on competitive bids, and all sales of property shall be to the highest responsible bidder after advertising for bids, as herein provided; provided, that competitive bids shall not be required for utility services where no competition exists or where rates are fixed by law or ordinance.

Subd. 2. **Publication of notice; expenditures over \$2,000.** If the amount of the expenditure or sale is estimated to exceed \$2,000, sealed bids shall be solicited by public notice inserted at least once in a newspaper or trade journal not less than seven days before the final date of submitting bids. The commissioner shall designate the newspaper or trade journal for such publication, and may designate different newspapers or journals according to the nature of the purchase or contract. The commissioner shall also solicit sealed bids by sending notices by mail to all prospective bidders known to him, and by posting notice on a public bulletin board in his office at least five days before the final date of submitting bids. All bids shall be sealed when received, shall be opened in public at the hour stated in the notice, and all original bids together with all documents pertaining to the award of a contract shall be retained and made a part of a permanent file or record, and shall be open to public inspection. This subdivision shall not apply to the purchase of fibre used in the manufacture of binder twine, ply twines, and rope at the state penal institutions, which shall be purchased in accordance with such regulations as the commissioner may prescribe, requiring competitive bids as far as practicable.

Subd. 3. **Purchases or sales; \$1,000 to \$2,000.** All purchases or sales estimated to exceed in amount \$1,000 but not to exceed \$2,000, shall be made after receipt

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of sealed bids following at least three days notice posted on a public bulletin board in the office of the commissioner. The commissioner shall also solicit sealed bids by mail in such cases, in like manner as hereinbefore provided.

Subd. 4. **Purchases, sales, or rentals; less than \$1,000.** All purchases or sales the amount of which is estimated to be less than \$1,000 may be made either upon competitive bids or in the open market, in the discretion of the commissioner; but, so far as practicable, shall be based on at least three competitive bids which shall be permanently recorded. All rentals of equipment and animals with operators or drivers furnished the amount of which is estimated to be less than \$1,000 in any 30-day period shall be made in accordance with rules prescribed by the commissioner.

Subd. 5. **Standard specifications, security.** Contracts and purchases shall in all cases be based on the standard specifications prescribed by the commissioner in accordance with Laws 1939, Chapter 431, as amended, unless otherwise expressly provided. Each bidder for a contract shall furnish such security as the commissioner approves to insure the making of the contract for which he bids.

Subd. 6. **Advertisement of highway contracts.** Notwithstanding anything herein to the contrary, all contracts for the repair, improvement, maintenance, or construction of highways or highway bridges shall be advertised and let as now or hereafter provided by law for highway construction contracts.

Subd. 7. [Obsolete]

Subd. 8. **Bids not required.** With the approval of the commissioner of administration and under such regulations as he may prescribe, merchandise for resale at state park refectories or facility operations may be purchased without advertising for bids.

Subd. 9. **Purchases in open market.** Until May 1, 1959, the commissioner of administration, with the approval of the executive council, may establish by regulation categories of supplies, materials, or equipment which may be purchased in the open market, provided that the commissioner of administration shall certify after investigation that he cannot secure competitive bids therefor. The executive council may withdraw its approval of the establishment of any such category and thereupon purchases thereof shall be made in the manner otherwise provided by law.

[1939 c 431 art 2 s 7; 1941 c 281 s 1; 1941 c 478 s 1; 1943 c 556 s 1, 2; 1945 c 370 s 2; 1947 c 112 s 1; 1947 c 238 s 1; 1949 c 189 s 1; 1951 c 36 s 1; 1951 c 343 s 1; 1953 c 568 s 1, 2; 1953 c 671 s 1; 1955 c 110 s 1; 1955 c 778 s 1-4; 1957 c 597 s 1] (53-18f)

**16.071 ADVERTISED SPECIFICATIONS CONTAINED IN CONTRACTS FOR PUBLIC ROADS.** Subdivision 1. **Wages minimum on public works.** Subject to the provisions of subdivision 2, the advertised specifications for every contract in excess of \$2,500 for any project contracted by the state of Minnesota, or any project financed in part by federal funds contracted by any political subdivision of the state for construction, alteration, or repair of any highway or public road which requires employment of mechanics or laborers, shall contain a provision stating the minimum wages to be paid each class of laborers and mechanics which provision shall be based upon the wages determined by the industrial commission to be the prevailing wages in the area. Each contract based upon these specifications shall contain a stipulation that the contractor or his subcontractor shall pay each mechanic and each laborer employed directly upon the site of the work, unconditionally and not less often than once a week, without any subsequent deduction or rebate, the net amount of wages after all lawful deductions accrued at time of payment, computed at a wage rate which is not less than the rate stated in the advertised specifications for such class. The scale of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of the work. The contract shall contain a stipulation that there may be withheld from the contractor so much of the accrued payments as is considered necessary by the contracting officer to pay to the laborers and the mechanics employed by the contractor or any subcontractor on the work the difference between the rates of wages required by the contract to be paid laborers and mechanics on the work and the rates of wages received by such laborers and mechanics and not refunded to the contractor, subcontractors, or their agents.

Subd. 2. **Not to apply to state trunk highway contracts.** The provisions of subdivision 1 are not applicable to contracts awarded by the commissioner of



highways on trunk highway work. Wages paid on those contracts shall be taken into consideration by the industrial commission in determining the prevailing rate of wages under subdivision 3.

**Subd. 3. Duties of industrial commission.** The industrial commission of the state of Minnesota shall conduct investigations and hold hearings to determine the prevailing wages being paid various classes of laborers and mechanics on work described in subdivision 1 in appropriate areas throughout the state of Minnesota. The industrial commission shall, within 90 days after the effective date of this law, establish the prevailing minimum wages in the appropriate areas as determined by the industrial commission.

The industrial commission shall conduct investigations and hearings from time to time thereafter for the purpose of making any changes in the said established prevailing wages as in their discretion they shall find it necessary to do to maintain the wage schedule as current wage schedules.

The industrial commission shall establish a register of persons or groups interested in receiving notice of such hearings or proposed changes and may not remove any name from this register except upon written request of a requestor; and any person or group interested in receiving notice of such hearings, may notify the industrial commission of their interest therein, and the industrial commission shall thereupon register such person or group.

Upon setting a date for hearing, the industrial commission shall at least five days prior to the hearing date notify all persons or groups listed in such register of the time and place for hearing for the purpose of affording all interested parties an opportunity to produce evidence of prevailing wages in the area or areas involved.

**Subd. 4. Prevailing minimum wages, establishment.** Before the state of Minnesota or any political subdivision of the state advertises for bids on any contract described in subdivision 1, it shall ascertain from the industrial commission the established prevailing minimum wages for the area or areas in which such contract is to be performed. No contract as described in subdivision 1 shall be valid unless it contains a provision setting forth the prevailing minimum wages to be paid to each class of laborers and mechanics as established by the industrial commission and such contract shall include appropriate penalty provisions for failure of the contractor or the subcontractors to comply with the payment of such prevailing minimum wages.

NOTE: 16.071 expires July 1, 1959, Laws 1957, Chapter 659, Section 2 [1957 c 659 s 1]

**16.08 CONTRACTS AND PURCHASES.** All contracts and purchases made by or under the supervision of the commissioner or any state department or agency for which competitive bids are required shall be awarded to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids. The commissioner shall have power to decide as to the lowest responsible bidder for all purchases. As to contracts other than for purchases, the head of the interested department or agency shall make the decision, subject to the approval of the commissioner. Any or all bids may be rejected, and a bid shall be rejected if it contains any alteration or erasure. The commissioner may reject the bid of any bidder who has failed to perform a previous contract with the state. A record shall be kept of all bids, with names of bidders and amounts of bids, and with the successful bid indicated thereon. Such record shall be open to public inspection. In any case where competitive bids are required and where all bids are rejected, new bids shall be called for as in the first instance, unless otherwise expressly provided by law.

[1939 c 431 art 2 s 8] (53-18g)

**16.09 CONTRACTS AND LEASES; APPROVAL; FILING; FORMS.** All contracts and leases shall be approved as to form and execution by the attorney general. A copy of every such contract or lease extending for a term longer than one year shall be filed with the state auditor. All purchase orders shall be made on a form prescribed by the attorney general.

[1939 c 431 art 2 s 9] (53-18h)

**16.10 SIGNED BY HEAD OF DEPARTMENT.** Except as otherwise provided in sections 16.01 to 16.23, every contract shall be signed in behalf of the state by the head of the interested department or agency, and no purchase order or contract shall be valid or effective without the approval and signature of the commissioner and the counter-signature of the auditor, who shall certify that the appropriation and allotment have been encumbered for the full amount of the contract liability.

[1939 c 431 art 2 s 10; 1949 c 189 s 2] (53-18i)

**16.11 MEMBERS OF DEPARTMENT, NO FINANCIAL INTEREST IN CONTRACTS.** Neither the commissioner, nor any member of his department, nor any member of a standardization committee, shall be financially interested, or have any personal beneficial interest, directly or indirectly, in any contract or purchase order for any supplies, materials, equipment, or utility services used by or furnished to any department or agency of the state government, nor shall the commissioner, member of his department, or member of a standardization committee accept or receive, directly or indirectly, from any person, firm, or corporation to whom any contract or purchase order may be awarded, by rebate, gift, or otherwise, any money or any thing of value, or any promise, obligation, or contract for future reward or compensation. Any violation of this section shall be a felony and punishable accordingly.

[1939 c 431 art 2 s 11] (53-18j)

**16.12 STANDARDS FOR SUPPLIES, MATERIALS, EQUIPMENT.** The commissioner is authorized to establish, from time to time, and to enforce standards for all supplies, materials, and equipment in common use by officers and department of the state; to make, or cause to be made, any test, examination, or analysis necessary therefor; to require the assistance of any and all officers and departments therefor; to prepare, or cause to be prepared, proper and uniform specifications therefor; and to classify the requirements of the various agencies of the state government for the purpose of the use and application of such standard specifications.

[1939 c 431 art 2 s 12] (53-18k)

**16.13 TRANSFER OF EMPLOYEES.** With the approval of the governor and the executive head of the department of civil service, if there be such a department, the commissioner may, in order to expedite the necessary work of any department or agency, or to eliminate duplication and promote economy and efficiency, transfer employees from one department or agency to another; provided, that no necessary work of the department or agency from which the transfer is made shall thereby be curtailed; and, provided, that the salaries of such employees shall be charged to the department or agency to which they are transferred.

[1939 c 431 art 2 s 13] (53-18L)

**16.14 COMMISSIONER TO PREPARE BUDGET.** Subdivision 1. **Budget estimate forms.** It shall be the duty of the commissioner, or his designated deputy, to prepare the budget for all state departments and agencies, subject to the approval of the governor. The commissioner shall furnish every department, official, and agency of the state authorized to expend state moneys with a sufficient number of budget estimate forms for its use by September first of each even-numbered year. The budget forms shall be so drawn as to show actual expenditures for the two preceding fiscal years, estimated expenditures for the current fiscal year, and estimates for each fiscal year of the succeeding biennium, the same data in respect to departmental receipts, and an estimated appropriation balance at the end of the current fiscal year. The estimated expenditures shall be classified to set forth the data by funds, organization units, character, and objects of expenditures, and the organization units may be subclassified by functions and activities. The department revenue estimates shall show the basis upon which the estimates were made and the factors involved in the same, and shall be classified so as to show receipts by funds, organization units, and sources of income.

Subd. 2. **Filing budget estimates.** Each such department, official, or agency shall, not later than the first day of October preceding the convening of the legislature, file with the commissioner its estimates in the form provided, including a full explanation of its requests for any increased appropriations and for the expansion of services and the addition of new activities, a statement of the work accomplished during the preceding biennium and the work proposed to be done for the next biennium, and a list of all employees, their titles, and their salaries. The commissioner shall prepare estimates for all departments, boards, and agencies that fail to file requests.

Subd. 3. **Report to governor-elect.** The commissioner shall report the budget estimates to the governor-elect immediately after his election, and shall make available to him all information, staff, and facilities in the department relating to the budget.

[1939 c 431 art 3 s 14] (53-18m)

**16.15 BUDGET SUBMITTED TO LEGISLATURE.** Subdivision 1. **When to be submitted.** The governor shall, within three weeks after his inauguration, submit the budget to the legislature. The budget shall include two parts.

Subd. 2. **Budget message.** Part 1 of the budget shall consist of a budget message prepared by the governor, including his recommendations with reference to the fiscal policy of the state government for the coming biennium, describing the important features of the budget plan, embracing a general budget summary setting forth the aggregate figures of the budget so as to show the balanced relation between the total proposed expenditures and the total anticipated income, with the basis and factors on which the estimates are made, the amount to be borrowed, and other means of financing the budget for the ensuing biennium, compared with the corresponding figures for at least the last two completed fiscal years and the current year. The budget plan shall be supported by explanatory schedules or statements, classifying the expenditures contained therein by organization units, objects, and funds, and the income by organization units, sources, funds, and the proposed amount of new borrowing, as well as proposed new tax or revenue sources. The budget plan shall be submitted for all special and dedicated funds, as well as the general revenue fund, and shall include the estimated amounts of federal aids, for whatever purpose provided, together with estimated expenditures therefrom.

Subd. 3. **Detailed budget estimates.** Part 2 of the budget shall embrace the detailed budget estimates both of expenditures and revenues. It shall also include statements of the bonded indebtedness of the state government, showing the actual amount of the debt service for at least the past two completed fiscal years, and the estimated amount for the current fiscal year and for the next two fiscal years, the debt authorized and unissued, the condition of the sinking funds, and the borrowing capacity. It shall also contain any statements relative to the financial plan which the governor may deem desirable or which may be required by the legislature.

Subd. 4. **Further information furnished.** The commissioner shall, upon request, furnish the governor or the legislature with any further information required concerning the budget, and shall, upon request, attend hearings of committees of the legislature in regard thereto.

[1939 c 431 art 2 s 15] (53-18n)

**16.16 ALLOTMENT AND ENCUMBRANCE.** Subdivision 1. **Allotment periods.** For the purposes of the quarterly allotment system, each fiscal year shall be divided into four quarterly allotment periods, beginning, respectively, on the first days of July, October, January, and April; provided, that in any case where the quarterly allotment period is impracticable, the commissioner may prescribe a different period suited to the circumstances, not exceeding six months nor extending beyond the end of the fiscal year.

Subd. 2. **Funds to which system applies.** Except as otherwise expressly provided therein, the provisions of Laws 1939, Chapter 431, relating to the allotment system and to the encumbering of funds shall apply to appropriations and funds of all kinds, including standing or annual appropriations and dedicated funds from which expenditures are to be made, from time to time, by or under the authority of any agency, but shall not apply to appropriations for the courts or the legislature, nor to payment of unemployment compensation benefits nor to the funds deposited in the state treasury for disbursement by the commissioner of highways when acting as the agent of a political subdivision pursuant to section 161.03, subdivision 28. In the case of construction contracts and transactions for the acquisition of real estate for public purposes, where periodical allotments are impracticable, the commissioner may dispense therewith and prescribe such regulations as will insure proper application and encumbering of funds. Contingent funds appropriated for the governor or the attorney general shall not be subject to the provisions thereof relating to allotment, but shall be subject to the other provisions thereof relating to expenditure and encumbering of funds.

Subd. 3. **Appropriations available for allotment; estimate of expenses.** No appropriation to any agency shall become available for expenditure thereby during any allotment period until such agency shall have submitted to the commissioner an estimate in advance, in such form as the commissioner shall prescribe, for such allotment period next ensuing, of the amount required for each activity to be carried on and each purpose for which money is to be expended during that period, and until

such estimate shall have been approved, increased, or decreased by the commissioner and funds allotted therefor, as provided in Laws 1939, Chapter 431.

**Subd. 4. Estimated expenditures within appropriation; approval; procedure.** If the estimate is within the terms of the appropriation as to amount and purposes, having due regard for the probable further needs of the agency for the remainder of the fiscal year or other term for which the appropriation was made, and if there is a need for such appropriation for the next ensuing allotment period, the commissioner shall approve the same and allot the estimated amount for expenditure. Otherwise the commissioner shall modify the estimate so as to conform with the terms of the appropriation and the prospective needs of the agency, and shall reduce the amount allotted accordingly. The commissioner shall act promptly upon all estimates, and shall notify every agency of its allotments at least five days before the beginning of each allotment period, and shall notify the state auditor. The total amount allotted to any agency for the fiscal year or other terms for which the appropriation was made shall not exceed the amount appropriated for such year or term.

**Subd. 5. Modification.** The commissioner shall also have authority at any time to modify or amend any allotment previously made by him, upon application of or upon notice to the agency concerned, and upon a showing of emergency or other cause; provided, no deficit or undue reduction of funds to meet future needs of such agency will result therefrom.

**Subd. 6. Reduction.** In case the commissioner shall discover at any time that the probable receipts from taxes or other sources for any appropriation, fund, or item will be less than was anticipated, and that consequently the amount available for the remainder of the term of the appropriation or for any allotment period will be less than the amount estimated or allotted therefor, he shall, with the approval of the governor, and after notice to the agency concerned, reduce the amount allotted or to be allotted so as to prevent a deficit. In like manner he shall reduce the amount allotted or to be allotted to any agency by the amount of any saving which can be effected upon previous estimates through a reduction in prices or other cause.

**Subd. 7. State auditor; accounting system.** There shall be kept in the office of the state auditor an accounting system showing at all times, by funds and items, the amounts appropriated for and the estimated revenues of such agency, the amounts allotted and available for expenditure, the amounts of expenditures or obligations authorized to be incurred, actual receipts and disbursements, actual balances on hand, and the unencumbered balances after deduction of all actual and authorized expenditures.

**Subd. 8. Payment within allotment and encumbrance; exceptions.** No payment shall be made and no obligation shall be incurred against any fund, allotment, or appropriation unless the state auditor shall first certify that there is a sufficient unencumbered balance in such fund, allotment, or appropriation to meet the same. Every expenditure or obligation authorized or incurred in violation of the provisions of Laws 1939, Chapter 431, shall be presumed invalid and shall be ineligible for payment until its validity is established as hereinafter provided. Every payment made in violation of the provisions of Laws 1939, Chapter 431, shall be deemed illegal, and every official authorizing or making such payment, or taking part therein, and every person receiving such payment, or any part thereof, shall be jointly and severally liable to the state for the full amount so paid or received. If any appointive officer or employee of the state shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of Laws 1939, Chapter 431, or take part therein, it shall be ground for his removal by the officer appointing him, and, if the appointing officer be other than the governor and shall fail to remove such officer or employee, the governor may exercise such power of removal, after giving notice of the charges and opportunity for hearing thereon to the accused officer or employee and to the officer appointing him. Claims presented against existing appropriations without prior allotment or encumbrance may, upon investigation, review, and approval by the commissioner of administration be determined valid where the services, materials, and supplies for which payment is claimed have been actually rendered or furnished to the state in good faith without collusion and without intent to defraud. Thereafter the state auditor may draw his

warrant in payment of such claims in the same manner in which other claims, properly allotted and encumbered prior to inception thereof, are paid.

[1939 c 431 art 2 s 16; 1949 c 230 s 1; 1951 c 503 s 1] (53-18o)

**16.165 FEDERAL AID ADMINISTRATIVE BUDGETS, REVIEW.** Whenever any agency of the federal government shall require that as a condition to obtaining federal aid the state agency entrusted with the administration of such aid shall submit a budget of the contemplated expenditures for administrative purposes, the proposed budget for such expenditures shall, before it is submitted to the federal authorities for approval, first be approved by the governor and reported to the committee on appropriations in the House of Representatives and the committee on finance in the Senate while the legislature is in session and at other times to the legislative advisory committee.

[1953 c 461 s 1]

**16.17 APPROPRIATIONS TO REVERT TO STATE TREASURY.** Except as specifically provided for in appropriation acts, every appropriation or part thereof of any kind hereafter made subject to the provisions of this section remaining unexpended and unencumbered at the close of any fiscal year shall lapse and be returned to the general revenue fund; provided, that an appropriation for construction or other permanent improvement shall not lapse until the purposes for which the appropriation was made shall have been accomplished or abandoned unless such appropriation has stood during the entire fiscal biennium without any expenditure therefrom or encumbrance thereon.

Except as otherwise expressly provided by law, the provisions of this section shall apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made from the general revenue fund, but shall not, unless expressly so provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources which are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

[1939 c 431 art 2 s 17] (53-18p)

**16.18 RECEIPTS DEPOSITED WITH STATE TREASURER.** All receipts from any source shall be deposited with the state treasurer each day, except as otherwise provided by law, and at the same time a report of all receipts since the last previous report and of the disposition thereof shall be made to the auditor by the depositing agency. All moneys received by the treasurer during any month shall be credited by him and by the state auditor to the proper funds not later than the first day of the following month.

[1939 c 431 art 2 s 18] (53-18q)

**16.19 SUSPENSE FUNDS.** The state treasurer is hereby authorized, subject to the approval of the commissioner, to establish suspense funds for the purpose of making refunds therefrom when authorized by law, but such refunds shall be vouchered and audited as provided by Laws 1939, Chapter 431, for other state disbursements.

[1939 c 431 art 2 s 19] (53-18r)

**16.20 PERCENTAGE OF RECEIPTS SET ASIDE FOR EXPENSES.** Subdivision 1. It is hereby determined that a charge of five percent of the amounts received from the licenses and fees specified in this subdivision does not exceed the reasonable cost and value of the services rendered, or to be rendered, by the governor, the secretary of state, the state treasurer, the state auditor, the attorney general, the department of administration, the public examiner, the courts, and the legislature, in connection with the collection of such licenses and fees and the maintenance of the agencies concerned therewith. There is hereby imposed upon the gross receipts, beginning July 1, 1957, from (1) all fishing licenses, (2) all hunting licenses, (3) the receipts of all boards existing and established under M. S. 1953, Chapter 146, 147, 148, 149, 150, 151, 153, 154, 155, 156, and 326, and any other board or commission now or hereafter existing for the purpose of determining the qualifications, and licensing, of persons seeking to practice their trade or profession in this state, a charge of five percent, such charge to be determined at the end of each quarter on the gross receipts for such period. The proceeds of such charge shall be paid into the state treasury and credited to the general revenue fund.

Subd. 2. The commissioner of administration on or after July 1, of each year, beginning July 1, 1958, shall determine the costs of operating during the preceding fiscal year of the following state offices and departments, to-wit: the state auditor,

the state treasurer, the department of administration, the state civil service, and the public examiner, which are attributable to the operations of the state department of highways. The costs of the several state offices and departments enumerated above attributable to the operations of the state highway department, during the preceding fiscal year hereinafter referred to as the attributable amount shall be the amount determined by the commissioner of administration as hereinafter provided.

(a) The state highway department's attributable amount of the cost of operating the office of the state auditor shall be the amount of the salaries paid to employees who devote their entire time to highway matters plus the percentage of the amount expended for the salaries of all officers and other employees, except the employees no part of whose time is attributable to operation of the department of highways, of the office and for all supplies, and other expenses, which the total number of warrants issued by the state auditor for the department of highways is of the total number of warrants issued by the state auditor for all state purposes.

(b) The state highway department's attributable amount of the cost of operating the office of the state treasurer is the percentage of the amount expended for salaries, supplies and expense of the office, which the total number of warrants accepted on account of the operation of the department of highways is of the total number of warrants accepted for all state purposes.

(c) The state highway department's attributable amount of the cost of operating the department of administration shall be the total of attributable amounts determined as follows:

(1) The attributable amount of the cost of operating the division of purchases is the percentage of the amount expended for salaries, supplies, and expense of the division which the number of requisitions for purchases issued for the department of highways, is of the total number of requisitions issued for all state purposes.

(2) The attributable amount of the cost of operating the office of the state printer is the percentage of the amount expended for salaries, supplies, and expense of the office which the total number of requisitions for printing for the department of highways, is of the total number of requisitions for printing issued for all state purposes.

(3) The attributable amount of the cost of the general administration of the department of administration, the budget division, and the budget engineering division is the percentage of the amount expended for salaries, supplies and expenses thereof, which the total expenditures of the department of highways, is of the total expenditures for all state purposes.

(4) The attributable amount of the cost of furnishing utilities, custodial and maintenance services to the building, grounds and equipment constituting the State Highway Department's Central Office Building by the department of administration is the actual cost thereof to the department of administration as determined by the commissioner of administration.

(d) The state highway department's attributable amount of the cost of operating the state civil service is the percentage of the amount expended for salaries, supplies and expense of the department, which the average number of employees of the department of highways, during the year is of the average number of employees employed by the state during the year.

(e) The state highway department's attributable amount of the cost of operating the office of the public examiner is the amount expended by the office for salaries, supplies and expense in connection with auditing the department of highways.

(f) When the commissioner of administration has determined the total attributable amount of the cost of the offices and departments enumerated in this subdivision, he shall certify the amount so determined to the state auditor. The several amounts so certified by the commissioner of administration are hereby appropriated from the trunk highway fund to the general revenue fund in the state treasury as a reimbursement of money's expended from the general revenue fund by the several state officers and departments enumerated in this subdivision for salaries, supplies and expense expended for services, supplies and expense attributable to highway matters. Upon receipt of the certification of the commissioner of administration, the state auditor shall transfer from the trunk highway fund to the general revenue fund in the state treasury the amount certified by the

commissioner of administration, and the state auditor is authorized and directed to make the appropriate entries in the records of the respective funds. The commissioner of administration shall transmit a duplicate original of the certification to the state treasurer who is authorized and directed to make the appropriate entries in his records.

17 6541 0.2 Subd. 3. The commissioner of administration on or after July 1, of each year beginning July 1, 1955, shall determine the costs of the operation during the preceding fiscal year of the following state offices and departments: the state auditor, the state treasurer, the department of administration, state civil service, and the public examiner, which is attributable to the operation of the state department of employment security. The amount of the cost of the several state offices and departments enumerated above attributable to the operation of the state department of employment security during the preceding fiscal year, hereinafter referred to as the attributable amount, shall be the amounts determined by the commissioner of administration as hereinafter provided.

(a) The employment security department's attributable amount of the cost of operating the office of the state auditor shall be the percentage of the amount of salaries paid to all officers and other employees of the office except those employees no part of whose salaries are attributable to the operation of the department of employment security and for all supplies, and other expenses which the total number of warrants processed by the state auditor for the administrative salaries, and administrative supplies and expense, exclusive of refunds and benefit payments, for the department of employment security is to the total number of warrants issued by the state auditor for all state purposes.

(b) The department of employment security's attributable amount of the cost of operating the office of the state treasurer shall be the amount paid to employees who devote their entire time to employment security matters, plus the percentage of the amount expended for salaries, supplies, and expenses of the office which the number of warrants accepted on account of administrative salaries, and administrative supplies and expenses, exclusive of refunds and benefit payments, for the department of employment security is of the total number of warrants accepted for all state purposes.

(c) The department of employment security's attributable amount of the cost of operating the department of administration shall be the total of attributable amounts determined as follows:

(1) The attributable amount of the cost of operating the division of purchases is the percentage of the amount expended for salaries, supplies, and expense of the division which the number of requisitions for purchases issued for the department of employment security is of the total number of requisitions issued for all state purposes.

(2) The attributable amount of the cost of operating the office of the state printer is the percentage of the amount expended for salaries, supplies and expense of the office which the total number of requisitions for printing for the department of employment security is of the total number of requisitions for printing issued for all state purposes.

(3) The attributable amount of the cost of the general administration of the department of administration, the budget division, and the budget engineering division is the percentage of the amount expended for salaries, supplies and expense thereof which the total expenditures, exclusive of refunds and benefit payments, of the department of employment security is of the total expenditures for all state purposes.

(d) The employment security department's attributable amount of the cost of operating the department of civil service is the percentage of the amount expended for salaries, supplies, and expense of the department, which the average number of employees of the department of employment security during the year is of the average number of employees employed by the state during the year.

(e) The department of employment security's attributable amount of the cost of operating the office of the public examiner is the amount expended by the office for salaries, supplies and expense in connection with auditing the department of employment security.

(f) When the commissioner of administration has determined the total attributable amount of the cost of the offices and departments enumerated in this subdivision he shall certify the amount so determined to the state auditor. The several

amounts so certified by the commissioner of administration are hereby appropriated from employment security administration fund to the general revenue fund in the state treasury as a reimbursement of moneys expended from the general revenue fund by the departments enumerated in this subdivision for salaries, supplies, and expense expended for services, supplies and expenses attributable to employment security matters. Upon receipt of the certification of the commissioner of administration, the state auditor shall transfer from the employment security administration fund to the general revenue fund in the state treasury the amount certified by the commissioner of administration and the state auditor is authorized and directed to make the appropriate entries in the records of the respective funds. The commissioner of administration shall transmit a duplicate original of the certification to the state treasurer who is authorized and directed to make the appropriate entries in his records.

6.944 *RS* Subd. 4. The commissioner of administration on or after July 1, of each year, beginning July 1, 1955, shall determine the amount of the costs of the operation during the preceding fiscal year of the following state offices and departments: the state auditor, the state treasurer, the department of administration, the state civil service, and the public examiner, which are attributable to the operations of the income tax division of the department of taxation and the department of education. The amount of the costs of the several state offices and departments enumerated above attributable to the activities of the income tax division of the department of taxation as financed by the income tax school fund and the activities of the department of education as financed by the income tax school fund during the preceding fiscal year hereinafter referred to as the attributable amount shall be the amount determined by the commissioner of administration as hereinafter provided.

(a) The income tax division's attributable amount of the cost of operating the office of the state auditor shall be the percentage of the amount of salaries paid to all officers and other employees of the office except those employees no part of whose salaries are attributable to the operation of the income tax division and for all supplies and other expense which the total number of warrants processed by the state auditor for administrative salaries, administrative supplies and expense and such other appropriations that now or hereafter are financed or reimbursed out of the income tax school fund by the legislature, for the income tax division is to the total number of warrants issued by the state auditor for all state purposes.

The department of education's attributable amount of the cost of operating the office of the state auditor shall be the percentage of the amount of salaries paid to the officers and other employees of the office except those employees no part of whose salaries are attributable to the operation of the department of education and for all other expenses which the total number of warrants processed by the state auditor for administrative salaries, administrative supplies, and expense and such other appropriations that now or hereafter are financed or reimbursed out of income tax school fund, exclusive of the grants-in-aid to political subdivisions, for the department of education is to the total number of warrants issued by the state auditor for all state purposes.

(b) The income tax division's attributable amount of the cost of operating the office of the state treasurer is the percentage of the amount expended for salaries, supplies and expense of the office which the total number of warrants accepted on account of administrative salaries and administrative supplies and expense and such other appropriations that now or hereafter are financed or reimbursed out of the income tax school fund by the legislature for the income tax division is of the total number of warrants accepted for all state purposes.

The department of education's attributable amount of the cost of operating the office of the state treasurer is the percentage of the amount expended for salaries, supplies and expense of the office which the total number of warrants accepted on account of administrative salaries, and administrative supplies and expense, exclusive of grants-in-aid to political subdivisions, for the department of education is of the total number of warrants accepted for all state purposes.

(c) The income tax division's and department of education's attributable amounts of the cost of operating the department of administration shall be the total of attributable amounts determined as follows:

(1) The attributable amount of the cost of operating the division of purchases is the percentage of the amount expended for salaries, supplies and expense for



the division which the number of requisitions for the purchases issued for the income tax division and department of education is of the total number of requisitions issued for all state purposes.

(2) The attributable amount of the cost of operating the office of the state printer is the percentage of the amount expended for salaries, supplies and expense of the office which the total number of requisitions for printing for the income tax division and department of education is of the total number of requisitions for printing issued for all state purposes.

(3) The attributable amount of the cost of the general administration of the department of administration, the budget division, and the budget engineering division is the percentage of the amount expended for salaries, supplies and expense thereof which the total expenditures, exclusive of grants-in-aid to political subdivisions, of the income tax division and department of education is of the total expenditures for all state purposes.

(d) The income tax division and department of education's attributable amount of the cost of operating the department of civil service is the percentage of the amount expended for salaries, supplies and expense of the department, which the average number of employees of the income tax division and department of education during the year is of the average number of employees employed by the state during the year.

(e) The income tax division and department of education's attributable amount of the cost of operating the office of the public examiner is the amount expended by the office for salaries, supplies and expense in connection with auditing the income tax division and department of education.

(f) When the commissioner of administration has determined the total attributable amounts of the offices and departments enumerated in this subdivision he shall certify the amount so determined to the state auditor. The several amounts so certified by the commissioner of administration are hereby appropriated from the income tax school fund to the general revenue fund in the state treasury as a reimbursement of moneys expended from the general revenue fund by the several state officers and departments enumerated in this subdivision for salaries and supplies and expense expended for services, supplies and expense attributable to income tax division and department of education matters. Upon receipt of the certification of the commissioner of administration, the state auditor shall transfer from the income tax school fund to the general revenue fund in the state treasury the amount certified by the commissioner of administration and the state auditor is authorized and directed to make appropriate entries in the records of the respective fund. The commissioner of administration shall transmit a duplicate original of the certification to the state treasurer who is authorized and directed to make appropriate entries in his records.

Subd. 5. The term "state forest fund lands," as used in this subdivision, means any state school lands or other public lands subject to trust provisions under the state constitution and heretofore or hereafter set apart as state forest or part thereof as provided by law.

Beginning July 1, 1955, the state auditor and state treasurer shall keep a separate account of all receipts from the sale of timber or other revenue from such state forest trust fund lands, to be known as the state forest suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal quarter from and after July 1, 1955, the commissioner of administration, upon information supplied by the commissioner of conservation, which the commissioner of conservation is herewith directed to furnish, shall determine and certify to the state auditor and the state treasurer the total costs incurred by the state during such quarter under appropriations theretofore made for the protection, improvement, administration, and management of such state forest trust fund lands for forestry purposes as authorized by law, specifying the trust funds interested in such lands, respectively.

As soon as practicable after the end of each fiscal year, beginning with the year ending June 30, 1956, the state auditor and state treasurer shall distribute the receipts credited to said state forest suspense account during such fiscal year as follows:

(1) 25 percent of the costs incurred by the state for the purposes aforesaid during such fiscal year and certified as hereinbefore provided shall be transferred to a special account to be known as the state forest development account.

(2) 75 percent of the costs so incurred and certified shall be transferred to the general revenue fund as reimbursement for appropriations theretofore made for the purposes aforesaid.

(3) The balance of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the lands from which the receipts were derived.

All moneys accruing and credited to said state forest development account from time to time are hereby appropriated to the division of forestry in the department of conservation, subject to the supervision and control of the commissioner of conservation, for the purpose of planting, stand improvement, and forest development of such state forest trust fund lands for forestry purposes, to remain available until expended.

All the foregoing appropriations herein contained are to be expended subject to the provisions of Laws 1939, Chapter 431. No appropriation shall become available for expenditure until such estimates as required by Section 16, Article II of such act shall have been approved by the commissioner of administration. No obligation involving expenditure of money shall be entered into unless there is a balance in the appropriation available not otherwise encumbered to pay obligations previously incurred.

Subd. 6. The term "state trust fund lands," as used in this section, means any state school lands or other public lands subject to trust provisions under the state constitution.

Beginning July 1, 1955, the state auditor and the state treasurer shall keep a separate account of all receipts derived from the royalties on, or the sale or lease of, any minerals from such trust fund lands to be known as the state lands and minerals suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal quarter after July 1, 1955, the commissioner of administration, upon the information supplied by the commissioner of conservation, which the commissioner of conservation is herewith directed to furnish, shall determine and certify to the state auditor and the state treasurer the total costs incurred by the state during such quarter under appropriations heretofore made for the administration and management of such trust fund lands by the division of lands and minerals, or any other agency so administering and managing, specifying the trust funds interested in such lands, respectively.

As soon as practicable after the end of each fiscal year beginning with the year ending June 30, 1956, the state auditor and the state treasurer shall distribute the receipts credited to the state lands and minerals suspense account during such fiscal year as follows:

(1) All of the costs incurred by the state for the purposes aforesaid during such fiscal year and certified as hereinbefore provided, shall be transferred to the general revenue fund as reimbursement for appropriations heretofore made for the purposes aforesaid. The balances of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the minerals from which the receipts were derived.

Subd. 7. In case any of the charges imposed upon the provisions of this section against any of the funds or receipts enumerated shall be held invalid, it shall not affect any other charge made hereunder. In case any of the charges imposed under the provisions of this section shall be held by any final determination by competent federal authority to conflict with the requirements of any federal grant so as to reduce the amount, the fund which otherwise shall be entitled thereunder so much of the proceeds of such charge as may be necessary to comply with the requirements of such grant are hereby appropriated to the agency concerned for the same purpose as the funds against which such charge was made.

9 6844 24 Subd. 8. The commissioner of administration on or after July 1, of each year, beginning July 1, 1958 shall determine the costs of operating during the preceding fiscal year of the following state offices and departments, to-wit: the state auditor, the state treasurer, the department of administration, the state civil service, and the public examiner, which are attributable to the operations of the motor vehicle division and the petroleum tax division. The costs of the several state offices and departments enumerated above attributable to the operations of the activities of the motor vehicle division, as financed from the highway users tax distribution fund, and the activities of the petroleum tax division as financed by the highway users

tax distribution fund, during the preceding fiscal year hereinafter referred to as the attributable amount shall be the amount determined by the commissioner of administration as hereinafter provided.

(a) (1) The motor vehicle division's attributable amount of the cost of operating the office of the state auditor shall be the percentage of the amount of salaries paid to all officers and other employees of the office except those employees no part of whose salaries are attributable to the operation of the motor vehicle division and for all supplies and other expenses which the total number of warrants processed by the state auditor for administrative salaries, administrative supplies, and expense, and the motor vehicle contingent fund and such other appropriations that are now or hereafter financed or reimbursed out of the highway users tax distribution fund by the legislature is of the total number of warrants issued by the state auditor for all state purposes.

(2) The petroleum tax division's attributable amount of the cost of operating the office of the state auditor shall be the percentage of the amount of salaries paid to all officers and other employees of the office except those employees no part of whose salaries are attributable to the operation of the petroleum tax division and for all supplies and other expense which the total number of warrants processed by the state auditor for administrative salaries, administrative supplies and expense, gasoline tax refunds and bond premiums for gasoline tax collectors and such other appropriations that are now or hereafter financed or reimbursed out of the highway users tax distribution fund by the legislature is of the total warrants issued for all state purposes.

(b) (3) The motor vehicle division's attributable amount of the cost of operating the office of the state treasurer is the percentage of the amount expended for salaries, supplies and expense of the office which the total number of warrants accepted on account of the motor vehicle division's appropriations that are now or hereafter financed or reimbursed out of the highway users tax distribution fund, is of the total of the warrants accepted for all state purposes.

(4) The petroleum division's attributable amount of the cost of operating the office of the state treasurer is that percentage of the amount expended for salaries, supplies and expense of the office, which the total number of warrants accepted on account of the petroleum division's appropriations which are now or hereafter financed or reimbursed out of the highway users tax distribution fund, is of the total number of warrants accepted for all state purposes.

(c) The motor vehicle and petroleum division's attributable amounts of the cost of operating the department of administration shall be the total of attributable amounts determined as follows:

(1) The attributable amount of the cost of operating the division of purchases is the percentage of the amount expended for salaries, supplies, and expense of the division which the number of requisitions for purchases issued for the divisions of motor vehicles and petroleum, is of the total number of requisitions issued for all state purposes.

(2) The attributable amount of the cost of operating the office of the state printer is the percentage of the amount expended for salaries, supplies, and expense of the office, which the total number of requisitions for printing for the motor vehicle division and petroleum tax division is of the total number of requisitions for printing issued for all state purposes.

(3) The attributable amount of the cost of the general administration of the department of administration, the budget division, and the budget engineering division is the percentage of the amount expended for salaries, supplies, and expenses thereof, which the total expenditures of the motor vehicle division, and petroleum tax division is of the total expenditures for all state purposes.

(d) The motor vehicle division's and the petroleum tax division's attributable amount of the cost of operating the state civil service is the percentage of the amount expended for salaries, supplies, and expense of the department, which the average number of employees of the motor vehicle division, and petroleum tax division during the year is of the average number of employees employed by the state during the year.

(e) The motor vehicle division's, and the petroleum tax division's attributable amount of the cost of operating the office of the public examiner is the amount expended by the office for salaries, supplies and expense in connection with auditing the motor vehicle division, and the petroleum tax division.

(f) When the commissioner of administration has determined the total attributable amount of the cost of the offices and departments enumerated in this subdivision, he shall certify the amount so determined to the state auditor. The several amounts so certified by the commissioner of administration are hereby appropriated from the highway users tax distribution fund to the general revenue fund in the state treasury as a reimbursement of moneys expended from the general revenue fund by the several state officers and departments enumerated in this subdivision for salaries, supplies and expense expended for services, supplies and expense attributable to motor vehicle and petroleum tax matters. Upon receipt of the certification of the commissioner of administration, the state auditor shall transfer from the highway users tax distribution fund to the general revenue fund in the state treasury the amount certified by the commissioner of administration, and the state auditor is authorized and directed to make the appropriate entries in the records of the respective funds. The commissioner of administration shall transmit a duplicate original of the certification to the state treasurer who is authorized and directed to make the appropriate entries in his records.

Subd. 9. Except as otherwise provided by law, each state department, agency, state activity, semi-state activity or board whose financial affairs are audited by the public examiner shall reimburse the public examiner for the cost of such audits; such reimbursements to be based upon the actual costs thereof as determined by the public examiner and the proceeds of such reimbursement shall be deposited to the credit of the public examiner's revolving fund and the general revenue fund in the state treasury, in the amount which is applicable to each such fund. Such sums of money to cover the costs of such audits and available to such state department, agency, state activity, semi-state activity or board are hereby appropriated for the purpose herein stated. The collection by the public examiner of the cost of an audit as provided herein may be waived in whole or in part by the executive council if the members thereof determine that it is in the public interest not to require any state department, agency, state activity, semi-state activity or board to pay for the cost thereof as provided by this section. If any state department, agency, state activity, semi-state activity, board or the public examiner desires that the cost of an audit be waived in whole or in part, the matter shall be reported to the commissioner of administration who shall then submit the same to the executive council together with his recommendations.

[1939 c 431 art 2 s 20; 1955 c 714 s 1, 2; 1957 c 140 s 1; 1957 c 852 s 1-4] (53-18s)

**16.201** [Repealed, 1955 c 714 s 3]

**16.21 CONTINGENT APPROPRIATIONS.** There is hereby authorized one general contingent appropriation for each year of the biennium in such amount as the legislature may deem sufficient. Transfers from such appropriation to the appropriations of the various departments and agencies may be made by the state auditor subject to the following provisions:

(1) Transfers may be authorized by the commissioner of administration not exceeding \$2,000 for the same purpose for any quarterly period;

(2) Transfers exceeding \$2,000, but not exceeding \$5,000, may be authorized by the commissioner of administration with the approval of the governor;

The provisions of Laws 1939, Chapter 431, as amended, shall not be construed to prevent the appropriation of separate contingent funds to the governor and the attorney general, or to limit the use of these funds as otherwise authorized by law.

With the approval of the governor and by agreement of the heads of the departments or agencies concerned, any appointive subordinate officer or employee of a department or agency may be employed by or assigned to perform duties under another department or agency.

[1939 c 431 art 2 s 21; 1941 c 497 s 1] (53-18t)

**16.22 RIGHTS AND POWERS TRANSFERRED TO COMMISSIONER; EXCEPTIONS.** All the rights, powers, and duties now by law imposed upon and vested in the commission of administration and finance, the constituent members thereof, the state printing commission, and the state expert printer, except those transferred by Laws 1939, Chapter 431, to the state auditor and the public examiner, are hereby transferred to and imposed upon the commissioner of administration. The commissioner of administration shall appoint a qualified printer, who shall be known as the state printer, and may delegate to him the exercise of the existing rights, powers, and duties heretofore appertaining to the state print-

ing commission and the state expert printer, subject to the control of the commissioner. The commission of administration and finance is hereby abolished. The state printing commission is hereby abolished. The offices of comptroller, commissioner of the budget, commissioner of purchases, and state expert printer are hereby abolished. All the rights, powers and duties of the governor relating to the control, care, operation, and maintenance of the state capitol and grounds and to the appointment of employees therefor are hereby transferred to, vested in, and imposed upon the commissioner of administration.

[1939 c 431 art 2 s 22] (53-18u)

**16.23 OFFICE SPACE ASSIGNED.** The commissioner shall assign and reassign the office space in the capitol and other state buildings so far as necessary to carry out the purposes of Laws 1939, Chapter 431, and to make an equitable division of available space among the several departments and agencies.

[1939 c 431 art 8 s 11] (53-1L)

**16.231** [Repealed, 1955 c 303 s 7]

**16.24 POWERS OF COMMISSIONER OF ADMINISTRATION.** The commissioner shall have the power to supervise and control the accounts and expenditures of the several officials, departments, and agencies of the state government and of the institutions under their control; the making of all contracts and the creation or incurrence of all financial or contractual obligations; the purchase, rental, or furnishing of all property, equipment, supplies, or materials, and all telegraph, telephone, or lighting service; the construction and erection of all buildings and structures by or for the state or any such department, agency, or institution; the sale, disposition, use, or storage of all property belonging to the state; and at any time to examine the accuracy and legality of all accounts, receipts, and expenditures of state moneys and the use or disposition of state property; and he shall have the power, subject to the approval of the governor, to provide for his offices and necessary furniture, fixtures, and supplies, and to appoint and employ such officers, agents, assistants, clerks, and other employees as he may deem necessary for the performance of his duties, and to fix their salaries and define their duties. The commissioner, with the approval of the governor, shall have authority to appoint an assistant or deputy, with full authority to perform any of the duties imposed upon him; provided, that the governor may, without cause, remove such assistant or deputy, and shall have the power to examine, investigate, or make a survey of the organization, administration, and management of the various departments and agencies of the state government and the institutions under their control, to the end that greater efficiency and economy may be secured, better organization, reorganization, or consolidation of departments or functions effected, and all duplication of function, effort, or activity, so far as possible, eliminated; and, for this purpose, to hold hearings and prescribe rules and regulations for the conduct thereof, issue subpoenas for and compel the attendance of witnesses and giving of testimony and the production of books, records, accounts, documents, and papers; and the commissioner may administer oaths to witnesses or take their affirmations. If any person shall fail or refuse to appear or testify regarding that upon which he may be lawfully interrogated, or to produce any books, records, accounts, documents, or papers material in the matter heard or to be heard by the commissioner, after having been lawfully required by order or subpoena, any judge of the district court in any county of the state, on application of the commissioner, shall compel obedience by attachment proceedings as for contempt, as in the case of disobedience of a similar order or subpoena issued by such court. The commissioner shall recommend to the legislature such changes in the laws of the state as he may deem necessary, if any, as a result of any such survey or investigation, or otherwise, in order to secure a better organization of the state government or greater efficiency or economy in administration.

[1925 c 426 art 3 s 3] (53-6)

**16.25 COMMISSIONER TO MAKE RULES.** The commissioner of administration shall have the following powers: to approve or reject the compensation schedules submitted by the civil service board for the various classes, grades, and titles of the employees of the various officials, departments, and agencies of the state government and institutions under their control; to require a complete record of the officers, assistants, and employees appointed thereby or employed therein, and to require the salaries of the same to be in conformity with the scale of compensation established pursuant to law; to prepare and prescribe classes of expendi-

tures and revenue for the purpose of budget-making and accounting; to procure by lease, with the approval of the governor, office space and buildings for the use of the state government or any department, office, or institution thereof; to purchase, except as otherwise provided in Laws 1925, Chapter 426, as amended, all supplies and equipment for all state officials, departments, and agencies of the state government, including tools, machinery, and materials to be used by the state in the construction and maintenance of state highways; but the commissioner, in his discretion, may designate an officer or employee of any such department to make, under the general supervision and direction of the commissioner, such purchases for the department in which such designation is so made as he may specify.

The authority of the commissioner to approve or reject a scale of compensation therefor shall not apply to the unclassified service as prescribed by the state civil service law.

[1925 c 426 art 3 s 4; 1939 c 441 s 39] (53-7)

**16.26 APPROVAL OF APPROPRIATIONS AND EXPENDITURES.** No appropriation to any official, department, or agency of the state government or to any institution under their control shall become available for expenditure thereby during any quarterly period of the fiscal year, or other less than quarterly period thereof fixed by rule of the commissioner, until such official, department, agency, or institution shall have submitted to him an estimate in advance, in such form as he shall prescribe, for such quarterly or other period, as the case may be, next ensuing, of the amount required for each activity to be carried on and each purpose for which money is to be expended during that period, and until such estimate shall have been approved by him. Accounts shall be kept and reports rendered showing the expenditure for each such purpose.

The commissioner may approve estimates covering salaries and other fixed expenditures for a longer period than three months. He shall have authority to modify or amend any estimate previously approved by him under such rules as he may prescribe.

[1925 c 426 art 3 s 5] (53-8)

**16.27 SUPERVISION OF CONSTRUCTION OF BUILDINGS.** The commissioner of administration, subject to the provisions of law governing the same, shall have and exercise all the rights and powers and perform all the duties which, prior to the enactment of Laws 1925, Chapter 426, had been vested in or imposed upon the state board of control in relation to the erection and construction of buildings, the purchase of fuel or placing of insurance on buildings or their contents, and the purchase of supplies and materials; except that the supplies, materials, furnishings and equipment to be used in or about the institutions under the control of the board, including supplies, equipment, and materials for repairs to buildings under its control, shall be purchased by the board under the supervision of the commissioner, not including in such exception supplies, equipment, and materials for the erection or construction of buildings nor the purchase of fuel; and, subject to the provisions of law governing the same, shall have and exercise the rights and powers, and perform all the duties which, prior to the enactment of Laws 1925, Chapter 426, had been vested in or imposed upon the printing commission.

[1925 c 426 art 3 s 6]; (53-9)

**16.28 PURCHASES.** The commissioner of administration, subject to the approval of the governor, may make rules, regulations, and orders regulating and governing the manner and method of purchasing, delivering, and handling of, and the contracting for supplies, equipment, and other property for the various officials, departments, and agencies of the state government and institutions under their control. Such rules, regulations, and orders shall be uniform, so far as practicable, shall be of general or limited application, and shall include provisions for the following:

(1) The advertisement for and the receipt of bids for supplies and other property and the stimulation of competition with regard thereto;

(2) The purchase of supplies and other property without advertisement or the receipt of bids, where the amount involved will not exceed \$500, when in the judgment of the commissioner it is expedient;

(3) The purchase of supplies and other property without competition in cases of emergency requiring immediate action;

(4) The purchase of certain supplies, equipment, and other property by long or short term contracts, or by purchases or contracts made at certain seasons of the

year, or by blanket contracts or orders covering the requirements of one or more departments, offices, and commissions;

(5) The time for submitting estimates for various supplies, equipment, and other property;

(6) Regulation to secure the prompt delivery of commissary or other necessary supplies;

(7) Standardization of forms for estimates, orders, and contracts;

(8) Standardization of specifications for purchasing supplies, equipment, and other property;

(9) Standardization of quality, grades, and brands to eliminate unnecessary number of commodities or of grades or brands of the same commodity;

(10) The purchase of supplies and other property locally upon permission, specific or otherwise, of the commissioner;

(11) The use and disposal of the products of state institutions;

(12) The disposal of obsolete, excess, and unsuitable supplies, salvage, waste materials, and other property, and the transfer of same to other departments, offices, and commissions;

(13) The storage of surplus supplies, equipment, and other property not needed for immediate use;

(14) The testing of commodities or supplies or samples thereof;

(15) Hearings on complaints in respect to the quality, grade, or brand of commodities or supplies;

(16) The waiver of rules in special cases.

The commissioner shall have immediate supervision of all purchases and contracts made, and shall carry out and enforce such rules, regulations, and orders relative thereto as he may adopt.

[1925 c 426 art 3 s 7] (53-10)

**16.29 PREPARATION OF BUDGETS.** It shall be the duty of the commissioner of administration to prepare a budget for all receipts and expenditures of the state government, as herein provided, not later than the first day of December in the year preceding the convening of the legislature. He shall furnish every department, official, and agency of the state authorized to expend state moneys with a sufficient number of budget estimate forms for its use. Each department, official, or agency shall, not later than the first day of September preceding the convening of the legislature, file with him its estimates for all receipts and expenditures for each year of the succeeding biennium, on the estimate forms so provided, a statement of its appropriations and expenditures for the two preceding fiscal years, and such other information as may be required by the commissioner or the governor. The budget shall be classified and designated so as to show separately estimates and recommendations for (a) expenses of administration, operation, and maintenance; (b) deficiencies, overdrafts, or unexpended balances in appropriations of former year; (c) new construction, additions, improvements, and other capital outlay; (d) interest on the public debt and sinking fund and serial bond requirements; and (e) all requests and proposals for expenditures for new projects and other undertakings; and shall include in detail definite recommendations of the governor relative to the amounts which should be appropriated therefor. The budget shall also include definite recommendations of the governor for financing the expenditure recommended, and the relative amounts to be raised from ordinary revenue, direct taxes, or loans. The commissioner may approve, disapprove, or alter the estimates so submitted, and may make any investigations concerning them. The commissioner shall transmit the estimate of revenues and appropriations in detail, with his recommendations, to the governor not later than the first day of December preceding the convening of the legislature and transmit a copy thereof to the governor-elect. The governor shall, as soon as may be, after his inauguration, submit to the legislature a budget embracing the amounts in detail recommended by him to be appropriated for each department, office, or agency of the state government for each of the years of the next ensuing biennium, the estimated revenue from taxation and other sources, and an estimate of the amounts to be raised by taxation. In the exercise of the function of commissioner, the books, records, accounts, resources, and full cooperation of the public examiner shall be available to him, and the governor may call upon the public examiner for any information in his possession relative to the finances of the state or for assistance in the preparation or review of the budget.

[1925 c 426 art 3 s 9] (53-12)

**16.30 ORDERS AND RULINGS REVIEWED BY GOVERNOR.** The orders and rulings of the commissioner of administration shall be subject to review by the governor on application of the directing officer of the department affected thereby.

[1925 c 426 art 3 s 15] (53-18)

**16.31 PAYROLL; TRIPLICATE ABSTRACT.** The monthly statement of each institution, showing purchases and expenditures of every kind for the preceding month, together with the original invoices of purchases, and an itemized statement of every expense of such institution, including the verified payroll, shall be filed with the commissioner of administration, who, at a time fixed by him, shall audit all accounts for the preceding month. The monthly payroll of each institution shall show the name of every officer and employee, when first employed, his monthly pay, time actually served, and amount to be paid, with deductions for careless loss or destruction of property; and in no case shall a substitute receive compensation in the name of an employee for whom he acts. When these accounts are audited, the commissioner of administration shall prepare, in triplicate, an abstract, showing the name, residence, and amount due each claimant, and the institution and fund thereof on account of which payment is made. He shall deliver one copy thereof to the state auditor, one to the state treasurer, and retain the other in his office. If the institution has sufficient funds, the auditor shall issue his warrant upon the treasurer for the gross amount shown by the abstract, who shall send checks to the several persons for the amount of their respective claims, as shown by the abstract. He shall preserve in his books a record of each check and remittance, showing the date of its issue, the name of the payee, and any other facts tending to evidence its payment.

[R L s 1882] (4426)

**16.32 PLANS AND SPECIFICATIONS; LIMITATIONS.** The commissioner of administration shall prepare plans for all improvements or buildings costing more than \$1,000, for which he may recommend an appropriation. These plans shall be paid for out of any money in the state treasury, not otherwise appropriated, but when an appropriation has been made for the purpose of constructing such building, the fund from which payment for plans was made shall be reimbursed from such appropriation, and no part of the balance shall be expended until the commissioner has secured suitable plans and specifications, prepared by a competent architect, and accompanied by a detailed statement of the amount, quality, and description of all material and labor required for the completion of the work; and no plan shall be adopted, and no improvement made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation therefor, unless otherwise provided in the act making the appropriation. In no event shall the commissioner direct or permit any expenditure beyond that appropriated or contemplated by law, and any agent of the commissioner violating this provision shall be guilty of a gross misdemeanor.

[R L s 1884; 1909 c 38 s 1] (4428)

**16.33 CONTRACTS FOR SUPPLIES.** The proper officers of any institution, under the direction of the commissioner of administration, may make contracts for such supplies as he may find expedient for such institution to purchase in bulk for use or consumption for periods longer than 30 days. Such contracts shall be made only in conformity with the provisions of sections 16.31 to 16.38 relating to estimates. When he deems it for the best interest of the state, he may contract for the purchase of supplies, in bulk or otherwise, for any or all of the institutions under his control.

[R L s 1885] (4429)

**16.34 RULES.** The commissioner of administration shall make specific rules as to the manner in which supplies shall be purchased and contracts made for the several institutions, so as to insure competition and publicity. Any person desiring to sell supplies to an institution, who shall file with the chief executive officer thereof, and with the commissioner, a memorandum showing his address and business, shall be afforded an opportunity to compete for the furnishing of supplies, under such rules and limitations as he may prescribe. In purchasing supplies, preference shall be given to Minnesota dealers when it can be done without loss to the state. Samples furnished shall be properly marked and preserved for six months after purchase of such supplies.

[R L s 1886] (4430)

**16.35 STATIONERY, FURNITURE, SUPPLIES; HOW BOUGHT.** It shall be the duty of the commissioner of administration to purchase for all governmental



departments of the state, not now under the financial or exclusive management of the commissioner of administration, all stationery, furniture, supplies, and equipment now or hereafter required by law to be furnished by the state, and for such purposes he may appoint a purchasing agent and fix his compensation, who, under his direction and subject to his rules, shall attend to such purchases.

[1917 c 174 s 1] (4431)

**16.36 CONTRACTS FOR BUILDINGS; BIDS.** All contracts for the erection or repair of buildings or the improvement of the grounds of any institution shall be let by the commissioner of administration to the lowest responsible bidders, upon public notice such as he may deem proper; but any and all bids may be rejected, and new proposals received upon like advertisement. All plans and specifications shall be prepared under his direction, and a certified check for such proportion of the cost as he may specify in the advertisement shall accompany each bid.

[R L s 1887] (4432)

**16.37 INSURANCE OF STATE BUILDINGS; FUEL.** The commissioner of administration may keep insured, in solvent insurance companies, all state buildings, except the soldiers' home, and all other insurable property belonging to the state, to an amount not exceeding two-thirds of the value thereof, and shall also purchase fuel for all such buildings.

[R L s 1901; 1907 c 259; 1913 c 312 s 1] (4450)

**16.38 DAY LABOR; WORK OF INMATES.** When the cost of the building or improvement does not exceed \$300, the commissioner of administration may permit the chief executive officer of the institution to do the same by day labor. The provision requiring all work to be done by contract shall not be mandatory as to labor on construction work at the state prison or the state reformatory, but the commissioner shall establish rules whereby such construction work shall be performed with the strictest economy in the consumption of materials and in the expenditure of money. On proper representations, the commissioner may so construct buildings and make improvements at other institutions that the work of inmates may be utilized, if advantageous to the state, but in the use of such labor no substantial departure shall be permitted from the requirements of this chapter; and in no case shall any expenditure be made, except on estimates approved by the commissioner. No payment shall be authorized for construction purposes until satisfactory proof has been furnished to the commissioner by the proper officer or supervising architect that the contract has been complied with. All payments shall be made in the same manner as current expenses are paid.

[R L s 1888] (4433)

**16.51 DAIRY SLOGAN.** On all printed matter printed, used, and distributed by the state of Minnesota, and all departments and officials thereof, there shall be printed thereon, wherever practicable, in as conspicuous a place and as prominent a type as may be consonant with good taste, the following words or slogan:

"DRINK MORE MILK  
EAT MORE BUTTER  
FOR YOUR HEALTH AND PROSPERITY"

[1939 c 29 s 1; 1943 c 483 s 1] (5680-3)

**16.52 PRINTED MATTER.** The term, "printed matter," as used in sections 16.51 to 16.53, includes all letterheads, vouchers, motor vehicle application blanks, income tax blanks, all circulars, pamphlets, booklets, reports, literature, and other like printed material used by the state of Minnesota and all departments and officials thereof.

[1939 c 29 s 2; 1943 c 483 s 2] (5680-4)

**16.53 ON WHAT MATTER PRINTED.** It shall be within the direction of the state printer, after consultation with the appropriate department heads, to determine upon what printed matter it is reasonably and practicably possible to print the slogan, and he shall carry out the provisions of sections 16.51 to 16.53.

[1939 c 29 s 3; 1943 c 483 s 3] (5680-5)

**16.531 [Obsolete]**

**16.54 MAIL TO BE DELIVERED UNSTAMPED.** All official mail of any state department or other state agency occupying quarters either in the capitol or in adjoining state buildings shall be delivered unstamped to the central mailing station. Account shall be kept of the postage required on such mail, which shall be a proper charge against the department or agency delivering such mail.

[1929 c 350 s 2; 1939 c 431 art 2 s 3] (15) (23-2)

**16.55 USE LABOR-SAVING DEVICES.** In the handling of mail at the central mailing station the director of public property shall make use of labor-saving devices and machines when it is found economical to do so.

[1929 c 350 s 3; 1939 c 431 art 2 s 3 (15)] (23-3)

**16.56 DEPARTMENT TO ADVANCE MONEY FOR EXPENSES.** To provide funds for the payment of postage, each department or agency shall make advance payments, from time to time, to the director of public property sufficient to cover its postage obligations for at least 30 days.

[1929 c 350 s 4] (23-4)

**16.57 BILLBOARDS PROHIBITED ADJACENT TO CAPITOL.** No advertising billboards shall be erected or maintained on any lands adjoining the capitol grounds, or within the distance of one-eighth of a mile from the center of the capitol building, except if it be a billboard advertising a business conducted on the premises on which it is erected or maintained.

Any person who shall violate the provisions of this section shall be guilty of a misdemeanor.

[1929 c 389 s 1, 2] (23-5, 23-6)

**16.61 PAMPHLET OF LEGAL NOTICES; PREPARATION.** The state expert printer shall biennially issue a pamphlet containing a description and facsimile copy, and style of composition, as near as may be, of all notices required by law to be published by public officials in a newspaper in this state, for distribution; such forms of official notices to be prepared by the attorney general before being issued for distribution by the state expert printer, and such forms when so prepared and so issued shall become a guide for public officials in the publication of such official and legal notices in newspapers.

[1921 c 484 s 7; 1937 c 78 s 1] (10940)

**16.62 VICTORY TAX FUND.** Subdivision 1. **Creation.** There is hereby created and established the Victory Tax Fund in which shall be deposited all deductions made pursuant to this section. The state treasurer shall be ex-officio the custodian of all moneys deposited with him to the credit of the victory tax fund and his general bond to the state shall cover all liability for his acts as custodian thereof. Such moneys shall be subject to all provisions of law governing the keeping and disbursement of state moneys, so far as applicable, except as otherwise herein provided.

Subd. 2. **Commissioner to act as agent for the United States.** The commissioner of administration is authorized and empowered to cooperate with and act as agent for the United States of America in the collection of any tax now or hereafter imposed by the United States of America upon any officer or employee of the state of Minnesota or his salary or wages which is to be collected by withholding it from the salary or wages of the officer or employee. The head of each department of the state is hereby required to cause such tax to be withheld by causing the necessary deduction to be made from the salary or wages of each of said persons on every payroll abstract and to approve one voucher payable to the state treasurer, custodian, victory tax fund, for the aggregate amount so deducted from the salaries or wages covered by said payroll abstract, provided that deductions from salaries or wages of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries or wages. Whenever an error has been made with respect to a deduction hereunder, proper adjustment shall be made by decreasing or increasing subsequent deductions. All warrants and checks for deductions hereunder shall be remitted promptly to the state treasurer who shall deposit the amount thereof to the credit of the victory tax fund. The money so deposited with the state treasurer shall be paid out upon authorization of the commissioner of administration by state warrant payable to the proper federal authority or such other person as may be authorized by law of the United States of America to receive the same. Such portion of said fund as may be necessary to discharge the obligation of the State of Minnesota to the United States of America now or hereafter imposed by any law of the United States of America requiring deductions from salaries or wages is hereby appropriated for such purpose.

Subd. 3. **Commissioner to make reports.** The commissioner of administration shall, as required by proper federal authority, make all necessary reports of deductions made hereunder and cause the moneys so deducted to be paid out as herein provided.

Subd. 4. **Officers and employees to report to commissioner as required.** All officers and employees shall prepare and transmit to the commissioner of administration such information and forms as he may require for the purposes of this section.

[1943 c 1 s 1-4]

**16.63 SALARY DEDUCTIONS, AUTHORIZATION.** Every officer and employee of the state may purchase and pay for bonds, stamps, and other securities issued by the federal government by directing in writing to the appropriate officer of the department where he is employed that deductions of the amount specified by him be made from his salary. The head of each department of the state is hereby required to cause such deduction to be made from the salary of each said persons on every payroll abstract and to approve one voucher payable to the state treasurer for the aggregate amount so deducted from the salaries covered by said payroll abstract, provided that deductions from salaries of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries, and remitted by him to the director by check payable to the state treasurer with a statement showing the amount of each of such deductions and the names of the officers and employees on whose account the same have been made. The money so deposited with the state treasurer shall be paid out on authorization of the governor by state warrant payable to the proper federal authority or to the officer or employee from whose salary the money was deducted, as the case may require.

[1951 c 678 s 1]

**16.64 STAMPS.** Subdivision 1. As used in this section "stamps" includes all liquor stamps, fermented malt beverage stamps, and other stamps, tokens, or forms evidencing the payment of taxes or fees of any kind due to the state.

Subd. 2. All officers and members having custody of these stamps shall be accountable therefor at all times. They shall keep such records and make such reports as the state auditor directs.

Subd. 3. Upon purchasing or contracting for these stamps, the commissioner of administration, with the advice and approval of the state treasurer, shall designate and design the form and denomination thereof, prescribe such requirements, and provide for such supervision of the manufacture and delivery thereof as is necessary to prevent forgery, misappropriation, and fraud. The printer or manufacturer of any stamps, shall deliver the stamps upon completion to the officer or employee of the state entitled to their custody. At the time of delivery he shall execute in triplicate a sworn statement stating the kind and number of the articles printed or manufactured and delivered, the precautions taken to prevent forgery, misappropriation, and fraud in connection therewith, and such other information as is required by the commissioner of administration and the state treasurer. One statement shall be delivered with the article described therein to the officer or employee of the state receiving the articles, one to the commissioner of administration, and one to the state auditor. No claim for payment for any such articles shall be allowed until these statements are delivered.

Subd. 4. All stamps which are salable for cash without further certification or authentication shall be delivered, when printed or manufactured, to the state treasurer, who shall have the exclusive right to sell them.

Subd. 5. Other stamps shall be delivered to and issued by the state treasurer. The state treasurer shall issue daily duplicate reports to the state auditor and liquor control commissioner showing the sales of stamps, the denominations thereof, and the persons purchasing them.

Subd. 6. Refunds to any purchaser for money paid for any stamps returned unfit for use or otherwise unused may be made upon such proof as is required by the state auditor. If the state auditor finds the proof to be correct, he may draw his voucher upon the state treasurer for the amount to be paid.

Subd. 7. The forging, with intent to defraud, of any stamp, evidencing, or intending to evidence, the payment of any tax or fee due to the state or any plate, die, or other device for the printing or manufacture of any such stamp is forgery in the third degree. Every such stamp which is salable for cash, without further authentication or certification for the purposes of payment of any such tax or fee is deemed to be of the value of the amount of money designated thereon and for which the same is salable, and larceny thereof is punished accordingly.

Subd. 8. The provisions of this section shall not exclude the application of any other laws, not inconsistent herewith, relating to the same subject matter, but are supplementary thereto.

[1955 c 863 s 21]

**16.66 PRESERVATION OF DOCUMENTS.** Subdivision 1. **Lamination process.** The commissioner of administration shall acquire necessary machinery and equipment to provide for the effective preservation of documents by a process of lamination and shall provide an operator therefor who shall be in the classified service of the state under the state archivist.

Subd. 2. **Documents treated for preservation.** Upon request made by any department head of a state agency, or by the governing body of any governmental subdivision of the state, the commissioner of administration shall treat any document for preservation by lamination.

Subd. 3. **Fee schedule.** The commissioner of administration shall determine and publish a fee schedule to be charged the department or agency or governmental subdivision for the service of documentary preservation authorized by this section. The schedule shall be reasonably calculated to provide the service at cost to public agencies.

Subd. 4. **Privately-owned documents preserved.** Any privately-owned document may be laminated by the commissioner of administration upon payment of the fees specified therefor in regulations at the same rate as public documents, if the commissioner determines that such privately-owned documents are affected with a public interest in their preservation.

[1955 c 724 s 1-4]

**16.71 STATE EMPLOYEES MERIT AWARD BOARD.** Subdivision 1. **Membership.** Within the office of the commissioner of administration is created and established the Minnesota State Employees Merit Award Board, herein called the board, composed of five members, appointed by the governor, each of whom is a state officer or employee. The term of the first board shall begin July 1, 1955, and expire February 1, 1957. Thereafter terms of office shall be two years. Members shall be appointed by the governor and serve without compensation, but shall be reimbursed for expenses necessarily incurred in the performance of duty. Vacancies in membership shall be filled by appointment of the governor for the remainder of the unexpired term. The board shall annually elect a member to be chairman.

Subd. 2. **Duties.** The board shall

(1) formulate, establish and maintain plans to encourage and reward unusual and meritorious suggestions and accomplishments by state employees promoting efficiency and economy in state government;

(2) appoint committees to consider suggestions and accomplishments of state employees, make recommendations thereon to the board;

(3) render merit awards to state employees in accordance with such plans.

Subd. 3. **Assistance.** The commissioner of administration shall assign for the use of the board such personnel, facilities, and equipment required for the proper performance of its work. The commissioner of administration, on behalf of the board, may require assistance from any state department of any of its personnel and facilities.

Subd. 4. **Awards.** The board may determine the nature and extent of the merit awards to be made under this section which may include, but shall not be limited to, the following:

(1) Certificates, medals and other appropriate insignia;

(2) Cash awards.

Subd. 5. **Rules.** The board shall have power to adopt and promulgate rules and regulations governing the operation of plans established under this section, the eligibility and qualifications of state employees participating therein, the character and quality of suggestions and accomplishments submitted for consideration, the method of their submission and the procedure for their review nominations for merit awards, and the kind and value of such awards, and such other rules and regulations as may be deemed necessary or appropriate for the proper administration of this section and for the accomplishment of the purposes thereof.

[1955 c 753 s 1-5]

598/920 16.72 **STATE PARKING FACILITIES, CONTROL AND REGULATION.** Subdivision 1. No motor vehicle, either privately or publicly owned, may be parked

upon any parking lot or facility owned or operated by the state of Minnesota except as authorized by this section. The operation and supervision of all such parking lots and facilities are vested in the commissioner of administration.

Subd. 2. The commissioner of administration may adopt and enforce rules and regulations governing the parking of motor vehicles upon any such parking lot or facility so owned and operated by the state. Such rules and regulations shall be enacted in conformity with law and copies thereof shall be posted at every parking lot and facility, the operation and use of which is governed by such rules and regulations.

Subd. 3. Any person, firm, association or corporation which shall violate any of the provisions of this section or any rule or regulation made by the commissioner of administration hereunder shall be guilty of a misdemeanor and upon conviction thereof shall be punished in the manner provided by law.

[1957 c 575 s 1-3]

**16.73 SALE OF UNUSED EQUIPMENT, PROCEEDS.** Whenever the commissioner of administration sells supplies, materials and equipment of any state department or agency which are surplus, obsolete or unused, the proceeds of such sale are hereby appropriated to the department or state agency for whose account such sale was made to be used and expended by such department or agency for the purchase of similar needed supplies, materials and equipment at any time during the biennium in which the sale occurred.

[1957 c 142 s 1]