



Minnesota Department of Transportation

395 John Ireland Boulevard MS682
Saint Paul, MN 55155

June 9, 2011

To: Agreement Holders

Re: Potential Temporary Suspension of State Contract Performance

We are writing because your organization has a relationship with this agency either under a current agreement with an expiration date after June 30, 2011, or a new agreement that is to become effective on or after July 1, 2011.

As you may know, the Minnesota State Legislature adjourned May 23, 2011, without appropriating money to fund the operations of state government for the fiscal year that begins July 1, 2011.

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

Because we do not know whether the biennial budget process will conclude in time to avoid a disruption to our operations, we must advise all contractors, vendors and grantees that in the absence of legislatively authorized appropriations as of July 1, 2011, all work, activity and performances under our agreements must be suspended as of that date, pending authorized appropriations, as will all payments required of this agency under those agreements.

In the event of a shut down, all work required or authorized through an existing cooperative agreement, municipal agreement, partnership agreement, traffic signal agreement, landscape partnership agreement, or work order to a master contract shall be suspended. Future agreements, plan approval, closeouts, payments or invoices will not be processed during this time.

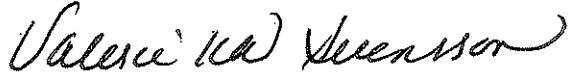
In the event that any agreement concerns a critical state function, as described above, you will be notified by separate letter, publication, bulletin or other appropriate means.

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We will work to keep you informed of progress regarding legislative authorization of appropriations, and we will make every reasonable effort to issue public notices promptly when budgets are approved and contract performance may be resumed. We do suggest that you monitor state web sites, bulletins and media publications for further information.

Sincerely,



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

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