

**Minnesota Department of Human Services  
Deaf and Hard of Hearing Services, Telephone Equipment Distribution Program  
444 Lafayette Road North  
St. Paul, MN 55155-3814**

June 9, 2017

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utility Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101-2147

Re: TAM FY 2017 Budget Amendment Request  
Docket No. P999-M-17-276

Dear Mr. Wolf:

In accordance with Minnesota Statute section 237.52, subdivision 2, the Minnesota Department of Commerce (COMM) must submit an annual budget and surcharge recommendation to the Public Utilities Commission (PUC) for approval. The PUC reviews the recommendation for reasonableness, and may modify the budget to the extent it is determined unreasonable. On March 22, 2016, Commerce submitted the line item budgets and surcharge recommendation for Telecommunications Access Minnesota (TAM) funded programs. On May 19, 2016, the PUC approved TAM's FY 2017 Budget and Surcharge Recommendations.

The following attachments are included for your reference:

- **Attachment A** includes the FY 2017 Budget with requested line item transfers
- **Attachment B** includes the FY 2017 Interagency Agreement between the Department of Human Services, TED Program and the Department of Commerce's, Telecommunication Access Minnesota (TAM).

According to the FY 2017 Interagency Agreement 3.1 (g), funds for expenditures specified in the line item budget may not be moved from one line item to another unless with the requirements listed:

- COMM-TAM may refer approval of line item transfer(s) in excess of ten (10) percent or more of the amount in a line item to and from which funds are being transferred to the Public Utilities Commission to review for reasonableness.
- If the sum total of all transfers to or from line items exceeds \$10,000, then this Agreement must be amended.

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During FY 2017, the TED Program conducted an iPad and iPhone pilot program for the first time. It was difficult to predict how many devices would be distributed. The budget was also difficult to project because it needed to be created early in March 2016. The budget requested was \$90,300. The actual amount spent on the pilot was \$217,967. The pilot resulted in very high demand for these devices which was hard for the program to manage. To help manage the demand of orders, the TED Program ended the pilot early in March 2017. The excess work caused the staff to focus on responding to consumers that the approval of a line item increase was not requested before overspending. The program overspent by \$127,667 for the pilot therefore the line item request.

In FY 2017, the total budget approved for the Equipment for Distribution is \$285,000. This includes landline adaptive telephones, auxiliary devices as well as the iPads and iPhones. Less landline equipment was ordered because client's preferred the iPad or iPhone so the program was able to utilize a larger portion of the \$285,000 toward the pilot. There is also plenty of savings available in other line items that is not anticipated to be utilized in FY 2017.

The following line item transfers are indicated in blue font on the next page:

- \$10,000 **from** Regional Managers **to** Equipment for Distribution
- \$20,000 **from** Public Relations **to** Equipment for Distribution
- \$6,000 **from** Professional and Technical Services **to** Equipment for Distribution

The Telephone Equipment Distribution Program (TED Program) respectfully requests Commission approval for the amendment of the Interagency Agreement along with the line item transfers noted above.

If any party has reply comments on the Budget Amendment Request, they should be filed within 30 days of this request.

If you have questions regarding the TED Program's FY 2017 line item transfer request, please contact me at 651-431-5962 or [sarah.maheswaran@state.mn.us](mailto:sarah.maheswaran@state.mn.us).

Sincerely,



Sarah Maheswaran  
TED Program Administrator

Attachments

c: All parties of record

TED PROGRAM  
FISCAL YEAR 2017 BUDGET

TOTAL COMPENSATION	
Division Director (.15 FTE)	\$ 17,000
Program Coordinator (1.0 FTE)	\$ 80,000
Assistant Coordinator (1.0 FTE)	\$ 61,000
Program Specialists (7.0 FTE)	\$ 391,000
Clerical Support - Central Office (1.0 FTE)	\$ 37,000
Program Support (1.75 FTE)	\$ 57,500
Regional Managers (1.0 FTE)	\$ <del>82,000</del> -\$72,000
Interpreters (0.08 FTE)	\$ 5,200
Achievement Awards	\$ 2,000
Fringes	\$ 310,000
<b>Total Salaries and Fringe</b>	<b>\$ <del>1,042,700</del>-\$1,032,700</b>

STATE OPERATIONS	
Space Rental, Maintenance & Utilities	\$ 28,200
Communications	\$ 20,400
Shipping	\$ 17,000
Travel: In State	\$ 30,000
Public Relations	\$ <del>40,000</del> \$20,000
Professional & Technical Services	\$ <del>14,730</del> \$8,730
Supplies	\$ 3,500
Employee Development	\$ 3,500
Equipment, Computer & System Services	\$ 2,500
Statewide & Agency Indirect Costs	\$ 167,200
Other Operating Costs	\$ 1,000
<b>Total State Operations</b>	<b>\$ <del>328,030</del> \$302,030</b>

<b>EQUIPMENT FOR DISTRIBUTION</b>	<b>\$ <del>285,000</del> \$321,000</b>
<b>EQUIPMENT REPAIR</b>	<b>\$ 4,000</b>

<b>TOTAL TED PROGRAM EXPENSES</b>	<b>\$ 1,659,730</b>
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## STATE OF MINNESOTA INTERAGENCY AGREEMENT

This Agreement is between the Minnesota Department of Commerce – Telecommunications Access Minnesota (COMM – TAM) and the Minnesota Department of Human Services – Telephone Equipment Distribution Program (DHS – TED Program).

### Agreement

#### 1. Term of Agreement

- 1.1 *Effective date:* July 1, 2016, or the date the State obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
- 1.2 *Expiration date:* June 30, 2017, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

#### 2. Scope of Work

##### 2.1 *DHS – TED Program's duties:*

- (a) Purchase telecommunications devices with specifications established by COMM – TAM pursuant to Minnesota Stat. §237.50-56.
- (b) Revise manual(s) for DHS – TED Program whenever appropriate. All proposed revisions shall be consistent with the Minnesota Stat. §237.50-56 and Minnesota Rules Chapter 8775.
- (c) House staff in current DHS – TED Program facilities or in DHS – TED Program approved locations around the state.
- (d) Conduct outreach to communication disabled persons and groups to publicize the availability of DHS – TED Program services.
- (e) Provide interpretative services to DHS – TED Program and support staff as needed at the Deaf and Hard of Hearing Services regional offices.
- (f) Provide administrative services, including all management, supervisory, and clerical support required for duties to be performed under this Agreement.
- (g) Perform other duties deemed necessary to carry out this Agreement, provided that expenditures are specified in the line item budget set forth in Exhibit A, which is attached and incorporated into this Agreement. COMM – TAM must approve any duties that require expenditures that were not included in the line item budget.
- (h) Provide COMM – TAM with quarterly reports on services provided the previous quarter by the 15th day of October, January, April, and July.
- (i) Provide COMM – TAM, upon request, with an inventory report of telecommunications devices.
- (j) Provide COMM – TAM with contact information for a TED Program client if the client is experiencing a problem with Minnesota Relay services. DHS-TED Program must obtain verbal approval from the TED Program client authorizing DHS and/or COMM to provide the client's contact information to Minnesota's

Telecommunications Relay Services (TRS) vendor(s) and/or subcontractor(s) when necessary to troubleshoot and/or resolve issues with Minnesota Relay services.

- (k) Adhere to the Record Retention Schedule dictated and held by COMM – TAM.

## 2.2 *COMM – TAM’s duties:*

- (a) Reimburse DHS – TED Program for monthly expenses for administering the Telephone Equipment Distribution Program as provided in Section 2.1 of this Agreement in accordance with the line item budget set forth in Exhibit A, which is attached and incorporated into this Agreement.
- (b) Deposit \$200,000 into DHS – TED Program dedicated account at the beginning of each fiscal year for use as a cash advance for the duration of the fiscal year.
- (c) Provide Minnesota’s TRS vendor(s) and subcontractor(s) with a TED Program client’s contact information when necessary to troubleshoot and/or resolve issues with Minnesota Relay services, if requested to do so by DHS – TED Program. DHS – TED Program must first obtain verbal approval from the TED Program client authorizing DHS and/or COMM to provide the client’s contact information to Minnesota’s TRS vendor(s) and/or subcontractor(s).
- (d) Dictate and hold the Record Retention Schedule for DHS – TED Program.

## 3. **Consideration and Payment**

### 3.1 *Consideration:*

- (a) Payment in exchange for services rendered shall be in accordance with the line item budget set forth in Exhibit A, which is attached and incorporated into this Agreement.
- (b) The funds received under this Agreement shall be deposited by DHS – TED Program in a dedicated account.
- (c) At the beginning of each fiscal year, COMM – TAM shall deposit into the DHS – TED Program dedicated account \$200,000 for use as a cash advance for the duration of the fiscal year. The \$200,000 cash advance shall be credited back to COMM – TAM at the end of each fiscal year.
- (d) COMM – TAM’s obligation to DHS – TED Program under this Agreement will not exceed **\$1,659,730** for all compensation and reimbursements, and **\$200,000** for “credit-back” cash advances, for a total obligation not to exceed **\$1,859,730**.
- (e) DHS-TED Program will provide COMM – TAM, by the 15th of every month, an itemized invoice of all receipts and disbursements related to this Agreement. The billing shall be equal to the cost of service and materials on the statement. The cost of labor billed to COMM – TAM shall equal the sum of the person's wages plus fringe benefits, actual FICA, MSRS, and insurance as shown on the Payroll Expenditures Report. COMM – TAM will reimburse DHS – TED Program for all expenditures relating to travel of program staff, training for program staff, expenses related to equipment distribution and storage, and instructing program participants on use of specialized equipment as approved by COMM – TAM and specified in the line item budget (Exhibit A). DHS – TED Program will maintain copies of invoices for all disbursements and have them available at any time for auditing purposes.

- (f) Any expenditure not properly invoiced by DHS – TED Program and submitted to COMM – TAM by the close of the fiscal year will not be reimbursed by COMM – TAM.
- (g) Funds for expenditures specified in the line item budget (Exhibit A) may not be moved from one line item to another unless in accordance with the requirements listed below.
  - (1) Total annual transfers of less than ten (10) percent of the amount in a line item to or from which funds are being transferred are permitted without the prior approval of COMM – TAM’s Authorized Representative. DHS – TED Program must inform COMM – TAM’s Authorized Representative of any transfers within ten (10) business days of the change. Total annual transfers that are less than ten (10) percent of the amount in a line item to or from which funds are being transferred but which exceed \$10,000 must be approved in advance by COMM-TAM’s authorized representative.
  - (2) Total annual transfers of ten (10) percent or more of the amount in a line item to or from which funds are being transferred must be approved in advance by COMM – TAM’s Authorized Representative.
  - (3) COMM-TAM may refer approval of line item transfer(s) in excess of ten (10) percent or more of the amount in a line item to or from which funds are being transferred to the Public Utilities Commission to review for reasonableness.
  - (4) If the sum total of all transfers to or from line items exceeds \$10,000, then this Agreement must be amended.
- (h) All earnings arising from the dedicated account such as interest, dividends, and any other earnings shall be credited to COMM – TAM on a monthly basis.

**3.2 Terms of Payment:**

Payment shall be made by COMM – TAM within 10 (ten) business days after DHS – TED Program has submitted correct and complete invoices for services performed.

**4. Conditions of Payment**

All services provided by DHS – TED Program under this Agreement must be performed to COMM – TAM’s satisfaction, as determined at the sole discretion of COMM – TAM’s Authorized Representative.

**5. Authorized Representative**

COMM – TAM's Authorized Representative is Rochelle Garrow, TAM Administrator, 85 Seventh Place East, Suite 600, Saint Paul, MN, 55101-3165, 651-539-1878, or her successor.

DHS – TED Program's Authorized Representative is Sarah Maheswaran, TED Program Administrator, 444 Lafayette Road North, Saint Paul, MN, 55155-3814, 651-431-5962, or her successor.

**6. Amendments**

Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.

**7. Liability**

Each party will be responsible for its own acts and behavior and the results thereof.

**8. Termination**

8.1 Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party.

8.2 If this agreement is terminated, DHS – TED Program shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed. All unearned funds paid to DHS – TED Program, as well as the \$200,000 cash advance and all earnings arising from the dedicated account such as interest, dividends, and any other earnings, must be returned to COMM – TAM within forty-five (45) days of the termination date. The return of surplus property and/or advance funds plus interest remaining upon the termination shall be determined by COMM – TAM after negotiation with DHS – TED Program. COMM – TAM will then submit a written request to DHS – TED Program listing all property and funds to be returned to COMM – TAM, and DHS – TED Program shall return all property and funds as demanded by COMM – TAM.

**9. Publicity**

Any publicity regarding the subject matter of this Agreement must identify COMM – TAM as the sponsoring agency and must not be released without prior approval from COMM – TAM's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for DHS – TED Program individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Agreement.

**10. Other Provisions**

**10.1 Data Privacy:**

Each party is independently required to comply with the requirements of the Data Practices Act; therefore, both parties agree that neither shall be liable for any violation of any provision of the Data Practices Act directly or indirectly arising out of, resulting from, or in any manner attributable to the actions of the other party.

**10.2 State Audits:**

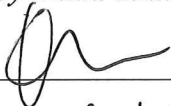
The books, records, documents, and accounting procedures and practices of DHS – TED Program relevant to the Agreement shall be subject to examination by the Office of the Legislative Auditor for a minimum of six (6) years.

**10.3 Line Item Budget (Exhibit A):**

The parties understand that the line item budget set forth in Exhibit A is subject to the approval of the Minnesota Public Utilities Commission.

**1. STATE ENCUMBRANCE VERIFICATION**

*Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05.*

Signed: 

Date: 6/16/16

Contract Number: 110916

PO Number: 8208

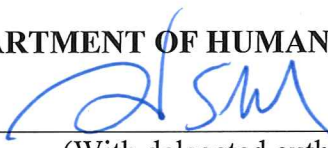
**2. DEPARTMENT OF COMMERCE**

By:   
(With delegated authority)

Title: Deputy Commissioner

Date: 6-20-16

**3. DEPARTMENT OF HUMAN SERVICES**

By:   
(With delegated authority)

Title: Division Director

Date: 6/28/2016



## EXHIBIT A

TED PROGRAM  
FISCAL YEAR 2017 BUDGET

<b>TOTAL COMPENSATION</b>	
Division Director (.15 FTE)	\$ 17,000
Program Coordinator (1.0 FTE)	\$ 80,000
Assistant Coordinator (1.0 FTE)	\$ 61,000
Program Specialists (7.0 FTE)	\$ 391,000
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<b>EQUIPMENT FOR DISTRIBUTION</b>	<b>\$ 285,000</b>
<b>EQUIPMENT REPAIR</b>	<b>\$ 4,000</b>

<b><i>TOTAL TED PROGRAM EXPENSES</i></b>	<b>\$ 1,659,730</b>
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**CERTIFICATE OF SERVICE**

I, Linda Chavez, hereby certify that I have this day served copies of the following document on the attached list of persons by electronic filing, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**BUDGET AMENDMENT ON BEHALF OF THE DEPARTMENT OF HUMAN SERVICES**

Docket Nos. **P999/M-17-276**

Dated this **9th** day of **June, 2017**.

/s/Linda Chavez

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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	OFF_SL_17-276_17-276
Linda	Chavez	linda.chavez@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 55101-2198	Electronic Service	No	OFF_SL_17-276_17-276
Emory David	Dively	emory.david.dively@state.mn.us	Commission of Deaf, DeafBlind & Hard of Hearing Minnesotans	Golden Rule Building 85 E 7th Place, Ste 105 Saint Paul, MN 55101	Electronic Service	No	OFF_SL_17-276_17-276
Ian	Dobson	Residential.Utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	OFF_SL_17-276_17-276
Greg	Doyle	greg.doyle@state.mn.us	Department of Commerce	Suite 50085 Seventh Place East  St. Paul, MN 551012198	Electronic Service	No	OFF_SL_17-276_17-276
Beth	Fraser	Beth.Fraser@state.mn.us	Commission of Deaf, DeafBlind & Hard of Hearing Minnesotans	Golden Rule Building 85 E 7th Place Ste 105 Saint Paul, MN 55101	Electronic Service	No	OFF_SL_17-276_17-276
Rochelle	Garrow	rochelle.garrow@state.mn.us	Department of Commerce	85 7th Place East, Suite 280  Saint Paul, MN 55101	Electronic Service	No	OFF_SL_17-276_17-276
Mary	Hartnett	Mary.Hartnett@state.mn.us	Commission of Deaf, DeafBlind & Hard of Hearing Minnesotans	Golden Rule Bulding 85 7th Place Ste 106 Saint Paul, MN 55101	Electronic Service	No	OFF_SL_17-276_17-276
Sarah	Maheswaran	sarah.maheswaran@state.mn.us	Telephone Equipment Dist. Program	Dept. of Human Services 444 Lafayette Road North St. Paul, MN 551553814	Electronic Service	No	OFF_SL_17-276_17-276
Amy	McQuaid Swanson	Amy.mcquaid-swanson@state.mn.us	Department of Human Services	PO Box 64969  St. Paul, MN 55164-0969	Electronic Service	No	OFF_SL_17-276_17-276

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Carol	Pankow	carol.pankow@state.mn.us	Services for the Blind	Suite 240 2200 University Avenue W St. Paul, MN 55104	Electronic Service	No	OFF_SL_17-276_17-276
Dana	Wahlberg	dana.wahlberg@state.mn.us	Department of Public Safety	Town Square Ste 137 444 Cedar St St. Paul, MN 551015126	Electronic Service	No	OFF_SL_17-276_17-276
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	OFF_SL_17-276_17-276