

Rule Variance Fees Deposits, Refunds & Transfers

Objective

To establish a process for agencies to charge fees to process an administrative rule variance to a petitioner, deposit the fees, refund overpayments, and transfer approved fee proceeds to the requesting agency.

Policy

Effective July 1, 2002, agencies are allowed, but not required, to charge fees for rule variance requests in accordance with the [M.S. 14.056, Subd. 2](#). If an agency charges a variance fee, the minimum an agency may charge a petitioner for a rule variance fee is \$10. If the estimated cost to process the fee is \$20 or less, the assessed rule variance fee is for the minimum amount of \$10. The \$10 fee amount is non-refundable. If the cost to the agency is estimated to be more than \$20, the fee will be the estimated cost for the agency to process the petition, allowing for a refund only if the estimated amount exceeds the actual cost.

Receipts are to be deposited into an account designated by the Minnesota Management & Budget (DOF). The Commissioner of Finance may transfer amounts to the fund and agency that supports the program that is the subject of the variance petition upon the agency's request and the Commissioner of Finance determination that the agency needs the fee proceeds to implement [M.S. 14.055](#).

General Procedures

Step #	Actions to be Performed	Responsible Party
1.	<p>Determining the Fee Amount for the Variance Request</p> <p>If the estimated variance fee is less than or equal to \$20: The agency receives a petition for a variance from a rule with the \$10 fee and deposits it into the designated account and processes the petition. The \$10 fee is nonrefundable</p> <p>If the estimated variance fee is greater than \$20 The agency must prepare an estimate of the cost to process</p>	Agency

	<p>the petition. The agency and the petitioner must agree on estimated costs and the timing and manner of payment for processing. The petitioner submits the estimated variance payment amount.</p>																			
2.	<p>Depositing Rule Variance Fees</p> <p>Deposit the receipt using their Agency Location Code as the first 3-digits of the document number. Deposit the fee by entering a cash receipt (CR) to the following account coding:</p> <table border="0" data-bbox="373 651 1055 871"> <tr> <td>Fund</td> <td>Agency</td> <td>Orgn</td> <td>Appr Unit</td> <td>RSCS</td> <td>Sub RSCS</td> </tr> <tr> <td>200</td> <td>G9R</td> <td>4500</td> <td>450</td> <td>3002</td> <td>XX</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>(see note below)</td> </tr> </table> <p>The document will reject due to "Agency" code security. Contact Small Agency Assistance in DOF to complete the processing of the transaction.</p> <p>NOTE: A specific Sub RSCS will be assigned to each agency for the purposes of this procedure. If a code has not been assigned, contact Small Agency Assistance for this code.</p>	Fund	Agency	Orgn	Appr Unit	RSCS	Sub RSCS	200	G9R	4500	450	3002	XX						(see note below)	Agency
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3.	<p>Refunds</p> <p>Determining if a Refund is Due - after Completion of Variance Request:</p> <p>If the estimated cost of the variance fee was \$20 or less, stop here. No refund is due - the \$10 minimum variance fee is nonrefundable</p> <p>If the variance fee was estimated for more than \$20, the cost estimate for the rule variance petition must be compared to actual costs of processing the variance to determine if a refund is due to the petitioner. Use the following table to calculate if a refund is due to the petitioner.</p> <table border="1" data-bbox="357 1785 1071 1869"> <tr> <td>1.</td> <td>Enter the estimated cost (agreement & deposit amount) to process the fee</td> <td>\$</td> </tr> </table>	1.	Enter the estimated cost (agreement & deposit amount) to process the fee	\$	Agency															
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	variance (if \$20 or less, stop here and refer to "A" above)	
2.	Enter the actual cost to process the fee variance	\$
3.	Refund Amount: Subtract Line 2 from Line 1, enter result, but not less than 0	\$
<p>NOTE: If the actual cost exceeds estimated cost, these additional costs are absorbed by the agency and cannot be charged to the petitioner UNLESS there is a provision in the agreement that allows for the costs to be renegotiated.</p>		
<p>Requesting Refund to Petitioner for Overpayment</p> <p>Request refund to be paid by the Minnesota Management & Budget, Administrative Services Unit, Accounts Payable section at 400 Centennial Office Building. The request shall include:</p> <ul style="list-style-type: none"> Signed agency request authorizing a refund Copy of cost estimate comparison to the actual costs for the refund amount. MAPS transaction information documenting the original deposit Vendor number for refund processing 		
3a.	<p>Processing a Refund Request</p> <p>Reviews request, verifies deposit information, and issues refund payment to petitioner per agency request.</p>	Finance
4.	<p>Transferring Requested & Approved Fee Funds to Agency</p> <p>Submit a written request to the agency assigned Executive Budget Officer requesting fee proceeds. The request needs to document the agency's need to use funds to implement the variance petition process. Include a completed (but not entered into MAPS) Anticipated Transfer (AT) form with the following information:</p>	Agency

	<table border="1"> <tr> <td data-bbox="358 205 854 321">Transfer Out Agency Name:</td> <td data-bbox="854 205 1094 321">Transfer In Agency Name:</td> </tr> <tr> <td data-bbox="358 321 854 436">Minnesota Management & Budget - Non-Operating</td> <td data-bbox="854 321 1094 436">Agency making request for funds</td> </tr> <tr> <td data-bbox="358 436 854 552">"From" Appropriation Coding:</td> <td data-bbox="854 436 1094 552">"To" Appropriation Coding:</td> </tr> <tr> <td data-bbox="358 552 854 842"> <table border="1"> <thead> <tr> <th><i>Fund</i></th> <th><i>Agency</i></th> <th><i>Orgn</i></th> <th><i>Appr Unit</i></th> </tr> </thead> <tbody> <tr> <td>200</td> <td>G9R</td> <td>4500</td> <td>450</td> </tr> </tbody> </table> </td> <td data-bbox="854 552 1094 842">Agency appropriation coding for the program incurring costs to process the variance request.</td> </tr> </table>	Transfer Out Agency Name:	Transfer In Agency Name:	Minnesota Management & Budget - Non-Operating	Agency making request for funds	"From" Appropriation Coding:	"To" Appropriation Coding:	<table border="1"> <thead> <tr> <th><i>Fund</i></th> <th><i>Agency</i></th> <th><i>Orgn</i></th> <th><i>Appr Unit</i></th> </tr> </thead> <tbody> <tr> <td>200</td> <td>G9R</td> <td>4500</td> <td>450</td> </tr> </tbody> </table>	<i>Fund</i>	<i>Agency</i>	<i>Orgn</i>	<i>Appr Unit</i>	200	G9R	4500	450	Agency appropriation coding for the program incurring costs to process the variance request.	
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4a.	<p>Transferring Requested & Approved Fee Funds to Agency</p> <p>Agency-assigned EBO reviews and approves or disapproves AT document based on need. If approved, the EBO signs the AT document and forwards the form to the Administrative Services Unit, Accounts Payable section of Finance to process the AT and the Transfer of Appropriation (TA). If not approved, the EBO contacts agency with explanation.</p> <p>Transfer fee proceeds to the General Fund on an annual basis if not transferred to the agency program that generated the fee.</p>	Finance																

See Also

[Fi-00515-01 Cash Receipts Form \(Accounting View\)](#)

[Fi-00521-02 Anticipated Transfer \(AT\) Form](#)