

2.1 and liaison function, the periodic review of interim reports or other indications of past
2.2 performance, and the ultimate utilization of the final product of the services;

2.3 (5) the agency will not allow the contractor to begin work before the contract is fully
2.4 executed unless an exception under section 16C.05, subdivision 2a, has been granted by
2.5 the commissioner and funds are fully encumbered;

2.6 (6) the contract will not establish an employment relationship between the state or
2.7 the agency and any persons performing under the contract; and

2.8 (7) in the event the results of the contract work will be carried out or continued by
2.9 state employees upon completion of the contract, the contractor is required to include
2.10 state employees in development and training, to the extent necessary to ensure that after
2.11 completion of the contract, state employees can perform any ongoing work related to
2.12 the same function.

2.13 (c) A contract establishes an employment relationship for purposes of paragraph (b),
2.14 clause (6), if, under federal laws governing the distinction between an employee and an
2.15 independent contractor, a person would be considered an employee.