



February 12, 2020

The Honorable Eric Pratt  
Chair, Jobs and Economic Growth  
Finance and Policy Committee  
3219 Minnesota Senate Building  
Saint Paul, MN 55155

The Honorable Tim Mahoney  
Chair, Jobs and Economic Development  
Finance Division  
365 State Office Building  
Saint Paul, MN 55155

The Honorable Bobby Champion, Ranking Member  
Jobs and Economic Growth  
Finance and Policy Committee  
2303 Minnesota Senate Building  
Saint Paul, MN 55155

The Honorable Bob Gunther  
Ranking Member, Jobs and Economic Development  
Finance Division  
277 State Office Building  
Saint Paul, MN 55155

RE: 2019 Janitorial Contracts, Rehabilitation Programs, and Extended Employment Providers Report

Dear Committee Chairs and Ranking Minority Members:

The attached report as required in Minnesota Statutes 16C.155 "Janitorial Contracts; Rehabilitation Programs and Extended Employment Providers," is respectfully submitted on behalf of the Department of Administration.

Please contact my office if you have any questions or need assistance.

Sincerely,

A handwritten signature in black ink that reads 'ARobertsDavis'.

Commissioner Alice Roberts-Davis  
Minnesota Department of Administration

Attachment

CC: Legislative Reference Library (2)

**Fiscal Year 2019**

**Report Required by Minn. Stat. § 16C.155**

**Value of Contracts for Specified Services**

<b>Service</b>	<b>UNSPSC</b>	<b>Total Spent</b>	<b>DEED/DHS Provider Total</b>	<b>DEED/DHS Provider %</b>
Janitorial Services* Cleaning Services, Building/Domestic Maintenance	76111501	\$1,765,543	\$630,104	35.7%
Document Imaging and Scanning Imaging Services/Scanning Services	81112005	\$240,072	\$154,879	64.5%
Document Shredding** Destruction Services, Business Records	80161508	\$146,729	\$18,882	12.9%
Mailing, Collating, & Sorting Services*** Mailing/Collating/Sorting Services (without printing)	80141800	unknown	unknown	unknown

The data source for this report is the Statewide Integrated Financial Tools (SWIFT) system. Purchases in SWIFT are categorized by the purchasers into one of more than 50,000 possible commodity codes (UNSPSC codes). A review of the SWIFT data has revealed issues with incorrectly coded purchases.

The Office of State Procurement (OSP) analyzed line items with relevant commodity codes in an attempt to improve the accuracy of this report. Items which were clearly miscoded or inapplicable were removed, as were items showing government entities as the vendor. The numbers in this report should be considered the Department of Administration’s best estimate of executive branch spending.

\*This data excludes services performed for MnDOT by Greenview Inc., a company which provides “employment of needy, elderly persons” pursuant to Minn. Stat. § 160.282.

\*\*The decrease in the percentage of DEED/DHS provider spending is primarily due to a contractor that discontinued shredding services. No other DEED/DHS providers responded to the solicitation posted by OSP.

\*\*\* The unknown expenditure on mailing, collating, and sorting services is a result of the UNSPSC code being broad and including many functions that are not related to the services provided by DEED/DHS certified providers. The code fails to distinguish between mail services, shipping, postage, etc. and the tasks that DEED/DHS certified providers perform. As a result, the spending is hidden within the other tasks under the UNSPSC code.