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AT A GLANCE

- Oversee nearly \$3.1 billion in state procurement annually, including negotiating more than \$26 million in contract savings and increasing purchasing from diverse businesses
- Reduced Capitol complex energy consumption by 17.4% since 2008 and increased reliance on renewable energy sources to nearly one-third of annual usage
- Manage more than 280 construction projects and 850 property leases
- Monitor facility conditions and asset preservation needs of over 6,000 state-owned buildings
- Oversee a fleet of more than 2,000 vehicles, increasing use of electric and fuel-efficient vehicles
- Provide data practices and open meeting law technical assistance and in-person or webinar training to over 4,200 partners each year
- Provided direct training and informational resources – including mobile phone applications – to over 14,000 individuals with developmental disabilities, family members, students, and professionals in FY 2020

PURPOSE

The Department of Administration is a core central service agency serving the Governor, legislature, state agencies, local governments, and the public. Its mission is to lead through exceptional service and creative solutions to help its partners succeed. That mission is achieved by focusing on partner satisfaction; technology optimization; diversity, equity, and inclusion; and agency culture.

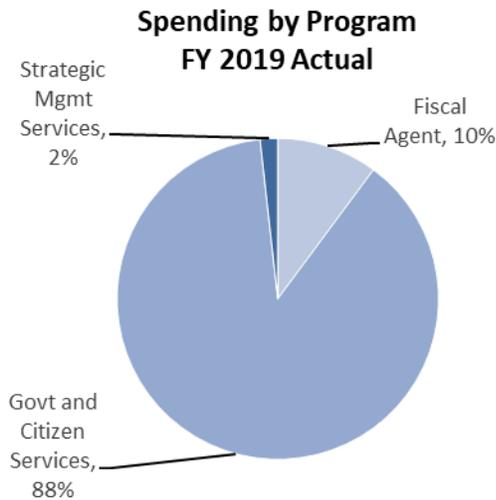
The purpose and benefit of effective centralized core administrative services is to achieve better value for state agencies by leveraging economies of scale, ensuring open and fair competition, reducing risk, and promoting success through standardized processes. Centralizing and standardizing core services, such as procurement, contract terms, leasing, risk management, and many other centralized administrative functions, makes it easier for policy-makers and the public to be aware of what is expected to occur and what does occur in government and to evaluate both.

Specifically, the Department provides enterprise leadership for a broad range of professional services and business functions essential to the efficient operation of government, including:

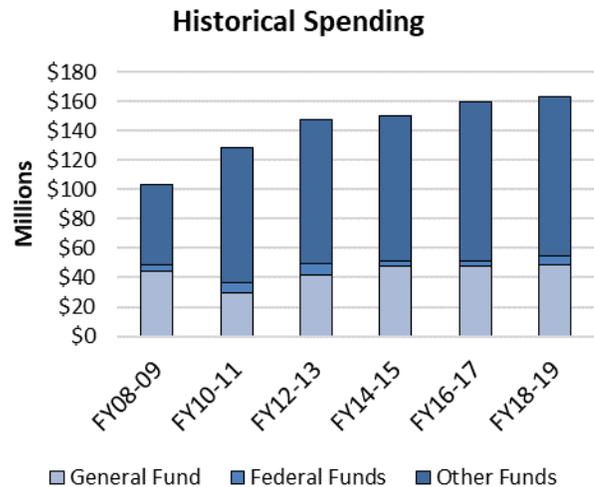
- Overseeing real property and sustainable state operations
- Helping agencies comply with state procurement and contracting laws while also achieving the best value in purchasing goods, services, and vehicle fleets
- Overseeing state facilities' construction and leasing
- Providing property, liability, and workers' compensation insurance coverage for state operations
- Establishing best practices for state grants administration and training agency staff across the enterprise
- Leading state 2020 Census efforts and providing government and non-governmental agencies, businesses, and the public with population data and demographic services
- Providing financial management and human resource support to a growing number of small state agencies, boards, and commissions
- Operating the Capitol Complex and other buildings efficiently and keeping the Capitol grounds beautiful
- Providing technical assistance to small businesses seeking federal or state contracts
- Overseeing state and federal historic preservation laws and administering the state and federal historic preservation tax credits

In addition, the Department provides key services directly to the public. It helps individuals and organizations understand and access their rights to government data. It provides opportunities for those with developmental disabilities and their families to advocate for their rights to education, work, and community participation. And it provides assistive technology so those with physical disabilities can lead more independent and productive lives.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

The Department’s mix of funding is as complex and diverse as the services it provides, with 89% of funds spent through internal service, special revenue, enterprise, and other non-general fund resources it manages. Additionally, more than half of the general fund dollars the Department is appropriated are passed on to, or spent on behalf of, other entities or non-operating activities via its fiscal agent work.

STRATEGIES

The Department of Administration utilizes multiple strategies and service delivery models to support the priorities of fiscal accountability and measurable results; equity and inclusion; children and families; thriving communities; and Minnesota’s environment. These strategies provide efficient and accountable government services and ensure the best value in government administrative services. They include:

- Sustainable services that leverage enterprise expertise in fleet, leasing, construction, facilities, and purchasing services, and the expertise of partner agencies to advance environmentally sustainable operations, avoid costs, and reduce the state’s carbon footprint.
- Real property services that provide a single, enterprise-wide inventory of facility conditions necessary to strategically plan for asset preservation, workforce, and citizen service investments.
- Procurement services that leverage bulk purchasing opportunities to achieve best value by developing contracts for use by multiple government units; standardizing and consolidating purchases; and aggressively negotiating contract terms and pricing.
- Facilities management services such as maintenance, engineering, and energy retrofits that provide well-maintained facilities necessary for the daily operations of the state’s executive, legislative, and judicial branches.
- Construction and space leasing services such as serving as the state’s leasing agent and owner’s representative on construction projects. The Department provides efficient and effective oversight of capital construction projects, ensures facility solutions that meet the space needs of state agencies and their customers, and facilitates effective management and optimal use of state real property assets.

- Government-to-Government shared services that provide financial and human resource services to small agencies, boards and commissions, continuous improvement (Lean) training, workers' compensation, archeological services, and vehicle fleet services.
- Government management consultation to help agencies achieve energy reduction goals, comply with open government requirements, reduce workers' compensation costs, and reduce the state's reliance on fossil fuels.
- Public services that include assistive technology, demographic services, and resources for people with developmental disabilities. The Department also facilitates the public's access to state government by educating citizens on their rights to government data, granting permits to stage public rallies, and administering public spaces in the State Capitol building.

The Department of Administration's legal authority comes from:

M.S. 13 (<https://www.revisor.mn.gov/statutes/?id=13>)

M.S. 16B (<https://www.revisor.mn.gov/statutes/?id=16B>)

M.S. 16C (<https://www.revisor.mn.gov/statutes/?id=16C>)

M.S. 4A.02 (<https://www.revisor.mn.gov/statutes/?id=4a.02>)

M.S. 176.541 (<https://www.revisor.mn.gov/statutes/?id=176.541>)

M.S. 138.31-138.42 (<https://www.revisor.mn.gov/statutes/?id=138.31>)

M.S. 307.08 (<https://www.revisor.mn.gov/statutes/?id=307.08>)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	23,810	25,261	26,155	31,111	26,217	26,883	27,176	28,068
1251 - COVID-19 Minnesota			5,683	1,217				
2000 - Restrict Misc Special Revenue	3,754	8,167	4,369	4,259	4,789	3,761	4,789	3,761
2001 - Other Misc Special Revenue	35,588	38,509	42,051	47,099	45,892	42,700	45,892	42,700
2301 - Arts & Cultural Heritage	10,917	9,602	11,230	9,432	1,409		1,409	
2403 - Gift	514	94	90	443	62	10	62	10
3000 - Federal	2,321	2,966	3,246	3,791	3,620	3,704	3,620	3,704
3010 - Coronavirus Relief			436	5,000				
3800 - Permanent School	948	566	78	458				
4500 - MN Bookstore	1,189	1,033	933	627	298	302	298	302
4501 - Coop Purchasing	23,868	25,073	25,408	41,053	29,868	30,029	29,868	30,029
4502 - Surplus Property	1,797	1,745	1,278	1,502	1,616	1,622	1,616	1,622
5000 - Master Lease	14,159	12,060	12,456	19,570	12,000	12,000	12,000	12,000
5100 - Fleet Services	8,391	9,285	7,796	7,254	7,422	7,593	7,422	7,593
5203 - Central Mail	8,838	9,431	9,082	9,295	9,268	9,329	9,268	9,329
5300 - Risk Management	10,682	12,213	14,304	15,928	15,874	15,876	15,874	15,876
5400 - Plant Management	49,948	53,337	58,988	67,095	61,018	59,649	61,018	59,649
Total	196,723	209,343	223,582	265,134	219,353	213,458	220,312	214,643
Biennial Change				82,650		(55,905)		(53,761)
Biennial % Change				20		(11)		(11)
Governor's Change from Base								2,144
Governor's % Change from Base								1

Expenditures by Program

Government and Citizen Services	170,180	185,074	192,260	239,494	203,116	198,630	203,401	199,097
Strategic Management Services	3,099	3,011	2,464	2,729	2,118	2,118	2,168	2,212
Fiscal Agent	23,445	21,257	28,858	22,911	14,119	12,710	14,743	13,334
Total	196,723	209,343	223,582	265,134	219,353	213,458	220,312	214,643

Expenditures by Category

Compensation	41,356	43,441	46,224	50,639	52,217	52,874	52,445	53,329
Operating Expenses	98,953	106,252	111,445	133,990	116,866	114,512	117,597	115,242

Administration

Agency Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Grants, Aids and Subsidies	13,900	12,463	15,690	12,549	5,654	4,873	5,654	4,873
Capital Outlay-Real Property	13,800	17,268	20,618	28,892	17,691	14,283	17,691	14,283
Other Financial Transaction	28,715	29,918	29,605	39,064	26,925	26,916	26,925	26,916
Total	196,723	209,343	223,582	265,134	219,353	213,458	220,312	214,643

<u>Full-Time Equivalents</u>	500.86	512.83	525.00	570.14	574.37	572.74	574.37	572.74
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Administration

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In	350	1,436	0	602				
Direct Appropriation	24,375	23,844	26,085	29,965	25,201	25,201	26,160	26,386
Open Appropriation	775	675	661	725	1,250	1,916	1,250	1,916
Transfers In	4,094	4,298	925	1,225				
Transfers Out	612	739	911	1,106	234	234	234	234
Cancellations	3,973	4,254	0	300				
Balance Forward Out	1,198		604					
Expenditures	23,810	25,261	26,155	31,111	26,217	26,883	27,176	28,068
Biennial Change in Expenditures				8,195		(4,166)		(2,022)
Biennial % Change in Expenditures				17		(7)		(4)
Governor's Change from Base								2,144
Governor's % Change from Base								4
Full-Time Equivalents	84.76	90.64	93.97	94.46	94.29	93.18	94.29	93.18

1251 - COVID-19 Minnesota

Balance Forward In				1,217				
Direct Appropriation			6,900					
Balance Forward Out			1,217					
Expenditures			5,683	1,217				
Biennial Change in Expenditures				6,900		(6,900)		(6,900)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

2000 - Restrict Misc Special Revenue

Balance Forward In	3,122	6,844	3,315	3,003	1,331	1,191	1,331	1,191
Receipts	10,255	7,138	6,852	4,141	4,129	5,919	4,129	5,919
Transfers Out	2,800	2,797	2,795	1,793	2,782	2,776	1,789	2,776
Balance Forward Out	6,823	3,017	3,003	1,331	1,191	1,083	1,191	1,083
Expenditures	3,754	8,167	4,369	4,259	4,789	3,761	4,789	3,761
Biennial Change in Expenditures				(3,293)		(78)		(78)
Biennial % Change in Expenditures				(28)		(1)		(1)
Governor's Change from Base								0

Administration

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Governor's % Change from Base								0
Full-Time Equivalents	9.29	10.78	10.85	11.28	12.45	12.19	12.45	12.19

2001 - Other Misc Special Revenue

Balance Forward In	28,062	32,027	34,934	33,251	27,906	24,271	27,906	24,271
Receipts	32,194	33,331	33,875	35,442	35,829	36,329	35,829	36,329
Transfers In	15,027	15,469	15,054	14,934	15,055	15,055	15,055	15,055
Transfers Out	8,517	8,544	8,562	8,622	8,627	8,627	8,627	8,627
Balance Forward Out	31,179	33,774	33,250	27,906	24,271	24,328	24,271	24,328
Expenditures	35,588	38,509	42,051	47,099	45,892	42,700	45,892	42,700
Biennial Change in Expenditures				15,053		(558)		(558)
Biennial % Change in Expenditures				20		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	33.69	35.63	36.68	41.30	40.58	40.54	40.58	40.54

2301 - Arts & Cultural Heritage

Balance Forward In	412	433	210	791	1,409		1,409	
Direct Appropriation	10,937	9,600	11,811	10,050	0	0	0	0
Transfers In	475	264	347	302	1,409		1,409	
Transfers Out	475	264	347	302	1,409		1,409	
Cancellations	58	252	0					
Balance Forward Out	373	178	792	1,409				
Expenditures	10,917	9,602	11,230	9,432	1,409		1,409	
Biennial Change in Expenditures				143		(19,253)		(19,253)
Biennial % Change in Expenditures				1		(93)		(93)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.40	2.36	2.60	2.64				

2403 - Gift

Balance Forward In	903	747	900	1,054	626	579	626	579
Receipts	288	247	33	15	15	9	15	9

Administration

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Transfers In	50		219					
Transfers Out			7					
Balance Forward Out	728	900	1,055	626	579	578	579	578
Expenditures	514	94	90	443	62	10	62	10
Biennial Change in Expenditures				(75)		(461)		(461)
Biennial % Change in Expenditures				(12)		(86)		(86)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.22			0.02	0.01		0.01	

3000 - Federal

Balance Forward In			6	7				
Receipts	2,321	2,966	3,248	3,784	3,620	3,704	3,620	3,704
Balance Forward Out			7					
Expenditures	2,321	2,966	3,246	3,791	3,620	3,704	3,620	3,704
Biennial Change in Expenditures				1,751		287		287
Biennial % Change in Expenditures				33		4		4
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	13.43	18.31	18.60	19.40	20.30	20.24	20.30	20.24

3002 - Oil Overcharge

Balance Forward In	3	3	3	3	3	3	3	3
Balance Forward Out	3	3	3	3	3	3	3	3

3010 - Coronavirus Relief

Direct Appropriation			436	5,000	0	0	0	0
Cancellations			0					
Balance Forward Out			0					
Expenditures			436	5,000				
Biennial Change in Expenditures				5,436		(5,436)		(5,436)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0

Administration

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Governor's % Change from Base								
Full-Time Equivalents			3.73					

3800 - Permanent School

Balance Forward In	205	713	535	458				
Transfers In	800	300						
Cancellations		0						
Balance Forward Out	56	446	457					
Expenditures	948	566	78	458				
Biennial Change in Expenditures				(979)		(536)		(536)
Biennial % Change in Expenditures				(65)		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	1.51	1.51	0.55					

4500 - MN Bookstore

Balance Forward In	271	308	285	116	45	238	45	238
Receipts	1,143	995	764	556	491	491	491	491
Transfers Out	2							
Balance Forward Out	224	270	116	45	238	427	238	427
Expenditures	1,189	1,033	933	627	298	302	298	302
Biennial Change in Expenditures				(661)		(960)		(960)
Biennial % Change in Expenditures				(30)		(62)		(62)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	7.32	6.41	5.82	3.00	2.25	2.25	2.25	2.25

4501 - Coop Purchasing

Balance Forward In	44,411	45,473	48,061	49,202	36,967	36,879	36,967	36,879
Receipts	22,345	25,050	26,551	28,820	29,782	31,034	29,782	31,034
Transfers Out	18		2	2	2	2	2	2
Balance Forward Out	42,870	45,450	49,202	36,967	36,879	37,882	36,879	37,882
Expenditures	23,868	25,073	25,408	41,053	29,868	30,029	29,868	30,029

Administration

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Biennial Change in Expenditures				17,520		(6,564)		(6,564)
Biennial % Change in Expenditures				36		(10)		(10)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	68.55	72.96	82.33	102.12	106.72	105.95	106.72	105.95

4502 - Surplus Property

Balance Forward In	1,577	1,434	1,451	1,428	1,332	1,231	1,332	1,231
Receipts	1,621	1,682	1,255	1,407	1,516	1,545	1,516	1,545
Transfers Out	2		1	1	1	1	1	1
Balance Forward Out	1,398	1,371	1,428	1,332	1,231	1,153	1,231	1,153
Expenditures	1,797	1,745	1,278	1,502	1,616	1,622	1,616	1,622
Biennial Change in Expenditures				(762)		458		458
Biennial % Change in Expenditures				(22)		16		16
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	7.94	8.67	8.36	9.25	9.25	9.25	9.25	9.25

5000 - Master Lease

Balance Forward In	0	0	127					
Receipts	14,159	12,187	12,329	19,570	12,000	12,000	12,000	12,000
Transfers Out			0					
Balance Forward Out		127						
Expenditures	14,159	12,060	12,456	19,570	12,000	12,000	12,000	12,000
Biennial Change in Expenditures				5,807		(8,026)		(8,026)
Biennial % Change in Expenditures				22		(25)		(25)
Governor's Change from Base								0
Governor's % Change from Base								0

5100 - Fleet Services

Balance Forward In	2,257	2,959	2,456	1,102	1,256	3,333	1,256	3,333
Receipts	15,522	16,539	17,586	21,177	23,502	23,502	23,502	23,502
Transfers Out	6,940	8,422	11,143	13,769	14,003	14,003	14,003	14,003

Administration

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Balance Forward Out	2,448	1,791	1,102	1,256	3,333	5,239	3,333	5,239
Expenditures	8,391	9,285	7,796	7,254	7,422	7,593	7,422	7,593
Biennial Change in Expenditures				(2,626)		(35)		(35)
Biennial % Change in Expenditures				(15)		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	9.04	8.52	8.30	8.69	8.69	8.69	8.69	8.69

5203 - Central Mail

Balance Forward In	216	235	2	747	792	864	792	864
Receipts	8,721	8,871	9,828	9,340	9,340	9,340	9,340	9,340
Transfers In		325						
Balance Forward Out	99		747	792	864	875	864	875
Expenditures	8,838	9,431	9,082	9,295	9,268	9,329	9,268	9,329
Biennial Change in Expenditures				108		220		220
Biennial % Change in Expenditures				1		1		1
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	8.81	8.43	7.70	8.93	7.60	8.22	7.60	8.22

5300 - Risk Management

Balance Forward In	22,917	23,787	23,999	22,816	22,790	22,818	22,790	22,818
Receipts	10,014	12,343	13,121	15,902	15,902	15,902	15,902	15,902
Transfers Out	3							
Balance Forward Out	22,246	23,917	22,816	22,790	22,818	22,844	22,818	22,844
Expenditures	10,682	12,213	14,304	15,928	15,874	15,876	15,874	15,876
Biennial Change in Expenditures				7,337		1,518		1,518
Biennial % Change in Expenditures				32		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	11.34	10.27	10.35	10.65	10.65	10.65	10.65	10.65

5400 - Plant Management

Administration

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Balance Forward In	8,189	12,267	15,546	13,574	5,661	1,988	5,661	1,988
Receipts	74,706	77,042	77,003	79,161	77,384	81,010	77,384	81,010
Transfers In	324	324	0					
Transfers Out	21,338	21,795	19,987	19,979	20,039	20,039	20,039	20,039
Balance Forward Out	11,933	14,500	13,574	5,661	1,988	3,310	1,988	3,310
Expenditures	49,948	53,337	58,988	67,095	61,018	59,649	61,018	59,649
Biennial Change in Expenditures				22,798		(5,416)		(5,416)
Biennial % Change in Expenditures				22		(4)		(4)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	242.56	238.34	235.16	258.40	261.58	261.58	261.58	261.58

Administration

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Direct				
Fund: 1000 - General				
FY2021 Appropriations	24,965	24,965	24,965	49,930
Base Adjustments				
Transfer Between Agencies		236	236	472
Approved Transfer Between Appropriation		0	0	0
Forecast Base	24,965	25,201	25,201	50,402
Change Items				
In Lieu of Rent Increase		624	624	1,248
Operating Adjustment		335	561	896
Enterprise Planning, Space Consolidation, and Relocation	5,000			
Total Governor's Recommendations	29,965	26,160	26,386	52,546
Fund: 2301 - Arts & Cultural Heritage				
FY2021 Appropriations	10,050	10,050	10,050	20,100
Base Adjustments				
One-Time Legacy Fund Appropriations		(10,050)	(10,050)	(20,100)
Forecast Base	10,050	0	0	0
Total Governor's Recommendations	10,050	0	0	0
Fund: 3010 - Coronavirus Relief				
FY2021 Appropriations	5,000	5,000	5,000	10,000
Base Adjustments				
All Other One-Time Appropriations		(5,000)	(5,000)	(10,000)
Forecast Base	5,000	0	0	0
Total Governor's Recommendations	5,000	0	0	0
Open				
Fund: 1000 - General				
FY2021 Appropriations	732	732	732	1,464
Base Adjustments				
Forecast Open Appropriation Adjustment		605	881	1,486
November Forecast Adjustment	(7)	(87)	303	216
Forecast Base	725	1,250	1,916	3,166
Total Governor's Recommendations	725	1,250	1,916	3,166
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	4,259	4,789	3,761	8,550

Administration

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Forecast Base	4,259	4,789	3,761	8,550
Total Governor's Recommendations	4,259	4,789	3,761	8,550
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	47,099	45,892	42,700	88,592
Forecast Base	47,099	45,892	42,700	88,592
Total Governor's Recommendations	47,099	45,892	42,700	88,592
Fund: 2403 - Gift				
Planned Spending	443	62	10	72
Forecast Base	443	62	10	72
Total Governor's Recommendations	443	62	10	72
Fund: 3000 - Federal				
Planned Spending	3,791	3,620	3,704	7,324
Forecast Base	3,791	3,620	3,704	7,324
Total Governor's Recommendations	3,791	3,620	3,704	7,324
Fund: 4500 - MN Bookstore				
Planned Spending	627	298	302	600
Forecast Base	627	298	302	600
Total Governor's Recommendations	627	298	302	600
Fund: 4501 - Coop Purchasing				
Planned Spending	41,053	29,868	30,029	59,897
Forecast Base	41,053	29,868	30,029	59,897
Total Governor's Recommendations	41,053	29,868	30,029	59,897
Fund: 4502 - Surplus Property				
Planned Spending	1,502	1,616	1,622	3,238
Forecast Base	1,502	1,616	1,622	3,238
Total Governor's Recommendations	1,502	1,616	1,622	3,238
Fund: 5000 - Master Lease				
Planned Spending	19,570	12,000	12,000	24,000
Forecast Base	19,570	12,000	12,000	24,000
Total Governor's Recommendations	19,570	12,000	12,000	24,000
Fund: 5100 - Fleet Services				
Planned Spending	7,254	7,422	7,593	15,015

Administration

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Forecast Base	7,254	7,422	7,593	15,015
Total Governor's Recommendations	7,254	7,422	7,593	15,015
Fund: 5203 - Central Mail				
Planned Spending	9,295	9,268	9,329	18,597
Forecast Base	9,295	9,268	9,329	18,597
Total Governor's Recommendations	9,295	9,268	9,329	18,597
Fund: 5300 - Risk Management				
Planned Spending	15,928	15,874	15,876	31,750
Forecast Base	15,928	15,874	15,876	31,750
Total Governor's Recommendations	15,928	15,874	15,876	31,750
Fund: 5400 - Plant Management				
Planned Spending	67,095	61,018	59,649	120,667
Forecast Base	67,095	61,018	59,649	120,667
Total Governor's Recommendations	67,095	61,018	59,649	120,667
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	4,141	4,129	5,919	10,048
Total Governor's Recommendations	4,141	4,129	5,919	10,048
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	35,442	35,829	36,329	72,158
Total Governor's Recommendations	35,442	35,829	36,329	72,158
Fund: 2403 - Gift				
Forecast Revenues	15	15	9	24
Total Governor's Recommendations	15	15	9	24
Fund: 3000 - Federal				
Forecast Revenues	3,784	3,620	3,704	7,324
Total Governor's Recommendations	3,784	3,620	3,704	7,324
Fund: 4500 - MN Bookstore				
Forecast Revenues	556	491	491	982
Total Governor's Recommendations	556	491	491	982

Administration

Agency Change Summary

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Fund: 4501 - Coop Purchasing				
Forecast Revenues	28,820	29,782	31,034	60,816
Total Governor's Recommendations	28,820	29,782	31,034	60,816
Fund: 4502 - Surplus Property				
Forecast Revenues	1,407	1,516	1,545	3,061
Total Governor's Recommendations	1,407	1,516	1,545	3,061
Fund: 5000 - Master Lease				
Forecast Revenues	19,570	12,000	12,000	24,000
Total Governor's Recommendations	19,570	12,000	12,000	24,000
Fund: 5100 - Fleet Services				
Forecast Revenues	21,177	23,502	23,502	47,004
Total Governor's Recommendations	21,177	23,502	23,502	47,004
Fund: 5203 - Central Mail				
Forecast Revenues	9,340	9,340	9,340	18,680
Total Governor's Recommendations	9,340	9,340	9,340	18,680
Fund: 5300 - Risk Management				
Forecast Revenues	15,902	15,902	15,902	31,804
Total Governor's Recommendations	15,902	15,902	15,902	31,804
Fund: 5400 - Plant Management				
Forecast Revenues	79,161	77,384	81,010	158,394
Total Governor's Recommendations	79,161	77,384	81,010	158,394

Administration

FY 2022-23 Biennial Budget Change Item

Change Item Title: In Lieu of Rent Increase

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	624	624	624	624
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	624	624	624	624
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$624,000 in FY2022 and each subsequent year from the general fund for In Lieu of Rent (ILR). ILR is appropriated to the Department of Administration (Admin) to fund space costs of the legislature, veteran’s organizations, ceremonial space, the Capitol grounds, and statutorily free space.

In Lieu of Rent levels are based on approved lease rates and are in line with rate changes at other Admin-operated facilities. This recommendation is based on the approved FY 2022-2023 lease rates. The current appropriation for this activity is \$9,391,000 and \$9,891,000 for FY 2020 and FY 2021 respectively. This recommendation represents a 6.3 percent increase over the FY 2022-2023 biennial base appropriation.

Rationale/Background:

ILR funds rent expenses in the State Capitol and other buildings on the Capitol campus for entities that do not directly pay for their leased spaces, including:

- **Ceremonial space** - space in the Capitol Building (such as the Rotunda), the Governor’s Residence, ceremonial grounds, and monuments/memorials in the Capitol area;
- **State Services** for the Blind space - space used for vending operators and convenience stores at eleven building sites under Admin’s custodial control (M.S. 248.07, subd.7); and,
- **Rent Waived space** - Capitol public space and space occupied in the Capitol, State Office Building, and Veterans Service Building by the House of Representatives, Senate, Revisor of Statutes, Legislative Reference Library, and congressionally chartered veterans’ organizations (M.S. 197.55 to 197.58).

The ILR funding model works well because it provides the budget consistency needed to plan for and conduct routine building operations and basic infrastructure maintenance for essential public and legislative spaces. ILR-funded space is billed in the same manner, and at the same rate, as other tenant-occupied space in the same building.

Adequately funding ILR is necessary to be good stewards of the state’s \$310 million investment in the historic Minnesota Capitol Building completed in June 2017 and other spaces included in the In Lieu of Rent appropriation.

Proposal:

The Governor recommends providing for the known costs of operating and maintaining spaces utilized by veteran services organizations, the Legislative Branch, Services for the Blind, and the public in interacting with their government. ILR is the only available source of funding for maintenance and operation of these spaces.

Results:

This proposal is intended to allow Admin to continue to provide current levels of service and information to agency partners. Performance measures are discussed in the ILR budget activity narrative and include customer satisfaction, FMD-caused service disruptions, work order completion percentage, sustainability, and Capitol Complex energy use.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Facilities Management partner satisfaction	92%	92%	FY 2019, FY 2020
Result	Facilities Management-caused service disruptions	1	2	FY 2019, FY 2020

Administration

FY 2022-23 Biennial Budget Change Item

Change Item Title: Capitol Complex Parking Fund Shortfall

Fiscal Impact (\$000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Transfers In	(993)	(993)	0	0	0
Expenditures					
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	993	993	0	0	0
FTEs	0	0	0	0	0

Recommendation:

The Governor recommends temporarily relieving the state parking fund of a statutory requirement to make certain transfers to the general fund. This will reduce transfers into the general fund by \$993,000 in FY 2021 and \$993,000 in FY 2022.

Suspending these transfers will help address the revenue shortfall in the parking fund, which is managed by the Department of Administration (Admin). This shortfall is the result of significant parking contract cancellations and decreased use of state meters as a result of the pandemic. Revenue reductions began during the state's work-from-home period and are continuing as employees continue to work remotely. In addition, since the public is not visiting the Capitol complex, meter revenue has been significantly reduced. State parking facilities and state employee transit pass programs are user-financed.

Rationale/Background:

Expenses for parking facilities on the Capitol Complex are funded by user fees paid by state employees who contract to park and users of state parking meters. The Capitol Complex has seen a dramatic decline in the number of parking contracts since the start of the pandemic (1,700 cancellations as of mid-November), as well as a significant decrease in meter usage, which has resulted in a steep reduction in revenue.

Since the start of the pandemic, Admin has worked to control the fund's expenses, including through salary reductions, postponing repairs and general maintenance, and minimizing overtime expenses associated with snow removal. But more than 40 percent of the fund's annual expenses are for mandatory debt service payments.

Even with controlling expenses, the revenue loss is expected to result in a deficit in the parking fund during FY 2021 resulting in the need for relief prior to June 30, 2021. Admin anticipates it will take multiple years for the fund to recover.

Proposal:

The Governor recommends amending Laws 2014, chapter 287, section 25 (as amended by Laws 2015, Chapter 77, Section 78) to remove – for FY 2021 and FY 2022 – the requirement that an amount equivalent to the required debt service payment on the Minnesota Senate Garage be transferred from the state parking fund to the general fund.

Results:

This funding, along with other initiatives, will help ensure the parking fund is able to meet its obligations and provide safe, convenient parking for all users.

Administration

FY 2022-23 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	(300)	335	561	561	561
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(300)	335	561	561	561
FTEs	0	0	0	0	0

Recommendation:

The Governor recommends a reduction of \$300,000 to the FY 2021 general fund operating appropriation, as well as additional funding of \$335,000 in FY 2022 and \$561,000 in each subsequent year from the general fund to maintain the current level of service delivery at the Department of Administration (Admin). Admin’s direct appropriated general fund base budget is \$25.201 million annually in the FY 2022-2023 biennium. This additional funding represents a 1.8 percent increase over this base.

Rationale/Background:

The FY 2021 operating reduction amount reflects the savings generated due to the state hiring freeze and other operating efficiencies in the current year. While working to meet statutorily and federally mandated services, Admin divisions have delayed filling positions and held positions vacant. Admin has accomplished this by redistributing duties among team members and focusing on highest priority work.

The operating increases recommended in FY 2022 and FY 2023 fund a portion of the projected cost increases in the upcoming biennium. Each year, the cost of doing business rises—including growing costs for employer-paid health care contributions and other salary and compensation-related costs. Other operating costs, such as rent and lease, fuel and utilities, IT, and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year without enacted increases.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. To manage costs, most agencies find ways to become more efficient with existing resources. For Admin, efficiencies have already been implemented to produce savings in FY 2021 and these efficiencies will continue into FY 2022 and FY 2023 along with additional efficiencies including:

- Closing the State Bookstore retail space.
- The Minnesota State Demographic Center and Census 2020 Team’s partnership with the state’s extensive nonprofit and foundation communities leveraged the state’s investment and private resources to help promote a successful Census 2020 response effort that earned Minnesota the nation’s top spot for self-response rates.
- Expanding the partners that the Small Agency Resource Team (SmART) provides financial and human resource services to is an efficient way to provide needed resources to these small agencies, boards, and councils. The service is cost effective for the entities, and the state in general, as it allows partners to focus on their mission critical work while specialists handle the complex financial and human resources

services processes. This reduces the amount of support needed to accomplish these activities. SmART began serving 19 new boards with the addition of the Health Licensing Boards in FY 2020.

- Risk Management has created a self-service option for obtaining certificates of insurance, self-insurance letters, and memorandum of insurance. This streamlined process reduces staff time at both Admin and at agencies by allowing agencies to quickly download needed information rather than use a manual process.
- Admin continues to redeploy many team members as part of the state's pandemic response, including high level managers, an assistant commissioner, and the commissioner. Team member contributions created multiple efficiencies including procurement and planning expertise as well as transportation services that would have otherwise needed to be contracted out or not done.

Admin is a central service agency and often efficiencies are experienced by other agencies:

- In FY 2020, the Office of State Procurement tracked savings and cost avoidance of \$19.1 million, which is nearly eight times greater than its general fund appropriation of \$2.4 million for the same period.
- The Facilities Management Division's Central Mail operation helped state entities avoid \$4.4 million in postage costs last biennium.

Efficiencies will continue in the next biennium; however, cost growth will continue to put pressure on budgets, and without additional resources, service delivery erodes. Reductions in Admin's direct services to the public would result in diminished offerings for people with disabilities, reduced resources to assist the public in accessing government records or grant seeking opportunities, less public information on demographic trends, or greater disparities in state procurement for targeted businesses.

Cuts to activities that serve state enterprise partners would result in decreased services, time delays, inconsistent practices, and diminished oversight.

- Reductions to the Office of State Procurement would result in the inability to leverage better enterprise pricing, meaning agencies would pay more for goods and services. Additionally, scaling back or eliminating compliance activities impacts contract administration oversight, which is necessary to detect and correct contract issues such as vendors failing to honor low negotiated prices.
- Reductions in proven programs such as SmART could reduce Admin's ability to serve small agencies, boards, and commissions and leverage its economies of scale. Given the complexities of state systems and policies, small agencies, boards, and commissions do not have the resources to effectively perform this work on their own.
- Additionally, the ability to use alternative dispute resolution methods could be limited allowing for lingering disputes, which hamper the ability for state and local government to deliver effective and efficient services.

Proposal:

The Governor recommends reducing the FY 2021 general fund operating appropriation by \$300,000. In addition, the Governor recommends increasing agency operating budgets to support the delivery of current services. This increase is below the assumed level of inflation, acknowledging continued efficiencies achieved by Admin. For Admin, this funding will help fund compensation for the existing workforce and other expenses such as rent and IT.

Results:

This proposal is intended to allow Admin to continue to provide current levels of service and information to agency partners and the public as described in the results sections of the agency's background narratives.

Administration

FY 2022-23 Biennial Budget Change Item

Change Item Title: Enterprise Planning, Space Consolidation, and Relocation

Fiscal Impact (\$000s)	FY2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	5,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	0	0	0	0
FTEs	0.2	0	0	0	0

Recommendation:

The Governor recommends additional funding for the Department of Administration (Admin) – on behalf of the entire enterprise – of \$5 million from the general fund in FY 2021 to complete and implement a comprehensive Strategic Plan for locating state agencies and for agency space consolidation and relocation. Funds will cover costs for planning, space reconfiguration, and relocation.

Rationale/Background:

In March 2020, the state workforce began teleworking en masse in an effort to reduce the spread of COVID-19. As a result, agencies are considering what their physical workspaces will look like in the future with many team members continuing to work from home. Some agencies have already made the decision to reduce, consolidate, or relocate their offices.

Providing funds for agencies to downsize their space will allow them the flexibility to make the best choices for the state and the citizens they serve. This investment will allow the state to avoid costs as a way to keep spending down while providing the services that Minnesotans expect.

Such an effort should be strategically planned to ensure that the efforts meet the long-term needs of the state. The abrupt change in how work is being accomplished highlights the critical importance of having an up-to-date strategic plan for locating state agencies. This plan will help guide state agency location decisions that are most effective for Minnesota. M.S. 16B.24 requires the Commissioner of Administration to regularly update the Real Estate Strategic Plan. Even though this is an industry best practice, the most recent plan was completed in 1993 and an update is needed to inform decisions on locating state agencies. The plan assesses the current and projected needs of state agencies along with the capacity of existing state-owned facilities and infrastructure. It also establishes design and locational criteria. Critically, it identifies needs for agencies to share space or to be near one another. The plan additionally develops strategies for ownership and leasing and identifies objectives for transportation management. Completing the plan is critical to helping agencies make good decisions about their space configurations.

Proposal:

The Governor recommends funding to complete the real estate strategic plan (\$1,500,000) which will be a critical component to ensuring agencies are located to serve Minnesotans.

In addition, funds will be used to help pay for the following agency costs associated with consolidation and relocation of their physical workspaces:

- Space reconfiguration costs: \$1,750,000
- Relocation costs: \$1,750,000

A significant number of state agencies are intending to complete space reconfiguration in their current locations to achieve space reductions. This work would be completed in state-owned and leased facilities. The following are potential components of space configuration:

- Space Planning
- Demolition and disposal (furniture, IT)
- Design services and minor construction work
- Reinstallation of furniture
- Minor parts for modular furniture modifications
- New IT Installation
- Safety and security improvements
- Relocations
- Finish work (painting, carpeting, lighting, adjustments of HVAC, signage, security, keycards, etc.)

Relocation includes costs incurred in vacating space to remove furniture, fixtures, and equipment (including IT). New furniture is not included.

This initiative will assist Admin in furthering its mission to provide efficient and sustainable offices for state agencies. Agencies are eager to complete these changes and some agencies would be ready for work to begin as early as Summer 2021. It is anticipated that long-term savings will result from space consolidation, though estimates are premature and will be dependent on the findings and implementation of the strategic plan.

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Partners assisted in reviewing and addressing changing space needs resulting from shift in programs, budget, workforce, telecommuting and other factors. This is a new measure.	N/A	25	FY 2019, FY 2020
Quantity	Square feet of workspace reduced or consolidated for existing programs and services. This is a new measure.	N/A	0	FY 2020
Results	Completion of Real Estate Strategic Plan.	N/A	N/A	

Administration

FY 2022-23 Biennial Budget Change Item

Change Item Title: Increasing Grants Administration Oversight

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends amending M.S. 16B.98 to allow state agencies to retain up to 5 percent of grant funds for legislatively-named and formula grants and up to 10 percent for competitively awarded grants for grant administration. Consistent funding for grants administration would help reduce the burden on grant recipients by ensuring adequate levels of assistance and guidance in navigating and complying with state finance and grant policies. The majority of these funds would be used to pay salary costs to ensure the necessary customer support to grantees.

Rationale/Background:

The Department of Administration's Office of Grants Management (OGM) was established in the 2007 Legislative Session. Every year, OGM hears from state agencies that they struggle to provide minimal stewardship over grants when grant appropriations do not provide any administrative funding. While the direct management of grants is left to individual state agencies, OGM works to standardize, streamline, and improve state grant-making practices, as well as to increase public information about state grant opportunities. OGM works closely with the Grants Management Governance Committee, which includes members from state grant-making agencies and key grantee constituencies. OGM has 13 grants management policies authorized under M.S. 16B.97 sub. 4 (a)(1). This proposal is being brought forward on behalf of all state agencies who currently administer grants or may administer them in the future.

When grant funds are authorized in law, there is an accompanying administrative burden. Grant administration can include issuing Requests for Proposals, application review and notification, assistance with work plans and budget documents, grant agreement drafting and execution, drafting and execution of amendments, reporting, monitoring, and payment processing. This proposal ensures that when appropriation language is silent on grant administration, minimal funds are available to ensure compliance with state law and policies along with an appropriate level of assistance for grantees. Ensuring that every state grant appropriation includes funding for administrative tasks will result in enhanced stewardship of grant funds.

Proposal:

The Governor recommends amending M.S. 16B.98 to allow any state agency to retain up to 5 percent of grant funds for legislatively-named grants and up to 10 percent for competitively awarded grants for grant administration when appropriation or statutory language is silent on administration. This would apply to appropriations made for new grant programs implemented after enactment of this provision.

Impact on Children and Families:

In keeping with standard practice among private foundations and the federal government, this proposal will help ensure that every state grant program, including those that impact children, youth, and families have adequate funding to ensure appropriate stewardship by state agencies.

Equity and Inclusion:

Consistent funding for grants administration will allow for better services and reduce the burden on grantees and prospective grantees in navigating the state's policies and laws related to grants.

Program: Government and Citizen Services

Activity: Governor's Council on Developmental Disabilities

mn.gov/mnddc

mn.gov/mnddc/pipm

AT A GLANCE

- Disseminated more than 2 million publications and downloads about developmental disabilities in federal fiscal year 2019
- Reached milestone of 1,100 Minnesota Partners in Policymaking® graduates in June 2020
- Created the largest online archive of developmental disabilities history and received national recognition from the American Association on Intellectual and Developmental Disabilities
- Received a State Government Innovation Award in 2019 for Ambassadors for Respect, an anti-bullying program developed by the Council aimed at 4th grade students

PURPOSE AND CONTEXT

The Governor's Council on Developmental Disabilities fulfills the requirements of the federal Developmental Disabilities Act (DD Act) for Minnesota. The mission of the Council is to provide information, education, and training to people with developmental disabilities and their families in order to increase their independence, productivity, self-determination, integration, and inclusion (IPSII) into community life.

Developmental disabilities are significant disabilities that begin during the developmental period, impact three major areas of functioning, and last throughout a person's lifetime. Approximately 1.8% of Minnesotans have a developmental disability. The Council was first appointed in 1971 and the Department of Administration has served as the federally designated state agency since 1991.

SERVICES PROVIDED

The DD Act requires that 70% of the federal allocation must be spent on program goals approved by the federal government. These program goals include:

- Leadership training through the Partners in Policymaking® program (an 8-month leadership training course designed for people with developmental disabilities (self-advocates) and family members)
- Free training materials, publications, resource materials, and online courses
- Sponsorship of training conferences
- Assisting individuals with developmental disabilities to advocate for themselves including an anti-bullying program for 4th graders taught by individuals with developmental disabilities who have been bullied
- Outreach to diverse racial and ethnic communities
- Innovative employment opportunities for people with developmental disabilities
- Partner research studies on topics critical to the field

After approval of Minnesota's Olmstead Plan in 2015, the Legislature provided Olmstead funding to for the Council to:

- Assist in conducting research studies
- Increase community engagement activities
- Document disparities for individuals with disabilities in the areas of health care and abuse
- Assist in tracking Olmstead Plan results
- Provide assistance for the statewide Quality of Life study and provide historical archiving of resource materials used in developing and implementing the Olmstead Plan

RESULTS

Type of Measure	Name of Measure	Previous	Current	Dates
Quantity	Number of copies of Council publications distributed and number of downloads from Council websites.	521,341	2.18 M	FY 2017- FY 2019
Quality	Partner satisfaction	97%	98%	FY 2011, FY 2019
Results	Level of independence, self-determination, productivity, integration and inclusion (IPSII) ¹	4.45	4.55	FY 2017, FY 2019

1. The DD Act defines federal outcomes of increased independence (making decisions); self-determination (taking control of one's life); productivity (volunteering or working at a paid job); and integration and inclusion (being part of a community) for people with developmental disabilities. The scores above are post-training self-assessments of federal outcomes on a scale of 1-5 (5 is highest).

The legal authority for the Council is provided in the Developmental Disabilities Assistance and Bill of Rights Act of 2000, Public Law 106-402 (<https://www.congress.gov/106/plaws/publ402/PLAW-106publ402.pdf>), M.S. 16B.053 (<https://www.revisor.mn.gov/statutes/cite/16B.053>), and M.S. 16B.054 (<https://www.revisor.mn.gov/statutes/cite/16B.054>).

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	222	223	222	222	222	222	222	222
2000 - Restrict Misc Special Revenue	54							
3000 - Federal	1,046	991	1,198	1,423	1,255	1,338	1,255	1,338
Total	1,322	1,214	1,420	1,645	1,477	1,560	1,477	1,560
Biennial Change				530		(28)		(28)
Biennial % Change				21		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation	352	371	375	381	381	390	381	390
Operating Expenses	711	380	474	536	448	522	448	522
Grants, Aids and Subsidies	255	464	568	728	648	648	648	648
Other Financial Transaction	4		3					
Total	1,322	1,214	1,420	1,645	1,477	1,560	1,477	1,560

Full-Time Equivalent

	3.60	3.77	3.68	3.70	3.70	3.70	3.70	3.70
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Developmental Disabilities Council

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		1						
Direct Appropriation	222	222	222	222	222	222	222	222
Expenditures	222	223	222	222	222	222	222	222
Biennial Change in Expenditures				(1)		0		0
Biennial % Change in Expenditures				(0)		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.34	1.60	1.35	1.27	1.27	1.27	1.27	1.27

2000 - Restrict Misc Special Revenue

Receipts	54							
Expenditures	54							
Biennial Change in Expenditures				(54)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

3000 - Federal

Receipts	1,046	991	1,198	1,423	1,255	1,338	1,255	1,338
Expenditures	1,046	991	1,198	1,423	1,255	1,338	1,255	1,338
Biennial Change in Expenditures				584		(28)		(28)
Biennial % Change in Expenditures				29		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.26	2.17	2.33	2.43	2.43	2.43	2.43	2.43

Program: Government and Citizen Services

Activity: Fleet and Surplus Services

mn.gov/admin/government/vehicles/

mn.gov/admin/government/surplus-property/

AT A GLANCE

- Manage a fleet of approximately 2,180 vehicles
- Utilize vehicle telematics to increase safety, efficiency, sustainability, and effectiveness of fleet management
- 92.8% of managed vehicles are capable of using alternative fuels or are hybrid vehicles
- Increased number of electric and hybrid vehicles from 496 in FY 2018 to 997 in FY 2020
- Increased fuel efficiency by 11.1 miles per gallon, on average, for vehicle replacements in FY 2020
- Assist state and local governments with the distribution and disposal of surplus property
- Repurposed 29,732 items through the Surplus Property Distribution Center in FY 2020
- Returned \$14 million to agencies from surplus property sales in FY 2020
- Sold 4,827 lots of property through the State Auction Program in FY 2020

PURPOSE AND CONTEXT

Fleet and Surplus Services strives to ensure that state agencies have access to critical logistical services related to transportation and state and federal surplus property recapture for reuse or disposal.

The Fleet Services unit provides safe, cost effective transportation solutions for official government business. It ensures a cost-effective operation by tailoring services to actual agency usage. It monitors key data points such as mileage and fuel consumption in order to advise agencies on the best vehicle to meet their needs, how long the vehicle should be kept, and other transportation options.

In addition, the green fleet choice initiative aims to reduce vehicle life-cycle costs, greenhouse gas emissions, and petroleum consumption. It helps agencies transition to “greener” vehicles through scheduled replacement of existing fleet inventory. 90% of vehicles acquired in the Admin leased fleet in FY 2020 have an emission score of 7 or greater on a 10-point scale.

The Surplus Services unit provides assistance to state agencies and local governments to distribute surplus property in an environmentally and financially responsible manner. Additionally, it maximizes the public investment in equipment through redistribution to other public entities or sale. It returns approximately 93% of sale proceeds to the agencies that dispose of surplus property.

Primary partners are state agencies, local governments, nonprofit organizations, and the public. Fleet Services is organized as an internal service fund and generates its revenue through the fleet vehicle leasing program. Surplus Services is an enterprise fund and generates its revenue through the resale of goods.

SERVICES PROVIDED

The work of Fleet and Surplus Services can be divided into two primary categories: Fleet Services and Surplus Services.

Specific transportation services provided include:

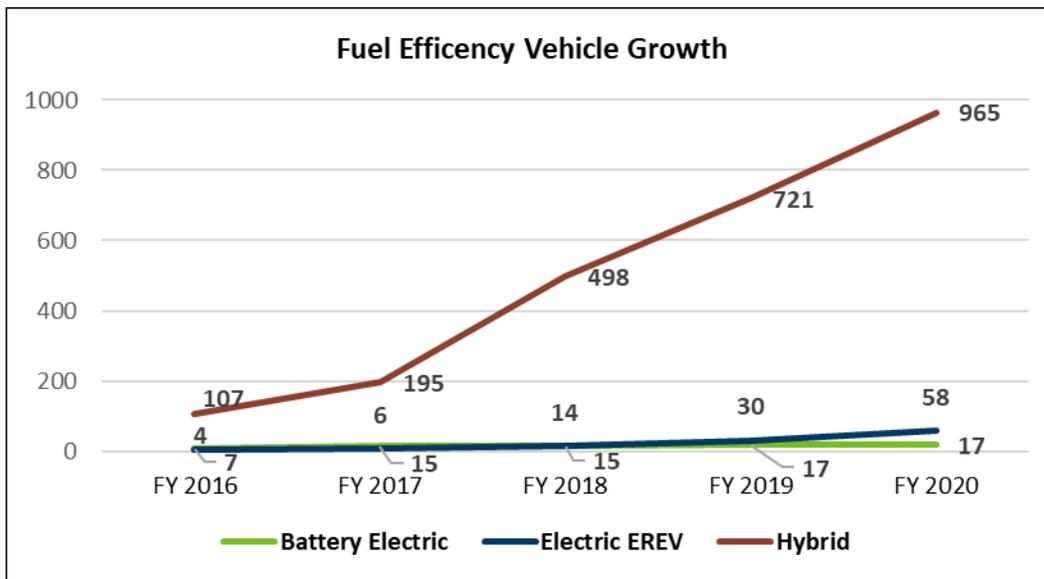
- Full service long-term vehicle rental program

- Vehicle maintenance service
- Fuel card program
- Statewide fleet reporting and information management system
- Telematics
- Agency assistance with vehicle utilization and lifecycle management
- Vehicle usage policy guidance

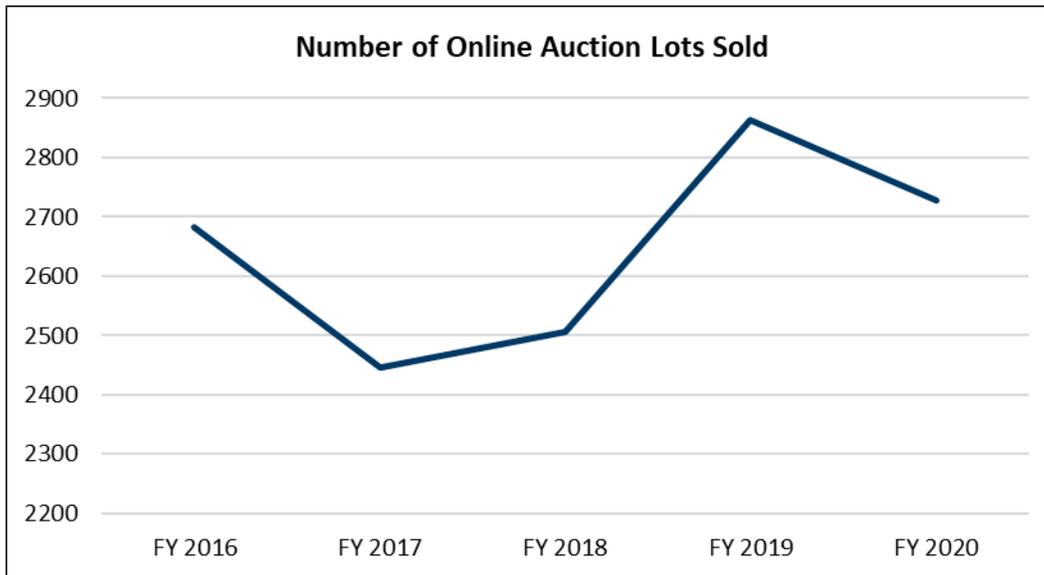
The surplus property program provides:

- Guidelines and procedures for the management and disposal of state surplus property
- Management of a surplus redistribution center for state and federal surplus property
- Live and online auction program
- Surplus exchange program
- Storage services

RESULTS



Measure (Quantity): Number of fuel-efficient vehicles by year. We measure fuel efficiency with a goal of reducing fossil fuels by utilizing alternative fuels and fuel-efficient vehicles. We improved fuel efficiency by an average of 11.1 miles per gallon on vehicle replacements in FY 2020.



Measure (Quantity): Number of online auction lots sold. MinnBid, our online auction site, is a cost-effective means to dispose of state surplus property. From 2017-2019, the number of items sold online increased by 17%, however the program was temporarily halted from March through June in 2020 due to the pandemic.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Reduction of agency owned vehicles by converting to Admin leased vehicles. Controlling the life cycle of a vehicle is critical to safety, dependability, and cost effectiveness. Admin’s leasing program provides a managed life cycle for vehicles to meet these three objectives. State agencies are converting agency owned vehicles to Admin leased vehicles for management and control of life cycles. Approximately 67 agency-owned vehicles were converted to lease vehicles in FY 2019 and FY 2020. It is dependent on agency participation to convert remaining agency vehicles to lease vehicles during their vehicle replacement planning. The goal for FY 2022 is 425.	751	621	FY 2018, FY 2020
Quantity	Increase Surplus Services program active donee partner participation. Over 341 government entities and eligible non-profit organizations (donees) utilized the Surplus Services programs in FY 2020. Our goal is to bring awareness to the surplus property disposal and reuse programs and increase our donee and auction sales participation. We track the number of new active organizations participating in the Surplus Services re-purposing program with a goal of increasing participation by 10% over the biennium.	436	694	FY 2018, FY 2020

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Increase the total number of electric and hybrid vehicles in Admin fleet. The Admin fleet currently has 997 electric and hybrid vehicles; this is a 101% increase from 2018. Adding more energy and fuel-efficient hybrid and electric vehicles as we replace current vehicles will help us meet our sustainability goals of reducing greenhouse gas emissions and petroleum consumption.	496	997	FY 2018, FY 2020

M.S. 16B.2975 (<https://www.revisor.mn.gov/statutes/cite/16B.2975>), M.S. 16B.24 (<https://www.revisor.mn.gov/statutes/cite/16B.24>), and M.S. 16B.54 (<https://www.revisor.mn.gov/statutes/?id=16B.54>) provide the legal authority for these programs.

Fleet and Surplus Services

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<i>Expenditures by Fund</i>								
4502 - Surplus Property	1,797	1,745	1,278	1,502	1,616	1,622	1,616	1,622
5000 - Master Lease	14,159	11,739	12,302	19,570	12,000	12,000	12,000	12,000
5100 - Fleet Services	8,391	9,285	7,796	7,254	7,422	7,593	7,422	7,593
Total	24,347	22,769	21,377	28,326	21,038	21,215	21,038	21,215
Biennial Change				2,587		(7,450)		(7,450)
Biennial % Change				5		(15)		(15)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation	1,411	1,441	1,568	1,706	1,771	1,776	1,771	1,776
Operating Expenses	8,878	8,799	8,121	7,050	7,267	7,439	7,267	7,439
Grants, Aids and Subsidies			8					
Capital Outlay-Real Property	13,532	11,248	11,679	19,570	12,000	12,000	12,000	12,000
Other Financial Transaction	527	1,281	0					
Total	24,347	22,769	21,377	28,326	21,038	21,215	21,038	21,215

Full-Time Equivalent

	16.98	17.19	16.66	17.94	17.94	17.94	17.94	17.94
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Fleet and Surplus Services

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
4502 - Surplus Property								
Balance Forward In	1,577	1,434	1,451	1,428	1,332	1,231	1,332	1,231
Receipts	1,621	1,682	1,255	1,407	1,516	1,545	1,516	1,545
Transfers Out	2		1	1	1	1	1	1
Balance Forward Out	1,398	1,371	1,428	1,332	1,231	1,153	1,231	1,153
Expenditures	1,797	1,745	1,278	1,502	1,616	1,622	1,616	1,622
Biennial Change in Expenditures				(762)		458		458
Biennial % Change in Expenditures				(22)		16		16
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	7.94	8.67	8.36	9.25	9.25	9.25	9.25	9.25

5000 - Master Lease

Balance Forward In	0	0	127					
Receipts	14,159	11,866	12,176	19,570	12,000	12,000	12,000	12,000
Balance Forward Out		127						
Expenditures	14,159	11,739	12,302	19,570	12,000	12,000	12,000	12,000
Biennial Change in Expenditures				5,975		(7,872)		(7,872)
Biennial % Change in Expenditures				23		(25)		(25)
Governor's Change from Base								0
Governor's % Change from Base								0

5100 - Fleet Services

Balance Forward In	2,257	2,959	2,456	1,102	1,256	3,333	1,256	3,333
Receipts	15,522	16,539	17,586	21,177	23,502	23,502	23,502	23,502
Transfers Out	6,940	8,422	11,143	13,769	14,003	14,003	14,003	14,003
Balance Forward Out	2,448	1,791	1,102	1,256	3,333	5,239	3,333	5,239
Expenditures	8,391	9,285	7,796	7,254	7,422	7,593	7,422	7,593
Biennial Change in Expenditures				(2,626)		(35)		(35)
Biennial % Change in Expenditures				(15)		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	9.04	8.52	8.30	8.69	8.69	8.69	8.69	8.69

Program: Government and Citizen Services

Activity: Data Practices Office

mn.gov/admin/data-practices/

AT A GLANCE

- Provides data practices and open meeting law technical assistance and in-person or webinar training to over 4,200 partners each year
- Maintains a website with information and training materials on data practices and open meetings, including over 1,000 advisory opinions drafted on behalf of the Commissioner of Administration
- Issued eight Advisory Opinions in FY 2020
- Hosted or presented at 33 training or outreach events across the state in FY 2020

PURPOSE AND CONTEXT

The Data Practices Office is a statewide resource on Minnesota’s data practices and open meeting laws. It helps to ensure fiscal accountability and measurable results in providing timely, expert technical assistance, issuing advisory opinions, conducting training, and maintaining an informational website and library of more than 1,000 relevant advisory opinions.

By promoting compliance with and understanding of these laws, the Data Practices Office ensures that government data and information can be accessed appropriately and effectively by policymakers, members of the public and the media, the legislature, and state and local governments.

The Data Practices Office also played an integral role in a Children’s Cabinet effort regarding data sharing and children and families, as part of the state’s Preschool Development Grant (PDG). Working in partnership with the Departments of Education, Human Services, and Health, and Attorney General’s Office, the Data Practices Office has identified a strategy to improve data sharing barriers and offers a unique opportunity to improve the way state systems serve children and families.

This activity is primarily funded through a general fund appropriation.

SERVICES PROVIDED

Technical Assistance and Consultation

- Assist government, public, media, and legislative partners with questions about data practices and open meeting laws
- Informally resolve formal advisory opinion requests when possible

Training and Resource Development

- Develop resource materials including model policies and guides
- Present training on data practices and open meeting laws

Statutory Duties

- Assist the Commissioner of Administration by drafting advisory opinions
- Assist the Commissioner in handling requests for temporary classification of government data
- Provide services related to appeals of challenges to the accuracy and completeness of government data
- Review automated license plate reader audits of law enforcement agencies

These functions help promote fiscal accountability and measurable results by providing government entities with resources to ensure compliance with the laws and by providing the public, media, and legislature with an understanding of their rights and implications of the laws.

RESULTS

The Data Practices Office’s performance measures show consistently high ratings for the usefulness of training and it remains committed to reaching even more people who need help. Like many programs, the office saw a shift in numbers as a result of the COVID-19 State of Emergency. It initially saw an increase in the number of government partners seeking assistance. As the office transitioned to online only training, it was able to reach more people but also saw a slight decrease in quality and results measures. The office will continue to collect data and strive for a high level of success by having training attendees rate their increase in knowledge about data practices and open meeting laws and whether they can utilize the information they receive at training in their day-to-day job tasks. The office will work to maintain high numbers of partner contacts both through training events and informal consultations such as phone calls, emails, and in-person meetings.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Total partners assisted and trained per year	3,315	4,269	FY 2018, FY 2020
Quality	Partners will <i>definitely</i> use the information from the Data Practices Office training in their job	92%	88%	FY 2018, FY 2020
Results	Partners identified an increase in their knowledge following training	91%	84%	FY 2018, FY 2020

The legal authority for the Data Practices Office is provided in M.S. 13.073 and Minn. Rules 1205.1700 (<https://www.revisor.mn.gov/statutes/cite/13.073>; <https://www.revisor.mn.gov/rules/1205.1700/>).

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<u>Expenditures by Fund</u>								
1000 - General	549	683	511	575	555	555	569	580
2000 - Restrict Misc Special Revenue	23	40	49	16	20	25	20	25
Total	571	723	559	591	575	580	589	605
Biennial Change				(144)		5		44
Biennial % Change				(11)		0		4
Governor's Change from Base								39
Governor's % Change from Base								3

Expenditures by Category

Compensation	480	517	515	467	510	515	521	538
Operating Expenses	91	120	44	113	63	63	66	65
Capital Outlay-Real Property		52						
Other Financial Transaction	0	34	0	11	2	2	2	2
Total	571	723	559	591	575	580	589	605

Full-Time Equivalents

	4.23	4.35	4.59	4.36	4.82	4.87	4.82	4.87
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(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
1000 - General								
Balance Forward In		94		45				
Direct Appropriation	618	637	557	557	557	557	571	582
Transfers In				25				
Transfers Out	6	18	1	27	2	2	2	2
Cancellations		29		25				
Balance Forward Out	64		45					
Expenditures	549	683	511	575	555	555	569	580
Biennial Change in Expenditures				(146)		24		63
Biennial % Change in Expenditures				(12)		2		6
Governor's Change from Base								39
Governor's % Change from Base								4
Full-Time Equivalents	4.04	4.08	4.11	4.27	4.69	4.69	4.69	4.69

2000 - Restrict Misc Special Revenue

Balance Forward In	15	34	33	1	5	5	5	5
Receipts	37	35	17	20	20	20	20	20
Balance Forward Out	29	30	1	5	5		5	
Expenditures	23	40	49	16	20	25	20	25
Biennial Change in Expenditures				3		(20)		(20)
Biennial % Change in Expenditures				4		(30)		(30)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.19	0.27	0.48	0.09	0.13	0.18	0.13	0.18

Program: Government and Citizen Services

Activity: Office of State Procurement

mmd.admin.state.mn.us

AT A GLANCE

- Oversee Minnesota state agency purchasing valued over \$2.8 billion in FY 2019 and \$3.1 billion in FY 2020
- Operate the Office of Equity in Procurement that helps veteran, minority, and woman-owned small businesses become state vendors
- Negotiate and manage about 2,300 contracts offering volume discounts to state agencies, counties, cities, and school districts in FY 2020
- Review about 6,700 professional and technical contract documents prepared by agencies annually
- Negotiate over \$19 million in contract savings for government entities in FY 2020

PURPOSE AND CONTEXT

The Office of State Procurement (OSP) strives to achieve the best value for taxpayers through strategic contracting and purchasing of goods and services. It oversees and facilitates purchasing across the enterprise valued at over \$3 billion annually.

OSP's primary partners are state agencies, counties, cities, school districts, public health care facilities, the public, and vendors doing business with the state and competing for state contracts.

A general fund appropriation provides funding for the contracting and purchasing services OSP provides to state agencies. Vendor-paid contract administration fees fund the services the office provides to other government entities and health-related facilities.

SERVICES PROVIDED

The Office of State Procurement utilizes four key strategies to achieve best value in state procurement:

- Statewide procurement policy and process leadership
- Objective competitive vendor solicitations
- Contracting expertise
- Targeted procurement with women-, minority-, disabled-, and veteran-owned small businesses in an effort to eliminate contract disparities

Specific services provided include:

- Purchasing and contracting for goods, services, utilities, and construction
- Promoting equity in contracting and environmentally responsible purchasing
- Oversight of professional and technical contracts
- Working with businesses to ensure fair and open competition
- Certifying Minnesota small businesses that are owned by minorities, women, and veterans
- Managing procurement functions manually and through the Statewide Integrated Financial Tools (SWIFT)
- Monitoring compliance with state procurement law, policy, and contract terms
- Conducting training for state agencies, vendors, and other partners
- Operating a cooperative purchasing program for almost 1,600 local units of government

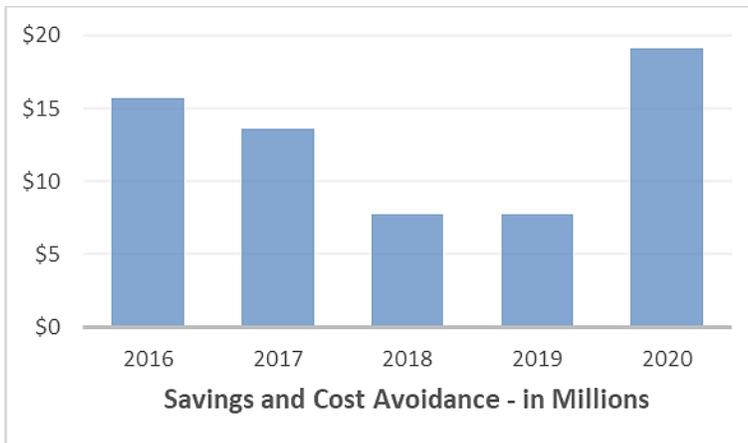
- Operating a national purchasing cooperative for pharmaceuticals and medical supplies through MMCAP Infuse, which establishes contracts on behalf of thousands of participating facilities in all 50 states and the District of Columbia

RESULTS

OSP uses a variety of quantity, quality, and result metrics to monitor success.

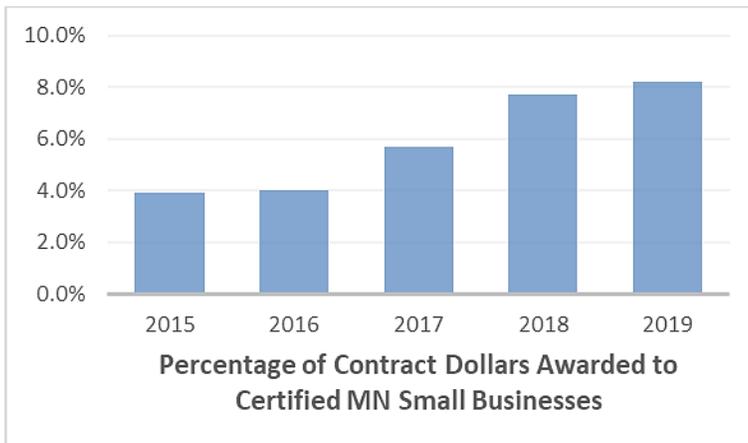
Performance Measure (Result of Program): Dollars saved through contract negotiations.

In FY 2020 OSP tracked savings and cost avoidance of \$19.1 million, which is nearly eight times greater than its General Fund appropriation of \$2.4 million for the same period.



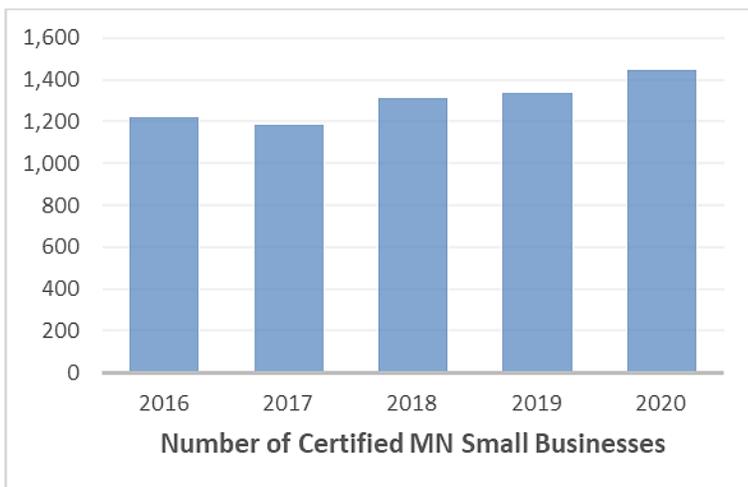
Performance Measure (Result of Program): Percentage of contract dollars awarded to certified Minnesota Small Businesses.

For the first time in FY 2019, the total dollars awarded to certified Minnesota Small Businesses exceeded \$100 million. The percentage of dollars awarded to certified Minnesota small businesses moved from 3.9% in 2015 to 8.2% in 2019 — a 110% increase.



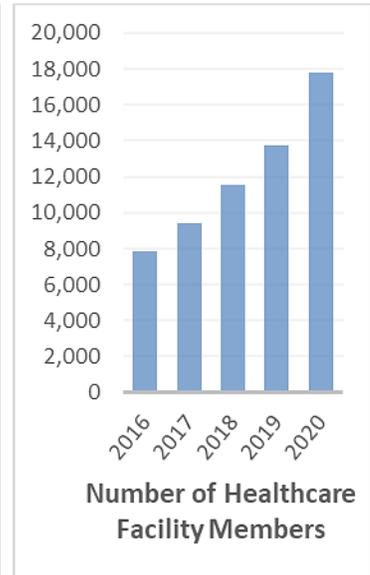
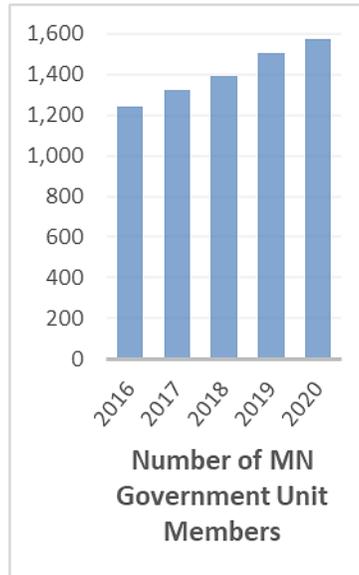
Performance Measure (Quantity of Program): The number of certified Minnesota Small Businesses.

Increasing the number of certified small businesses is critical to expand equity in State contracting opportunities. State law authorizes preferences, sheltered-market, and direct select authority within monetary limits to vendors certified under the program.



Performance Measure (Quantity of Program): The number of local governments and healthcare facilities that use OSP contracts.

OSP tracks this measure because local governments and healthcare facilities can choose among a wide variety of purchasing programs and contract options that they determine provides the best value to their organization.



Performance Measure (Quality of Program): Average time to provide a legal review.

Agencies need prompt turnaround on the nearly 6,700 contract documents they send OSP annually for compliance review. OSP measures work quality by assessing the average time it takes to provide a legal review, with the goal being fewer than 3 days.



M.S. 16C (<https://www.revisor.mn.gov/statutes/?id=16c>) provides the legal authority for the Office of State Procurement.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	2,264	2,495	2,369	2,450	2,413	2,413	2,455	2,514
2000 - Restrict Misc Special Revenue	704							
2001 - Other Misc Special Revenue	18	17	19	13	13	13	13	13
2403 - Gift	62	0						
4501 - Coop Purchasing	23,868	25,073	25,408	41,053	29,868	30,029	29,868	30,029
Total	26,917	27,584	27,795	43,516	32,294	32,455	32,336	32,556
Biennial Change				16,810		(6,562)		(6,419)
Biennial % Change				31		(9)		(9)
Governor's Change from Base								143
Governor's % Change from Base								0
<u>Expenditures by Category</u>								
Compensation	8,711	9,507	10,441	12,316	13,059	13,207	13,088	13,295
Operating Expenses	5,694	5,869	4,624	6,311	6,246	6,259	6,259	6,272
Other Financial Transaction	12,512	12,208	12,730	24,889	12,989	12,989	12,989	12,989
Total	26,917	27,584	27,795	43,516	32,294	32,455	32,336	32,556
<u>Full-Time Equivalents</u>	89.70	95.37	104.20	123.12	127.52	126.42	127.52	126.42

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In	350	292		46				
Direct Appropriation	2,403	2,415	2,421	2,421	2,421	2,421	2,463	2,522
Transfers In				9				
Transfers Out	201	212	6	17	8	8	8	8
Cancellations		0		9				
Balance Forward Out	288		46					
Expenditures	2,264	2,495	2,369	2,450	2,413	2,413	2,455	2,514
Biennial Change in Expenditures				60		7		150
Biennial % Change in Expenditures				1		0		3
Governor's Change from Base								143
Governor's % Change from Base								3
Full-Time Equivalents	20.97	22.26	21.70	20.85	20.66	20.33	20.66	20.33

2000 - Restrict Misc Special Revenue

Balance Forward In	704							
Expenditures	704							
Biennial Change in Expenditures				(704)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2001 - Other Misc Special Revenue

Balance Forward In	20	15	19	15	6	8	6	8
Receipts	13	21	15	4	15	15	15	15
Transfers Out			1					
Balance Forward Out	15	19	15	6	8	10	8	10
Expenditures	18	17	19	13	13	13	13	13
Biennial Change in Expenditures				(4)		(6)		(6)
Biennial % Change in Expenditures				(11)		(18)		(18)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.18	0.15	0.17	0.15	0.14	0.14	0.14	0.14

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23

2403 - Gift

Balance Forward In	61							
Receipts	1	0						
Expenditures	62	0						
Biennial Change in Expenditures				(62)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

4501 - Coop Purchasing

Balance Forward In	44,411	45,473	48,061	49,202	36,967	36,879	36,967	36,879
Receipts	22,345	25,050	26,551	28,820	29,782	31,034	29,782	31,034
Transfers Out	18		2	2	2	2	2	2
Balance Forward Out	42,870	45,450	49,202	36,967	36,879	37,882	36,879	37,882
Expenditures	23,868	25,073	25,408	41,053	29,868	30,029	29,868	30,029
Biennial Change in Expenditures				17,520		(6,564)		(6,564)
Biennial % Change in Expenditures				36		(10)		(10)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	68.55	72.96	82.33	102.12	106.72	105.95	106.72	105.95

Program: Government and Citizen Services

Activity: Procurement Technical Assistance Center

mn.gov/admin/ptac

AT A GLANCE

- Improve Minnesota's economy by helping small businesses obtain contracts through the federal, state, and local government procurement processes
- Work in tandem with the Office of Equity in Procurement to provide counseling and offer training
- Improved services in FY 2020 by adding a team member to staff an office in central Minnesota
- Conduct one-on-one counseling with members of the Minnesota business community
- Offer certification assistance, bid matching, and training to all 87 counties with four offices in Greater Minnesota

PURPOSE AND CONTEXT

The Procurement Technical Assistance Center (PTAC) is funded in part through a cooperative agreement with the United States Defense Logistics Agency to implement the Procurement Technical Assistance Program and has been available to Minnesota businesses since 1991. The PTAC's mission is to strengthen Minnesota's economy by stimulating job creation, growth, and business retention. To accomplish this goal, the PTAC assists Minnesota businesses in securing government contracts.

The PTAC's primary purpose is to offer free counseling, education, training, certification, and guidance for Minnesota businesses including women-, minority-, and veteran-owned small businesses wishing to sell their products and services to federal, state, and local government entities. The PTAC contributes to the growth of its partners and Minnesota's economy by providing counseling and procurement technical assistance of the highest quality and relevancy. PTAC provides partners with the tools needed to be competitive in the contracting arena.

PTAC staff are geographically located throughout the state. Greater Minnesota personnel provide training and counseling services in a variety of communities allowing government services to extend to all Minnesotans. The ability to connect with a local PTAC representative makes government contracting less intimidating and more accessible for all women-, minority-, and veteran-owned small businesses in Minnesota.

SERVICES PROVIDED

Using market identification, registration assistance, contracting regulations and compliance assistance, and on-going technical support, PTAC helps businesses navigate through the complexities of obtaining federal, state, and local government contracts. Staff are located throughout the state and advise and assist partners in the identification of market opportunities, as well as, the preparation and proper submission of applications, certifications, and registrations necessary for them to do business with government entities at all levels.

Specific services include:

- Assist with government website and database registrations and with socio-economic certifications
- Provide a bid matching service to look for bidding opportunities
- Conduct product and procurement history research
- Identify federal regulations and military specifications
- Subcontracting guidance
- Offer workshops and other training on contracting topics
- Assist with proposal preparation
- Provide post-award assistance

RESULTS

Since joining the Department of Administration in 2017, PTAC has provided significant impacts for Minnesotans including:

- Met with 1,161 Minnesota businesses
- Conducted 10,652 one-on-one counseling hours
- Hosted or partnered on 228 events with 11,645 participants
- Assisted Minnesota vendors in achieving nearly \$437 million in prime and subcontractor contracts at all levels of government

PTAC goals are negotiated with the U. S. Defense Logistics Agency. Goals are set annually and approved prior to the fiscal year start. PTAC’s goals for FY 2020 are to serve 500 new clients, provide 5,000 counseling hours, and host or partner on 75 events.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Number of new clients (Goal of 500)	753	700	FY 2019, FY 2020
Quantity	Number of counseling hours (Goal of 5000)	5659	5233	FY 2019, FY 2020
Quantity	Number of events that PTAC hosted or partnered with another organization (Goal of 75)	82	82	FY 2019, FY 2020

U.S.C. Ch. 142, Title 10

(<https://uscode.house.gov/view.xhtml?path=/prelim@title10/subtitleA/part4/chapter142&edition=prelim>) and M.S. 16C.16 (<https://www.revisor.mn.gov/statutes/cite/16C.16>) provide the legal authority for the Procurement Technical Assistance Center.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<i>Expenditures by Fund</i>								
3000 - Federal	546	570	613	743	745	745	745	745
Total	546	570	613	743	745	745	745	745
Biennial Change				241		134		134
Biennial % Change				22		10		10
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation	461	488	537	627	636	636	636	636
Operating Expenses	85	82	76	116	109	109	109	109
Other Financial Transaction			1					
Total	546	570	613	743	745	745	745	745

Full-Time Equivalents

	5.18	5.50	5.66	6.50	6.50	6.50	6.50	6.50
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(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
3000 - Federal								
Balance Forward In			3	7				
Receipts	546	570	618	736	745	745	745	745
Balance Forward Out			7					
Expenditures	546	570	613	743	745	745	745	745
Biennial Change in Expenditures				241		134		134
Biennial % Change in Expenditures				22		10		10
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	5.18	5.50	5.66	6.50	6.50	6.50	6.50	6.50

Program: Government and Citizen Services

Activity: Continuous Improvement

mn.gov/admin/continuous-improvement

AT A GLANCE

- Worked with 88% of cabinet-level agencies on problem solving projects, consulting, or specialized training
- Implemented the third biennial Continuous Improvement (CI) Index, a survey of all executive branch employees. This tool assists agencies in measuring whether their employees feel they have the tools and ability to improve services and products, and if they have a culture of continuous improvement in their agency.
- The National Association of State Chief Administrators and Leadership for a Networked World at Harvard University chose to showcase a project Continuous Improvement conducted to improve state management of its internal sustainability reporting and efforts. The project was a focus of the 2019 NASCA Leadership Academy.

PURPOSE AND CONTEXT

The Minnesota Office of Continuous Improvement (MNCI) works with state agencies, boards, and commissions to improve Minnesota government operations.

MNCI's focus is on improvements that have the greatest impact on productivity and services across state government. MNCI's goal is to implement work that significantly and sustainably impacts the efficiency and effectiveness of government services for all Minnesotans. This work helps prepare for and respond to challenges facing state government including:

- Public expectations for greater accountability and transparency
- Increasing customer expectations, declining or static budgets
- An aging state population
- Increasing employee retirement rate
- Implementing new technology

This program is funded by the general fund.

SERVICES PROVIDED

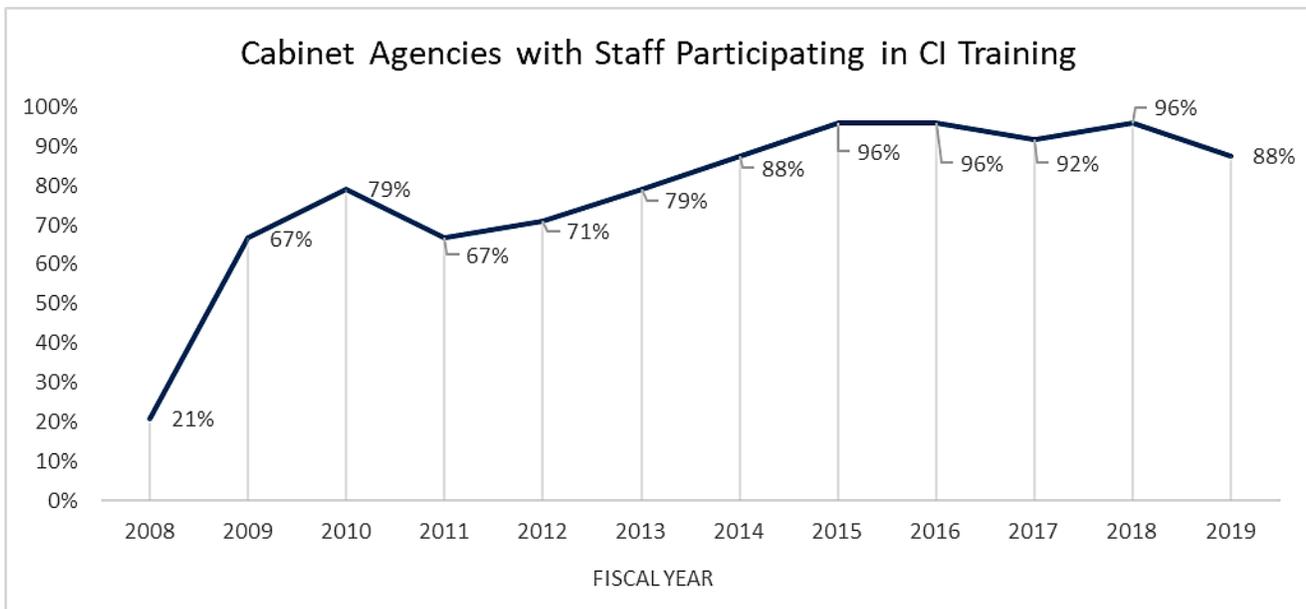
Specific services provided to all cabinet-level agencies include:

- Providing innovation and continuous improvement training to all Minnesota public sector employees, including local government and federal agency staff who may also attend trainings
- Sharing best practices and new practices in continuous improvement and innovation in the public sector
- Facilitating the executive branch continuous improvement network via the Continuous Improvement Advisory Council
- Working with agencies to help them utilize continuous improvement to achieve strategic goals
- Managing enterprise-wide projects from initial scoping through implementation
- Supporting state agency improvement projects with consulting and project management

RESULTS

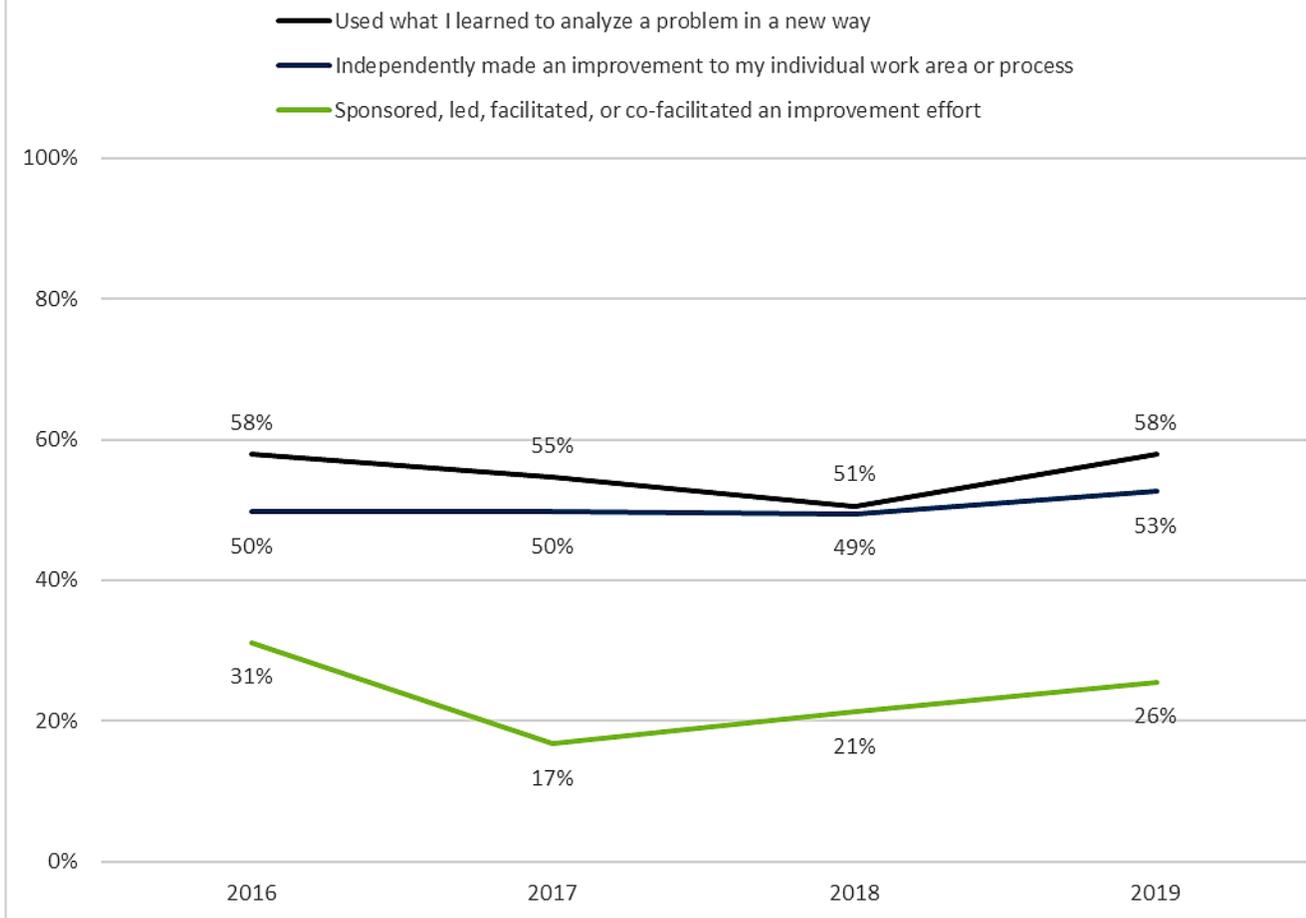


The chart above shows the percentage of respondents to the biennial Continuous Improvement (CI) Index survey of all cabinet agency staff at every level who worked on improvement projects. MNCI's goal is to support the culture for change within each agency.



The chart above shows the percentage of cabinet agencies with staff participating in MNCI training. This work builds a foundation for continuous improvement and creates the capacity for change within each agency.

Reported Improvement Activities When Surveyed 6 Months After Training



The chart above shows the impact of MNCI training across the enterprise. It shows how many respondents reported doing at least one of the following activities within the six months after completing training:

- Used what I learned to analyze a problem in a new way
- Independently made an improvement to my individual work area or process
- Sponsored, led, facilitated, or co-facilitated an improvement effort

M.S. 16B (<https://www.revisor.mn.gov/statutes/?id=16b>) provides the statutory authority for this activity.

Continuous Improvement (Lean)

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	361	480	420	413	413	413	417	423
Total	361	480	420	413	413	413	417	423
Biennial Change				(8)		(7)		7
Biennial % Change				(1)		(1)		1
Governor's Change from Base								14
Governor's % Change from Base								2

Expenditures by Category

Compensation	323	330	344	382	383	384	387	394
Operating Expenses	38	57	76	31	30	29	30	29
Capital Outlay-Real Property		8						
Other Financial Transaction	0	84						
Total	361	480	420	413	413	413	417	423

Full-Time Equivalents

	3.07	3.02	2.84	3.11	3.07	3.05	3.07	3.05
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Continuous Improvement (Lean)

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		62						
Direct Appropriation	416	419	420	420	420	420	424	430
Transfers Out				7	7	7	7	7
Cancellations		1						
Balance Forward Out	55		0					
Expenditures	361	480	420	413	413	413	417	423
Biennial Change in Expenditures				(8)		(7)		7
Biennial % Change in Expenditures				(1)		(1)		1
Governor's Change from Base								14
Governor's % Change from Base								2
Full-Time Equivalents	3.07	3.02	2.84	3.11	3.07	3.05	3.07	3.05

Program: Government and Citizen Services

Activity: Office of Grants Management

mn.gov/admin/government/grants/

mn.gov/grants/

AT A GLANCE

- Provides guidance to state grant making entities through the administration of 13 comprehensive grant policies to improve state grant-making
- Maintains two websites that provide information and assistance to grant-makers and grant-seekers
- Provides consultation and technical assistance for over 550 inquiries annually
- Web-based resources received more than 75,000 visits in FY 2020

PURPOSE AND CONTEXT

The Office of Grants Management (OGM) provides policy leadership and direction to promote consistent grants administration between state agencies, funders, and grantees. This increases access to state grant opportunities and state grants policies and leads to greater program accountability and transparency. OGM ensures fiscal accountability and measurable results by providing timely, expert technical assistance through individual consultation, conducting training, and maintaining two informational websites. The office also develops and maintains policies that promote diversity, equity, and inclusion in grant administration.

OGM's primary partners are state and local governments, nonprofit organizations, the legislature, private foundations, institutions of higher education, and citizens. This activity is funded through the general fund.

SERVICES PROVIDED

OGM provides services in the following categories to promote more efficient and effective management of state grants and to provide increased access to state-wide grant opportunities:

- Policy development and state grants leadership
- Training, consulting, and development
- Technical assistance

Specific services include:

- Develop, enhance, and revise state grants management policies to create greater oversight, consistency, and transparency for state grant expenditures
- Convene governance committee to provide guidance and promote cooperation between state agencies, grantees, and community partners
- Create and share information and resources about best practices in state grants management through training (virtual, web-based, and in-person) and consulting
- Manage two informational websites that provide resources for executive branch grant-makers (<https://mn.gov/admin/government/grants/>) and a complete listing of state grant opportunities for grant-seekers (<https://mn.gov/grants/>)

These functions help promote fiscal accountability and measurable results by providing:

- Executive branch agencies with consultation, training, and resources to assist with state grant policy implementation, highlighting best practices and compliance
- Cross-sector partners, the legislature, and the public with education and information on state grant administration

- A complete listing of state grant opportunities to grant-seekers

RESULTS

OGM’s performance measures show consistently high ratings for the usefulness of training. Like many programs, OGM saw a shift in these numbers as a result of COVID-19. As the office transitions to online training platforms, it will continue to collect data and strive for a high level of success by having training attendees rate their increase in knowledge about state grant policies or state grant-making and whether they can utilize the information they receive at training in external grant administration (for executive branch partners) or in a better understanding of the state grant process (for partners and grant-seekers).

OGM will work to maintain high numbers of partner contacts both through training events and informal consultations including phone calls, emails, and meetings.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Total number of partners trained each fiscal year	468	254	FY 2018, FY 2020
Results	Percent of participants in OGM training who report gaining new knowledge	98%	86%	FY 2018, FY 2020
Results	Percent of participants in OGM training who report the information will be useful in the future	99%	88%	FY 2018, FY 2020

M.S. 16B.97 (<https://www.revisor.mn.gov/statutes/cite/16B.97>) and M.S. 16B.98 (<https://www.revisor.mn.gov/statutes/cite/16B.98>) provide the legal authority for the Office of Grants Management.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	127	122	146	165	165	165	169	172
2301 - Arts & Cultural Heritage	205	226	267	448				
Total	332	347	413	613	165	165	169	172
Biennial Change				347		(696)		(685)
Biennial % Change				51		(68)		(67)
Governor's Change from Base								11
Governor's % Change from Base								3
<u>Expenditures by Category</u>								
Compensation	267	289	361	381	149	149	152	156
Operating Expenses	65	59	50	229	16	16	17	16
Grants, Aids and Subsidies			2					
Other Financial Transaction				3				
Total	332	347	413	613	165	165	169	172
<u>Full-Time Equivalents</u>								
	3.38	3.30	3.74	3.66	1.52	1.52	1.52	1.52

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		3		18				
Direct Appropriation	130	130	166	166	166	166	170	173
Transfers In				18				
Transfers Out			1	19	1	1	1	1
Cancellations		12		18				
Balance Forward Out	3		18					
Expenditures	127	122	146	165	165	165	169	172
Biennial Change in Expenditures				63		19		30
Biennial % Change in Expenditures				25		6		10
Governor's Change from Base								11
Governor's % Change from Base								3
Full-Time Equivalents	0.98	0.94	1.14	1.02	1.52	1.52	1.52	1.52

2301 - Arts & Cultural Heritage

Balance Forward In	47	28	66	146				
Transfers In	212	264	347	302				
Cancellations	26	0	0					
Balance Forward Out	28	66	146					
Expenditures	205	226	267	448				
Biennial Change in Expenditures				284		(715)		(715)
Biennial % Change in Expenditures				66		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	2.40	2.36	2.60	2.64				

Program: Government and Citizen Services

Activity: State Archaeologist

mn.gov/admin/archaeologist/

AT A GLANCE

- Approves qualifications and jointly issues licenses with the Minnesota Historical Society for archaeological work on Minnesota's public (non-federal) land
- Documents unrecorded burials and cemeteries
- Recovers or assists with the recovery of human remains and burial items from unrecorded burials and cemeteries over 50 years old (does not include crime scenes)
- Works closely with the Minnesota Indian Affairs Council to preserve and protect American Indian archaeological and cemetery sites
- Records archaeological sites and maintains recorded archaeological site files for Minnesota
- Develops procedures and archaeological standards for the state in collaboration with Minnesota Indian Affairs Council, State Historic Preservation Office, and Minnesota Historical Society
- Promotes collaboration between cultural resource professionals, government agencies, Native American groups, and the public

PURPOSE AND CONTEXT

The Office of the State Archaeologist (OSA) acts as the chief public contact for archaeology in Minnesota. With three full time equivalent team members, OSA strives to preserve archaeological sites and un-platted burials, encourage communication between state agencies regarding archaeological sites and cemeteries, foster collaboration between the archaeological and tribal communities, and promote archaeological research and education in Minnesota. OSA works with developers, tribal representatives, governmental agencies, and the public to preserve, protect, and interpret Minnesota's archaeological resources.

OSA's primary partners are landowners, state and local governments, developers, tribal communities, professional archaeologists, students, and the public. The office is funded by an inter-agency agreement with the Department of Transportation, an agreement with the Minnesota Historical Society under the Arts and Cultural Heritage fund, and an appropriation from the general fund.

SERVICES PROVIDED

The OSA works closely with the Minnesota Indian Affairs Council, State Historic Preservation Office, tribal representatives, professional and amateur archaeologists, and agencies to discuss proposed development projects, un-platted cemetery sites, and the future of archaeology in Minnesota.

The OSA serves Minnesota by:

- Promoting collaboration between cultural resource professionals, state and local agencies, and tribal representatives
- Answering questions, giving presentations, and providing cultural resource-related training opportunities
- Compiling and maintaining up-to-date information on recorded archaeological sites and un-platted cemeteries in the site files and via the internet on the OSA Portal
- Educating the public about cultural resources by meeting with individuals, answering questions, giving public presentations, and organizing Minnesota Archaeology Month in September each year
- Facilitating research activities by prioritizing, promoting, and managing the Legacy-funded *Statewide Survey of Historical and Archaeological Sites*

- Reviewing development plans to limit harm to archaeological sites and cemeteries cost-effectively and efficiently
- Evaluating professional qualifications and licensing professionals working on public lands

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Development projects reviewed during the fiscal year	101	393	FY 2016, FY 2020
Quantity	Number of cultural resource professionals allowed access to archaeological information via the OSA Online Portal	45	218	FY 2018, FY 2020
Quantity	Number of recorded archaeological sites in Minnesota	19,099	20,249	FY 2016, FY 2020

The following Minnesota Statutes guide the work of the State Archaeologist: M.S. 138.31–138.42 (<https://www.revisor.mn.gov/statutes/cite/138>), M.S. 307.08 (<https://www.revisor.mn.gov/statutes/?id=307.08>), M.S. 129D.17 (<https://www.revisor.mn.gov/statutes/?id=129D.17>), and M.S. 390.25 (<https://www.revisor.mn.gov/statutes/?id=390.25>).

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	215	219	260	261	261	261	313	313
2000 - Restrict Misc Special Revenue	5	2	5	6	6	6	6	6
2001 - Other Misc Special Revenue		69	86	125				
2301 - Arts & Cultural Heritage	90	74						
Total	310	364	352	392	267	267	319	319
Biennial Change				70		(210)		(106)
Biennial % Change				10		(28)		(14)
Governor's Change from Base								104
Governor's % Change from Base								19

Expenditures by Category

Compensation	190	249	293	312	225	225	275	275
Operating Expenses	120	114	58	79	41	41	43	43
Other Financial Transaction		0		1	1	1	1	1
Total	310	364	352	392	267	267	319	319

Full-Time Equivalent

	2.15	2.68	2.78	2.73	1.85	1.77	1.85	1.77
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State Archaeologist

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		4						
Direct Appropriation	215	216	262	262	262	262	314	314
Transfers Out			1	1	1	1	1	1
Cancellations		1						
Balance Forward Out	0		0					
Expenditures	215	219	260	261	261	261	313	313
Biennial Change in Expenditures				88		1		105
Biennial % Change in Expenditures				20		0		20
Governor's Change from Base								104
Governor's % Change from Base								20
Full-Time Equivalents	2.15	2.05	2.12	1.92	1.80	1.72	1.80	1.72

2000 - Restrict Misc Special Revenue

Balance Forward In			0					
Receipts	5	2	5	6	6	6	6	6
Expenditures	5	2	5	6	6	6	6	6
Biennial Change in Expenditures				4		1		1
Biennial % Change in Expenditures				55		9		9
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents		0.02	0.04	0.05	0.05	0.05	0.05	0.05

2001 - Other Misc Special Revenue

Receipts	69		86	125				
Expenditures	69		86	125				
Biennial Change in Expenditures				142		(211)		(211)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents		0.61	0.62	0.76				

2301 - Arts & Cultural Heritage

Balance Forward In		76						
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State Archaeologist

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Direct Appropriation	107							
Cancellations		2						
Balance Forward Out	17							
Expenditures	90	74						
Biennial Change in Expenditures				(164)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

2403 - Gift

Balance Forward In	1	1	1	1	1	1	1	1
Receipts	0	0	0					
Balance Forward Out	1	1	1	1	1	1	1	1

Program: Government and Citizen Services**Activity: Facilities Management**mn.gov/admin/government/buildings-grounds**AT A GLANCE**

- Maintain 4.7 million square feet of office, laboratory, ceremonial, meeting, and other space in 23 buildings, including the State Capitol
- Maintain the grounds of the 140-acre Capitol Complex
- Maintain 25 monuments and memorials
- Operate and maintain over 6,000 parking stalls in 29 facilities
- Issue over 400 special event permits annually
- Processed 17 million pieces of mail and achieved \$2.0 million in postage savings in FY 2020
- Reduced carbon emissions by 49.2% from CY 2008 while also increasing building square footage and population
- Oversee a 'Toward Zero Waste' recycling and organics diversion program

PURPOSE AND CONTEXT

Facilities Management Division (FMD) maintains facilities and grounds on the State Capitol Complex and other select locations in the State of Minnesota while keeping lease and parking rates low. The division seeks innovative solutions for parking asset management and to ensure sustainability through energy management and environmental stewardship.

Additionally, FMD mail processing and distribution services through Central Mail provide cost-effective solutions critical to state agency functions. Publication of the State Register provides the public a convenient way to find critical state information.

FMD's primary partners are state agencies and their customers, state employees, the Governor's Office, the Legislature, and visitors to the Capitol Complex.

FMD operates as an internal service fund with revenue generated from building lease rates charged to state agencies, the in-lieu-of-rent appropriation, and other tenants. Revenue also comes from central mail postage rates and parking fees. There is a general fund appropriation for processing federal mail and for interagency mail delivery.

FMD works to create an inclusive workplace by partnering with a local non-profit, Project for Pride in Living (PPL), to train disadvantaged populations by providing on-site internships for building operations technician students in order to help them gain the experience they need to obtain full employment. FMD also participates in Project Search, hosting up to four special needs high school seniors from the St. Paul School district to provide hands-on training and workplace experiences with the goal of preparing them for meaningful full-time employment after graduation.

SERVICES PROVIDED

FMD provides services in four primary categories:

- Facilities
- Parking and transit
- Grounds
- Centralized mail service for agencies located in St. Paul

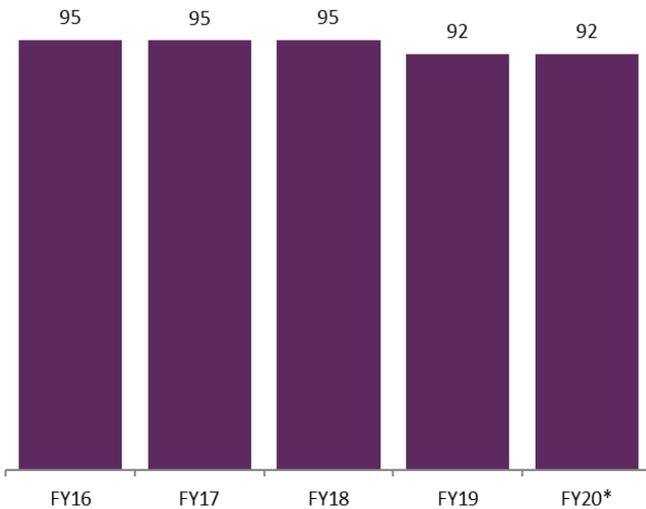
Specific services include:

- Provide clean, safe, and environmentally-sound facilities
- Energy management
- Recycling
- Event permitting and coordination
- Capitol Complex food service oversight
- Maintenance of green spaces including monuments and memorials
- Process federal and inter-office mail for state agencies
- Maintain and manage parking facilities
- Publish the State Register

RESULTS

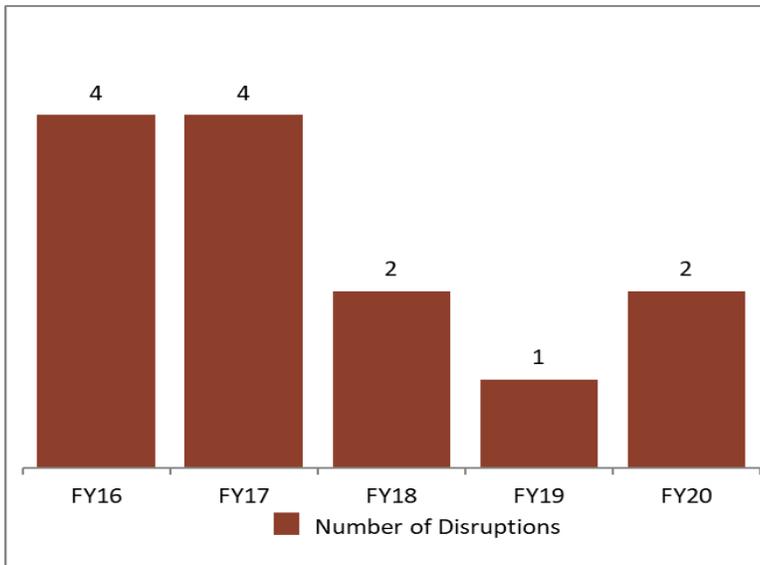
FMD measures performance in multiple ways including partner satisfaction, service disruptions, work completion rates, and carbon reduction. The division also continually monitors the conditions of the buildings it manages by conducting annual facility condition audits.

Partner Satisfaction



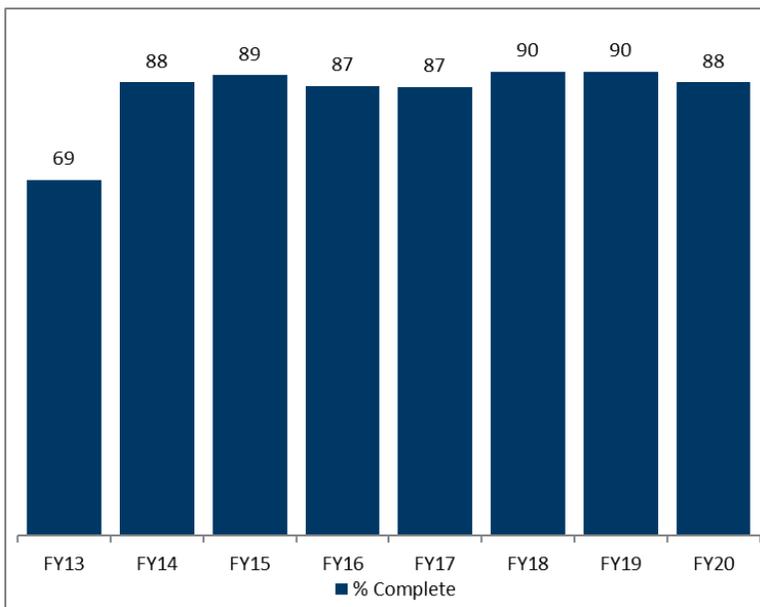
Measure (Quality): Partner Satisfaction. *The percentage from the Building Occupant Survey identifies consistently high tenant satisfaction with Admin managed facilities. *FY Data incomplete as a result of temporary suspension of survey program as a result of COVID-19.*

FMD-caused Service Disruptions



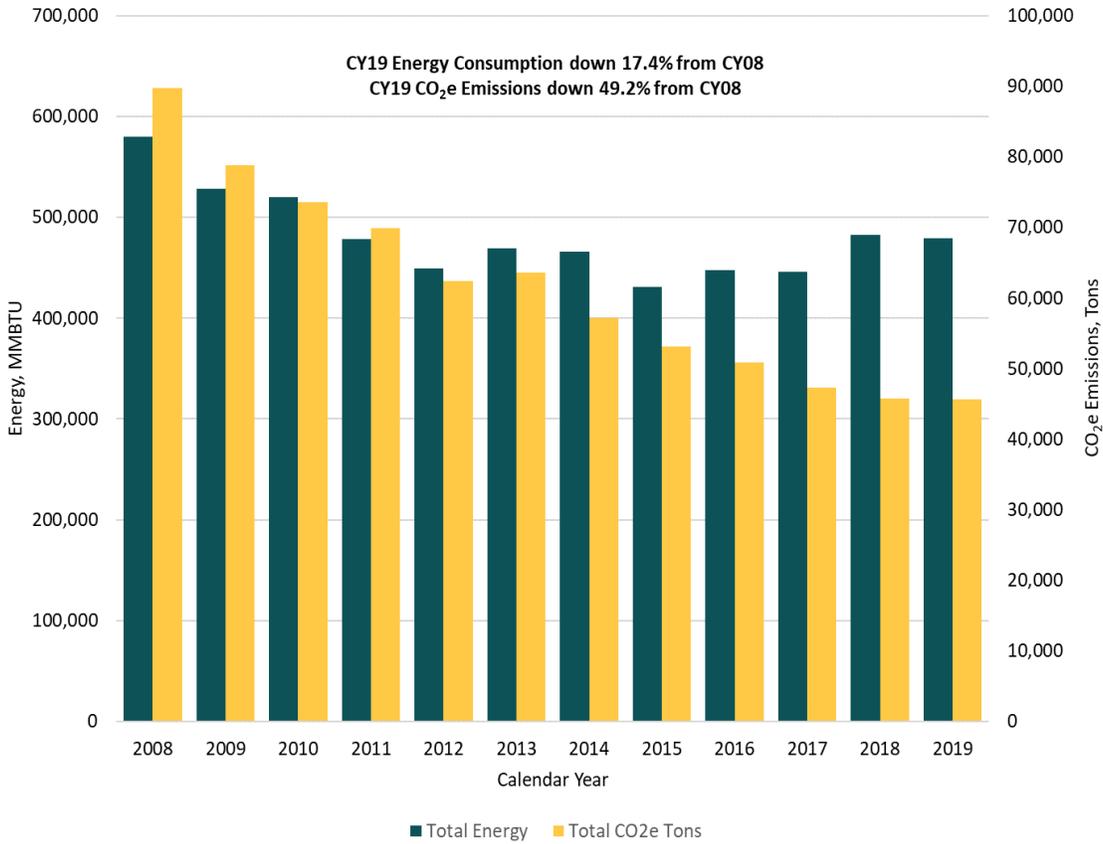
Measure (Result): Service. One of FMD’s departmental values is Service. The goal is to have zero FMD caused-service disruptions. A service disruption is any change or interruption in a building service such as heating, cooling, plumbing, or electrical service that degrades an occupant’s ability to accomplish their mission.

Work Order On-Time Completion Percentage



Measure (Quality): Teamwork. *Statistics for percentage of work orders completed on-time show improved timeliness of work order completions.*

Sustainability



Measure (Result): Sustainability. *FMD strives to do what is right for the environment. Building recommissioning and systems upgrades helped achieve a Carbon Emissions reduction of 49.9% since 2008. The state’s goal is 30% by 2025.*

M.S. 16B.24-16B.58 (<https://www.revisor.mn.gov/statutes/cite/16B/full#stat.16B.24.1>) provides the legal authority for Facilities Management Division’s services.

Facilities Management

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	438	438	397	470	440	440	440	440
2000 - Restrict Misc Special Revenue	2,937	7,926	4,089	3,949	4,480	3,494	4,480	3,494
2001 - Other Misc Special Revenue	3,939	7,777	7,288	10,742	9,186	5,085	9,186	5,085
2403 - Gift	23	43	2	10	10	10	10	10
4500 - MN Bookstore	1,189	1,033	933	627	298	302	298	302
5000 - Master Lease		321	153					
5203 - Central Mail	8,838	9,431	9,082	9,295	9,268	9,329	9,268	9,329
5400 - Plant Management	49,948	53,337	58,988	67,095	61,018	59,649	61,018	59,649
Total	67,311	80,307	80,932	92,188	84,700	78,309	84,700	78,309
Biennial Change				25,502		(10,111)		(10,111)
Biennial % Change				17		(6)		(6)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation	19,424	19,410	19,652	21,014	21,976	22,465	21,976	22,465
Operating Expenses	34,387	41,780	44,449	50,650	43,694	40,180	43,694	40,180
Capital Outlay-Real Property	263	5,937	3,348	7,125	5,640	2,283	5,640	2,283
Other Financial Transaction	13,236	13,181	13,483	13,399	13,390	13,381	13,390	13,381
Total	67,311	80,307	80,932	92,188	84,700	78,309	84,700	78,309

Full-Time Equivalents

	273.30	267.89	262.77	285.71	289.31	289.76	289.31	289.76
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Facilities Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		0		43				
Direct Appropriation	438	439	440	440	440	440	440	440
Transfers In	3,973	3,973		13				
Transfers Out				13				
Cancellations	3,973	3,975		13				
Balance Forward Out	0		43					
Expenditures	438	438	397	470	440	440	440	440
Biennial Change in Expenditures				(9)		13		13
Biennial % Change in Expenditures				(1)		2		2
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	5.73	5.56	5.62	6.38	7.38	7.24	7.38	7.24

2000 - Restrict Misc Special Revenue

Balance Forward In	1,692	5,566	1,827	1,568	24	23	24	23
Receipts	9,594	6,848	6,621	3,959	3,959	5,759	3,959	5,759
Transfers Out	2,800	2,797	2,790	1,793	2,782	2,776	1,789	2,776
Balance Forward Out	5,548	1,692	1,568	24	23	22	23	22
Expenditures	2,937	7,926	4,089	3,949	4,480	3,494	4,480	3,494
Biennial Change in Expenditures				(2,825)		(64)		(64)
Biennial % Change in Expenditures				(26)		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	8.88	9.15	8.47	9.00	10.50	10.47	10.50	10.47

2001 - Other Misc Special Revenue

Balance Forward In	21,135	23,842	23,661	22,299	17,474	14,206	17,474	14,206
Receipts		135						
Transfers In	10,542	10,969	10,514	10,494	10,500	10,500	10,500	10,500
Transfers Out	4,672	4,639	4,588	4,577	4,582	4,582	4,582	4,582
Balance Forward Out	23,065	22,528	22,298	17,474	14,206	15,039	14,206	15,039
Expenditures	3,939	7,777	7,288	10,742	9,186	5,085	9,186	5,085
Biennial Change in Expenditures				6,313		(3,759)		(3,759)

Facilities Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Biennial % Change in Expenditures				54		(21)		(21)
Governor's Change from Base								0
Governor's % Change from Base								0

2403 - Gift

Balance Forward In	562	568	563	575	574	573	574	573
Receipts	11	38	14	9	9	9	9	9
Balance Forward Out	551	563	575	574	573	572	573	572
Expenditures	23	43	2	10	10	10	10	10
Biennial Change in Expenditures				(54)		8		8
Biennial % Change in Expenditures				(82)		73		73
Governor's Change from Base								0
Governor's % Change from Base								0

4500 - MN Bookstore

Balance Forward In	271	308	285	116	45	238	45	238
Receipts	1,143	995	764	556	491	491	491	491
Transfers Out	2							
Balance Forward Out	224	270	116	45	238	427	238	427
Expenditures	1,189	1,033	933	627	298	302	298	302
Biennial Change in Expenditures				(661)		(960)		(960)
Biennial % Change in Expenditures				(30)		(62)		(62)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	7.32	6.41	5.82	3.00	2.25	2.25	2.25	2.25

5000 - Master Lease

Receipts		321	153					
Transfers Out			0					
Expenditures		321	153					
Biennial Change in Expenditures				(168)		(153)		(153)
Biennial % Change in Expenditures								
Governor's Change from Base								0

Facilities Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
Governor's % Change from Base								

5203 - Central Mail

Balance Forward In	216	235	2	747	792	864	792	864
Receipts	8,721	8,871	9,828	9,340	9,340	9,340	9,340	9,340
Transfers In		325						
Balance Forward Out	99		747	792	864	875	864	875
Expenditures	8,838	9,431	9,082	9,295	9,268	9,329	9,268	9,329
Biennial Change in Expenditures				108		220		220
Biennial % Change in Expenditures				1		1		1
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	8.81	8.43	7.70	8.93	7.60	8.22	7.60	8.22

5400 - Plant Management

Balance Forward In	8,189	12,267	15,546	13,574	5,661	1,988	5,661	1,988
Receipts	74,706	77,042	77,003	79,161	77,384	81,010	77,384	81,010
Transfers In	324	324	0					
Transfers Out	21,338	21,795	19,987	19,979	20,039	20,039	20,039	20,039
Balance Forward Out	11,933	14,500	13,574	5,661	1,988	3,310	1,988	3,310
Expenditures	49,948	53,337	58,988	67,095	61,018	59,649	61,018	59,649
Biennial Change in Expenditures				22,798		(5,416)		(5,416)
Biennial % Change in Expenditures				22		(4)		(4)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	242.56	238.34	235.16	258.40	261.58	261.58	261.58	261.58

Program: Government and Citizen Services

Activity: Real Estate and Construction Services

mn.gov/admin/government/real-estate/

mn.gov/admin/government/construction-projects/

AT A GLANCE

- Managed 850 non-state-owned and state-owned real property leases in FY 2020
- Leased 3.8 million useable square feet of non-state-owned space at an annual cost of \$70 million
- Managed over 280 construction projects for state-owned facilities in FY 2020
- Oversaw \$272 million in capital appropriations from 2017 and 2018 bond appropriations

PURPOSE AND CONTEXT

Real Estate and Construction Services delivers project management and leasing services to achieve facility solutions that help state agencies deliver efficient and effective services. Through development of building sustainability guidelines in partnership with the Department of Commerce and the University of Minnesota, the construction services team increases sustainability standards in buildings constructed or renovated with state funds.

Additionally, by utilizing statutory contracting preferences, subcontracting goals, and sheltered market contracts, Real Estate and Construction Services is increasing the participation of women-, minority-, disabled-, and veteran-owned small businesses in public construction projects.

Effective lease negotiations ensure that agencies receive competitive market rates. Real Estate and Construction Services also helps agencies get the most functionality and efficiency from their space through implementation of space standards and oversight of space lease terms and conditions.

Activities are primarily funded through the General Fund and capital appropriations.

SERVICES PROVIDED

Construction

- Project management for new, remodel, and asset preservation building projects
- Management of the Capital Asset Preservation and Replacement Account (CAPRA) funds
- Management of predesign program
- Capital improvement planning
- Management and oversight of the Minnesota Sustainable Building Guidelines and Benchmarking Tool for the Sustainable Buildings 2030 (SB 2030) energy standard

Real Estate

- Acquiring and selling real property
- Coordination of transfers of real property between agencies
- Space utilization services for efficient facility management
- Negotiation and drafting of easements and permits

Leasing

- Negotiation and drafting of lease documents
- Management of state-owned and non-state-owned real property leases

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Capital improvement projects reviewed for Sheltered Market eligibility. This is a procurement initiative designed to offer bidding exclusively among certified Targeted Group, Economically Disadvantaged, and Veteran-Owned small businesses in Minnesota.	100%	100%	FY 2019, FY 2020
Quantity	Cumulative number of business process improvements implemented for accounting and leasing areas	5	10	FY 2019, FY 2020
Quantity	Partners assisted in reviewing and addressing changing space needs resulting from shift in programs, budget, workforce, telecommuting and other factors. This is a new measure.	N/A	25	FY 2019, FY 2020

M.S.16A.632 (<https://www.revisor.mn.gov/statutes/cite/16A.632>); M.S.16B.24-16B.26, M.S.16B.281-16B.287, M.S.16B.30, M.S.16B.305, M.S.16B.31, M.S.16B.32, M.S.16B.321-16B.328, M.S.16B.33, M.S.16B.335, (<https://www.revisor.mn.gov/statutes/?id=16B>); and M.S.16C (<https://www.revisor.mn.gov/statutes/?id=16C>) are the statutes that provide the legal authority for Real Estate and Construction Services.

Real Estate and Construction Services

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	2,607	2,997	2,636	7,892	2,818	2,818	2,875	2,939
2000 - Restrict Misc Special Revenue				20	20	20	20	20
2001 - Other Misc Special Revenue	499	448	500	500	500	500	500	500
2403 - Gift	0	6	82	428	52		52	
Total	3,106	3,451	3,218	8,840	3,390	3,338	3,447	3,459
Biennial Change				5,501		(5,330)		(5,152)
Biennial % Change				84		(44)		(43)
Governor's Change from Base								178
Governor's % Change from Base								3

Expenditures by Category

Compensation	1,852	1,976	2,061	2,345	2,329	2,323	2,363	2,420
Operating Expenses	1,233	1,371	1,157	5,513	1,007	1,012	1,030	1,036
Capital Outlay-Real Property	0			846	51		51	
Other Financial Transaction	20	105		136	3	3	3	3
Total	3,106	3,451	3,218	8,840	3,390	3,338	3,447	3,459

Full-Time Equivalent

	19.04	19.73	19.51	21.42	20.98	20.67	20.98	20.67
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Real Estate and Construction Services

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		278		184				
Direct Appropriation	2,758	2,818	2,825	7,825	2,825	2,825	2,882	2,946
Transfers In	12			110				
Transfers Out	27	31	5	117	7	7	7	7
Cancellations		67		110				
Balance Forward Out	137		184					
Expenditures	2,607	2,997	2,636	7,892	2,818	2,818	2,875	2,939
Biennial Change in Expenditures				4,923		(4,892)		(4,714)
Biennial % Change in Expenditures				88		(46)		(45)
Governor's Change from Base								178
Governor's % Change from Base								3
Full-Time Equivalents	19.04	19.73	19.51	21.40	20.97	20.67	20.97	20.67

2000 - Restrict Misc Special Revenue

Balance Forward In	698	696	696	696	676	656	676	656
Balance Forward Out	698	696	696	676	656	636	656	636
Expenditures				20	20	20	20	20
Biennial Change in Expenditures				20		20		20
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

2001 - Other Misc Special Revenue

Balance Forward In	7	9	9	9	9	9	9	9
Receipts	500	448	500	500	500	500	500	500
Balance Forward Out	9	9	9	9	9	9	9	9
Expenditures	499	448	500	500	500	500	500	500
Biennial Change in Expenditures				53		0		0
Biennial % Change in Expenditures				6		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2403 - Gift

Real Estate and Construction Services

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Balance Forward In	74	125	323	468	46		46	
Receipts	2	204	8	6	6		6	
Transfers In	50		219					
Balance Forward Out	125	323	468	46				
Expenditures	0	6	82	428	52		52	
Biennial Change in Expenditures				504		(458)		(458)
Biennial % Change in Expenditures				7,809		(90)		(90)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents				0.02	0.01		0.01	

Program: Government and Citizen Services

Activity: Enterprise Real Property Program

AT A GLANCE

- Manages data for approximately 6,000 state-owned buildings consisting of more than 36 million square feet, and more than 3.1 million acres of land
- Preserves a catalog of floorplans for more than 87% of state-owned space
- Performs standardized and consistent Facility Condition Assessments of state-owned space
- Tracks an average of 125,000 maintenance and work orders annually for state facilities
- Manages and tracks more than 850 active leases
- Inventories and tracks maintenance history of more than 45,000 pieces of facility-supporting equipment
- Facilitates space planning to allow for the most effective use of work areas

PURPOSE AND CONTEXT

Enterprise Real Property's mission is to assist the state in making critical decisions for property assets at an enterprise level by collaboratively setting and enforcing policy, procedures, standards, and guidelines concerning coordination and cooperation between agencies on real property matters, and to clearly communicate these strategies within state agencies and to legislators.

Enterprise Real Property provides the tools and information necessary for a data-driven facility investment strategy and management across state government to promote fiscal accountability and measurable results.

By leading collaboration and data analysis with the services and tools offered to the 19 state agencies that maintain state-owned property, Enterprise Real Property helps operate state facilities more cost-effectively by encouraging a proactive maintenance strategy rather than a reactive one. Enterprise Real Property's data is consistent, trusted, and available in real-time. This allows policymakers the opportunity to understand a space's condition, occupancy, and how it is used, operated, and maintained in order to make infrastructure decisions that will have a positive impact on Minnesota's environment.

The Enterprise Real Property Program consolidates data from the 19 agencies that maintain state-owned property into one database and application (ARCHIBUS; <https://realprop.admin.state.mn.us/archibus/login.axvw>).

Enterprise Real Property utilizes this data to standardize real property management across state government. Enterprise Real Property directs collaborative efforts for developing and establishing policies, procedures, consistent standards, and guidelines for operating, sustaining, and managing the state's real property portfolio. Enterprise Real Property also uses this data to help determine state asset preservation funding needs and the fiscal impact of deferring facility maintenance.

The system modules track space management, building operations, Facility Condition Assessments (FCAs), employee moves, project management, asset management, and lease management to manage the state's real property. Enterprise Real Property is also working to add modules to cover compliance management, environmental health and safety management, and GIS functions.

SERVICES PROVIDED

- Manage data
- Create and maintain compliance of standards, policies, and processes to ensure consistency
- Train users to maximize program results
- Research new technologies to leverage data and optimize operations
- Implement application installations
- Implement enhancements to support agency business needs and optimize user friendliness
- Resolve system issues
- Create enterprise-level facility reports
- Assist agencies with consultations and action plans to align ARCHIBUS data to meet business goals

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Active facilities personnel using system	423	2,099	FY 2011, FY 2020
Quantity	Number of work orders processed annually	23,763	122,211	FY 2011, FY 2020
Quality	Percent of work orders completed on time	41%	66%	FY 2012, FY 2020
Quality	Percent of state-owned buildings assessed	61%	99%	FY 2014, FY 2020
Result	Percent of square feet in poor and crisis condition	13%	18%	FY 2015, FY 2019

The Enterprise Real Property Program supports and maintains compliance with M.S.16A.632 (<https://www.revisor.mn.gov/statutes/cite/16A.632>), M.S.16B.24–16B.26 (<https://www.revisor.mn.gov/statutes/cite/16B/full#stat.16B.24>), M.S.16B.281–16B.287 (<https://www.revisor.mn.gov/statutes/cite/16B/full#stat.16B.281>), and M.S.16B.30–16B.307 (<https://www.revisor.mn.gov/statutes/cite/16B/full#stat.16B.30>); and Executive Order 05-06 (<https://www.leg.state.mn.us/archive/execorders/05-06.pdf>).

Enterprise Real Property Program

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	623	806	717	721	719	719	756	761
2001 - Other Misc Special Revenue		368	288	83	113		113	
Total	623	1,174	1,005	804	832	719	869	761
Biennial Change				11		(258)		(179)
Biennial % Change				1		(14)		(10)
Governor's Change from Base								79
Governor's % Change from Base								5
<u>Expenditures by Category</u>								
Compensation	184	225	208	220	224	226	229	236
Operating Expenses	439	949	797	584	608	493	640	525
Total	623	1,174	1,005	804	832	719	869	761
<u>Full-Time Equivalents</u>								
	1.63	2.02	1.76	2.04	2.04	2.04	2.04	2.04

Enterprise Real Property Program

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		90		2				
Direct Appropriation	711	718	719	719	719	719	756	761
Cancellations		2						
Balance Forward Out	88		2					
Expenditures	623	806	717	721	719	719	756	761
Biennial Change in Expenditures				9		0		79
Biennial % Change in Expenditures				1		0		6
Governor's Change from Base								79
Governor's % Change from Base								5
Full-Time Equivalents	1.63	2.02	1.76	2.04	2.04	2.04	2.04	2.04

2001 - Other Misc Special Revenue

Balance Forward In	172	210	384	195	113		113	
Receipts	8	542	70	1				
Transfers In	28		29					
Balance Forward Out	208	384	195	113				
Expenditures		368	288	83	113		113	
Biennial Change in Expenditures				2		(258)		(258)
Biennial % Change in Expenditures						(70)		(70)
Governor's Change from Base								0
Governor's % Change from Base								

Program: Government and Citizen Services

Activity: Risk Management

mn.gov/admin/risk

AT A GLANCE

- Provide cost-effective management of the state's self-insured coverages for property, auto, general liability, and workers' compensation liability
- Help partners and stakeholders understand operational risks and maintain financial stability through insurance or the use of other risk management strategies
- Insure \$19.2 billion in state property and 14,000 vehicles for auto liability
- Cover over 60,000 employees in the executive, legislative, and judicial branches of state government, the Minnesota State Colleges and Universities, and quasi-state agencies such as the Minnesota Zoo for workers' compensation
- Manage 3,400 new liability, property, and workers' compensation claims annually
- Lead MnSAFE, the statewide injury reduction effort, which has helped prevent more than 3,600 injuries to state employees
- Provide \$1 million Disaster Management Services coverage for natural and man-made disasters on state owned or leased properties that result in 3 or more critical injuries – services include counseling, victim assistance, behavioral health, and communications management

PURPOSE AND CONTEXT

The Risk Management Division serves as the state's property and casualty insurance experts by providing risk management advice and property, liability, and workers' compensation insurance services to all of Minnesota state government, quasi-state agencies, and the Minnesota State Colleges and Universities.

The division helps its partners and stakeholders understand their operational risks and maintain financial stability through insurance or the use of other risk management strategies. In addition, it helps state agencies develop and promote a safe, productive workplace that helps protect state employees and state resources. It delivers comprehensive, cost-effective property, liability, and workers' compensation services through proactive and innovative risk, loss-control, and claims management practices. The Workers' Compensation Program operates as a special revenue fund and the Property and Casualty Program operates as an internal service fund.

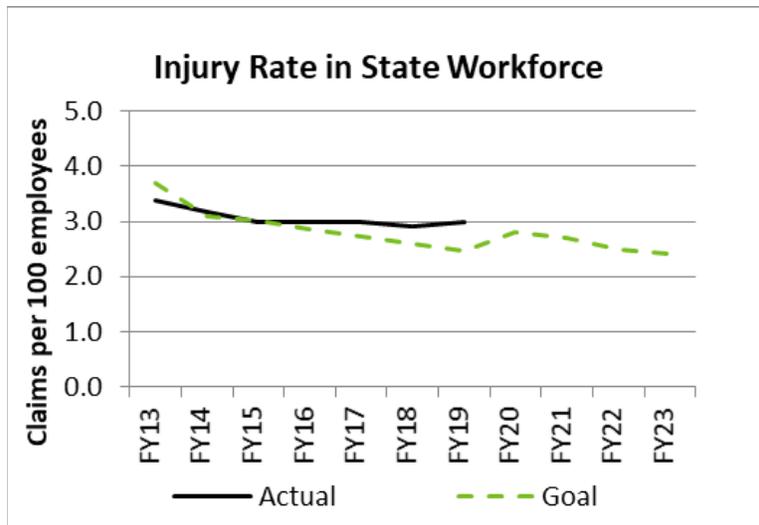
SERVICES PROVIDED

Risk Management helps state agencies and employees return to serving Minnesota citizens following unexpected events or accidents.

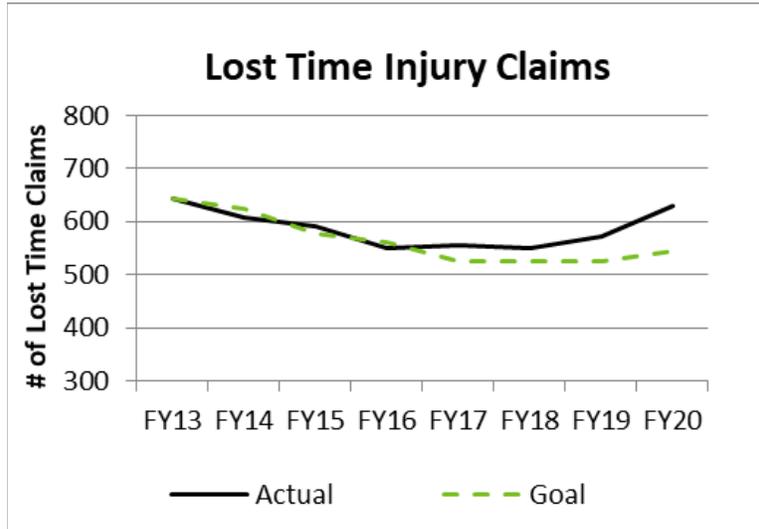
The services provided by Risk Management include:

- Advising customers about how to best control operational and contractual risks
- Helping customers acquire cost specialty insurance coverage when self-insuring the risk is not cost-effective
- Protecting state property and the public through loss control efforts
- Preventing injuries to employees and providing benefits when injuries occur that are work related
- Returning employees to work as soon as possible following workplace injuries
- Resolving property damage and injuries to the public caused by Risk Management's customers
- Repairing customers' damaged property and vehicles

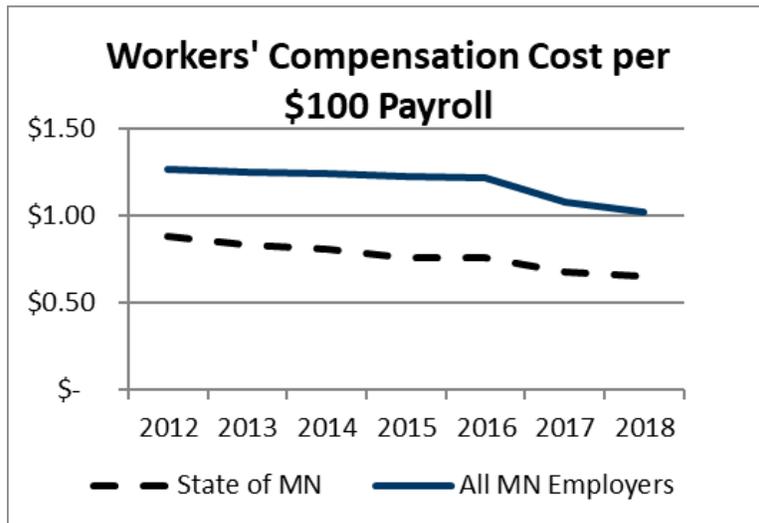
RESULTS



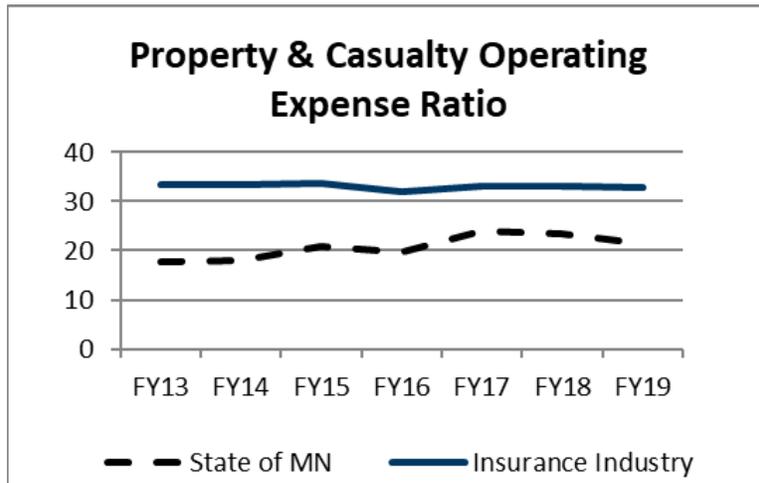
Performance Measure (Result): The number of workplace injuries is declining



Performance Measure (Result): The number of lost time injury claims is increasing. In FY2020, this is largely due to the number of COVID-19 related claims.



Performance Measure (Quality): To ensure cost effective services, Risk Management routinely compares its costs with those of private and public employers. Risk Management’s workers’ compensation cost per every \$100 of payroll is less than that of other Minnesota employers.



Performance Measure (Quality): Risk Management strives to keep administrative expenses low and measures costs annually against insurance market averages. Property and casualty operating expenses are less than the average insurance industry operating costs.

M.S. 16B.85 (<https://www.revisor.mn.gov/statutes/?id=16B.85>) and M.S. 176.541 (<https://www.revisor.mn.gov/statutes/?id=176.541>) provide the legal authority for Administration’s Risk Management Division.

Risk Management

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	775	675	661	725	747	785	747	785
2001 - Other Misc Special Revenue	30,013	28,386	32,276	33,623	34,214	35,236	34,214	35,236
3010 - Coronavirus Relief			34	5,000				
5300 - Risk Management	10,682	12,213	14,304	15,928	15,874	15,876	15,874	15,876
Total	41,470	41,274	47,274	55,276	50,835	51,897	50,835	51,897
Biennial Change				19,806		182		182
Biennial % Change				24		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation	4,062	3,821	3,915	4,484	4,587	4,596	4,587	4,596
Operating Expenses	35,073	34,656	40,015	50,207	45,743	46,796	45,743	46,796
Capital Outlay-Real Property		7						
Other Financial Transaction	2,335	2,790	3,343	585	505	505	505	505
Total	41,470	41,274	47,274	55,276	50,835	51,897	50,835	51,897

Full-Time Equivalents

	39.15	37.47	36.21	37.55	37.55	37.55	37.55	37.55
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Risk Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
1000 - General								
Open Appropriation	775	675	661	725	747	785	747	785
Expenditures	775	675	661	725	747	785	747	785
Biennial Change in Expenditures				(64)		146		146
Biennial % Change in Expenditures				(4)		11		11
Governor's Change from Base								0
Governor's % Change from Base								0

2001 - Other Misc Special Revenue

Balance Forward In	6,721	7,598	10,645	10,461	10,298	10,044	10,298	10,044
Receipts	30,829	31,421	32,091	33,460	33,960	34,460	33,960	34,460
Transfers In	3,838	3,905	3,974	4,045	4,045	4,045	4,045	4,045
Transfers Out	3,844	3,905	3,974	4,045	4,045	4,045	4,045	4,045
Balance Forward Out	7,530	10,633	10,460	10,298	10,044	9,268	10,044	9,268
Expenditures	30,013	28,386	32,276	33,623	34,214	35,236	34,214	35,236
Biennial Change in Expenditures				7,500		3,551		3,551
Biennial % Change in Expenditures				13		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	27.81	27.20	25.86	26.90	26.90	26.90	26.90	26.90

3010 - Coronavirus Relief

Direct Appropriation			34	5,000	0	0	0	0
Balance Forward Out			0					
Expenditures			34	5,000				
Biennial Change in Expenditures				5,034		(5,034)		(5,034)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

5300 - Risk Management

Balance Forward In	22,917	23,787	23,999	22,816	22,790	22,818	22,790	22,818
Receipts	10,014	12,343	13,121	15,902	15,902	15,902	15,902	15,902
Transfers Out	3							

Risk Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Balance Forward Out	22,246	23,917	22,816	22,790	22,818	22,844	22,818	22,844
Expenditures	10,682	12,213	14,304	15,928	15,874	15,876	15,874	15,876
Biennial Change in Expenditures				7,337		1,518		1,518
Biennial % Change in Expenditures				32		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	11.34	10.27	10.35	10.65	10.65	10.65	10.65	10.65

Program: Government and Citizen Services

Activity: Small Agency Resource Team

mn.gov/admin/government/small-agency

AT A GLANCE

- Serves 39 diverse agencies, boards, and councils
- Provides financial guidance for budgets totaling \$110 million in FY 2020
- Delivers human resource services for approximately 496 employees in FY 2020

PURPOSE & CONTEXT

The Small Agency Resource Team (SmART) provides accounting, budgeting, and human resources services to small agencies, boards, and councils. SmART agencies retain ultimate authority for human resource, financial, and budget decisions.

SmART learns the needs of state agency partners and provides expert technical knowledge of policies, procedures, and best practices. This eliminates the need for these agencies, boards, and councils to hire dedicated administrative staff to handle infrequent transactional functions so that they can focus on delivering their core missions. Through SmART's work, partners more accurately and easily navigate the complexities of performing state government financial and human resource functions.

SmART is required by statute to serve the state's three ethnic councils, the Indian Affairs Council, and the Minnesota Council on Disability. By directing resources to these entities, they are able to dedicate their resources to supporting the state's goals surrounding diversity and inclusion in public programs and services. Currently, SmART serves 34 additional agency partners including the Health Licensing Boards, the Minnesota Racing Commission, and the Minnesota Department of Human Rights. This work is supported by a combination of general fund resources and inter-agency agreements. Under either funding source, SmART delivers high value services at a lower cost than hiring administrative staff for each program.

SERVICES PROVIDED

SmART provides partners with the financial and human resources information and services they need to operate effectively and efficiently:

Financial Management	Human Resources
Budget support	Affirmative action planning
Biennial budget guidance and entry	Payroll services
Fiscal note assistance and processing	Personnel transactions entries
Budget entries	Benefits administration
Processing of purchase orders, professional/technical contracts, grant contracts, inter-agency agreements, annual plans, and employee business and travel reimbursements	Performance management and labor relations
Payment processing	Classification and compensation analysis
Deposits	Vacancy filling
Reporting	Reporting
Training	Training

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	General Fund savings (SmART's appropriation is less – by the listed percentage – than the estimated cost for each agency, board, or council to perform the same duties independently.)	40%	44%	FY 2018, FY 2020
Quantity	Number of partners served. SmART partner base has almost doubled. This allows more agencies to get expert business services and enables partners to focus their most vital resources on their core missions.	20	39	FY 2018, FY 2020

M.S. 16B.371 (<https://www.revisor.mn.gov/statutes/?id=16B.371>) provides the legal authority for this activity.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<u>Expenditures by Fund</u>								
1000 - General	373	536	457	485	471	471	483	493
2001 - Other Misc Special Revenue	418	520	838	1,238	1,089	1,089	1,089	1,089
Total	791	1,057	1,295	1,723	1,560	1,560	1,572	1,582
Biennial Change				1,170		102		136
Biennial % Change				63		3		5
Governor's Change from Base								34
Governor's % Change from Base								1

Expenditures by Category

Compensation	655	868	1,190	1,425	1,394	1,399	1,404	1,419
Operating Expenses	135	186	94	296	164	159	166	161
Capital Outlay-Real Property			7					
Other Financial Transaction	1	3	4	2	2	2	2	2
Total	791	1,057	1,295	1,723	1,560	1,560	1,572	1,582

Full-Time Equivalents

	7.50	9.27	12.58	14.94	14.94	14.94	14.94	14.94
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(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
1000 - General								
Balance Forward In		93		14				
Direct Appropriation	465	469	471	471	471	471	483	493
Transfers Out		25						
Cancellations		0						
Balance Forward Out	92		14					
Expenditures	373	536	457	485	471	471	483	493
Biennial Change in Expenditures				32		0		34
Biennial % Change in Expenditures				4		0		4
Governor's Change from Base								34
Governor's % Change from Base								4
Full-Time Equivalent	4.42	4.56	5.66	4.28	4.28	4.28	4.28	4.28

2001 - Other Misc Special Revenue

Balance Forward In	6	54	112	149				
Receipts	464	577	875	1,089	1,089	1,089	1,089	1,089
Balance Forward Out	52	110	149					
Expenditures	418	520	838	1,238	1,089	1,089	1,089	1,089
Biennial Change in Expenditures				1,138		102		102
Biennial % Change in Expenditures				121		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalent	3.08	4.71	6.92	10.66	10.66	10.66	10.66	10.66

Program: Government and Citizen Services

Activity: State Assistive Technology & State Accommodation Reimbursement

mn.gov/star

mn.gov/admin/government/disability-services/accommodation-fund/

AT A GLANCE

During FY 2019 and FY 2020, System of Technology to Achieve Results provided:

- 425 long-term loans of assistive technology that saved Minnesotans with disabilities \$771,098
- 967 short-term loans of assistive technology for trial or temporary use
- 406 demonstrations of assistive technology
- Technical assistance to various committees including; The Advisory Taskforce on State Employment and Retention of Employees with Disabilities, Department of Human Services' Technology First Advisory Task Force

During FY 2019 and FY 2020, the State Accommodation Reimbursement Fund:

- Received 291 accommodation reimbursement requests, with applications from 14 state agencies
- Provided reimbursement of \$290,073 to state agencies

PURPOSE AND CONTEXT

A System of Technology to Achieve Results (STAR) is Minnesota's Assistive Technology Act program and is 100% federally funded.

STAR helps Minnesotans of all ages who have disabilities find and get the assistive technology they need to function more independently at home, school, work, and in their communities. Assistive technology can be any item or product that helps an individual with a disability perform a task. Examples of assistive technology include:

- Communication devices
- Handheld magnifiers
- Software that reads text aloud
- Assistive listening devices
- Adapted eating utensils
- Grab bars

STAR also administers the State's Accommodation Reimbursement Fund to provide support to applicants with disabilities applying for state jobs and to provide a more inclusive workplace for current state employees with disabilities.

SERVICES PROVIDED

STAR provides the following free services to Minnesotans with disabilities so they may function more independently at home, school, work, and in their communities:

- Device loans
- Device demonstrations
- Information and assistance
- Public awareness

STAR has developed assistive technology training in collaboration with a variety of partners, including Microsoft Word document accessibility training and an assistive technology online learning site. Additionally, STAR provides technical assistance to help programs and agencies improve their assistive technology services, management, and policies. Technical assistance may include information and training on integrating assistive technology into the development and implementation of service plans, including education, health, or employment plans required by law.

Demonstrations and short-term loans (30 days or less) help Minnesotans better understand product features and gain hands-on experience with assistive technology before selecting and buying a device. STAR’s services minimize the possibility that Minnesotans will buy an item that doesn’t meet their needs. Professionals working with people with disabilities can also borrow devices to gain experience with them before they work with and make recommendations for their clients. Minnesotans may also borrow assistive technology to use while waiting to receive a new device or while their device is being repaired. Long-term loans allow Minnesotans to borrow older devices that are still in good working condition for as long as needed to use in school, at work, or for essential daily living needs.

RESULTS

In addition to providing 178 short-term device loans for temporary use, STAR loaned 789 devices for short-term trial during FY 2019 and FY 2020. Below is the percentage of borrowers who were able to determine if a device would meet their needs based on their experience during the loan period.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percentage of device loans for decision-making that resulted in borrowers determining if assistive technology would meet their <u>educational</u> needs	95.11% (348 loans)	86.66% (452 loans)	FY 2019, FY 2020
Result	Percentage of device loans for decision-making that resulted in borrowers determining if assistive technology would meet their <u>employment</u> needs	100% (17 loans)	93.61% (47 loans)	FY 2019, FY 2020
Result	Percentage of device loans for decision-making that resulted in borrowers determining if assistive technology would meet their <u>community living needs</u>	97.69% (131 loans)	95.15% (290 loans)	FY 2019, FY 2020

Agencies submitted the following number of requests for reimbursement.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	One-time expenses (e.g., assistive technology) for a state employee that totals more than \$1,000.	10	9	FY 2019, FY 2020
Quantity	Expenses for current state employee for services provided on a periodic or ongoing basis (e.g., American Sign Language interpreter)	143	123	FY 2019, FY 2020
Quantity	Number of individual job applicant agencies submitted expenses for reimbursement from the Accommodation Fund	1	1	FY 2019, FY 2020

Public Law 108-364 (<http://www.gpo.gov/fdsys/pkg/PLAW-108publ364/html/PLAW-108publ364.htm>) and M.S. 16B.055 (<https://www.revisor.mn.gov/statutes/cite/16B.055>) provide the legal authority for STAR. The State Accommodation Reimbursement Fund is authorized in M.S. 16B.4805 (<https://www.revisor.mn.gov/statutes/cite/16B.4805>).

State Assistive Technology (STAR)

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General				0				
2001 - Other Misc Special Revenue	153	159	176	193	202	202	202	202
2403 - Gift			5	5				
3000 - Federal	524	530	409	556	551	552	551	552
Total	677	689	589	754	753	754	753	754
Biennial Change				(23)		164		164
Biennial % Change				(2)		12		12
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation	325	345	277	292	387	388	387	388
Operating Expenses	334	336	292	437	346	346	346	346
Grants, Aids and Subsidies			1					
Other Financial Transaction	19	9	20	25	20	20	20	20
Total	677	689	589	754	753	754	753	754

Full-Time Equivalent

	4.09	3.89	2.87	2.81	3.71	3.71	3.71	3.71
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State Assistive Technology (STAR)

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Direct Appropriation	200	200	200	200	200	200	200	200
Transfers In				117				
Transfers Out	200	200	200	200	200	200	200	200
Cancellations				117				
Expenditures				0				
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2001 - Other Misc Special Revenue

Balance Forward In	2	48	92	116	6	4	6	4
Transfers In	200	200	200	83	200	200	200	200
Balance Forward Out	48	89	116	6	4	2	4	2
Expenditures	153	159	176	193	202	202	202	202
Biennial Change in Expenditures				57		35		35
Biennial % Change in Expenditures				18		9		9
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.12	0.11	0.18	0.08	0.08	0.08	0.08	0.08

2403 - Gift

Balance Forward In				5				
Receipts			10					
Balance Forward Out			5					
Expenditures			5	5				
Biennial Change in Expenditures				10		(10)		(10)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

3000 - Federal

Balance Forward In			3					
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State Assistive Technology (STAR)

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Receipts	524	530	406	556	551	552	551	552
Expenditures	524	530	409	556	551	552	551	552
Biennial Change in Expenditures				(90)		138		138
Biennial % Change in Expenditures				(9)		14		14
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	3.97	3.78	2.69	2.73	3.63	3.63	3.63	3.63

Program: Government and Citizen Services

Activity: State Demographer

mn.gov/admin/demography

AT A GLANCE

- Act as a liaison to the U.S. Census Bureau to ensure a complete and accurate census count
- Prepare estimates of people and households for all counties, cities, and townships in the state
- Produce updated data projections about people by age and gender for Minnesota, its Economic Development Regions, and all counties — to guide planning in the coming decades
- Provided data to state agencies, local government, the legislature, businesses, nonprofits, researchers, and others on 338 occasions in FY 2020
- Delivered 235 presentations about critical issues and the 2020 Census, reaching 12,400 listeners in FY 2020

PURPOSE AND CONTEXT

The Minnesota State Demographic Center (SDC), a part of the Community Services Division, plays a lead role in coordinating Minnesota’s decennial census response and assists state and local leaders in making informed decisions by providing timely and reliable demographic information. It helps leaders locate and understand the best data available so that they can match their policies and programs to the state’s ever-changing needs and be wise stewards of their resources.

SDC assistance provides state leaders with the social, economic, and demographic information they need to support thriving communities and to address racial, geographic, and socioeconomic inequities. SDC analysis is used by federal, state, and local governments; the legislature; educators; the news media; nonprofits; grant-makers; businesses; and community advocates.

SERVICES PROVIDED

The work of the SDC can be divided into three broad categories:

- Data production and Data analysis
 - Prepare annual estimates of the number of people and households in all counties, cities, and townships in the state to assist with planning and distributing resources
 - Create projections of the population and labor force by age, gender, race, and location to plan for impacts to the state budget, economy, and services in the coming decades
 - Produce new data for Minnesota’s unique needs and populations — such as on immigrant groups and languages spoken in Minnesota homes, moving patterns of people by education and income, and different age patterns among Minnesota’s communities
- Public awareness
 - Plan and implement promotional and engagement strategies for Minnesota around the census
 - Support cities and counties to do their own census promotion and engagement for the census
 - Work with the U.S. Census Bureau and local grant-making and non-profit leaders to create and implement a Minnesota-specific census plan
- Facilitate Minnesota’s statewide 2020 Census Complete Count Committee and support the independent efforts of local governments and non-governmental entities to champion the census

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Website pageviews each year	281,525	421,286	FY 2018, FY 2019
Quantity	Number of stakeholders served by individual data requests and presentations each year	5,418	12,800	FY 2014, FY 2019
Quantity	Self-response rate to the Census (CY 2020 as of 8/14/20)	74.1%	72.7%	CY 2010, CY 2020

The State Demographic Center serves as an official liaison to the U.S. Census Bureau. M.S. 4A.02 (<https://www.revisor.mn.gov/statutes/cite/4A.02>) provides the legal authority for the State Demographic Center.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<u>Expenditures by Fund</u>								
1000 - General	664	811	2,249	826	737	737	745	759
2000 - Restrict Misc Special Revenue			11					
Total	664	811	2,259	826	737	737	745	759
Biennial Change				1,611		(1,611)		(1,581)
Biennial % Change				109		(52)		(51)
Governor's Change from Base								30
Governor's % Change from Base								2
<u>Expenditures by Category</u>								
Compensation	526	593	788	714	627	628	632	647
Operating Expenses	128	211	413	112	110	109	113	112
Grants, Aids and Subsidies			1,049					
Capital Outlay-Real Property	5							
Other Financial Transaction	4	7	10					
Total	664	811	2,259	826	737	737	745	759
<u>Full-Time Equivalent</u>								
	6.05	6.06	7.81	6.21	5.38	5.38	5.38	5.38

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		80		89				
Direct Appropriation	737	738	2,339	739	739	739	747	761
Transfers Out			1	2	2	2	2	2
Cancellations		7						
Balance Forward Out	73		89					
Expenditures	664	811	2,249	826	737	737	745	759
Biennial Change in Expenditures				1,600		(1,601)		(1,571)
Biennial % Change in Expenditures				109		(52)		(51)
Governor's Change from Base								30
Governor's % Change from Base								2
Full-Time Equivalents	6.05	6.06	7.71	6.21	5.38	5.38	5.38	5.38

2000 - Restrict Misc Special Revenue

Receipts			11					
Expenditures			11					
Biennial Change in Expenditures				11		(11)		(11)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents			0.10					

Program: Government and Citizen Services

Activity: State Historic Preservation Office

mn.gov/admin/shpo

AT A GLANCE

- Minnesota has 1,745 nationally recognized places, encompassing 25 National Historic Landmarks, 2 Traditional Cultural Properties, and over 7,500 historic and cultural resources
- Completed environmental reviews for 2,251 federal and 360 state projects in FY 2019
- Approved 14 properties to receive federal and state historic tax credits in FY 2019, eight in greater Minnesota; project developers plan to invest \$139.2M in rehabilitation with an estimated \$25.1M of state historic tax credits to be awarded
- In FY 2019, the total estimated economic impact of the Minnesota Historic Rehabilitation Tax Credit was \$245.5 million (\$66.4 in FY 2017) creating an estimated 1,100 full-time jobs (285 in FY 2017); for every \$1 of state credit, \$9.78 in economic activity is created
- Awarded more than \$135k in grants and scholarships in FY 2019 to several Certified Local Governments who leveraged over \$148k in local match to support local preservation goals

PURPOSE AND CONTEXT

The Minnesota State Historic Preservation Office (SHPO), a division of the Department of Administration since 2018, administers federal and state programs aimed at preserving historic and cultural resources important to all Minnesotans. SHPO's mission is to encourage best practices for preservation, so that all people can share in the enduring environmental, social, and economic benefits of Minnesota's cultural heritage. The office draws on both cooperative approaches and expertise to help individuals and the community at all levels of planning, development, and government to achieve their preservation goals and responsibilities under the law.

The SHPO leads the state's historic preservation efforts by articulating a statewide preservation vision and supporting all Minnesotans to identify, protect, rehabilitate, and celebrate historic properties. The statewide vision is set with public and partner participation who help SHPO create and implement a comprehensive statewide preservation plan that is updated every five to ten years.

The SHPO partners with local governments, state and federal agencies, Tribes, the public, developers and investors, and other stakeholders, as outlined in the National Historic Preservation Act of 1966 and Minnesota Statutes. SHPO activities are generally funded by the Historic Preservation Fund (HPF), through the U.S. Department of the Interior, matching state general fund appropriation, and state Historic Structure Rehabilitation Tax Credit fees.

SERVICES PROVIDED

The State Historic Preservation Office provides services in the following general program areas:

- **National Register of Historic Places:** The National Register is the official list of the nation's historic places worthy of preservation
- **Historic Resource Inventory:** SHPO began a systematic survey in 1977, and today maintains the inventory records of over 100,000 properties, both historical and archaeological, that continues to grow with stakeholder support
- **Historic Preservation Tax Incentives:** Property owners rehabilitating historic buildings are eligible to receive federal and state income tax credits on qualifying rehabilitations

- **Section 106/Environmental Reviews:** SHPO reviews state and federal projects for their potential to affect historic resources; and it ensures the state’s historic resources are part of project planning and development
- **Certified Local Governments (CLGs):** CLGs directly benefit with SHPO partnership because 10% of SHPO’s federal funding passes to local communities
- **Statewide Historic Preservation Planning and Disaster Planning for Historic and Cultural Resources:** Responsible for creating and implementing a comprehensive statewide plan, SHPO participates in the State’s Interagency Climate Adaptation Team to encourage building reuse and resiliency for Minnesota’s historic and cultural resources to address effects of climate change

RESULTS

SHPO submits an annual economic analysis of state historic tax credits to the state legislature and an annual report to the National Park Service reporting on all SHPO services that support a comprehensive statewide preservation program and Minnesotans.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Meet the 30-day response time for federal and state environmental compliance reviews (FY 2020 includes data through quarter three)	96%	90%	FY 2018, FY 2020
Quantity	Explore, coordinate, or support 3 to 4 new partnerships or projects that address social, environmental, and economic preservation goals	1*	1	FY 2016, FY 2020
Quality	All forms and documents produced are electronically accessible*	N/A*	60%	FY 2020
Quality	Ensure that all forms and information needed by partners and the public is posted and easily accessed on the SHPO website*	N/A*	40%	FY 2020

*SHPO moved to the Department of Administration in 2018 from the Minnesota Historical Society, and all forms, documents, and webpages require updating.

The following federal and state laws provide the statutory authority for the State Historic Preservation Office: 54 USC 300101 (<https://www.govinfo.gov/content/pkg/USCODE-2018-title54/html/USCODE-2018-title54-subtitleIII-divsnA-app.htm>), 54 USC 302102-302108 (<https://www.govinfo.gov/content/pkg/USCODE-2018-title54/html/USCODE-2018-title54-subtitleIII-divsnA-app-dup1.htm>), 54 USC 302501-302503 (<https://www.govinfo.gov/content/pkg/USCODE-2018-title54/html/USCODE-2018-title54-subtitleIII-divsnA-app-dup1-chap3025.htm>), 36 CFR 60 (https://www.ecfr.gov/cgi-bin/text-idx?SID=b36f494ab8c19284178b4c593eda2a8f&tpl=/ecfrbrowse/Title36/36cfr60_main_02.tpl), 36 CFR 61 (https://www.ecfr.gov/cgi-bin/text-idx?SID=e31d3d9a0c0a4a86790f77b0d997161d&mc=true&tpl=/ecfrbrowse/Title36/36cfr61_main_02.tpl), 36 CFR 800 (https://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=2e3f521c1d07518a220bf5e543296b64&tpl=/ecfrbrowse/Title36/36cfr800_main_02.tpl),

M.S. 138.31-138.42 (<https://www.revisor.mn.gov/statutes/cite/138/full#stat.138.31.1>),
M.S. 138.661-138.666 (<https://www.revisor.mn.gov/statutes/cite/138/full#stat.138.661>),
M.S. 138.71-138.75 (<https://www.revisor.mn.gov/statutes/cite/138/full#stat.138.71>),
M.S. 290.0681 (<https://www.revisor.mn.gov/statutes/cite/290.0681>),
M.S. 471.193 (<https://www.revisor.mn.gov/statutes/cite/471.193>),
and Minnesota Constitution Article XI, Sec. 15 (https://www.revisor.mn.gov/constitution/#article_11).

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	249	484	519	527	1,030	1,658	1,044	1,682
2000 - Restrict Misc Special Revenue	31	200	215	268	263	216	263	216
3000 - Federal	205	875	1,026	1,069	1,069	1,069	1,069	1,069
Total	485	1,559	1,761	1,864	2,362	2,943	2,376	2,967
Biennial Change				1,581		1,680		1,718
Biennial % Change				77		46		47
Governor's Change from Base								38
Governor's % Change from Base								1

Expenditures by Category

Compensation	329	1,124	1,318	1,390	1,431	1,414	1,440	1,433
Operating Expenses	145	355	324	358	312	282	317	287
Grants, Aids and Subsidies		78	120	115	618	1,246	618	1,246
Other Financial Transaction	11	1	(1)	1	1	1	1	1
Total	485	1,559	1,761	1,864	2,362	2,943	2,376	2,967

Full-Time Equivalent

	3.19	11.97	13.47	13.53	13.39	12.96	13.39	12.96
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(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		159		8				
Direct Appropriation	300	1			527	527	541	551
Open Appropriation				0	503	1,131	503	1,131
Transfers In	108	325	527	535				
Transfers Out				8				
Cancellations		2		8				
Balance Forward Out	159		8					
Expenditures	249	484	519	527	1,030	1,658	1,044	1,682
Biennial Change in Expenditures				313		1,642		1,680
Biennial % Change in Expenditures				43		157		161
Governor's Change from Base								38
Governor's % Change from Base								1
Full-Time Equivalents	0.95	3.77	3.79	3.65	3.88	3.79	3.88	3.79

2000 - Restrict Misc Special Revenue

Balance Forward In		534	586	542	430	311	430	311
Receipts	565	252	177	156	144	134	144	134
Transfers Out			5					
Balance Forward Out	534	586	542	430	311	229	311	229
Expenditures	31	200	215	268	263	216	263	216
Biennial Change in Expenditures				252		(4)		(4)
Biennial % Change in Expenditures				109		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.22	1.34	1.76	2.14	1.77	1.49	1.77	1.49

3000 - Federal

Receipts	205	875	1,027	1,069	1,069	1,069	1,069	1,069
Expenditures	205	875	1,026	1,069	1,069	1,069	1,069	1,069
Biennial Change in Expenditures				1,015		43		43
Biennial % Change in Expenditures				94		2		2
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Full-Time Equivalents	2.02	6.86	7.92	7.74	7.74	7.68	7.74	7.68

Program: Government and Citizen Services

Activity: Office of Collaboration and Dispute Resolution

mn.gov/admin/ocdr

AT A GLANCE

- Helps to resolve contentious legislative, interagency, and community issues
- Administers a statewide conflict resolution grant program
- Coordinates the legislature’s Civility Caucus
- Works in partnership with the League of Minnesota Cities and the Association of Minnesota Counties to resolve difficult local issues and to provide conflict resolution training and capacity building for local officials

PURPOSE AND CONTEXT

The Office of Collaboration and Dispute Resolution (OCDR) uses collaborative processes, public engagement, and the science of human relations to help government and stakeholders improve relationships, build trust, and develop wise and durable solutions to seemingly intractable issues. OCDR provides innovative collaborative and consensus-building services to help resolve contentious public issues; assists state and local government in providing meaningful public engagement; and builds the capacity of government to resolve differences in an effective and efficient manner.

SERVICES PROVIDED

- **Public Policy Collaborative Problem-Solving Services.** OCDR uses issue assessment, process design, consensus building, and implementation support to develop wise and durable solutions to seemingly intractable issues.
- **Minnesota Legislative Civility Caucus.** The Civility Caucus was formed by legislative leadership in 2017 to foster effective policy making by promoting trust and understanding between political parties. The caucus hosts relationship building and professional development activities. These activities are developed by legislators for legislators. OCDR coordinates the caucus as part of its statutory charge to “assist state agencies, offices of the executive, legislative, and judicial branches, and units of local government in improving collaboration and dispute resolution.”
- **Community Based Dispute Resolution.** OCDR administers a small grant program to and supports the development and statewide expansion of Community Dispute Resolution Programs which are certified by the Office of the State Court Administrator under Minnesota Statute 494. These centers use highly trained volunteer mediators to resolve disputes such as family disputes, disputes between neighbors, disputes over school discipline, and community-level disputes.
- **Capacity Building.** OCDR provides training, resources and technical assistance to other state and local agencies in effectively implementing collaborative and dispute resolution initiatives and public engagement services.
- **Management of dispute resolution programs.** For efficiency and effectiveness, OCDR manages some dispute resolution programs for other state agencies. A past example includes a federally required mediation for disputes over special education services. Current examples include statutorily required mediation programs for disputes over services provided by State Services for the Blind and Vocational Rehabilitation Services (both at the Department of Employment and Economic Development).

OCDR builds the State’s capacity to work together effectively across differences. Through collaborative problem solving, training, and meaningful public engagement, OCDR assists both state agencies and units of local government in accomplishing their missions and goals in an inclusive way which integrates the perspectives and needs of all stakeholders.

Diversity, equity, and inclusion are central issues of most OCDR collaborative problem-solving processes. OCDR assists state and local government in having challenging conversations productively and developing solutions that lead to greater equity and inclusion in Minnesota. Additionally, OCDR works to build government’s capacity to conduct meaningful public engagement through training, online resources, and process design. The result of this work fosters the development of policy which leads to increased equity and inclusion.

Through its grant program, OCDR also supports nonprofit community dispute resolution programs across the state in the areas of landlord-tenant disputes, school discipline, and small business-client disputes. Most of these services are provided at little or no cost to low-income Minnesotans.

RESULTS

The collaborative resolution of public policy disputes improves the efficiency and effectiveness of government by preventing or mitigating gridlock, avoiding costly litigation, generating higher quality solutions, and speeding up implementation of more durable solutions.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Number of mediations provided by OCDR-funded nonprofit dispute resolution centers	1646	1568	CY 2018, CY 2019
Quality	Percentage of mediations provided by OCDR-funded centers which successfully reached resolution	72%	76%	CY 2018, CY 2019
Quality	Percentage of OCDR processes successfully addressed through collaborative problem solving	100%	78%	CY 2018, CY 2019
Quantity	Number of people trained by OCDR in conflict resolution or public engagement	1182	920	CY 2018, CY 2019

M.S. 179.90 (<http://www.revisor.mn.gov/statutes/cite/179.90>) and M.S. 179.91 (<http://www.revisor.mn.gov/statutes/cite/179.91>) provide the legal authority for the Office of Collaboration and Dispute Resolution.

Office of Collaboration and Dispute Resolution

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23

Expenditures by Fund

1000 - General			397	398	398	398	439	439
Total			397	398	398	398	439	439
Biennial Change				795			1	83
Biennial % Change							0	10
Governor's Change from Base								82
Governor's % Change from Base								10

Expenditures by Category

Compensation			237	226	226	226	266	266
Operating Expenses			1	12	12	12	13	13
Grants, Aids and Subsidies			160	160	160	160	160	160
Total			397	398	398	398	439	439

Full-Time Equivalents

			1.90	1.76	1.73	1.73	1.73	1.73
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Office of Collaboration and Dispute Resolution

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Direct Appropriation					398	398	439	439
Transfers In			398	398				
Cancellations			0					
Expenditures			397	398	398	398	439	439
Biennial Change in Expenditures				795		1		83
Biennial % Change in Expenditures						0		10
Governor's Change from Base								82
Governor's % Change from Base								10
Full-Time Equivalents			1.90	1.76	1.73	1.73	1.73	1.73

Program: Government and Citizen Services

Activity: Office of Enterprise Sustainability

mn.gov/admin/government/sustainability

AT A GLANCE

- Created a web-based Sustainability Reporting Tool designed to track state agencies' progress towards achieving sustainability goals and provide transparency in government operations at <https://sustainability.mn.gov/>
- Published annual Enterprise Sustainability Report
- Worked with Facilities Management and Real Estate and Construction Services to install three additional solar installations on the Capitol Complex for a total of 303 kilowatts direct current capacity and expect to avoid 230 metric tons of carbon dioxide equivalent (CO₂e) per year
- Increased the overall fuel efficiency of the state fleet by adding hybrids, electric vehicles (EV), and EV charging stations at state buildings
- Developed master contracts for renewable energy, energy-efficiency and solid waste services, and the procurement of EVs and EV charging stations

PURPOSE AND CONTEXT

The Office of Enterprise Sustainability (OES) assists all cabinet level agencies in embracing a culture of sustainability in order to maintain Minnesota's economic viability, be socially responsible, and preserve our natural resources for future generations. Executive Order 19-27 affirms the State of Minnesota's goals to reduce greenhouse gas emissions, waste, energy and fuel consumption, and water usage; as well as improve the sustainable procurement of goods and services in government operations. The Executive Order also confirms the Sustainability Enterprise Governance System, the Office of Enterprise Sustainability, and the Sustainability Workgroups, and outlines cabinet level agency responsibilities. The office is funded through inter-agency agreements.

SERVICES PROVIDED

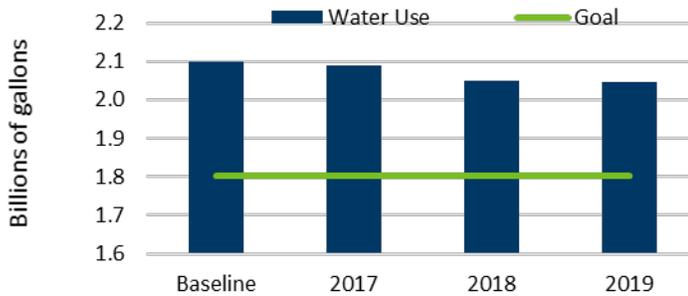
The Office of Enterprise Sustainability supports the 24 cabinet-level state agencies' efforts to reduce greenhouse gas emissions and to fulfill the sustainability goals by:

- Managing sustainability metrics and reporting for the enterprise (through the Sustainability Reporting Tool)
- Publishing an annual report on progress towards goals at <https://sustainability.mn.gov/>
- Educating on sustainability best practices with other agencies, local government, higher education, Fortune 500 companies, and international partners
- Assisting with development of agency sustainability plans
- Providing technical assistance on energy-efficiency, renewable energy, water, and solid waste improvements
- Administering annual sustainability awards

RESULTS

Strengthening sustainability in state operations leads to better government and smart stewardship of taxpayer dollars. Minnesotans expect continual improvements to government operations, including sustainability improvements that will help avoid costs, increase efficiencies, and result in more resilient facilities and operations, along with enhanced environmental and health protection.

WATER CONSUMPTION



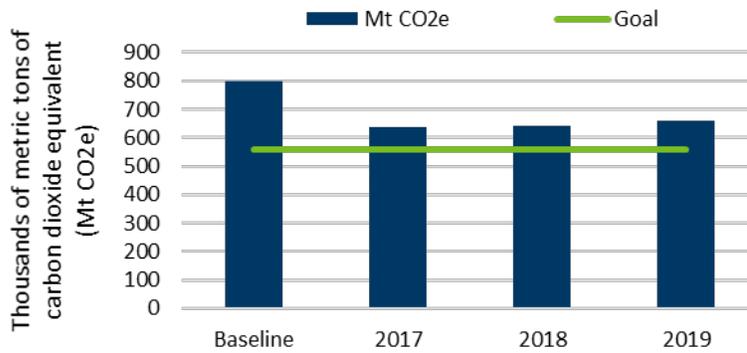
Performance Measure (Result): The state has made progress towards its goal by achieving a 3% reduction in water consumption relative to a 2017 adjusted baseline. The reduction was driven by operational improvements by agencies. 2019 was also a rainy year, which reduced the need for landscape irrigation.

SOLID WASTE DIVERSION



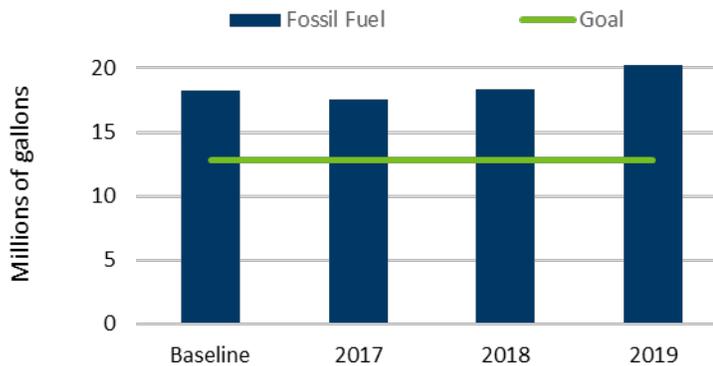
Performance Measure (Result): In 2019, the enterprise marginally increased its municipal solid waste diversion rate, including organics diversion. Several agencies implemented new and improved solid waste hauling contracts either directly or through their landlords, and as a result now have improved reporting accuracy from direct weighing of their solid waste.

GREENHOUSE GAS EMISSIONS



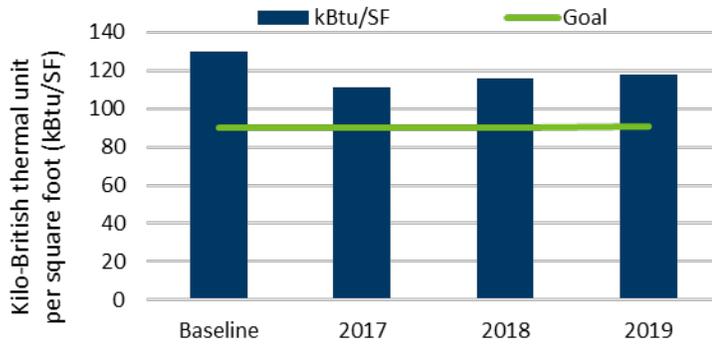
Performance Measure (Result): Greenhouse gas emissions from state operations increased in 2019, moving away from the goal of a 30% reduction of greenhouse gas emissions by 2025 relative to a 2005 baseline. This increase is primarily driven by the extreme temperatures experienced in 2019.

FLEET FOSSIL FUEL USE



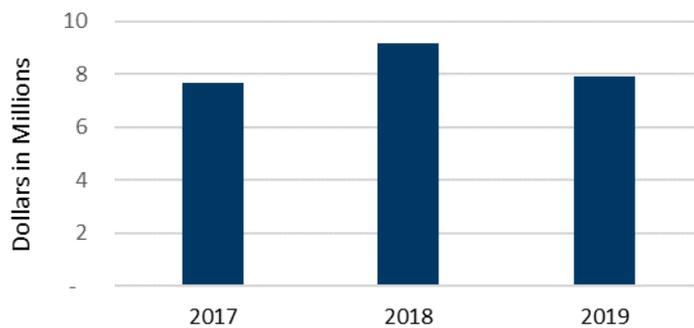
Performance Measure (Result): In 2019 state operations increased fossil fuel gallons used by about 10% from 2018. The main drivers of this increase were a more severe winter and increased use of fuel in transit service. More severe winters require more snow removal and more idling. Metro Transit's Metro Mobility has also expanded its services, which has increased medium fleet fuel use. The State's goal is to reduce fleet vehicle fossil fuel consumption by 30% by 2027 relative to a 2017 adjusted baseline.

ENERGY INTENSITY



Performance Measure (Result): In 2019, state energy consumption increased compared to 2018. 2019 was a relatively colder winter and this led the state to increase use of natural gas and district heating energy. However, the enterprise decreased its overall electricity use due to a cooler summer and energy conservation measures. The State’s goal is to reduce energy consumption per square foot by 30% by 2027 relative to a 2017 adjusted baseline.

ANNUAL AVOIDED COSTS DUE TO ENERGY CONSERVATION MEASURES



Performance Measure (Result): In 2019, the state avoided nearly \$8 million in costs due to energy conservation measures. The cumulative total of avoided costs since 2005 is \$45,152,940.

Executive Order 19-27 (<https://www.leg.state.mn.us/archive/execorders/19-27.pdf>), M.S. 16B.24 (<https://www.revisor.mn.gov/statutes/cite/16B.24>), M.S. 16B.30-16B.327 (<https://www.revisor.mn.gov/statutes/cite/16B/full#stat.16B.30>), M.S. 16B.531-16B.58 (<https://www.revisor.mn.gov/statutes/cite/16B/full#stat.16B.531>), and M.S. 216H (<https://www.revisor.mn.gov/statutes/cite/216H>) provide the legal authority for the Office of Enterprise Sustainability.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<u>Expenditures by Fund</u>								
2001 - Other Misc Special Revenue	348	701	581	582	575	575	575	575
Total	348	701	581	582	575	575	575	575
Biennial Change				113		(13)		(13)
Biennial % Change				11		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
<u>Expenditures by Category</u>								
Compensation	232	242	281	308	322	322	322	322
Operating Expenses	107	459	300	274	253	253	253	253
Other Financial Transaction	9							
Total	348	701	581	582	575	575	575	575
<u>Full-Time Equivalents</u>	2.50	2.85	2.93	2.75	2.80	2.76	2.80	2.76

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
2001 - Other Misc Special Revenue								
Balance Forward In		252	12	7				
Receipts	180	80	238	263	265	265	265	265
Transfers In	420	370	338	312	310	310	310	310
Balance Forward Out	252	1	7					
Expenditures	348	701	581	582	575	575	575	575
Biennial Change in Expenditures				113		(13)		(13)
Biennial % Change in Expenditures				11		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.50	2.85	2.93	2.75	2.80	2.76	2.80	2.76

Program: Strategic Management Services

Activity: Executive Leadership and Partnerships

mn.gov/admin/about/who-we-are/commissioners-office.jsp

AT A GLANCE

- Provide executive leadership to the agency
- Establish and lead implementation of agency strategic vision to implement statutory responsibilities and meet the needs of Minnesotans
- Ensure a safe, inclusive, and productive work environment
- State Historic Preservation Officer
- Agency-wide executive, legislative, and public communications and transparency
- Implement emergency telework and in-person safety processes to maintain continuity of operations in response to the global pandemic

PURPOSE AND CONTEXT

Executive Leadership and Partnerships drives the agency mission, vision, and values. Providing leadership and strategic direction across the agency we set aggressive goals, expect a high level of partner service, and hold ourselves and the agency accountable. We oversee and manage the administrative functions of other executive branch state agencies, including their purchasing and contracting, facilities management and more. We also manage strategic planning efforts for the state and investigate and study the management of state agencies, reorganizing them when necessary to ensure effective and efficient operations.

SERVICES PROVIDED

Executive Leadership

- Executive management support
- Internal and external communications
- Data practices compliance
- Website management

Partnerships

- Intra-agency and inter-agency coordination
- Legislative coordination
- Media relations
- Continuity of operations and emergency preparedness
- Enterprise sustainability

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Department website views	62,945	53,632	FY 2019, FY 2020
Quantity	Agency Continuity of Operations trainings	8	30	CY 2017, FY 2020

[M.S. 16B.04 \(https://www.revisor.mn.gov/statutes/cite/16B.04\)](https://www.revisor.mn.gov/statutes/cite/16B.04) provides the legal authority for the Department of Administration.

Executive Support Leadership and Partnerships

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	642	737	659	771	715	715	726	744
2001 - Other Misc Special Revenue	200	25						
3010 - Coronavirus Relief			402					
Total	842	762	1,061	771	715	715	726	744
Biennial Change				228		(402)		(362)
Biennial % Change				14		(22)		(20)
Governor's Change from Base								40
Governor's % Change from Base								3

Expenditures by Category

Compensation	433	310	848	490	482	487	484	507
Operating Expenses	410	263	210	276	228	223	237	232
Grants, Aids and Subsidies		0						
Capital Outlay-Real Property		5	0					
Other Financial Transaction		184	3	5	5	5	5	5
Total	842	762	1,061	771	715	715	726	744

Full-Time Equivalent

	3.74	3.04	7.35	3.73	3.73	3.73	3.73	3.73
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Executive Support Leadership and Partnerships

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		57		56				
Direct Appropriation	701	720	1,248	1,248	721	721	732	750
Transfers Out	8	32	532	533	6	6	6	6
Cancellations		8						
Balance Forward Out	51		56					
Expenditures	642	737	659	771	715	715	726	744
Biennial Change in Expenditures				51		0		40
Biennial % Change in Expenditures				4		(0)		3
Governor's Change from Base								40
Governor's % Change from Base								3
Full-Time Equivalents	3.74	3.04	3.62	3.73	3.73	3.73	3.73	3.73

2000 - Restrict Misc Special Revenue

Balance Forward In	13	13	174	196	196	196	196	196
Receipts			22					
Balance Forward Out	13	13	196	196	196	196	196	196

2001 - Other Misc Special Revenue

Receipts	200							
Transfers In		25						
Expenditures	200	25						
Biennial Change in Expenditures				(225)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

3010 - Coronavirus Relief

Direct Appropriation			402					
Cancellations			0					
Expenditures			402					
Biennial Change in Expenditures				402		(402)		(402)
Biennial % Change in Expenditures								
Governor's Change from Base								0

Executive Support Leadership and Partnerships

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Governor's % Change from Base								
Full-Time Equivalents			3.73					

Program: Strategic Management Services

Activity: Financial Management and Reporting

mn.gov/admin/about/contact-us/fmr.jsp

AT A GLANCE

- Provide financial management, accounting, and purchasing support of the agency's \$201.5 million expenditures in FY 2019
- Produce more than 50 financial statements each year for monthly, quarterly, and annual reporting
- Serve each of the agency's 25 divisions
- Support the financial management and accounting needs of 35 agencies served by the Small Agency Resource Team

PURPOSE & CONTEXT

Financial Management and Reporting (FMR) provides administrative services within the agency, overseeing strategic and operational planning, performance management, financial management, internal controls, and budget planning. In addition, FMR completes financial transactions, including purchasing, for partners served by the Small Agency Resource Team (SmART). The number of SmART partners supported has increased nearly twofold since FY 2019, from 19 partners to 35 partners.

SERVICES PROVIDED

FMR serves as the agency's financial liaisons and consultants conforming to Generally Accepted Accounting Principles (GAAP). Through effective financial management, FMR achieves fiscally responsible utilization of available resources, as governed by applicable laws, policies, and procedures. FMR provides the following agency services:

- Annual, biennial, capital, and supplemental budget preparation
- Purchasing
- Transaction review and approval
- Financial reporting
- Internal control coordination
- Financial statement preparation for proprietary funds
- Billing and accounts receivable management
- Cash and asset management
- Business plan and rate review oversight
- Fiscal note management
- Policy and procedure development and process training
- Financial analysis
- Accounts payable
- SWIFT security management
- Financial verification
- State accounting system coordination, implementation, and maintenance

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Agency prompt payment: Percent of valid obligations paid to vendors within 30 days following receipt of the invoice or delivery of the product or service, whichever is later.	97.53%	96.97%	FY 2019, FY 2020
Quality	Percentage of accounting processes (internal accounts receivable, cash management, and accounts payable) converted from paper-based to paperless. This is a new measure.	N/A	33%	FY 2020
Quantity	Employee engagement: Percent of FMR team members who engage in professional development 12 hours annually, with a goal of three hours per quarter.	83%	79%	FY 2019, FY 2020

M.S. 16A.124 (<https://www.revisor.mn.gov/statutes/cite/16A.124>) describes agency's goals for prompt payment of vendors.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	761	1,026	903	1,005	944	944	972	989
Total	761	1,026	903	1,005	944	944	972	989
Biennial Change				121		(20)		53
Biennial % Change				7		(1)		3
Governor's Change from Base								73
Governor's % Change from Base								4

Expenditures by Category

Compensation	569	693	612	716	716	716	733	749
Operating Expenses	177	323	281	284	223	223	234	235
Capital Outlay-Real Property		8						
Other Financial Transaction	15	2	10	5	5	5	5	5
Total	761	1,026	903	1,005	944	944	972	989

Full-Time Equivalents

	5.84	7.21	6.60	8.00	7.80	7.65	7.80	7.65
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(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
1000 - General								
Balance Forward In		140		61				
Direct Appropriation	867	886	964	944	944	944	972	989
Cancellations		0						
Balance Forward Out	106		61					
Expenditures	761	1,026	903	1,005	944	944	972	989
Biennial Change in Expenditures				121		(20)		53
Biennial % Change in Expenditures				7		(1)		3
Governor's Change from Base								73
Governor's % Change from Base								4
Full-Time Equivalents	5.84	7.21	6.60	8.00	7.80	7.65	7.80	7.65

Program: Strategic Management Services**Activity: Human Resources-Administration**mn.gov/admin/employees/hr/

AT A GLANCE

- Posts an average of 200 vacancies per fiscal year for partner agencies
- Processed 3,600 total transactions for FY 2020
- Participates in Joint Labor-Management Safety Committee to help maintain open communication between team members and management concerning safety and health
- Processes an average of 150 Family and Medical Leave Act requests per year
- Provides human resource advice and services for 1300 team members in partner agencies
- Over 50% of disciplinary actions did not result in the invocation of the grievance procedure

PURPOSE AND CONTEXT

The Human Resources Division provides comprehensive human resources services to team members, prospective employees, and management of the Department of Administration (Admin), Minnesota Management and Budget, and multiple agencies, boards, and commissions through Admin's Small Agency Resource Team. Core functions include strategic sourcing to attract and hire top talent; developing and retaining a productive, diverse, and highly competent workforce; and payroll administration. In addition, the division provides strategic direction to managers and supervisors on workforce planning, coaching and mentoring, employee engagement, performance management, and diversity, equity, and inclusivity opportunities to increase the overall health of the agencies it serves. The division's work is subject to compliance with federal and state law as well as internal policies and procedures.

SERVICES PROVIDED

The Human Resources Division provides the following services:

- Americans with Disabilities Act compliance and coordination
- Affirmative Action planning, review, and monitoring
- Benefits enrollment and administration including Family Medical Leave, Military Leave, and Paid Parental Leave
- Bi-weekly payroll processing
- Classification and compensation/wage administration
- Consultation on human resources management issues
- Employee training and development
- Labor contract administration and employee relations
- New employee orientation
- Performance management
- Recruitment and selection
- Safety Administration and Occupational Safety and Health Administration compliance and general safety and wellness program administration
- Workers' compensation administration
- Workforce planning

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Maintain at least a 75% retention rate for newly hired employees for two years. This is a new measure.	N/A	72%	FY 2019
Quality	Percent of employees, supervisors, and managers who responded to survey indicating they understand how their work contributes to Admin's mission	95.62%	96.0%	FY 2017, FY 2019
Quality	Safety Perceptions Survey (1-5 ranking with 5 reflecting a favorable safety culture).	3.88	3.98	FY 2017, FY 2019
Quality	Employees receive performance reviews annually	94%	71%	FY 2018, FY 2020

M.S. 16A.14-26 (<https://www.revisor.mn.gov/statutes/cite/16A/full#stat.16A.14>) and M.S. 16B.04, Subd. 4 (2) (<https://www.revisor.mn.gov/statutes/cite/16B.04>) provide the legal authority for the Human Resources Division.

Human Resources-Administration

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	362	473	423	495	459	459	470	479
Total	362	473	423	495	459	459	470	479
Biennial Change				82		0		31
Biennial % Change				10		0		3
Governor's Change from Base								31
Governor's % Change from Base								3

Expenditures by Category

Compensation	276	348	356	443	402	402	411	421
Operating Expenses	62	92	67	50	55	55	57	56
Capital Outlay-Real Property		3						
Other Financial Transaction	23	30		2	2	2	2	2
Total	362	473	423	495	459	459	470	479

Full-Time Equivalents

	3.81	3.74	4.49	4.57	4.09	4.09	4.09	4.09
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Human Resources-Administration

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
1000 - General								
Balance Forward In		82		36				
Direct Appropriation	453	458	459	459	459	459	470	479
Transfers Out	9	59						
Cancellations		8						
Balance Forward Out	82		36					
Expenditures	362	473	423	495	459	459	470	479
Biennial Change in Expenditures				82		0		31
Biennial % Change in Expenditures				10		0		3
Governor's Change from Base								31
Governor's % Change from Base								3
Full-Time Equivalents	3.81	3.74	4.49	4.57	4.09	4.09	4.09	4.09

Program: Fiscal Agent

Activity: Public Broadcasting

mn.gov/admin/government/grants/arts-cultural-heritage-fund/

AT A GLANCE

- Administered and managed 24 public broadcasting general fund grant contracts totaling \$2,818,999 in FY 2020.
- Administered and managed 20 Arts and Cultural Heritage Fund grants contracts totaling \$8,183,346 in FY 2020
- Conducted 24 financial reconciliations with general fund public broadcasting grantees in FY 2020
- Conducted 9 financial reconciliations and monitoring visits with arts and cultural heritage grantees in FY 2020

PURPOSE AND CONTEXT

The Department of Administration’s fiscal agent function – conducted by the Office of Grants Management – ensures that grants and other special funding received through specific appropriations are distributed and managed according to all applicable laws, statutes, policies, and procedures. Administration of these funds allows the Department to provide value to the recipients and public by ensuring resources are used as intended.

The fiscal agent function serves a variety of entities representing public television and radio funds appropriated by the legislature.

The fiscal agent functions allow public broadcasting grantees to produce content for all Minnesotans that aligns with important state priorities. Examples are as follows:

- Public broadcasting grantees provide grant-funded resources for K-12 educators to access artistic, historical, and cultural programming
- Public broadcasting grantees provide grant-funded educational programming for youth, including early education
- Public broadcasting grants were awarded to three Tribal Nations in FY 2020
- Programming from Tribal Nation grantees and other grantees includes:
 - Native language education and preservation
 - Native American news and history programming
- Most of the public broadcasting grantees are located in Greater Minnesota, and six are located in Minneapolis
- Public Broadcasting programming includes a documentary titled “Housing First” shedding light on how housing challenges affect citizens in our communities and examining historical inequities and current efforts to create more affordable housing and end homelessness
- Public broadcasting programming includes a Boundary Waters Canoe Area podcast that honors Minnesota history of the Boundary Waters; this leads to increased knowledge and awareness of the way that wilderness history affects lives, increases knowledge, and fosters trust in Minnesota’s stewardship of public arts, culture, and history. Environmental programming is blended into a format accessible to all ages and all levels of experience.

SERVICES PROVIDED

The fiscal agent function oversees funding for:

- Administration and management of 24 public broadcasting general fund grant contracts to 24 grantees in FY 2020
 - 24 grants to public broadcasting stations
 - One grant to Pioneer Public Television to purchase equipment for a newly constructed facility
- Administration and management of 20 Arts and Cultural Heritage Fund grant contracts to public broadcasting entities
- Conducted 33 financial reconciliations (24 general fund and 9 arts and cultural heritage fund) with public broadcasting grantees in FY 2020, meeting Office of Grants Management policies

Specific services provided include:

- Administer grants and ensure state grant policies and procedures are followed
- Provide consultation and technical assistance to grantees
- Conduct focus groups with grantees to improve effectiveness
- Maintain information on the state’s Legacy website <https://www.legacy.mn.gov/>

The fiscal agent function has established and maintained processes for handling financial transactions, tracking information, and reporting the information as required by the legislature. Contracts and agreements are an integral function of this activity.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of required reports from grantees received in a timely manner	100%	94%	FY 2018, FY 2020
Result	Percent of grantees stating in Legislative report that they achieved or mostly achieved grant outcomes for their Legacy grant projects	N/A*	93%	FY 2020

*This is a new grantee requirement that will be tracked in upcoming fiscal years

M.S. 16B (<https://www.revisor.mn.gov/statutes/?id=16B>) and M.S. 129D.17-19 (<https://www.revisor.mn.gov/statutes/cite/129D/full#stat.129D.17>), and appropriations bills provide the legal authority for this program.

Public Broadcasting

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<u>Expenditures by Fund</u>								
1000 - General	3,019	2,619	2,819	2,819	2,819	2,819	2,819	2,819
2301 - Arts & Cultural Heritage	7,206	7,071	8,183	6,224	1,051		1,051	
Total	10,225	9,690	11,002	9,043	3,870	2,819	3,870	2,819
Biennial Change				131		(13,356)		(13,356)
Biennial % Change				1		(67)		(67)
Governor's Change from Base								0
Governor's % Change from Base								0
<u>Expenditures by Category</u>								
Grants, Aids and Subsidies	10,228	9,690	11,002	9,043	3,870	2,819	3,870	2,819
Other Financial Transaction	(3)							
Total	10,225	9,690	11,002	9,043	3,870	2,819	3,870	2,819

Public Broadcasting

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
1000 - General								
Balance Forward In	0	0	0					
Direct Appropriation	3,181	2,781	2,981	2,981	2,819	2,819	2,819	2,819
Transfers Out	162	162	162	162				
Cancellations		0						
Expenditures	3,019	2,619	2,819	2,819	2,819	2,819	2,819	2,819
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2301 - Arts & Cultural Heritage

Balance Forward In	96	73	137					
Direct Appropriation	7,150	7,300	8,295	6,449	0	0	0	0
Transfers In	207				1,051		1,051	
Transfers Out	143	195	249	225				
Cancellations	31							
Balance Forward Out	73	107						
Expenditures	7,206	7,071	8,183	6,224	1,051		1,051	
Biennial Change in Expenditures				131		(13,356)		(13,356)
Biennial % Change in Expenditures				1		(93)		(93)
Governor's Change from Base								0
Governor's % Change from Base								

Program: Fiscal Agent

Activity: In Lieu of Rent

AT A GLANCE

- In Lieu of Rent appropriation funds the space costs of the legislature, veterans' organizations, and ceremonial space on the Capitol Complex
- Space funded by In Lieu of Rent is billed in the same manner, and at the same rate per square foot, as other tenant-occupied space in the same buildings

PURPOSE AND CONTEXT

The In Lieu of Rent (ILR) appropriation is essential for the proper stewardship and operation of buildings that are integral to the state's democratic process, as well as offices that provide support and advocacy on behalf of Minnesota's veterans and vocational opportunities for the blind. ILR is used to fund space costs of the legislature, veterans' organizations, ceremonial space, the capitol grounds, and statutorily free space. Rent is funded by ILR in areas that are either ceremonial or where occupants do not directly pay rent. More specifically, the ILR appropriation covers rent for:

- **Ceremonial Space** – space in the Capitol Building (such as the Rotunda), Governor's Residence, ceremonial grounds, and monuments and memorials in the Capitol area.
- **State Services for the Blind** – space occupied by State Services for the Blind to operate vending operations and convenience stores at eleven sites.
- **Rent Waived** – space in the State Capitol Building, the State Office Building, and Veterans Service Building that is occupied by the House of Representatives, Senate, Revisor of Statutes, Legislative Reference Library, and Congressionally-chartered veterans' organizations. The recently created public areas in the restored Capitol are also included in this area.

The core of state government is located in buildings on or near the State Capitol Complex, including the Legislative Branch, the Supreme Court and Court of Appeals, and many Executive branch functions. In general, the funding required to operate and maintain state-owned buildings in the Capitol Complex comes through rents paid from the operating budgets of the state government entities that occupy that space. The Commissioner of Administration determines lease rates with approval from the Commissioner of Minnesota Management and Budget. In contrast, the costs to operate and maintain certain legislative and other space defined in law is funded by ILR which is a direct appropriation to the Commissioner of Administration as the fiscal agent. ILR funded space is billed in the same manner, and at the same rate per square foot, as other tenant-occupied space in the same buildings.

SERVICES PROVIDED

The appropriation provides the staffing and maintenance necessary to care for many of the state's most valuable real property assets, including the state's recent investment in the restoration of the Capitol Building. These services are intended to provide clean, safe, and environmentally-sound facilities; energy management; recycling; event permitting and coordination; Capitol Complex food service oversight; and maintenance of green spaces including monuments and memorials.

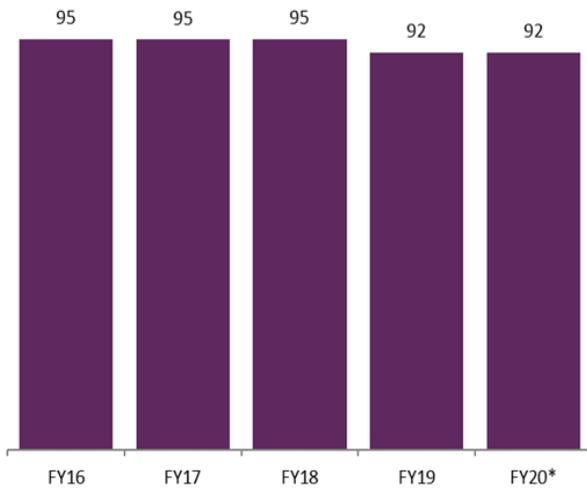
The appropriation also helps the state build a more inclusive workplace by providing a training platform for disadvantaged populations and allowing them to get the experience they need to gain full employment. It provides the workspace for special needs high school seniors from the St. Paul School district to provide hands-on

training and workplace experiences with the goal of preparing them for meaningful full-time employment after graduation.

RESULTS

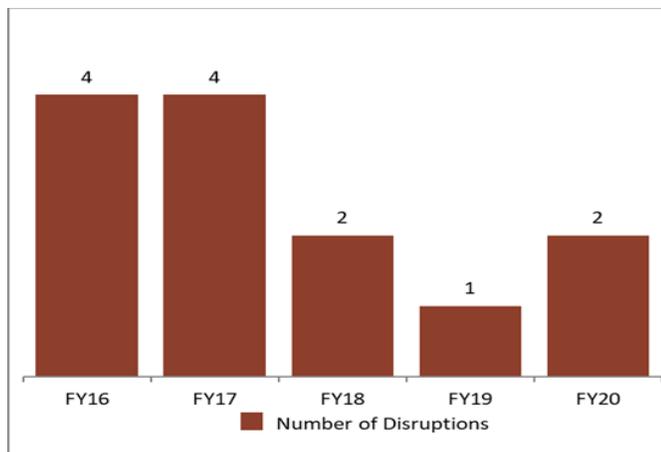
The Department of Administration’s Facilities Management Division (FMD), which is responsible for maintaining spaces funded by ILR, measures performance in multiple ways including partner satisfaction, service disruptions, work completion rates, and carbon reduction. FMD also continually monitors the conditions of the buildings it manages by conducting annual facility condition audits.

Result: Partner Satisfaction



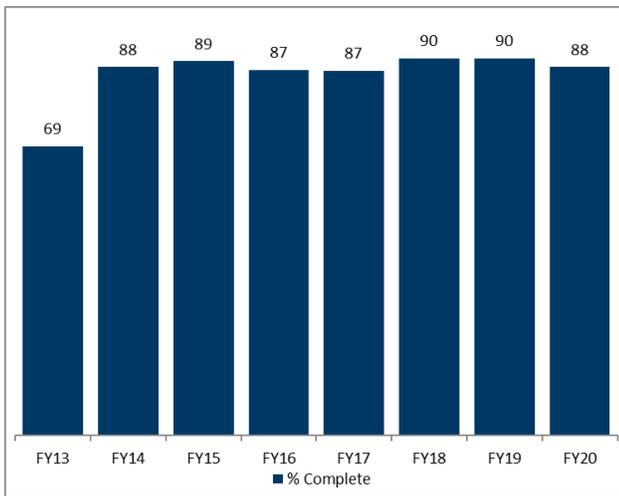
Measure (Quality): Partner Satisfaction. *The percentage from the Building Occupant Survey identifies consistently high tenant satisfaction with Admin managed facilities. *FY Data incomplete as a result of temporary suspension of survey program as a result of COVID-19.*

Service: FMD-caused Service Disruptions



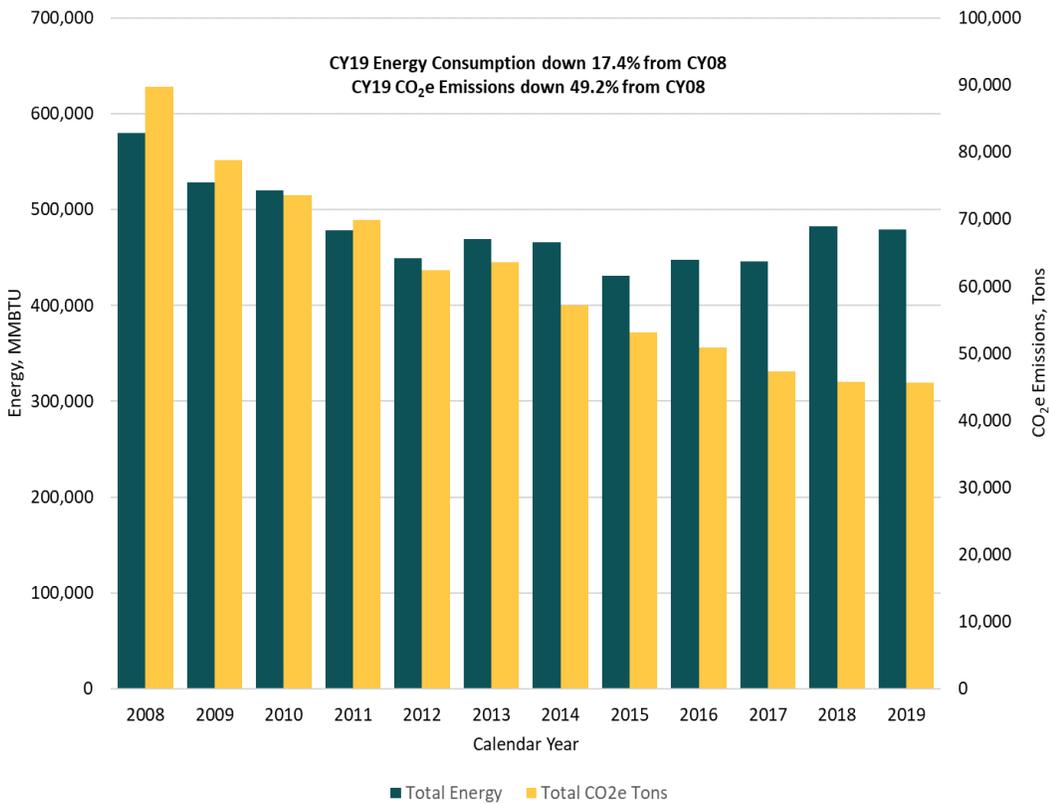
Measure (Result): Service. One of FMD’s departmental values is Service. The goal is to have zero FMD caused-service disruptions. A service disruption is any change or interruption in a building service such as heating, cooling, plumbing, or electrical service that degrades an occupant’s ability to accomplish their mission

Teamwork: Work Order On-Time Completion Percentage



Measure (Quality): Teamwork. *Statistics for percentage of work orders completed on-time show improved timeliness of work order completions.*

Result: Sustainability



Sustainability: *FMD strives to do what is right for the environment. Building recommissioning and systems upgrades helped achieve a Carbon Emissions reduction of 49.9% since 2008. The state’s goal is a reduction of 30% by 2025.*

[M.S. 197.55](https://www.revisor.mn.gov/statutes/cite/197.55) (<https://www.revisor.mn.gov/statutes/cite/197.55>) and [M.S. 248.07, Subd. 7](https://www.revisor.mn.gov/statutes/cite/248.07#stat.248.07.7) (<https://www.revisor.mn.gov/statutes/cite/248.07#stat.248.07.7>) provide the legal authority for In Lieu of Rent.

In Lieu of Rent

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
<u>Expenditures by Fund</u>								
1000 - General	9,374	9,254	9,391	9,891	9,891	9,891	10,515	10,515
Total	9,374	9,254	9,391	9,891	9,891	9,891	10,515	10,515
Biennial Change				654		500		1,748
Biennial % Change				4		3		9
Governor's Change from Base								1,248
Governor's % Change from Base								6
<u>Expenditures by Category</u>								
Operating Expenses	9,374	9,254	9,391	9,891	9,891	9,891	10,515	10,515
Total	9,374	9,254	9,391	9,891	9,891	9,891	10,515	10,515

In Lieu of Rent

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
1000 - General								
Direct Appropriation	9,374	9,391	9,391	9,891	9,891	9,891	10,515	10,515
Cancellations		137						
Expenditures	9,374	9,254	9,391	9,891	9,891	9,891	10,515	10,515
Biennial Change in Expenditures				654		500		1,748
Biennial % Change in Expenditures				4		3		9
Governor's Change from Base								1,248
Governor's % Change from Base								6

Program: Fiscal Agent

Activity: Miscellaneous Grants, Studies, and Others

mn.gov/admin/government/grants/arts-cultural-heritage-fund

AT A GLANCE

- Administered and managed 10 Arts and Cultural Heritage grant fund contracts to zoos, museums, aquariums, gardens, memorials and non-profit organizations totaling \$3,168,020 in FY 2020.

PURPOSE AND CONTEXT

The Department of Administration’s fiscal agent function – conducted by the Office of Grants Management (OGM) – ensures that grants and other special funding that Admin receives through specific appropriations are distributed and managed according to all applicable laws, statutes, policies, and procedures. Administration of these funds allows the Department to provide value to the recipients and public by ensuring resources are used as intended.

All the grants in this activity are made from the Arts and Cultural Heritage Fund. Grants managed by this activity include grants to the City of Saint Paul, Martin County, Lake Superior Zoo, the Science Museum, Green Giant Museum, Great Lakes Aquarium, Wilderness Inquiry, Midwest Outdoors Unlimited, and Ampers for a grant highlighting the voices of veterans.

The fiscal agent function allows Arts and Cultural Heritage Fund grantees to produce content for all Minnesotans that aligns with important state priorities. Examples are as follows:

- Grant outcomes include providing students with outdoor educational experiences aligned with Minnesota history graduation standards and connecting individuals and youth with disabilities to Minnesota’s natural resources.
- Other grant outcomes include conducting professional development institutes to explore equity and inclusion for teachers and district team leaders, increasing awareness and knowledge of history and its effects on lives, to help Minnesotans make informed future decisions, and providing access to Minnesota history for Minnesotans of all ages, ethnicities, and incomes.
- Six grantees are in Greater Minnesota and four are in Minneapolis and Saint Paul.
- Local expertise will be used to design and develop the Chinese garden in Phalen Park, including cultural leaders and a local artist, that will help tell the Hmong experience.
- Programming includes educational experiences that reinforce conservation messages such as pollinator and recycling exhibits and activities.

SERVICES PROVIDED

The fiscal agent oversees funding, administration, and management of 10 Arts and Cultural Heritage Fund grant contracts.

Specific services provided include:

- Administer grants and ensure grantees follow state grant policies and procedures
- Provide consultation and technical assistance to grantees
- Conduct focus groups with grantees to improve effectiveness
- Maintain information on the state’s Legacy website

The OGM conducted three financial reconciliations and three monitoring visits for grantees with expenditures over \$250,000, meeting OGM policies.

OGM has established and maintained processes for handling financial transactions, tracking information, and reporting the information as required by the legislature. Contracts and agreements are an integral function of this activity.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of required reports from grantees received in a timely manner	100%	100%	FY 2018, FY 2020
Result	Percent of grantees stating in Legislative report that they achieved or mostly achieved grant outcomes for their Legacy grant projects	N/A*	100%	FY 2020

*This is a new grantee requirement that will be tracked in upcoming fiscal years

M.S. 4.071 (<https://www.revisor.mn.gov/statutes/cite/4.071>), M.S. 16A.016 Subd. 2 (<https://www.revisor.mn.gov/statutes/cite/16A.016#stat.16A.016.2>), M.S. 15B.32 (<https://www.revisor.mn.gov/statutes/cite/15B.32>), and appropriations bills provide the legal authority for this activity.

Miscellaneous Grants/Studies/Others

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<u>Expenditures by Fund</u>								
1251 - COVID-19 Minnesota			5,683	1,217				
2001 - Other Misc Special Revenue		38						
2301 - Arts & Cultural Heritage	3,417	2,231	2,780	2,760	358		358	
2403 - Gift	429	45	1					
Total	3,846	2,314	8,464	3,977	358		358	
Biennial Change				6,282		(12,083)		(12,083)
Biennial % Change				102		(97)		(97)
Governor's Change from Base								0
Governor's % Change from Base								

Expenditures by Category

Compensation	8							
Operating Expenses	420	83	100	123				
Grants, Aids and Subsidies	3,417	2,231	2,780	2,503	358		358	
Capital Outlay-Real Property			5,584	1,351				
Total	3,846	2,314	8,464	3,977	358		358	

Full-Time Equivalents

0.22				
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Miscellaneous Grants/Studies/Others

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base		Governor's Recommendation	
					FY22	FY23	FY22	FY23
1251 - COVID-19 Minnesota								
Balance Forward In				1,217				
Direct Appropriation			6,900					
Balance Forward Out			1,217					
Expenditures			5,683	1,217				
Biennial Change in Expenditures				6,900		(6,900)		(6,900)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
2001 - Other Misc Special Revenue								
Receipts		38						
Expenditures		38						
Biennial Change in Expenditures				(38)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
2301 - Arts & Cultural Heritage								
Balance Forward In	268	255	7	645	1,409		1,409	
Direct Appropriation	3,680	2,300	3,516	3,601	0	0	0	0
Transfers In	57				358		358	
Transfers Out	332	69	98	77	1,409		1,409	
Cancellations	1	250						
Balance Forward Out	255	5	645	1,409				
Expenditures	3,417	2,231	2,780	2,760	358		358	
Biennial Change in Expenditures				(108)		(5,182)		(5,182)
Biennial % Change in Expenditures				(2)		(94)		(94)
Governor's Change from Base								0
Governor's % Change from Base								
2403 - Gift								
Balance Forward In	205	54	14	5	5	5	5	5
Receipts	275	5	0					

Miscellaneous Grants/Studies/Others

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Transfers Out			7					
Balance Forward Out	51	14	5	5	5	5	5	5
Expenditures	429	45	1					
Biennial Change in Expenditures				(473)		(1)		(1)
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.22							

3002 - Oil Overcharge

Balance Forward In	3	3	3	3	3	3	3	3
Balance Forward Out	3	3	3	3	3	3	3	3

Administration

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Budget	FY 2022 Base	FY 2023 Base	Required State Match or MOE?	FTEs
Health and Human Services 93.630	Federal Assistance to State Developmental Disability Councils - DD Act Subtitle B: To provide information, education and training to people with developmental disabilities and their families	No	\$ 1,198	\$ 1,423	\$ 1,255	\$ 1,338	Yes	2.40
Defense Logistics Agency 12.002	Procurement Technical Assistance Cent: To assist Minnesota businesses in selling their products/services to federal, state and local entities.	No	\$ 613	\$ 743	\$ 745	\$ 745	Yes	6.50
Health and Human Services 93.464	State Grants for Assistive Technology - Assistive Technology Act Section 4: To promote access to and acquisition of assistive technology by people with disabilities of all ages for use at home, school, work, and in the community.	No	\$ 409	\$ 556	\$ 551	\$ 552	No	3.60
Department of Interior 15.904	Historic Preservation Fund: To administer federal and state programs to preserve historic and cultural resources.	No	\$ 1,026	\$ 1,069	\$ 1,069	\$ 1,069	Yes	7.70
	Program Total: Government and Citizen Services		\$ 3,246	\$ 3,791	\$ 3,620	\$ 3,704		20.20
	Federal Fund – Agency Total		\$ 3,246	\$ 3,791	\$ 3,620	\$ 3,704		20.20

Narrative

Developmental Disability Council:

The Governor's Council on Developmental Disabilities (DDC) receives an annual formula grant from the U.S. Department of Health and Human Services, under a federal program, with state participation, to provide assistance to state councils for the benefit of individuals with developmental disabilities and their families in the state (Developmental Disabilities Assistance and Bill of Rights Act of 2000, P.L. 106-402). This program requires maintenance of efforts (MOE) by the states. The federal share of the cost of all program and operating activities cannot be more than 75% of the aggregate costs of such activities. The remaining 25% share of aggregate costs is the non-federal share that is provided by the state and sub-grantees. The federal act requires reasonable participation by the state. The DDC currently receives a \$74,000 general fund appropriation each fiscal year and a \$148,000 general fund appropriation for Olmstead activities. Federal funding is expected to slightly increase over the budget period due to reallocation of funds related to entities that did not meet their MOE commitments, thereby forfeiting their funds.

Assistive Technology:

STAR is Minnesota's Section 4 Assistive Technology (AT) Act Program and is 100% federally funded under a discretionary formula grant award from the U.S. Department of Health and Human Services. STAR works collaboratively with community partners to increase statewide access to assistive technology through demonstrations, loans and reuse services to Minnesotans of all ages who have a disability or functional need. STAR promotes the use of assistive technology at home, school, work and in the community.

Procurement Technical Assistance Center:

The Procurement Technical Assistance Center (PTAC) was established to expand the number of businesses capable of participating in government contracts. The PTAC receives federal funding from the Defense Logistics Agency through an annual cost sharing cooperative agreement to help businesses pursue and perform under contracts with federal agencies, state and local governments, and with government prime contractors. Federal funds cover 60% of the cost of the work benefitting non-distressed areas of the state, and 75% of costs for distressed areas. State matching funds are required. State match includes a portion of operating costs for the Office of Equity on Procurement and limited leadership and administrative support costs. The level and percentage of future federal funding may vary, but changes cannot be accurately predicted at this time, so future available federal funds are anticipated to remain near the current level.

Historic Preservation Fund:

The State Historic Preservation Office (SHPO) receives an annual formula appropriation from the U.S. Department of the Interior, National Park Service. Since 1976, the Historic Preservation Fund (HPF) has supported SHPOs and Tribal Historic Preservation Offices (THPOs) throughout the United States to help recognize, save, revitalize, and protect America's historic places. The HPF is funded by revenue from federal offshore drilling (non-tax dollars) and has been authorized through 2023, however, each year the HPF must be allocated and approved. SHPO has 13 full-time employees supported by the HPF and state matching share.

States are required to match at least 40% of the funding they receive from the HPF. The combined funds allow SHPO to carry out their federal and state mandated responsibilities of identifying and protecting historic resources as well as evaluating the impacts of federal and state projects upon those resources. The SHPOs are also required to pass through at least 10% of the HPF to local governments (sub-grantees) that have preservation programs certified by the SHPO. The 40% matching share is provided by the state general fund, state historic tax credit revenues, and sub-grantees. The state historic tax credit program is set to sunset in June, 2021 and fees will not be collected and available as state match after 2024.

Each annual SHPO award is available for two years, and only 25% can be carried over to the second year. A waiver must be requested and approved if more than 25% is carried over. During federal fiscal year 2020, the SHPO was authorized \$1,068,738 HPF with a minimum matching share of \$712,528. SHPO anticipates an increase in HPF for federal fiscal year 2021 as the Senate Omnibus spending bill includes a \$4.3 million increase in HPF for SHPOs. The National Park Service is establishing a task force to review the appropriation formula for HPF which is based on outdated census information. The new formula will be in effect for federal fiscal year 2022 funding.

Department of Administration

Central Motor Pool - Fleet Services

Fund 5100

Revenues, Expenses and Changes in Net Assets

(Dollars in Thousands)

	Actual FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Operating Revenues:				
Net Sales	14,047	20,470	22,793	22,793
Rental and Service Fees	0	0	0	0
Insurance Premiums	0	0	0	0
Other Income	305	238	240	240
Total Operating Revenues	14,352	20,708	23,033	23,033
Gross Margin	14,352	20,708	23,033	23,033
Operating Expenses:				
Purchased Services	1,529	1,928	1,962	1,996
Salaries and Fringe Benefits	773	856	856	856
Claims	0	0	0	0
Depreciation	7,769	10,036	12,000	13,000
Amortization	0	0	0	0
Supplies and Materials	2,493	2,665	2,745	2,827
Indirect Costs	384	138	142	146
Other Expenses	1,676	1,667	1,717	1,768
Total Operating Expenses	14,624	17,290	19,422	20,593
Operating Income (Loss)	(272)	3,418	3,611	2,440
Nonoperating Revenues (Expenses):				
Investment Income	504	469	469	469
Interest and Financing Costs	(634)	0	0	0
Other Nonoperating Expenses	0	0	0	0
Gain (Loss) on Disposal of Capital Assets	219	0	0	0
Total Nonoperating Revenues (Expenses)	89	469	469	469
Income (Loss) Before Transfers and Contributions	(183)	3,887	4,080	2,909
Capital Contributions	0	0	0	0
Transfers in	0	0	0	0
Transfers out	(3)	0	0	0
Change in Net Assets	(186)	3,887	4,080	2,909
Net Assets, Beginning as Reported	12,600	12,414	16,301	20,381
Net Assets, Ending	12,414	16,301	20,381	23,290
Rate increase/(decrease)	18%	14.7%	0%	0%
Full Time Equivalents (FTE)	8.69	8.69	8.69	8.69

Department of Administration

Central Motor Pool - Fleet Services

Fund 5100

Net Assets

(Dollars in Thousands)

	Actual FY 2020	Projected FY 2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	1,314	1,312
Investments	0	0
Accounts Receivable	1,302	1,401
Accrued Investment/Interest Income	0	0
Inventories	0	0
Deferred Costs	0	0
Total Current Assets	2,616	2,713
Noncurrent Assets:		
Deferred Costs	397	397
Depreciable Capital Assets (Net)	39,654	41,000
Total Noncurrent Assets	40,051	41,397
Total Assets	42,667	44,110
LIABILITIES		
Current Liabilities:		
Accounts Payable	1,130	1,200
Interfund Payables	0	0
Unearned Revenue	0	0
Loans Payable	10,625	9,400
Compensated Absences Payable	9	9
Total Current Liabilities	11,764	10,609
Noncurrent Liabilities:		
Loans Payable	17,280	16,000
Compensated Absences Payable	80	80
Other Liabilities	1,129	1,120
Total Noncurrent Liabilities	18,489	17,200
Total Liabilities	30,253	27,809
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	11,749	12,000
Unrestricted	665	4,301
Total Net Assets	12,414	16,301

Department of Administration

Central Motor Pool - Fleet Services

Fund 5100

Brief Narrative

Background:

Fleet Services provides long term vehicle leasing services and fleet management.

Detail of any loans from the general fund, including dollar amounts:

None

Proposed investments in technology or equipment of \$100,000 or more:

None

Explanation of changes in net assets (formerly retained earnings increases, operating losses):

The implementation of GASB 68 and GASB 75, Accounting and Financial Reporting for Pensions and Postemployment Benefits other than Pensions (OPEB), require reporting the pension and OPEB related liabilities and expenses and deferred inflows and outflows of resources. The actuarially determined amounts are likely to vary significantly from year to year and are managed by the retirement systems and state Legislature to ensure the defined benefit plans are adequately funded to pay plan benefits to employees participating as they become due. For these reasons, the state does not include the pension and OPEB related liabilities and expenses and deferred inflow and outflows of resources in the rate-setting process. The retained earnings, net of pension and OPEB related adjustments, have been reduced from \$14.033 million at the end of FY 2016 to forecasted amount \$12.530 million at the end of FY 2021.

Explain any reasons for rate changes:

Individual Fleet vehicle rates are based on vehicle type, acquisition cost, fuel economy, and life cycles. Actual expenses will vary based on contract parking, vehicle type, and lease terms. Fleet administration rates for leased vehicles will increase in FY21. The FY21 Admin rate increases are required to accurately reflect operational costs and manage retained earnings while operating within state financial policies and federal guidelines

Impact of rate changes on affected agencies:

Fleet's rates impact customers based on the respective vehicle they select; in turn, empowers agencies to manage their expenses respectively.

Department of Administration

Central Mail

Fund 5203

Revenues, Expenses and Changes in Net Assets

(Dollars in Thousands)

	Actual FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Operating Revenues:				
Net Sales	10,116	9,340	9,340	9,340
Rental and Service Fees	0	0	0	0
Insurance Premiums	0	0	0	0
Other Income	0	0	0	0
Total Operating Revenues	10,116	9,340	9,340	9,340
Gross Margin	10,116	9,340	9,340	9,340
Operating Expenses:				
Purchased Services	8,923	8,256	8,321	8,321
Salaries and Fringe Benefits	606	764	671	732
Claims	0	0	0	0
Depreciation	62	63	62	61
Amortization	0	0	0	0
Supplies and Materials	122	133	134	134
Indirect Costs	24	25	25	25
Other Expenses	109	117	117	117
Total Operating Expenses	9,846	9,358	9,330	9,390
Operating Income (Loss)	270	(18)	10	(50)
Nonoperating Revenues (Expenses):				
Investment Income	0	0	0	0
Interest and Financing Costs	0	0	0	0
Other Nonoperating Expenses	0	0	0	0
Gain (Loss) on Disposal of Capital Assets	0	0	0	0
Total Nonoperating Revenues (Expenses)	0	0	0	0
Income (Loss) Before Transfers and Contributions	270	(18)	10	(50)
Capital Contributions	0	0	0	0
Transfers in	0	0	0	0
Transfers out	0	(325)	0	0
Change in Net Assets	270	(343)	10	(50)
Net Assets, Beginning as Reported	619	889	546	556
Net Assets, Ending	889	546	556	506
Rate increase/(decrease)	0%	0%	0%	0%
Full Time Equivalents (FTE)	7.73	8.93	7.60	8.22

Department of Administration

Central Mail

Fund 5203

Net Assets

(Dollars in Thousands)

	Actual FY 2020	Projected FY 2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	0	0
Investments	0	0
Accounts Receivable	3,309	3,200
Accrued Investment/Interest Income	0	0
Inventories	3	3
Deferred Costs	249	230
Total Current Assets	3,561	3,433
Noncurrent Assets:		
Deferred Costs	338	337
Depreciable Capital Assets (Net)	354	345
Total Noncurrent Assets	692	682
Total Assets	4,253	4,115
LIABILITIES		
Current Liabilities:		
Accounts Payable	99	85
Interfund Payables	2,263	2,484
Unearned Revenue	0	0
Loans Payable	0	0
Compensated Absences Payable	5	0
Total Current Liabilities	2,367	2,569
Noncurrent Liabilities:		
Loans Payable	0	0
Compensated Absences Payable	37	37
Other Liabilities	960	963
Total Noncurrent Liabilities	997	1,000
Total Liabilities	3,364	3,569
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	354	410
Unrestricted	535	136
Total Net Assets	889	546

Department of Administration

Central Mail

Fund 5203

Brief Narrative

Background:

Central Mail provides mail services to state agencies located in St. Paul - inserting, addressing, folding, postage automation services, postage metering and processing and delivering interoffice and outgoing USPS mail.

Detail of any loans from the general fund, including dollar amounts:

An amount of \$1,938,117.63 is due to other funds due to the cash overdraft position of the fund on June 30, 2020.

Proposed investments in technology or equipment of \$100,000 or more:

Central Mail is implementing a new subsystem in FY 2021. The incurred expenses in FY 2020 was \$55k and estimated additional \$160k in FY2021. If the actual cost is lower or higher than estimation, the difference will be reflected in future rates.

Explanation of changes in net assets (formerly retained earnings increases, operating losses):

The implementation of GASB 68 and GASB 75, Accounting and Financial Reporting for Pensions and Postemployment Benefits other than Pensions (OPEB), require reporting the pension and OPEB related liabilities and expenses and deferred inflows and outflows of resources. The actuarially determined amounts are likely to vary significantly from year to year and are managed by the retirement systems and state Legislature to ensure the defined benefit plans are adequately funded to pay plan benefits to employees participating as they become due. For these reasons, the state does not include the pension and OPEB related liabilities and expenses and deferred inflow and outflows of resources in the rate-setting process. The FY 2021 retained earnings, net of pension and OPEB related adjustments, are projected to increase \$35k, with FY 2021 ending retained earnings projected to be \$1.395 million. This is approximately 45 days working capital.

Explain any reasons for rate changes:

Central Mail rates are changing less than 1% in FY 2021. State agencies' costs for Central Mail services will increase due to expansion of all mail pieces to the Sort & Handling Fee. The goal of an internal service fund is to recover its own expenses by setting rates as close to the break-even rate as possible while maintaining a retained earnings balance equal to 60 days working capital.

Impact of rate changes on affected agencies:

Because information has not been tracked at the customer level in the past, Central Mail can only estimate the impact of this change to the customer will be approximately 1%.

Department of Administration

Risk Management - Property & Casualty

Fund 5300

Revenues, Expenses and Changes in Net Assets (Dollars in Thousands)

	Actual FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Operating Revenues:				
Net Sales	36	0	0	0
Rental and Service Fees	0	0	0	0
Insurance Premiums	12,686	15,552	15,552	15,552
Other Income	0	0	0	0
Total Operating Revenues	12,722	15,552	15,552	15,552
Gross Margin	12,722	15,552	15,552	15,552
Operating Expenses:				
Purchased Services	5,017	8,328	8,328	8,328
Salaries and Fringe Benefits	1,008	1,306	1,333	1,336
Claims	3,242	5,529	5,529	5,529
Depreciation	37	36	35	34
Amortization	0	0	0	0
Supplies and Materials	6	6	6	6
Indirect Costs	169	168	168	168
Other Expenses	3	3	3	3
Total Operating Expenses	9,482	15,376	15,402	15,404
Operating Income (Loss)	3,240	176	150	148
Nonoperating Revenues (Expenses):				
Investment Income	429	350	350	350
Interest and Financing Costs	0	0	0	0
Other Nonoperating Expenses	(3,342)	(585)	(505)	(505)
Gain (Loss) on Disposal of Capital Assets	0	0	0	0
Total Nonoperating Revenues (Expenses)	(2,913)	(235)	(155)	(155)
Income (Loss) Before Transfers and Contributions	327	(59)	(5)	(7)
Capital Contributions	0	0	0	0
Transfers in	0	0	0	0
Transfers out	0	0	0	0
Change in Net Assets	327	(59)	(5)	(7)
Net Assets, Beginning as Reported	12,700	13,027	12,968	12,963
Net Assets, Ending	13,027	12,968	12,963	12,956
Rate increase/(decrease)	8.3%	25.0%	0.0%	0.0%
Full Time Equivalents (FTE)	10.00	10.25	10.25	10.25

Department of Administration

Risk Management - Property & Casualty

Fund 5300

Net Assets

(Dollars in Thousands)

	Actual FY 2020	Projected FY 2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	22,925	22,907
Investments	0	0
Accounts Receivable	1,458	1,450
Accrued Investment/Interest Income	0	0
Inventories	0	0
Deferred Costs	191	0
Total Current Assets	24,574	24,357
Noncurrent Assets:		
Deferred Costs	584	584
Depreciable Capital Assets (Net)	148	146
Total Noncurrent Assets	732	730
Total Assets	25,306	25,087
LIABILITIES		
Current Liabilities:		
Accounts Payable	203	150
Interfund Payables	2	0
Unearned Revenue	272	172
Loans Payable	9,985	9,980
Compensated Absences Payable	23	23
Total Current Liabilities	10,485	10,325
Noncurrent Liabilities:		
Loans Payable	0	0
Compensated Absences Payable	148	148
Other Liabilities	1,646	1,646
Total Noncurrent Liabilities	1,794	1,794
Total Liabilities	12,279	12,119
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	148	146
Unrestricted	12,879	12,822
Total Net Assets	13,027	12,968

Department of Administration

Risk Management - Property & Casualty

Fund 5300

Brief Narrative

Background:

The Risk Management Division's (RMD) program serves as the state's insurance company, providing auto liability coverage for all state agencies and offering its partners auto physical damage, property, and general liability coverages through the self-insured Risk Management Fund (RMF).

Detail of any loans from the general fund, including dollar amounts:

None

Proposed investments in technology or equipment of \$100,000 or more:

None

Explanation of changes in net assets (formerly retained earnings increases, operating losses):

The implementation of GASB 68 and GASB 75, Accounting and Financial Reporting for Pensions and Postemployment Benefits other than Pensions (OPEB), require reporting the pension and OPEB related liabilities and expenses and deferred inflows and outflows of resources. The actuarially determined amounts are likely to vary significantly from year to year and are managed by the retirement systems and state Legislature to ensure the defined benefit plans are adequately funded to pay plan benefits to employees participating as they become due. For these reasons, the state does not include the pension and OPEB related liabilities and expenses and deferred inflow and outflows of resources in the rate-setting process. The FY 2021 retained earnings, net of pension and OPEB related adjustments, are projected to decrease by \$123k, with FY 2021 ending retained earnings projected to be \$13.444 million. The RMF needs retained earnings for future claim costs.

Explain any reasons for rate changes:

RMD increased the property rate by 25% in FY 2021. The rate increase is necessary to offset property reinsurance increase being experienced for the FY 2021 policy year. The FY 2021 policy rates remain 10% below FY 2011 rates. The rate change will enable RMD to better manage their retained earnings level while still permitting them to provide necessary funds to manage report claims; provide most risk management consulting services free of charge to state government; grow retained earnings in order to allow for greater primary property reinsurance layer participation in the future and protect the RMF from catastrophic losses.

Impact of rate changes on affected agencies:

Partners with property and/or contents coverage can expect an increase in property coverage premium payments assuming similar deductible levels in FY 2021.

Department of Administration

Facilities Management - Leases, Repair and Other Jobs

Fund 5400

Revenues, Expenses and Changes in Net Assets (Dollars in Thousands)

	Actual FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Operating Revenues:				
Net Sales	76,690	78,154	76,383	80,011
Rental and Service Fees	0	0	0	0
Insurance Premiums	0	0	0	0
Other Income	1,012	1,002	997	996
Total Operating Revenues	77,702	79,156	77,380	81,007
Gross Margin	77,702	79,156	77,380	81,007
Operating Expenses:				
Purchased Services	13,361	12,523	13,109	13,605
Salaries and Fringe Benefits	17,102	18,813	19,798	20,209
Claims	0	1	2	2
Depreciation	676	704	704	704
Amortization	0	0	0	0
Supplies and Materials	2,439	2,417	2,311	2,246
Indirect Costs	779	988	1,007	1,025
Other Expenses	7,865	19,536	11,983	9,762
Total Operating Expenses	42,222	54,982	48,914	47,553
Operating Income (Loss)	35,480	24,174	28,466	33,454
Nonoperating Revenues (Expenses):				
Investment Income	6	5	4	3
Interest and Financing Costs	(252)	(240)	(235)	(200)
Other Nonoperating Expenses	(45)	(176)	(182)	(187)
Gain (Loss) on Disposal of Capital Assets	14	0	0	0
Total Nonoperating Revenues (Expenses)	(277)	(411)	(413)	(384)
Income (Loss) Before Transfers and Contributions	35,203	23,763	28,053	33,070
Capital Contributions				
Transfers in	0	325	0	0
Transfers out	(35,367)	(32,619)	(32,721)	(32,552)
Change in Net Assets	(164)	(8,531)	(4,668)	518
Net Assets, Beginning as Reported	6,256	6,092	(2,439)	(7,107)
Net Assets, Ending	6,092	(2,439)	(7,107)	(6,589)
Rate increase/(decrease)	0.3%	1.6%	-2.0%	5.0%
Full Time Equivalents (FTE)	258.4	258.4	261.6	261.6

Department of Administration

Facilities Management - Leases, Repair and Other Jobs

Fund 5400

Net Assets

(Dollars in Thousands)

	Actual FY 2020	Projected FY 2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	20,137	18,162
Investments	0	0
Accounts Receivable	2,980	1,500
Accrued Investment/Interest Income	0	0
Inventories	462	462
Deferred Costs	0	0
Total Current Assets	23,579	20,124
Noncurrent Assets:		
Deferred Costs	8,574	3,498
Depreciable Capital Assets (Net)	7,991	7,991
Total Noncurrent Assets	16,565	11,489
Total Assets	40,144	31,613
LIABILITIES		
Current Liabilities:		
Accounts Payable	4,636	4,636
Interfund Payables	0	0
Unearned Revenue	0	0
Loans Payable	166	166
Compensated Absences Payable	217	217
Total Current Liabilities	5,019	5,019
Noncurrent Liabilities:		
Loans Payable	3,157	3,157
Compensated Absences Payable	1,256	1,256
Other Liabilities	24,620	24,620
Total Noncurrent Liabilities	29,033	29,033
Total Liabilities	34,052	34,052
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	7,622	7,715
Unrestricted	(1,530)	(10,154)
Total Net Assets	6,092	(2,439)

Department of Administration

Facilities Management - Leases, Repair and Other Jobs

Fund 5400

Brief Narrative

Background:

The FMD internal service fund (ISF) is made up of two activities: leases, and repair and other jobs. The predominant customers are state agencies located in custodial control buildings that pay for space through lease rental rates.

Detail of any loans from the general fund, including dollar amounts:

None

Proposed investments in technology or equipment of \$100,000 or more:

None

Explanation of changes in net assets (formerly retained earnings increases, operating losses):

The implementation of GASB 68 and GASB 75, Accounting and Financial Reporting for Pensions and Postemployment Benefits other than Pensions (OPEB), require reporting the pension and OPEB related liabilities and expenses and deferred inflows and outflows of resources. The actuarially determined amounts are likely to vary significantly from year to year and are managed by the retirement systems and state Legislature to ensure the defined benefit plans are adequately funded to pay plan benefits to employees participating as they become due. For these reasons, the state does not include the pension and OPEB related liabilities and expenses and deferred inflow and outflows of resources in the rate-setting process. The FY 2021 retained earnings, net of pension and OPEB related adjustments, are projected to result in a balance of less than 60 days' working capital but will still provide the fund with sufficient cash flow necessary to operate the business. It is estimated the retained earnings will decrease by \$3.892 million in FY 2022 and increase by \$1.135 million in FY 2023 resulting in an ending retained earnings balance of \$8.679 million in FY 2023.

Explain any reasons for rate changes:

Over the two-year period from FY 2021 to FY 2023, overall rates increase by 2%, with an overall decrease of (2%) in FY 2022 and increase of 5% in FY 2023. Building life expectancy, vacant space, breakeven rates, positive/negative retained earnings, planned construction projects, and working capital are factors that are considered when developing each building's rate. The difference between actual revenues and expenses versus budgeted amounts will be reflected in future lease rates.

Impact of rate changes on affected agencies:

The rate change will have a minimal net effect on the agencies over the FY 2021 to FY 2023 span.

School Trust Lands

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23	
<u>Expenditures by Fund</u>						
1000 - General	185	184				
3800 - Permanent School	948	566	78	458		
Total	1,133	750	78	458		
Biennial Change				(1,348)	(536)	
Biennial % Change				(72)	(100)	
<u>Expenditures by Category</u>						
Compensation	287	296	47			
Operating Expenses	847	454	30	458		
Total	1,133	750	78	458		
<u>Full-Time Equivalents</u>						
	2.51	2.51	0.60			

School Trust Lands

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23	
1000 - General						
Balance Forward In		0				
Direct Appropriation	185	186				
Cancellations		2				
Expenditures	185	184				
Biennial Change in Expenditures				(369)		0
Biennial % Change in Expenditures				(100)		
Full-Time Equivalents	1.00	1.00	0.05			

3800 - Permanent School

Balance Forward In	205	713	535	458		
Transfers In	800	300				
Cancellations		0				
Balance Forward Out	56	446	457			
Expenditures	948	566	78	458		
Biennial Change in Expenditures				(979)		(536)
Biennial % Change in Expenditures				(65)		(100)
Full-Time Equivalents	1.51	1.51	0.55			