

February 13, 2024

The Honorable Bobby Joe Champion, Chair
Jobs and Economic Development Committee
3401 Minnesota Senate Building
Saint Paul, MN 55155

The Honorable Rich Draheim, Ranking Member
Jobs and Economic Development Committee
2225 Minnesota Senate Building
Saint Paul, MN 55155

The Honorable Jay Xiong, Chair
Workforce Development Finance and Policy
Committee
557 State Office Building
Saint Paul, MN 55155

The Honorable Dave Baker, Ranking Member
Workforce Development Finance and Policy Committee
387 State Office Building
Saint Paul, MN 55155

Dear Committee Chairs and Ranking Minority Members:

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

Please contact Julie Bayerl, julie.bayerl@state.mn.us, if you have any questions or need assistance.

Sincerely,



Tamar Gronvall
Commissioner

Attachment

CC: Legislative Reference Library

Janitorial Contracts; Rehabilitation Programs and Extended Employment Providers

Fiscal Year 2023

Report Required by Minnesota Statute § 16C.155

Service	UNSPSC	Total Spent	DEED/DHS Provider Total	DEED/DHS Provider %
Janitorial Services*	76111501	\$1,934,007	\$148,991	8%
Document Imaging**	81112005	\$124,430	\$26,207	21%
Document Shredding	80161508	\$211,389	\$10,800	5%
Mailing, Collating, and Sorting***	80141800	\$341,914	\$116,791	34%

The data source for this report is the Statewide Integrated Financial Tools (SWIFT) system. Purchases in SWIFT are categorized by the purchasers into one of more than 50,000 possible commodity codes (UNSPSC codes).

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

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

**The decrease of DEED/DHS provider spending is primarily due to a contractor that discontinued scanning/imaging services. No other DEED/DHS providers responded to the most recent master contract solicitation posted by OSP. OSP continues to promote the use of DEED/DHS providers through its policies and training events.

***While these numbers represent spending that was identified as falling within the intended category, the actual values may be very different. The unknown expenditure on mailing, collating, and sorting services is a result of the UNSPSC code being broad and including many functions that are not related to the services provided by DEED/DHS certified providers. The code fails to distinguish between mail services, shipping, postage, etc. and the tasks that DEED/DHS certified providers perform. As a result, the spending is hidden within the other tasks under the UNSPSC code.