

# One Minnesota Budget



## **m** DEPARTMENT OF ADMINISTRATION

Admin's work spans a wide breadth of services to state agencies and the public. The Governor's budget recommendations reflect Admin's efforts to improve these services to our partners and expand the services that we offer based on their requests.



### MAINTAIN EXCELLENT SERVICES

*The demand for Admin's services has **increased sharply** in many divisions. These items will help Admin meet that demand and maintain our excellent level of service to our partners.*

#### **Maintain Current Service Levels**

**Governor and Lt. Governor Recommend: \$1.4 million in FY24 and \$1.9 million in FY25 and ongoing.**

Each year, the cost of doing business rises. This funding will pay for IT expenses, overhead cost changes, and compensation for the existing workforce.

#### **Procurement Technical Assistance Center (PTAC) State Match**

**Governor and Lt. Governor Recommend: \$350,000 in FY24 and ongoing.**

PTAC offers a range of free services to all Minnesota businesses who wish to sell their products and services to government entities. This recommendation covers the 35% state match to federal U.S. Department of Defense funds for PTAC.

#### **In Lieu of Rent**

**Governor and Lt. Governor Recommend: \$614,000 in FY24 and ongoing.**

ILR funds maintenance of operations around the Capitol area for entities that do not directly pay for their leased spaces like the public areas in the Capitol Building, Veterans Service Organizations, and memorials on the Capitol grounds.

#### **Parking Fund Debt Service Waiver**

**Governor and Lt. Governor Recommend: \$990,000 in FY24 and \$993,000 in FY25 and ongoing.**

This recommendation would transfer debt service payments for Minnesota Senate Building Garage from the state parking fund to the general fund. The change would avoid an estimated 60 percent increase in Capitol Complex parking rates.

## Support the Office of State Archaeologist and Implement 307.08 Update

**Governor and Lt. Governor Recommend: \$200,000 in FY24 and ongoing.**

The Office of the State Archaeologist (OSA) is currently receiving more requests to review and discuss proposed development projects and cemetery sites than the office can accommodate. The number of projects the office reviewed nearly tripled since 2017 and the volume of other OSA service requests has quadrupled in the same time period, while the staff of three has not grown.

## Enhancing SmART Services

**Governor and Lt. Governor Recommend: \$325,000 in FY24 and ongoing.**

The Small Agency Resource Team (SmART) provides financial and/or human resource services to 42 entities, a number that has more than doubled since 2019. This proposal funds additional capacity to meet service demands.

## Reinstate the Historic Rehabilitation Tax Credit

**Governor and Lt. Governor Recommend: No fiscal impact to Admin**

The State Historic Structure Rehabilitation Tax Credit is a proven development tool that encourages investment in historic buildings and generates a return on investment of nearly \$10 of economic impact for every \$1 of credit in Minnesota communities.



## TARGETED INVESTMENTS

*The Governor and Lt. Governor have identified key investments to help agencies **avoid costs and improve the services** that Admin offers to its partners*

## Space Consolidation, Relocation, and Rent Loss

**Governor and Lt. Governor Recommend: \$12 million in FY24 and \$8 million in FY25.**

The post-pandemic work environment provides a unique opportunity to downsize and reconfigure space. Providing dollars for agencies to downsize their space will allow them the flexibility to meet evolving service and workforce needs.

## Property and Casualty Self-Insurance Fund

**Governor and Lt. Governor Recommend: \$12.5 million in FY24.**

Market rates for re-insurance have increased significantly since FY21 and are continuing to grow due to the escalated frequency of weather-related natural disasters. This investment would add to the State's Property and Casualty Self-Insurance Fund and increase the State's ability to self-insure property damage losses to state facilities.

## Information Technology Investments

**Governor and Lt. Governor Recommend: \$1.1 million in FY24 and \$1.4 million in FY25 and \$1.03 million ongoing.**

This recommendation funds important technology improvements at Admin to support the modernization of paper-based systems and to update obsolete software products.

- Increased IT support to continue the implementation of the Modernization Play Book developed by the Governor’s Blue-Ribbon Council on Information Technology.
- Expand the State Historic Preservation Office’s ability to accept digital application submissions, upgrade their obsolete technology, and cover the cost of the new Minnesota Statewide Historic Inventory Portal or MnSHIP.
- Upgrade the software and security for the Office of the State Archaeologist’s Archaeological and Cemetery Site Inventory Portal that has made paper files available virtually to tribal governments and researchers.

## Office of Small Agencies Study

**Governor and Lt. Governor Recommend: \$102,000 in FY24.**

The recommendation funds a feasibility study on how best to meet the challenges facing small agencies, boards, and commissions face in order to better support them in meeting their statutorily defined missions.



## EQUITY AND SUSTAINABILITY

*Initiatives to expand and enhance the services that Admin provides to support state government.*

## Improving Grants Administration Oversight

**Governor and Lt. Governor Recommend: \$2.2 million in FY24 and \$1.6 million in FY25 and \$1.4 million ongoing**

The Governor and Lieutenant Governor recommend changes to ensure the state has the resources it needs to provide policy leadership over all types of grants:

- Expanding the Office of Grants Management will allow Admin to standardize grant forms, review grant contracts, and establish a centralized repository for tracking grants dollars and entities.
- The new Office of Equity in Grants will drive innovation, develop alternative strategies, and foster collaboration across sectors to improve grant administration and outreach. Funds would also be used for training to assist community groups in applying for state-funded grants.
- The Enterprise Grants Management System Study will evaluate current agency grant making processes, engage stakeholders, and analyze the various technology systems in use within the state. This study would also make recommendations on technology solutions to improve state grant making.
- Allowing state agencies to retain a percentage of grant funds for oversight ensures that all new grants have the minimal funds available for an appropriate level of service for grantees and to protect the state’s investment in the grant by ensuring compliance with state law and policies.

## **Office of Enterprise Sustainability Direct Funding**

**Governor and Lt. Governor Recommend: \$575,000 in FY24 and ongoing.**

The Office of Enterprise Sustainability assists agencies to improve the energy efficiency and sustainability of their operations.

## **Enterprise Sustainability Staffing**

**Governor and Lt. Governor Recommend: \$1.2 million in FY24 and ongoing.**

This recommendation would support sustainability coordinators at agencies in the enterprise that have the most opportunity for sustainability and efficiency improvements.

## **Office of Enterprise Translations**

**Governor and Lt. Governor Recommend: \$1.3 million in FY24 and \$1.2 million in FY25 and ongoing.**

This office would translate written materials for state agencies in Spanish, Hmong, and Somali in a timely manner. The proposal also creates a fund for agencies to access for additional languages or when more technical expertise is needed.

## **Updated Disparity Study**

**Governor and Lt. Governor Recommend: \$500,000 in FY24 and \$1 million in FY25.**

An updated study of economic disparities in state procurement is necessary to continue the state's targeted group business programs for woman and minority-owned small businesses.

## **MINOR FISCAL IMPACT**

### **Eliminate \$200 Open Meeting Law Opinion Fee**

**Governor and Lt. Governor Recommend: (\$1,000) in FY24 and ongoing.**

Currently, anyone who wants to request an advisory opinion about compliance with the open meeting law pays the Data Practices Office at Admin a \$200 fee. However, advisory opinions about data practices issues are free. For consistency, Admin recommends eliminating the \$200 fee for open meeting law opinion requesters. Admin can absorb the anticipated lost revenue from this change, which is estimated to be less than \$1,000 per year.

### **Census Income Exclusion for Benefits**

**Governor and Lt. Governor Recommend: No fiscal impact to Admin.**

This recommendation would exclude income that is earned as decennial census workers from state calculations for SNAP, MFIP, and CHIP benefits. This would help the recruitment of enumerators for the 2030 census from historically undercounted areas for this temporary position. 46 other states exclude census income from some public benefits including Indiana, Iowa, Kansas, Michigan, North Dakota, and South Dakota.

### **Accommodation Fund Parity**

**Governor and Lt. Governor Recommend: No fiscal impact to Admin.**

This recommendation would reduce the current eligibility threshold for one-time accommodation expenses for state employees with disabilities from \$1,000 to \$500. This change will provide greater parity between employees who need periodic or ongoing accommodations and those who need one-time accommodations.