



## Strategic Facilities Plan, Agency Overview, & 2025 Governor's Budget Recommendations

House State Government Committee  
February 25, 2025

### Department of Administration

- Strategic Facilities Plan
- Admin Overview
- Implementation Update
- FY26-27 Governor's Budget Recommendations



## Strategic Facilities Plan Background

- 16B.24 tasks Admin with helping agencies determine space based on their business needs
- Hired CBRE in October 2021 to assist with development of Strategic Facilities Plan
- Examined office space needs in hybrid work environment
- Refined space standards, developed strategies, and best practices for hybrid work environments
- Finalized and distributed plan in 2023



## Core Questions the Plan Answers

### How do we best serve Minnesotans?

- Starts with the mission and how best to deliver services
- Space planning follows agency assessment of services and functions
- Based on nature of the work, many functions are full time onsite

### What type of space is needed to work effectively?

- Workspace to match the work employee is doing that day
- In the office => prioritize collaboration space, working and meeting together

### How do we plan for variable and shared occupancy?

- No longer a 1:1 workspace to FTE ratio

## Key Office Space Recommendations

### • New Space Standard: Sharing Model

- 175-200 USF/person
- Move away from assigned workstations to shared workstations; 1.3:1 – 1.4:1 (staff to seat ratio) instead of 1:1
- 3 days/wk in office = assigned space; otherwise unassigned, shared space
- Provide variety of space types (huddle, collaboration, focus, etc.) to accommodate varying work activities in office location

### • Portfolio Approach

- Prioritize backfilling state-owned facilities on Capitol complex to fully utilize state assets
- Selective demolition of buildings with systems beyond the end of the useful life



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## Shared Space Norms



Overflow space on all floors is available for all team members to utilize



All unassigned workstations are first come, first serve



All offices located in overflow spaces and offices not assigned to a team member 3+days/week in a neighborhood should remain available.



Clean Desk Policy



Standardized equipment in all unassigned workstations



Shared Supply Areas, Printers and Copiers

## Timeline



## Agency space reductions

Major space reductions to date (since 2020)	Major space reductions in process	Major Upcoming Lease Expirations
<ul style="list-style-type: none"> <li>• ADM</li> <li>• MMB</li> <li>• MNIT</li> <li>• DOR</li> <li>• MDA</li> <li>• MDE</li> <li>• MDH</li> <li>• DEED</li> <li>• MNSure</li> </ul>	<ul style="list-style-type: none"> <li>• COM</li> <li>• DNR</li> <li>• DHS</li> <li>• MnDOT</li> </ul>	<ul style="list-style-type: none"> <li>• COR</li> <li>• MPCA</li> <li>• DLI</li> <li>• MHFA</li> </ul>



## Additional Scope

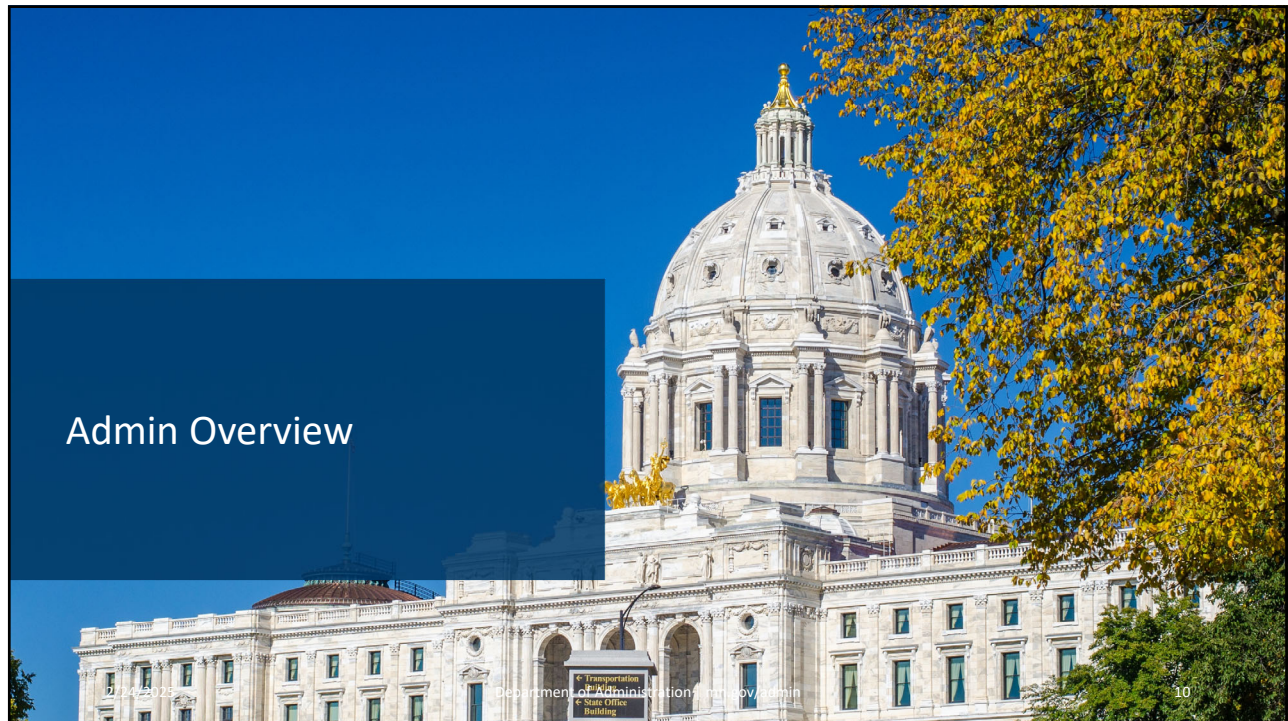


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## Making Government Work for Minnesotans



Valuable, essential data and accessibility services for the public



Cost-effective and transparent services to agencies

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## By the Numbers



**566**

Full-time equivalent employees



**27**

Divisions



**\$3.7B**

Goods & services purchased



**10,000**

Individuals with developmental disabilities and their families served



**68%**

Reduced carbon emissions since 2008



**650**

Property leases



**320**

Construction projects



**4,300**

Stakeholders trained or assisted on data practices



**2,300**

Fleet vehicles



**\$22.4B**

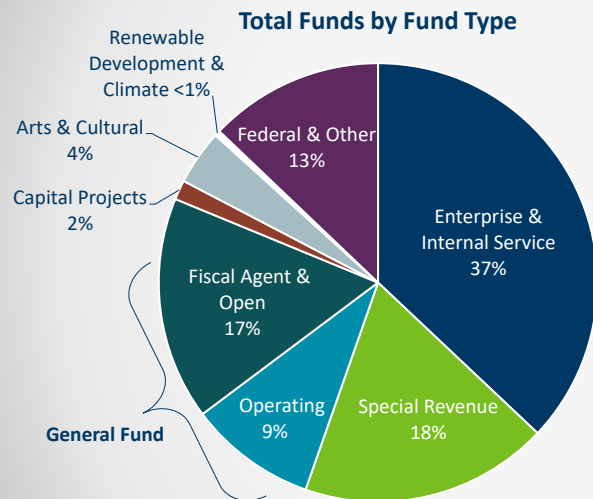
Insured state assets

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## Admin Budget FY 24-25



Fund	FY24-25 (000s)
Enterprise & Internal Service	\$298,317
Special Revenue	\$147,579
<b>General:</b>	
Operating	\$75,812
Fiscal Agent & Open	\$132,475
Capital Projects	\$11,600
Arts & Cultural	\$32,563
Renewable Development	\$3,372
Federal & Other	\$103,687
<b>Total</b>	<b>805,405</b>

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## Facilities, Real Estate, Property

- Facilities Management
- Central Mail Services
- Real Estate & Construction
- Leasing Services
- Enterprise Real Property Program
- Office of Enterprise Sustainability
- State Register
- Enterprise Fleet
- Surplus Services
- Risk Management



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## Contracting and Business Support

- Office of State Procurement
  - Office of Equity in Procurement
  - Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP Infuse)
  - Minnesota's Cooperative Purchasing Venture
- APEX Accelerator
- Small Agency Resource Team (SmART)



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## Infrastructure and Cultural Resources

- Office of the State Archaeologist
- State Historic Preservation Office
- Minnesota Advisory Council on Infrastructure



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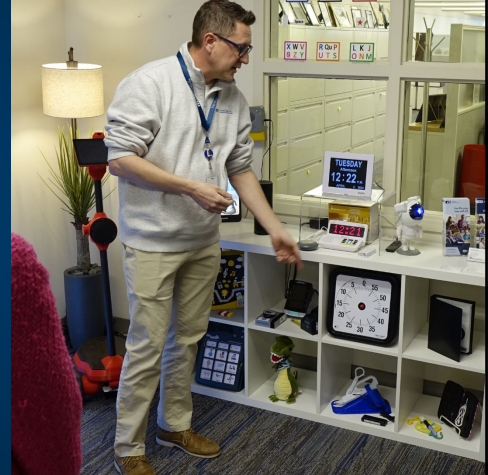
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## Accessibility, Information, & Resolution Services

- Council on Developmental Disabilities
- System of Technology to Achieve Results (STAR) Program
- State Demographic Center
- Office of Grants Management
- Data Practices Office
- Enterprise Translations Office
- Office of Collaboration and Dispute Resolution



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## Implementation Update and FY 2026-2027 Governor's Budget Recommendations



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## FY24-25 Appropriations

- Across the agency, the FY24-25 appropriation supported:
  - Capacity for increased service demands and inflationary costs
  - New investments to improve grants management and language translations
  - One time funding investments for asset preservation, self insurance, and research



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## Operating Adjustment

### Operating Adjustment

- \$301K in FY26
- \$610K in FY27 & ongoing
- Compensation, rent, utilities, IT

### In Lieu of Rent

- \$1.01M in FY26
- \$1.865M in FY 27
- \$2.95M in FY 28 & ongoing
- Covers maintenance and operations for entities that do not pay for their leased spaces.



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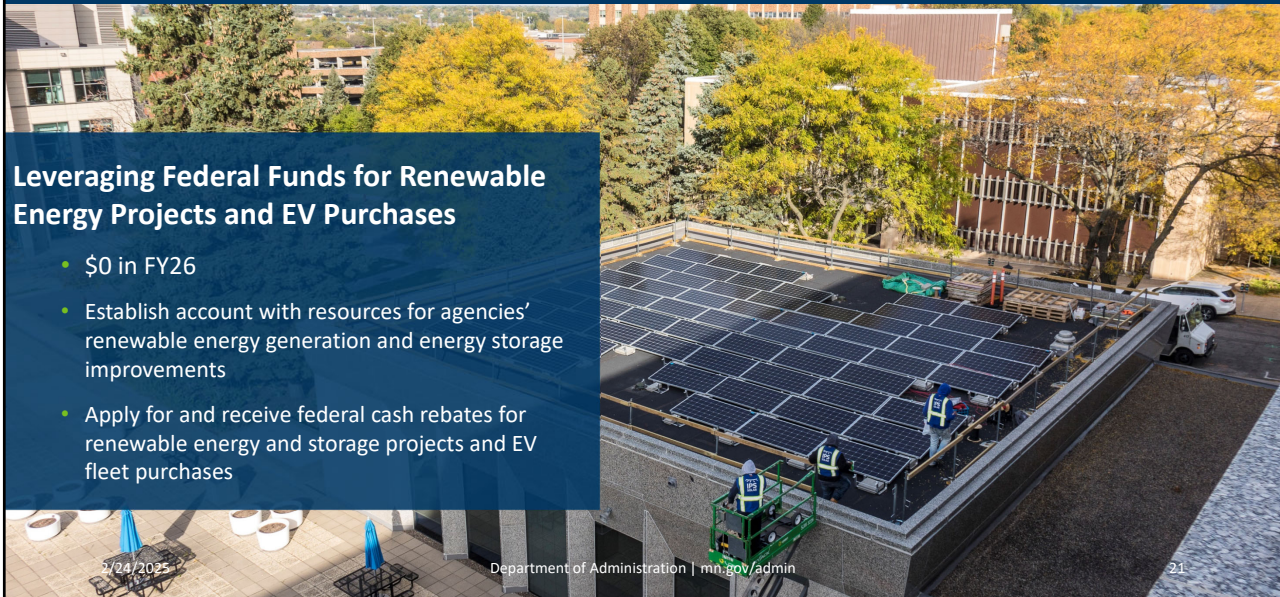
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## Budget Related Policy

### Leveraging Federal Funds for Renewable Energy Projects and EV Purchases

- \$0 in FY26
- Establish account with resources for agencies' renewable energy generation and energy storage improvements
- Apply for and receive federal cash rebates for renewable energy and storage projects and EV fleet purchases



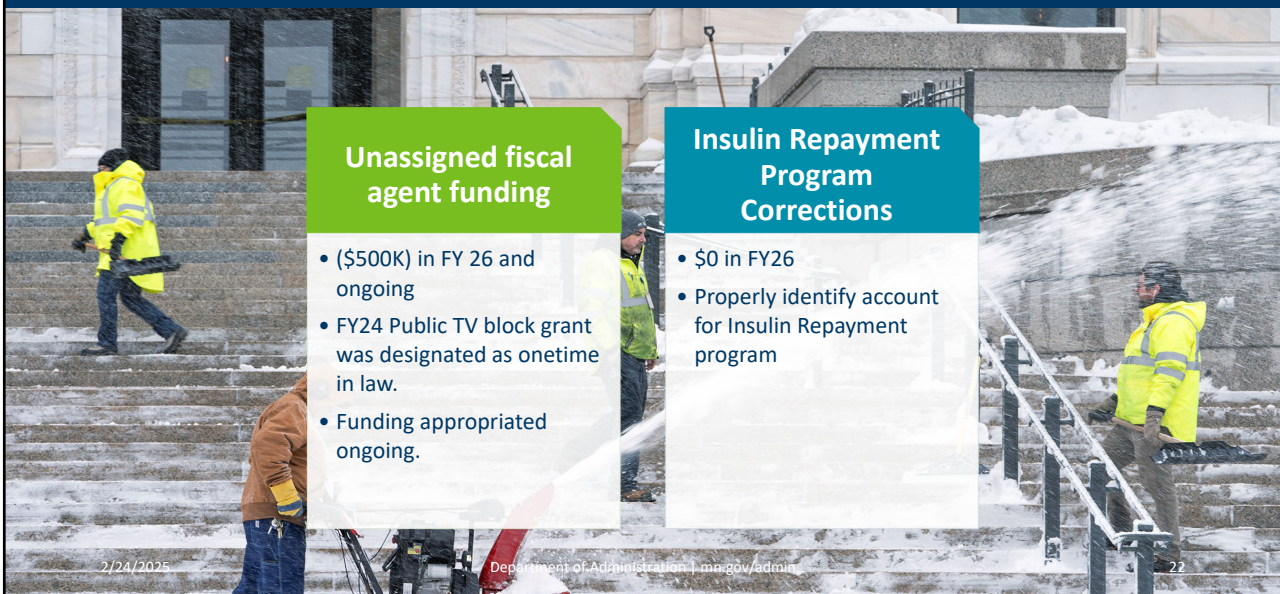
## Budget Savings and Corrections

### Unassigned fiscal agent funding

- (\$500K) in FY 26 and ongoing
- FY24 Public TV block grant was designated as onetime in law.
- Funding appropriated ongoing.

### Insulin Repayment Program Corrections

- \$0 in FY26
- Properly identify account for Insulin Repayment program



# Thank you

