

Minnesconsin – Wiscasota (Minnesota – Wisconsin) Partnering Across the Border

September 23, 2009

National Association of
State Purchasing Officials
Annual Conference

Initiative Kickoff

- January 13, 2009 both governors signed Executive Orders
- Directed Cabinet agency heads to work with counterparts across the border to identify ways to collaborate

Governors' Press Conference

- On the same day, both Governors held a press conference announcing the initiative.
- The initiative covered a broad range of shared services including procurement, facilities and vehicles, and cooperative functions.

Governor Tim Pawlenty (R)

“These challenging times provide us an opportunity to make state government more accountable and efficient.”

“Working together with our neighbors in Wisconsin will advance these goals.”

Governor Jim Doyle (D)

“This marks the start of an important effort to cut government spending while protecting essential services during a tough economic time for our country.”

“We are committed to taking action now and building on these efforts in the future.”

Scope of the Initiative

- Five Broad Areas
 - Joint Procurement and Best Practices
 - Cross Border Collaboration
 - IT Systems
 - Reciprocity
 - Cooperative Functions

Procurement Partnerships Initial Targets Areas

- Shipping services
- Unemployment Debit/shared service cards
- Food
- Desktop computers
- Copiers (MFDs)
- MRO
- Janitorial Supplies
- Ammunition
- Salt

More Targets

- Heavy equipment
- Tires
- Managed vehicle maintenance services
- Car rental
- Wireless services
- P-card
- Fleet card
- Courier delivery
- Law enforcement Pursuit vehicles
- Software (Oracle and others)

Cross Border Collaboration

Opportunities to improve services/reduce costs by partnership along or across the border

- Invasive pest control
- Coordination on Midwest rail initiative
- Electronic state-to-state case reporting for disease surveillance
- Collaboration on Pipeline Safety Inspection

Cross Border Collaboration

- Sharing DNR/DOT aircraft and patrol boats
- Multi Family Asset Management
- Sharing Actuarial Services
- Joint tourism promotions
- Communication tower site (communication infrastructure for law enforcement)
- Provision of dairy products (Wisconsin Corrections Dairy operations)

Information Technology Initiatives

- Sharing, developing, and leveraging IT resources to improve government
 - Residency and Homestead System to improve tax collection and reduce fraud
 - Child support enforcement
 - Licensing services (for building trades)
 - Leverage joint volume on common software purchases

Reciprocity

- Making government work better by making regulatory issues related to the border more customer friendly
 - Oversize truck permitting
 - Dairy inspections
 - Cooperative agreement for child welfare
 - Teacher Licensing

Cooperative Functions

- Consolidate back office functions or capture efficiencies through sharing & specialization
 - Call center operations
 - Collection operations
 - Back Office functions
 - Agricultural, fishery and nursery operations
 - Prison industries, programs and facilities
 - Duluth/Superior state operations

Central Procurement Success Stories

- Vendor managed vehicle maintenance services
- Small package delivery services
- Software (Oracle)
- Fleet card
- Ammunition
- Tires
- Food
- Eyeglass/Hearing Aids
- Industrial Supplies
- Wireless (Cell Phones)

Agency Success stories

- Eyeglass Contracts
- Hearing Aids
- Ortho-certified scans of forest aerial photographs
- Emergency spill contracts
- Bridge inspection vehicles
- Scrubber/Sweeper purchases

Future Procurement Initiatives

- Server hardware
- Security software
- Food (Specialty and Opportunity Bids)
- Meat bid
- Car Rentals
- Law Enforcement Vehicles
- Microsoft Enterprise Agreement

Future Procurement Initiatives

- Hand Tools
- Document Imaging (sheltered workshops)
- Driver's Licenses
- Fuel
- Lab Services
- Equipment Repair and Maintenance

Partnership Benefits

- Save time and money
- First hand knowledge of each other's contracts
- Reduce staff time for duplicate/similar purchases
- fosters best practice discussions between states' staff
- Price Benchmarking
- Negotiations

Lessons Learned

- Establish Clear Communication
 - Coordination of Communication between agencies is critical (within the state)
 - Need Centralize Coordination and Reporting
 - Agency discussions with procurement impacts were not consistently communicated to central purchasing office

Challenges

- Differences in state laws, rules, policies, procedures
- Different distribution channels
- Timing of contract begin and end dates
- Impact on in-state vendors
- Differences in Contract terms and conditions
- Central Procurement vs Decentralization procurements
- Current work load and managing expectations
- Process for participating on current contracts



Recommendations for Other States

- Before making announcements, talk to the program and procurement groups
- Have an in-person kick-off meeting
- Have a Central Coordinator for each state to manage communication, process, and reports
- Commit time and resources
- Continue to Benchmark



Recommendation for Other States

- Establish a reasonable time frame (long term effort)
- Manage expectations/workload
- Understand how we will measure results
- Understand repercussions/pushback
 - Small and minority businesses
 - Local businesses
 - Keeping money in-state during tough times



QUESTIONS

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