



2010 NASPO ANNUAL CONFERENCE

MINNESOTA/WISCONSIN PARTNERSHIP

**GROUNDBREAKING
INITIATIVE OR BIG WHOOP?**

AUGUST 23 - 26, 2010

WASHINGTON, D.C.



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The Beginning.....

- Top down directive and support
- Joint press conference in January 2009
- Governors' directives to state agency heads



Scale and Magnitude

- Five broad partnership categories
 - Joint procurement and procurement best practices
 - Cross border collaboration
 - IT systems
 - Reciprocity
 - Cooperative functions



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Implementing and Tracking.....

- State coordinators named
- Monthly reporting
- Coordination and communication challenges
- Similarities and differences



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Keys to Implementing the Initiative

- Face to face meetings
- Biweekly teleconferences to measure progress and discuss new possibilities
- Agency heads and key agency program staff established communication protocols with counterparts across the Mississippi
- Cooperation and partnership is ongoing



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CRONIN CRITERIA

- Innovation
- Transferability
- Service Improvements
- Cost Reduction

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INNOVATION

- Republicans and Democrats working together!
- Goes beyond traditional multi-state procurement
- Nothing off the table

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TRANSFERABILITY

- 46 other states share borders
- Top-level leadership
- No new funds or staff
- Reporting requirements
- Some barriers to success



SERVICE IMPROVEMENTS

- How does Wisconsin/Minnesota do it?
- Sharing limited resources
- Simplifying government for citizens
- Procurement and non-procurement examples will follow



COST REDUCTION

- Governor's expectations were overly optimistic
- But real savings have been achieved
- Procurement and non-procurement examples will follow



PROCUREMENT SUCCESSES

- Oracle software
 - Wisconsin modeled BPA after MN—
negotiated agreement with Oracle in record 4
month time period
 - Use of GSA pricing 52% discount on new
software
 - Savings \$53,000 on one purchase
 - Additional purchases/savings in the works



Procurement Successes

- Vendor managed vehicle maintenance and repair
 - MN retirements led to opening to outsource
 - WI led joint procurement
 - MN staff on development/evaluation teams
 - Additional MN vehicles (1700) resulted in better pricing from vendor
 - WI projects annual savings of \$174,000 from previous pricing (original estimate \$164,000)



Procurement Successes

- Small package delivery
 - WI utilized existing MN contract with Speedee delivery
 - Contract now fully implemented statewide
 - Original savings projections ranged from \$113,919 to \$243,121
 - Revised annual savings estimate \$446,310 based on wide spread usage and comparison to rates on UW Fed Ex contract



Procurement Successes

- Vehicle Fuel Card
 - MN joined WI fuel card contract in Oct 09
 - Additional volume will generate higher rebates for both states
 - MN estimates an additional \$40,000 in rebates
 - WI rebate projected to increase by about \$50,000 annually.



Procurement Successes

- Ammunition
 - WI led a joint procurement
 - Procurement expanded to include OH and ND
 - Award made December 09
 - ND estimated \$8000 in annual savings
 - WI newest annual savings estimate is \$15,000 to \$20,000



Procurement Successes

- MRO contract
 - MN added MSC to their MRO contract to provide competition for single vendor
 - WI negotiated additional 1% rebate with MSC for an additional \$103,500 in annual contract rebates on this contract.



Procurement Successes

- Eye glasses
 - Procurement conducted by MN
 - Wisconsin piggybacked on resulting contract
 - MN estimates \$2,000,000 in savings
 - WI estimates \$500,000 in savings per year
- Dairy Products for Correctional Institutions
 - Waupun Correctional Dairy currently provides skim milk in half pint cartons statewide to Wisconsin Correctional Institutions
 - Minnesota estimates \$100,00 to \$300,000 savings



Procurement Successes

- Correctional Food Supplies
 - Both states had the same prime vendor for correctional food supplies prior to the partnership initiative
 - Looking at ways to standardize products to further leverage volume and drive down prices
 - Wisconsin DOC learning the value of standardized menus



Procurement Successes

- Fire Suppression vehicles
 - Forestry staff from both states recognized similarities in fire suppression vehicles
 - Wisconsin retrofits its own chasses and saves significant dollars
 - MOU between states will enable WI to retrofit MN vehicles
 - Anticipated savings of \$420,000 to \$480,000 over life of the agreement



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Other opportunities

- Road salt
- Vehicle tires
- Travel
- Car Rental
- Microsoft software

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Non-PROCUREMENT SUCCESSES

- Shared border
- Shared data and systems
- Shared training

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SHARED BORDER

- Gypsy moth and emerald ash borer eradication efforts
- Public safety radio towers
- Public safety mutual aid agreements
- Lake St. Croix pollution reduction
- St. Louis River restoration



SHARED DATA AND SYSTEMS

- Child support enforcement
- Health lab data
- Transportation permit applications
- Co-location of disaster recovery operations



SHARED TRAINING

- Elevator inspection
- State patrol: leadership, crash reconstruction, K-9
- Trout stream habitat improvement
- Highly contagious animal disease protective equipment



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THANKS TO NASPO FOR RECOGNIZING OUR WORK

- Q&A
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