

(SENATE AUTHORS: CARLSON, Parry and Jungbauer)

DATE	D-PG	OFFICIAL STATUS
03/17/2011	548	Introduction and first reading Referred to State Government Innovation and Veterans

1.1A bill for an act

1.2relating to state government; requiring the commissioner of administration to

1.3issue a request for proposals and enter into a contract for strategic sourcing

1.4consulting services.

1.5BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6Section 1. **STRATEGIC SOURCING REQUEST FOR PROPOSALS.**

1.7Subdivision 1. **Request for proposals.** By July 1, 2011, the commissioner

1.8of administration shall issue a request for proposals for a contract to provide

1.9recommendations for efficiencies in strategic sourcing to the commissioner. For the

1.10purposes of this section, "strategic sourcing" has the meaning given in Minnesota Statutes,

1.11section 16C.02, subdivision 20. The request for proposals shall require the vendor to

1.12provide recommendations for improvements to methods used by the commissioner

1.13to analyze and reduce spending on goods and services, including, but not limited to,

1.14spend analysis, product standardization, contract consolidation, negotiations, multiple

1.15jurisdiction purchasing alliances, reverse and forward auctions, life-cycle costing, and

1.16other techniques.

1.17Subd. 2. **Proof of concept phase.** The request for proposal shall require the selected

1.18vendor, at no cost to the state, to begin work on the contract by assisting the commissioner

1.19in implementing its proposed solution on selected state procurement processes to

1.20demonstrate the savings provided by the recommendations. The system provided by the

1.21vendor must be capable of application to the state procurement system.

1.22Subd. 3. **Full implementation and payment.** The request for proposal must require

1.23the state to implement the recommendations provided by the vendor in the entire state

1.24procurement system if the work done under the requirements of subdivision 2 provides

2.1 material savings to the state. After the full implementation of the system provided by the
2.2 vendor, the vendor shall be paid by the state from the savings attributable to the work done
2.3 by the vendor, according to the terms and performance measures negotiated in the contract.

2.4 Subd. 4. **Selection of vendor.** The commissioner of administration shall select a
2.5 vendor from the responses to the request for proposal by September 1, 2011.

2.6 Subd. 5. **Progress report.** The commissioner shall provide a report describing the
2.7 progress made under this section to the governor and the chairs and ranking minority
2.8 members of the legislative committees with jurisdiction over the commissioner of
2.9 administration by January 15, 2012.