

Agency Purpose

Minnesota statutes provide the Department of Finance with responsibility for “managing the financial affairs of the state.” Given this charge, the mission of the department is twofold: to ensure the integrity of state fiscal resources, and to support and challenge state decision-makers to constantly increase the value per dollar of services provided to Minnesotans.

The following objectives span all department activities:

- ◆ ensure the integrity of the state's financial resources;
- ◆ provide statewide governmental financial management leadership;
- ◆ accurately present the state's financial condition;
- ◆ facilitate informed decision making; and
- ◆ improve accountability and promote the prudent use of state resources.

Core Functions

The Department of Finance provides central statewide direction to financial management processes. This direction ensures adherence to standards, continuity, legal compliance, and financial integrity. Core functions support the policy making process and the financial management of state government. Core functions are:

- ◆ managing state financial processes and systems;
- ◆ providing historical and projected financial and program information; and
- ◆ providing financial analysis.

The results of these core functions are:

- ◆ financial and analytical information that is consistent, accurate, reliable, and useful;
- ◆ financial business processes that are cost effective and flexible;
- ◆ financial and program information that are accessible to managers and the public; and
- ◆ state employees that are trained and informed in state financial business practices.

Operations

State employees, vendors, individuals, financial institutions, school districts, and local governments receive payments through the accounting, payroll, procurement, and human resources business processes and systems managed for daily operations. The department also manages systems and processes for the biennial budget, capital budget, fiscal notes, annual spending plans, and performance reporting.

Economic Analysis prepares the financial forecasts that identify projected state revenues and expenditures based on current law for the current biennium and future biennia.

Budget Services coordinates the production of the governor's operating and capital budgets and assists legislative committees in their deliberations. It also prepares reports, coordinates fiscal notes, and advises agencies.

Accounting Services helps agencies manage their financial activities, administers the accounting and payroll systems, and reports on the state's financial condition.

Treasury performs a variety of daily treasury and cash management functions, establishes banking services for state agencies, accesses the capital markets to provide financing for capital projects and equipment, and administers the state's tax exempt bonding allocation law.

At A Glance

Annual Business Processes:

- ◆ Provides accounting and budget management for the state's \$51 billion two-year budget including the \$30.5 billion General Fund
- ◆ Provides financial direction and control to 130 state agencies
- ◆ Pays 50,000 employees bi-weekly
- ◆ Manages 133 separate state fund classes through 5,100 separate accounts
- ◆ Conducts 4.5 million expenditure transactions
- ◆ Processes 1.3 million cash deposits
- ◆ Issues 1.3 million payments
- ◆ Processes 330,000 purchase orders
- ◆ Conducts two bond sales annually, with about \$3.7 billion in outstanding general obligation debt
- ◆ Manages financial transactions totaling \$344 billion including investment and reinvestment activity

Information Services provides technical support for the state's administrative information systems, which include the accounting and procurement system, the payroll and human resources system and the information access system. It also provides technical support for the budget information systems, treasury investment application and the agency's computer network and infrastructure.

Management Services provides human resources and administrative support for the department and includes the agency leadership and staff in the Commissioner's Office.

Budget

The department's FY 2008-09 biennial budget is approximately \$44 million. Department staff includes approximately 147 full-time as of July 2006.

Of the total budget for the biennium, 69% comes from General Fund dollars. Another 31% is collected from state agencies through statutory billing authority based on the volume of transactions generated in the accounting and payroll systems.

Contact

Department of Finance
400 Centennial Office Building
658 Cedar Street
Saint Paul, Minnesota 55155

World Wide Web Home Page:
<http://www.finance.state.mn.us/>

For information on how this agency measures whether it is meeting its statewide goals, please refer to <http://www.departmentresults.state.mn.us/>