

Sustainable Procurement Charter

Purpose

The purpose of this charter is to operationalize the State of Minnesota's Sustainable Procurement Program. This effort will harness the State of Minnesota's collective purchasing power to improve environmental, social and economic impacts. It will foster a better state government that generates less waste while increasing accountability for the state procurement process.

This Sustainable Procurement Charter advances the Governor's commitment set forth in the following Executive Orders:

- Executive Order 17-12 promotes environmental sustainability in the daily operations of state government
- Executive Order 11-12 promotes efficiencies gained through sound renewable energy practices
- Executive Order 16-01 promotes diversity and inclusion in the State's contracting practices.

Through the Sustainable Procurement Program, all cabinet agencies are asked to:

- use sustainable state contracts
- support the principles of sustainable procurement established within this charter
- participate in contract user groups and provide feedback on contract terms when the contract is necessary to meet the business needs of the agency

Key definitions

- *Sustainable procurement*: a purchasing process that considers environmental, social, and economic factors
- *Sustainable contract*: a contract that incorporates sustainability requirements to improve the environmental, social, and economic impacts associated with purchasing.

Sustainable Procurement Program objectives

By making greener, cleaner and sustainable purchasing decisions in state government, we can reduce solid waste, shrink our carbon footprint, promote a strong, equitable local economy, and improve energy and operational efficiencies across the enterprise. The State of Minnesota will use our purchasing power to help drive the market for sustainable goods and services by making purchases that demonstrate the highest level of environmental, social, and economic responsibility.

The Sustainable Procurement Program will work to meet or exceed the needs of contract users and to educate purchasers about the importance of sustainable procurement. The people of Minnesota, suppliers, and purchasers can expect accountability in the execution of this program in the following ways:

- a transparent, inclusive, and data driven process
- a balance of environmental, social, and economic priorities
- a drive for market transformation
- regular communication about outcomes and benefits

Measuring Results

The Sustainable Procurement Program goals and metrics for improving environmental, social, and economic impacts have been identified based on current data and tools available for calculating impact reductions. These program goals may be adjusted in the future as new data and tools become available.

Sustainable Procurement Program Goals

- **25% of dollars spent on priority contracts by 2025** - By 2025, sustainable purchases will comprise 25% of total dollars spent on priority contracts across state government. Priority contract categories include: IT hardware, indoor building materials/furnishings, office supplies (including copy paper and toner), and janitorial and maintenance supplies.
- **Increasing use of Targeted Vendor Contracts** – At least 12% of state purchasing will be with minority, woman, economically disadvantaged and veteran-owned businesses.
- **Increasing the number of sustainable contracts annually** – The State of Minnesota will enter into a minimum of two new sustainable contracts each year.

Sustainable Procurement Program Metrics

Progress of the Sustainable Procurement Program will be measured with the following metrics:

- Percentage of spend on sustainable products/services
- Metric tons of CO₂ equivalent prevented
- Gallons of water conserved
- Kilowatt hours of energy conserved
- Percentage of spend on contracts with targeted vendors
- Number of state contracts that include sustainability criteria

Prioritization

These initial priorities were developed based on: 1) a review of the environmental impacts of state contracts completed in 2013; 2) the Department of Administration (Admin) Office of State Procurement (OSP) sustainable procurement priorities (social and economic); 3) input from state agency contract users.

The Minnesota Pollution Control Agency (MPCA) and Admin will continue to refine these priorities for sustainable purchasing. Also, MPCA and Admin will develop strategy plans for each area, with input from stakeholders for each priority area.

Program structure and resource commitment

MPCA and the Admin formally commit to the program by signing this Sustainable Procurement Charter. Together, MPCA and Admin comprise the Sustainable Procurement Team.

MPCA and Admin will commit staff time to manage the Sustainable Procurement Program. MPCA commits the equivalent of one full-time staff person, with additional assistance from technical experts as needed. Admin will require sustainable procurement to be part of the jobs of all acquisition management specialists and buyers in the Admin OSP. The Chief Procurement Officer and the Acquisitions Manager at Admin will contribute approximately 10% of their time to managing the Sustainable Procurement Program.

Cabinet agencies will support the Sustainable Procurement Program established in this charter through the following actions:

Admin

- Identify opportunities for reducing environmental impacts through state purchasing contracts
- Identify and assess social and economic impacts of state purchasing contracts
- Incorporate sustainability requirements into state solicitations and contracts
- Collect data from vendors to measure program impacts

- Facilitate communication between the Sustainable Procurement Team, the Solid Waste and Procurement Workgroup, and the Sustainability Steering Team
- Elevate barriers to achieving goals to the Sustainability Steering Team when needed.
- Attend quarterly meetings of the MPCA and Admin Sustainable Procurement Team.

MPCA

- Identify opportunities for reducing environmental impacts through state purchasing contracts
- Provide sustainability technical expertise during contract development
- Measure program impacts (using data from Admin's vendor reports and impact estimate tools)
- Convene quarterly meetings of the MPCA and Admin Sustainable Procurement Team

All Cabinet agencies

- Use sustainable state contracts that meet agency business needs (e.g. use the green cleaning chemicals contract when purchasing products to clean a state building)
- Participate in contract user groups when the contract is important to meeting the business needs of the agency
- Participate in the quarterly Solid Waste and Procurement Workgroup meeting

Sustainable procurement process

The sustainable procurement process will be used to develop contracts in priority areas; work on new sustainable contracts will begin one to two years before an RFP is released.

The Sustainable Procurement process includes:

- Market research on the relevant goods/services
- Research on existing vendors
- Information gathering from other procurement subject matter experts in selected product/service lines (via local and national networks)
- Feedback from the contract user group
- Vendor meetings and feedback
- Specification development
- Evaluation criteria development
- Contract administration and compliance verification

Deliverables

The Sustainable Procurement Team will produce:

- Analysis and measurement of outcomes (maintaining metrics)
- A list of priority areas for the Sustainable Procurement Program
- Strategy plans for each of the priority areas and goals identified
- An operation manual for the implementation of the Sustainable Procurement process

This Charter and the principles set forth herein are approved by:



John Linc Stine
Commissioner of Pollution Control Agency
October 10, 2017

Date



Matt Massman
Commissioner of Administration
October 10, 2017

Date