



From data to decisions: Minnesota's real-time financial management revolution



State of Minnesota: Minnesota IT Services

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Executive summary

Minnesota turned a persistent challenge—managing over \$700 million in IT spending across 70+ agencies—into a breakthrough opportunity for enterprise-wide transformation. To make every dollar count, Minnesota IT Services (MNIT) embedded business technologists into its finance team to build a powerful analytics and financial operations (FinOps) capability.

This effort delivers near real-time dashboards, predictive reporting, and transparent data access to over 600 users. MNIT teams partnering with agencies now rely on the platform to track cloud costs, avoid billing errors, and make proactive, data-driven decisions. The initiative also introduced a custom Power BI-based Cloud FinOps application, giving agencies near real-time insight into cloud usage and costs—backed by targeted trainings and a full rollout to all agencies.

The transformation extended far beyond visualization. MNIT automated complex tasks like invoice reconciliation and cost allocation, reducing cycle times from weeks to minutes and driving nearly 100% cost tagging compliance. The state identified and applied cloud savings opportunities that produced over \$500,000 in savings in FY 2024, with projected savings of \$1 million in FY 2025.

Automated anomaly detection tools triggered immediate investigations and vendor resolution, returning more than \$400,000 in credits and refunds. And by integrating cloud spending into broader IT Financial Management systems, MNIT slashed internal charge-back processing time from several weeks to less than one day—enhancing accuracy, transparency, and trust.

By pairing agile development with user-centered design, MNIT created tools that replaced spreadsheets and static PDFs with dynamic insights. The result: streamlined processes, better resource allocation, and greater confidence in the financial data that fuels Minnesota’s digital government.

Why it matters: Real-time financial intelligence helps Minnesota respond faster, budget smarter, and efficiently deliver services. In an era of tight resources and growing demand, this transformation helps ensure that public dollars are spent where they matter most—supporting transparency, innovation, and better outcomes for Minnesotans.



\$700M

Amount of IT spending across 70+ Minnesota agencies



600+

Users who receive dashboards, reports and data access



\$500,000+

Cloud savings identified and applied in FY 2024



\$400,000+

Credits and refunds flagged by automated anomaly detection tools

Solving a persistent financial visibility problem

Before this transformation, Minnesota's executive branch agencies operated with limited visibility into their IT financials. Data was siloed across systems, reports were outdated or incomplete, and critical insights were locked in manual spreadsheets and static PDFs. Finance teams spent hours reconciling bills, chasing down numbers, and reacting to problems instead of proactively managing budgets. This reactive model left the state vulnerable to misaligned spending, delays in project execution, and missed opportunities for cost control.

Financial data drives better government

With over \$700 million in annual IT operational spending, Minnesota needs accurate, real-time financial information to deliver public services effectively. Without it, the state faced billing errors, wasted resources, and eroding trust in how it managed technology dollars. As Minnesota embraced a cloud-first future and broader digital modernization, the lack of financial transparency stood in the way—creating both a risk and an opportunity for enterprise-wide transformation.

Embedding technologists into finance to build what works

Instead of relying on traditional IT delivery models or off-the-shelf tools, MNIT took a different approach—embedding business technologists directly within its finance operations. These experts worked side-by-side with finance and service delivery teams, quickly building and refining real-time dashboards, predictive analytics, and self-service tools.

The result was a responsive, user-driven system designed to meet real-world needs from day one—without long delays or added complexity.

This cross-functional model broke down barriers between IT and business, creating a fast, flexible environment for continuous improvement. These team members are not just report writers—they are finance professionals with advanced technical reporting skills. By combining their financial expertise with technical know-how, they produce reports faster and with greater relevance than traditional, centralized reporting models. Their deep understanding of financial data and business needs allows them to deliver tailored, actionable insights that support informed decision-making. This unique skill set ensures reports are accurate, timely, and aligned with business priorities—enhancing both the efficiency and impact of financial reporting.

A universal solution to a common government challenge

States everywhere face similar financial management issues: rising infrastructure and licensing costs, decentralized systems, and increased pressure for transparency and accountability. Minnesota's approach—empowering operational teams with embedded analytics expertise and agile development—offers a practical, repeatable solution.

By aligning technology, data, and people, Minnesota moved from reactive tracking to strategic financial stewardship. This model can help any state gain control over IT spending, support modernization goals, and deliver better value to the public.

What MNIT has built through this approach has completely changed how we manage and recover costs in our cloud environments. Supporting multiple cloud platforms and over 70 partner agencies means we need to be able to track spending at a very detailed level and be able to support the numbers. This effort has allowed us to do just that.

We now have clear, itemized billing that our customers can understand and trust. The dashboards give them real-time insight into where their dollars are going, and they've become an essential part of how we support transparency and encourage smarter spending to help people make decisions.

We've also put controls in place by using customer service agreements to help us stay in front of large or unexpected expenditures, so we can adjust funding or infrastructure before it becomes a problem.

We also use the tools to make sure we're applying contractual benefits and discounts correctly while providing a detailed invoice to our customers.

A big part of our success has come from how we use tagging within the cloud. By tagging resources consistently and accurately, we're able to track costs by agency, project, or service—and ensure every dollar is accounted for. It's become a critical part of how we drive accountability and deliver accurate, transparent billing.

The financial reporting tools we've developed have become part of how we operate every day. It's helping us be better partners to our agencies, more responsible stewards of public funds, and more proactive in how we manage technology costs.

—Jeff Hoffman

Service Portfolio Manager-IaaS/PaaS

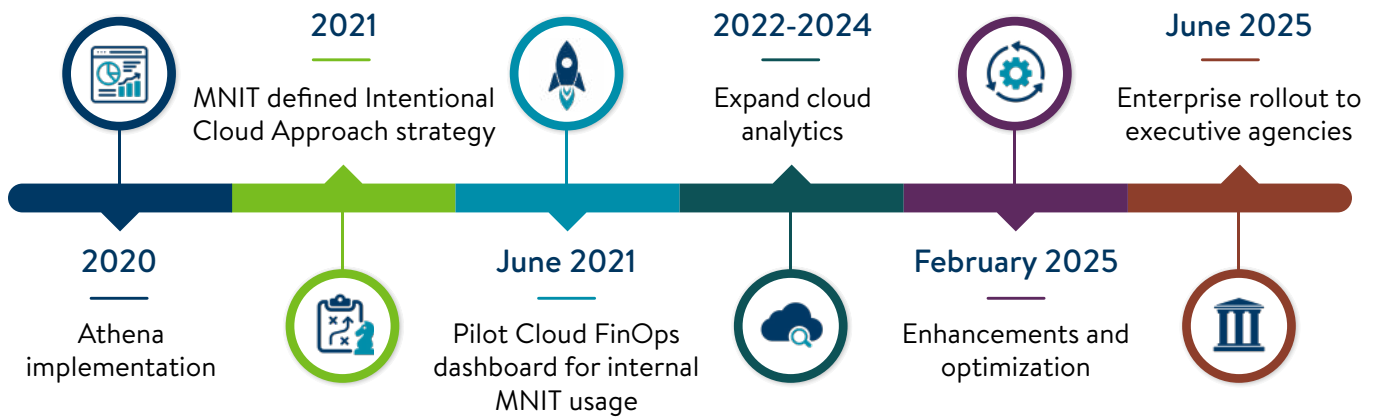


Implementation

Laying the groundwork: A phased, flexible roadmap

MNIT followed a clear, phased roadmap to modernize financial management across the enterprise. The journey began in 2020 with the launch of Athena—an initial suite of dashboards designed to centralize core financial data and provide greater visibility into IT spending. Building on early success and user feedback, the team expanded these tools over the next four years to include predictive analytics, FinOps dashboards for cloud cost tracking, and automated reporting features.

This roadmap prioritized agility and adaptability. Each phase built upon the last, allowing for continuous iteration while minimizing disruption. The project aligned with key enterprise goals like digital modernization, financial transparency, and cloud-first adoption.



Progression and approach

Athena laid the foundation, and advancing to FinOps was a natural next step. Recognizing the growing demand for cloud solutions, MNIT’s finance team began development well before the state’s cloud migration officially began.

Leveraging years of experience in financial consolidation and a deep understanding of agency needs, the team initially viewed cloud financial reporting as another development challenge. However, the unique demands of cloud reporting quickly became clear.

To address them, MNIT prioritized establishing a strong governance framework, including a detailed tagging policy to ensure accurate and meaningful reporting.

By focusing first on governance and policy, MNIT set the stage for effective cloud financial management. This approach made it possible to integrate data from multiple sources and deliver clear, actionable insights into cloud spending—empowering the organization to make informed, confident financial decisions.

Early in the Cloud Transformation program, we recognized that without better dashboards and reports, we couldn’t manage cloud costs effectively. At the time, we waited weeks—sometimes over a month—for usage data, losing valuable time to correct misconfigurations or shut down unused services, leading to unnecessary costs.

To address this, we made “Becoming Elite at FinOps” one of our core Cloud Transformation goals.

Today, we have near real-time visibility into costs, projections, and daily spend trends, along with alerts to prevent overspending. Combined with improved tagging, these tools help MNIT teams make data-driven decisions and optimize cloud use. We’ve also gained enterprise-wide visibility into services used across teams, increasing collaboration and reducing duplication of effort.

—**Christian Deloia**
Cloud Business Delivery Director



Collaborating across disciplines

The success of this initiative relied on close collaboration across teams. MNIT's finance division led the effort, embedding three business technologists—professionals with financial and technical expertise—directly into operational teams.

These embedded technologists worked closely with:

- MNIT's service delivery and engineering teams
- Procurement and billing staff
- Executive leadership
- Agency budget and finance partners

This cross-functional collaboration enabled fast iteration, accurate data integration, and solutions that reflected the real-world needs of users managing IT finances across more than 70 state agencies.

How we built it: User-centered, iterative development

MNIT used agile principles to guide development. Instead of launching a large, centralized system all at once, the team rolled out targeted tools and dashboards in phases—testing, improving, and scaling based on direct feedback from users.



Each solution was purpose-built to address specific challenges, from reducing billing errors to supporting cloud cost forecasting.

The team tackled complex system integration challenges by connecting data across payroll, procurement, accounting, and billing platforms. They also prioritized accessibility and usability to ensure tools served staff with different levels of technical expertise.

Training and user engagement remained a constant. MNIT offered hands-on support, curated learning resources, and regular feedback loops to keep the work aligned with partner needs. This focus on adoption helped the tools scale to more than 600 users across the enterprise.

Impact

This project fundamentally transformed how Minnesota manages and understands IT spending. Outdated, manual processes were replaced with a centralized, real-time financial analytics platform—empowering smarter, faster decision-making across the enterprise.

With over \$700 million in IT investments to oversee, Minnesota now uses dynamic dashboards to monitor cloud costs, track budgets, and proactively address financial issues before they escalate.

A series of key innovations drove this shift:

- **Cloud FinOps Application Deployment:** MNIT launched a custom Power BI–based Cloud FinOps tool, giving over 70 agencies near real-time visibility into cloud usage and spending. Full rollout and trainings are underway to ensure widespread adoption and value.
- **Instant Invoice Reconciliation:** What once took weeks—reconciling cloud vendor invoices—now happens almost instantly upon invoice publication, thanks to automation.
- **Automated Tagging and Cost Allocation:** The percentage of untagged or unallocatable cloud resources fell from over 10% to less than 0.1%, as MNIT automated cost-code assignment. This ensures nearly all cloud spending is accurately attributed.
- **Cost Optimization and Savings:** Through continuous analysis and application of reserved instance and savings plan opportunities, the state saved \$500,000 in FY 2024 and is on track to exceed \$1 million in FY 2025.
- **Anomaly Detection and Vendor Credits:** Daily automated alerts now flag cost anomalies for immediate follow-up, leading to swift issue resolution and more than \$400,000 in vendor refunds and credits.
- **Integrated Charge-backs and ITFM Efficiency:** FinOps data is now fully integrated into Minnesota’s broader IT Financial Management (ITFM) framework. Charge-back processes that once took weeks now happen in less than a day—delivering greater speed, accuracy, and transparency for internal budgeting and forecasting.

These improvements significantly reduced billing errors, freed up valuable staff time, improved coordination across agencies, and delivered a transparent, trusted view into how technology dollars are spent—all of which directly support Minnesota’s broader digital transformation agenda.

Results speak for themselves



More than 600 users across 70+ agencies now rely on these tools for budgeting, billing, forecasting, and cloud cost management.



Real-time reconciliation and anomaly detection shortened correction cycles and minimized disruptions.



Predictive analytics support more strategic planning for cloud migration and IT investments.



Agency leaders report greater confidence in financial data and substantial time savings compared to previous manual processes.

The rapid adoption of these tools—and growing demand for expanded capabilities—reinforces their essential role in planning, accountability, and strategic resource management.