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## FISCAL TOPICS

Fiscal Services Division

October 29, 2021



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Des Moines, Iowa 50319

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## Human Resources Enterprise (DAS)

The Human Resources Enterprise (HRE) of the Department of Administrative Services (DAS) provides centralized personnel services for State of Iowa government agencies including the Legislative and Judicial branches. The Board of Regents, Community-Based Corrections, and the State Fair Authority use HRE services on a limited basis.

### Services Provided Under HRE

- **Benefits** — Utility service rate charged by the DAS to cover functions, staff, third-party consulting services, and operational costs under two areas: the pretax team services and the group insurance and leave programs. The pretax team services include the deferred compensation program, flexible spending accounts, and the premium conversion program. The group insurance and leave programs include life and long-term disability, dental insurance, family medical leave, and military leave. The rate covers the entire budget for the services and is charged to each agency on a per-filled-position basis, based on the filled positions five-quarter average, which is the average of filled permanent full-time equivalent (FTE) positions and part-time equivalent (PTE) positions for the last pay period of each of the five consecutive quarters ending with the third quarter of a fiscal year.
- **Personnel Officers** — Utility service rate charged by the DAS to provide advice and consultation to all Executive Branch agency managers and supervisors in all areas of Human Resources. These services include organizational development, employee relations, performance management, position classification, and training and development. The rate covers the entire budget for the services and is charged to each agency on a per filled position basis, based on the five-quarter average of filled positions.
- **Merit-Only Employment Services** — Utility service rate charged by the DAS to assist and process merit-covered job vacancies. These services include application submissions management, NeoGov application system management, eligibility evaluation and eligible lists issuance, disqualification notices and appeals, and placement services. The rate covers the entire budget for the services and is charged to each agency on a per filled position basis, based on the five-quarter average of filled positions.
- **Merit and Nonmerit Employment Services** — Utility service rate charged by the DAS to assist and process program areas for both merit and nonmerit employees. The services include job classification system maintenance, salary and market surveys, position classification appeals, temporary contracts maintenance, and Affirmative Action/Equal Opportunity Employer program administration support. The rate covers the entire budget for the services and is charged to each agency on a per filled position basis, based on the five-quarter average of filled positions.
- **Health Insurance Surcharge** — Utility service rate charged by the DAS to provide health insurance programs, dental insurance programs, and benefit education. The rate is set by the General Assembly and based on centralized payroll and monthly costs from noncentralized payroll agencies. A monthly, per-contract administrative charge is assessed by the DAS on all health insurance plans held by an active State employee. Since 2003, the fee has been set at \$2 per month per health insurance plan. The charges are paid through the centralized payroll system and deposited in the

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### More Information

Department of Administrative Services — Human Resources Enterprise: [das.iowa.gov/human-resources](https://das.iowa.gov/human-resources)  
Department of Administrative Services — Customer Council: [das.iowa.gov/das-core/das-customer-council](https://das.iowa.gov/das-core/das-customer-council)  
LSA Staff Contact: Maria Wagenhofer (515.281.5270) [maria.wagenhofer@legis.iowa.gov](mailto:maria.wagenhofer@legis.iowa.gov)

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Health Insurance Administration Fund. Any balance carryforward is transferred to the Health Insurance Premium Reserve Fund.

- **Unemployment** — Pass-through rate set by the State's third-party vendor and charged by the DAS to cover unemployment claims management services. The rate is based on a five-quarter headcount average. The rate is determined by an annual certification of participation letter submitted by each agency. The actual amounts billed are based on third-party vendor costs and the headcount of participating agencies.
- **Flexible Spending** — Pass-through rate set by the State's third-party vendor, ASIFlex, and charged by the DAS to cover health care and dependent care pretax programs. The rate covers the entire budget for the services and is charged to each agency based on the total number of State employees participating in the programs.
- **Workers' Compensation** — Utility service rate charged by the DAS for financial and administrative management of the State employee workers' compensation benefits by the State's third-party administrator, Sedgwick CMS, and DAS staff. The allocation methodology is based on the agency's five-year average of actual claims experience and pro rata share of administrative and legal representation expenses.
- **Employee Assistance Program (EAP)** — Pass-through rate set by the State's third-party vendor, KEPRO, and charged by the DAS to provide the Employee Assistance Program. The rate is a pass-through for the third-party vendor to provide confidential counseling resources, at no cost, to employees who experience personal issues that impact work. The rate covers the entire budget for the services and is charged to each agency on a per filled position basis, based on the five-quarter average of filled positions.
- **Family Medical Leave Act (FMLA)** — Pass-through rate set by the State's third-party vendor, ReedGroup, and charged by the DAS for the administration of the State of Iowa FMLA claims through FY 2021. Services include intake, certification, designation, administration, reporting, and communications. Beginning in FY 2022, the DAS is providing this service. The rate covers the entire budget for the services and is charged to each agency on a per filled position basis, based on the five-quarter average of filled positions.
- **Training** — Utility service rate charged by the DAS to cover the costs of providing training and development opportunities through Performance Development Solutions (PDS). This program started in 2017. The funding will have two components, including both utility service fees based on a five-quarter average of filled positions and marketplace services fees based on additional third-party courses.
- **Employee Relations** — Utility service rate that will be charged by the DAS beginning in FY 2022. Services include investigations into alleged employee misconduct. The rate covers the entire budget for the services and is charged to each agency on a per filled position basis, based on the five-quarter average of filled positions.
- **Access Badging** — Utility service rate charged by the DAS beginning in FY 2021. Services include the management of access badges for Executive Branch State employees and contractors working on the Capitol Complex. The rate is based on the number of Capitol Complex employees.
- **Labor and Legal Services** — Utility service rate charged by the DAS to provide funding for labor and legal services. Services include legal advice regarding personnel matters; collective bargaining with employee representatives; matters pending before the Public Employment Relations Board (PERB); preparing for and conducting grievances, arbitrations, and administrative hearings; and classification appeals. The rate covers the entire budget for the services and is charged to each agency on a per filled position basis, based on the five-quarter average of filled positions.

### Human Resources Enterprise Annual Rate History

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Benefits	\$37.72	\$37.72	\$37.72	\$37.72	\$43.80	\$40.92	\$40.92
Personnel Officers	85.34	89.87	89.87	89.87	89.87	93.00	93.00
Merit-Only Employment Services	23.68	23.68	23.68	23.68	23.68	23.68	23.68
Merit and Nonmerit Employment Services	65.41	65.41	65.41	65.41	65.41	65.41	73.44
Health Insurance Surcharge	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Unemployment	0.95	0.95	0.51	0.51	1.00	1.00	1.00
Flexible Spending	36.00	36.00	38.00	40.56	42.00	42.00	42.00
Workers' Compensation	N/A						
Employee Assistance Program (EAP)	6.00	6.00	6.00	6.48	6.48	6.48	6.48
Family Medical Leave Act (FMLA)	19.20	19.20	19.20	24.00	27.60	33.96	33.96
Training	19.57	19.57	19.57	19.57	19.57	19.57	27.60
Employee Relations	N/A	N/A	N/A	N/A	N/A	28.20	36.00
Access Badging	N/A	N/A	N/A	N/A	11.14	33.50	20.00
Labor and Legal Services	41.61	41.61	41.61	41.61	41.61	41.61	41.61

Notes: The DAS revisits Unemployment, Flexible Spending, and EAP rates on an annual basis. The Workers' Compensation rate is an allocation.

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