
FISCAL TOPICS

Fiscal Services Division

September 16, 2021



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

OCIO Internal Service Fund

The Office of the Chief Information Officer (OCIO) Internal Service Fund supports the State of Iowa's centralized information technology (IT) operations and is funded from billings to governmental entities for service rendered by the Office as provided in Iowa Code section [8B.13](#).

Services

The OCIO provides IT support and services to participating Executive Branch agencies in a centralized manner to maximize the efficiency of IT operations across State government. Services include business services, consulting services, desktop computing, enterprise applications, information security, mainframe support, network support, printing services, server and data center services, service desk services, and storage. Under Iowa Code section [8B.1](#), participating agencies include all State agencies except for the Board of Regents and institutions operated under the authority of the Board of Regents.

Rates

The OCIO sets rates on an annual basis for the upcoming fiscal year based on forecasted costs and usage for each service area. Costs for each OCIO service include:

- **Payroll** – Allocated based on OCIO employee time for each service
- **Vendor invoices for IT goods/services** – Allocated based on coding of invoices paid by OCIO to each service
- **Overhead** – Allocated to each service based on the amount of revenue each service is projected to generate
- **Other miscellaneous fees/charges**

The rates are determined by dividing the total costs for each service by the utilization, or estimated usage, for the service forecasted for the next fiscal year. The two methodologies to calculate service utilization are:

1. *Estimated Usage* – how much of a service all agencies utilize and how many units of services they will be charged (i.e. hourly rate, number of network ports, etc.).
2. *Headcount* – the position count is the average number of filled permanent full-time and part-time positions for five consecutive quarters provided to OCIO and calculated by the Department of Administrative Services.

A rate for a particular service is the same for all agencies. The OCIO submits annual rate recommendations and agency impacts to the Department of Management for approval. For FY 2022, the rates were presented at the annual Customer Council meeting in July 2021.

The OCIO has consolidated the number of IT service rates over the years. For example, between FY

More Information

Office of the Chief Information Officer: ocio.iowa.gov

LSA Staff Contact: Maria Wagenhofer (515.281.5270) maria.wagenhofer@legis.iowa.gov

2019 and FY 2020, the number of rates decreased from 72 to 40. In FY 2021, there was a 3.0% increase in rates across the board compared to FY 2020. There were no changes in rates between FY 2021 and FY 2022. Services and associated rates can be located on the State of Iowa [eDAS website](#).

Fund Revenues

Table 1 provides the annual revenues to the OCIO Internal Service Fund for fiscal years 2016 through 2020.

Table 1: OCIO Internal Service Fund Revenue

Fiscal Year	Balance Brought		
	Receipts	Forward	Total
2016	\$ 56,610,892	\$ 7,653,503	\$ 64,264,395
2017	61,789,706	9,030,993	70,820,699
2018	57,811,639	10,244,139	68,055,779
2019	60,735,558	9,246,296	69,981,853
2020	77,210,746	5,051,491	82,262,237

Related Statutes

Iowa Code section [8B.13](#)