

**MANAGEMENT DEPARTMENT[541]**

**Adopted and Filed**

**Rulemaking related to organization and operation**

The Department of Management hereby rescinds Chapter 1, “Organization and Operation,” Iowa Administrative Code, and adopts a new chapter with the same title.

*Legal Authority for Rulemaking*

This rulemaking is adopted under the authority provided in Iowa Code sections 8.6 and 25.1.

*State or Federal Law Implemented*

This rulemaking implements, in whole or in part, Iowa Code chapter 8.

*Purpose and Summary*

This chapter describes the organization of the Department for the public, including coordination of policy planning, reports, program development, and interagency programs.

*Public Comment and Changes to Rulemaking*

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 15, 2023, as **ARC 7113C**. Public hearings were held on December 6, 2023, at 1 p.m. and December 8, 2023, at 1 p.m. in Room G14, State Capitol, 1007 East Grand Avenue, Des Moines, Iowa. No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

*Adoption of Rulemaking*

This rulemaking was adopted by the Department on December 20, 2023.

*Fiscal Impact*

This rulemaking has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rulemaking, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 541—1.3(8).

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rulemaking will become effective on February 14, 2024.

The following rulemaking action is adopted:

ITEM 1. Rescind 541—Chapter 1 and adopt the following **new** chapter in lieu thereof:

CHAPTER 1  
ORGANIZATION AND OPERATION

**541—1.1(8) Purpose.** This chapter describes the organization and operation of the department of management (department), including the coordination of policy planning, management of interagency programs, economic reports and program development.

**541—1.2(8) Scope of the rules.** The rules for the department are promulgated under Iowa Code chapter 8 and apply to all matters before the department. No rule, in any way, relieves a person affected by or subject to these rules, or any person affected by or subject to the rules promulgated by the various divisions of the department, from any duty under the laws of this state.

**541—1.3(8) Waiver.** The purpose of these rules is to facilitate the business before the department and to promote a just resolution of controversies. Consistent with this purpose, the application of any of these rules, unless otherwise provided for by law, may be waived by the department to prevent undue hardship to a party, to a departmental proceeding, or to a person transacting business with the department. The reasons for granting a waiver of an administrative rule stated in writing will be a part of the record of the proceeding or a part of the departmental file in other matters.

**541—1.4(8) Duties of the department.** The department plans, develops, and recommends policy decisions for management of state government; administers local budget laws (cities, counties, and schools); oversees and ensures compliance with affirmative action; implements policies through coordination and budget processes; and monitors and evaluates the consistent, efficient, and effective operation of state government. The department consists of budgeting, planning, and early childhood operations and the following agencies or boards: state appeal board, city finance committee, county finance committee, and early childhood Iowa state board.

**541—1.5(8) Definitions.**

“*City budget*” means the budget adopted by city officials that incorporates specified requirements as stated in Iowa Code section 384.16.

“*Contract compliance director*” means the individual designated to oversee and impose sanctions in connection with state programs emphasizing equal opportunity through affirmative action, contract compliance, policies, and procurement set-aside requirements.

“*County budget*” means the budget adopted by the board of supervisors pursuant to Iowa Code chapter 331.

“*Department*” means the department of management.

“*Director*” means the director of the department of management as appointed by the governor and subject to senate confirmation.

**1.5(1) State appeal board—fees.** The state appeal board considers the protests of local government budgets, as well as all general and tort claims against the state, as interpreted by the three members: treasurer of state, auditor of state and director of the department of management. Department of management staff implement proper procedures as directed by the state appeal board as assigned by Iowa Code chapter 24. The processing fee for filing a general claim with the state appeal board is \$5, which is billed and paid quarterly by the state agency that incurred the liability of the claim. This fee is not reimbursable from the vendor to the state agency.

**1.5(2) City finance committee.** The city finance committee promulgates rules relating to city budget amendments, establishes guidelines for the capital improvement program, reviews and comments on city

budgets and conducts studies of municipal revenues and expenditures as specified in Iowa Code section 384.13.

**1.5(3) *County finance committee.*** The county finance committee establishes guidelines for program budgeting and accounting, reviews and comments on county budgets, and conducts studies of county revenues and expenditures. In addition, the committee performs other duties as assigned by law pursuant to Iowa Code section 333A.4.

**541—1.6(8) Central office and communications.** Correspondence and communications with the department, state board of appeals, county finance committee, or city finance committee are to be addressed or directed to the department's office located at Department of Management, State Capitol Room 13, 1007 East Grand Avenue, Des Moines, Iowa 50319-0015; telephone 515.281.3322.

These rules are intended to implement Iowa Code sections 8.6 and 25.1.

[Filed 12/20/23, effective 2/14/24]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/10/24.