

MANAGEMENT DEPARTMENT[541]

[Created by 1986 Iowa Acts, chapter 1245, section 103]

Divisions under this “umbrella” include: Appeal Board, State[543], City Finance Committee[545], and County Finance Committee[547].

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CHAPTER 1
ORGANIZATION AND OPERATION

Chapter rescission date pursuant to Iowa Code section 17A.7: 2/14/29

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.

[ARC 7494C, IAB 1/10/24, effective 2/14/24]

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.

[ARC 7494C, IAB 1/10/24, effective 2/14/24]

541—1.3(8) Waiver. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

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.

[ARC 7494C, IAB 1/10/24, effective 2/14/24]

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.

[ARC 7494C, IAB 1/10/24, effective 2/14/24]

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.

[ARC 7494C, IAB 1/10/24, effective 2/14/24]

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

[Filed 10/1/87, Notice 5/20/87—published 10/21/87, effective 11/25/87]

[Filed 9/27/88, Notice 5/4/88—published 10/19/88, effective 11/23/88]

[Filed emergency 8/9/93—published 9/1/93, effective 8/9/93]

[Filed emergency 10/8/93—published 10/27/93, effective 10/8/93]

[Filed 1/3/05, Notice 11/24/04—published 2/2/05, effective 3/9/05]

[Filed ARC 1371C (Notice ARC 1124C, IAB 10/16/13), IAB 3/19/14, effective 4/23/14]

[Filed ARC 7494C (Notice ARC 7113C, IAB 11/15/23), IAB 1/10/24, effective 2/14/24]

[Content rescinded by 2026 Iowa Acts, Senate File 2463, section 4—editorially removed in IAC Supplement 7/8/26, effective 7/1/26]

CHAPTERS 2 and 3
Reserved

CHAPTER 4
CONTRACT COMPLIANCE
Rescinded **ARC 2500C**, IAB 4/27/16, effective 6/1/16

CHAPTER 5
PETITIONS FOR RULEMAKING
Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026. See Uniform Rules on Agency Procedure at 7—Chapters 2500 through 2506 and any corresponding rules adopted by this agency.

CHAPTER 6
DECLARATORY ORDERS
Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026. See Uniform Rules on Agency Procedure at 7—Chapters 2500 through 2506 and any corresponding rules adopted by this agency.

CHAPTER 7
AGENCY PROCEDURE FOR RULEMAKING
Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026. See Uniform Rules on Agency Procedure at 7—Chapters 2500 through 2506 and any corresponding rules adopted by this agency.

CHAPTER 8
PUBLIC RECORDS AND FAIR INFORMATION PRACTICES

Chapter rescission date pursuant to Iowa Code section 17A.7: 2/14/29

541—8.1(17A,22) Definitions. As used in this chapter:

“*Agency.*” In lieu of “(official or body issuing these rules)”, insert “department of management”.

“*Nonincidental retrieval or supervisory service*” means services provided to persons requesting access to public documents by the department’s staff (or staff from the department of administrative services), and where such retrieval or supervisory services exceed 20 hours of total staff time.

“*Nonproprietary records*” means those records that are in the possession of the department but that are generated for the purposes of other units of government.

“*Public record*” means a record as defined in Iowa Code section 22.1. A public record includes both confidential and open records.

[ARC 7498C, IAB 1/10/24, effective 2/14/24]

541—8.2(17A,22) Public record retention and access. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

541—8.3(17A,22) Requests for access to records. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

541—8.9(17A,22) Disclosures without the consent of the subject. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

541—8.10(17A,22) Routine use. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

541—8.11(17A,22) Consensual disclosure of confidential records. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

541—8.12(17A,22) Release to subject. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

541—8.13(17A,22) Availability of records. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

541—8.14 Reserved.

541—8.15(17A,22) Other records. The agency maintains a variety of records that do not generally contain information pertaining to named individuals. The agency maintains the following records, not heretofore listed, which do not generally contain personally identifiable or confidential information: annual reports; press releases; budget information (following presentation by the governor); receipt statements; revenue information; newsletters; public meeting agendas and minutes; budget information relating to cities, counties or school districts; state revenue forecasts; policy information as recommended to the governor; progress review materials and targeted small business compliance reports.

[ARC 7498C, IAB 1/10/24, effective 2/14/24]

541—8.16(17A,22) Applicability. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

These rules are intended to implement Iowa Code section 22.11.

[Filed emergency 8/19/88 after Notice 6/15/88—published 9/7/88, effective 8/19/88]

[Filed 1/3/05, Notice 11/24/04—published 2/2/05, effective 3/9/05]

[Filed ARC 1371C (Notice ARC 1124C, IAB 10/16/13), IAB 3/19/14, effective 4/23/14]

[Filed ARC 7498C (Notice ARC 7117C, IAB 11/15/23), IAB 1/10/24, effective 2/14/24]
[Content rescinded by 2026 Iowa Acts, Senate File 2463, section 4—editorially removed in IAC
Supplement 7/8/26, effective 7/1/26]

CHAPTER 9
FISCAL OVERSIGHT OF THE EARLY CHILDHOOD IOWA INITIATIVE
Transferred to 441—Chapter 122, IAC Supplement 6/14/23

CHAPTER 10
IOWA TARGETED SMALL BUSINESS INTERIM GUIDELINES
Rescinded **ARC 1371C**, IAB 3/19/14, effective 4/23/14

CHAPTER 11
GRANTS ENTERPRISE MANAGEMENT SYSTEM

Chapter rescission date pursuant to Iowa Code section 17A.7: 2/14/29

541—11.1(8) Purpose. These rules are designed to establish a grants enterprise management system (GEMS) under Iowa Code sections 8.9 and 8.10. The primary goals of GEMS include:

1. Securing additional nonstate funding;
2. Fostering cooperation and coordination between state agencies;
3. Discouraging duplication of competitive grant application efforts;
4. Providing a mechanism for the timely exchange of information among state agencies on proposals potentially affecting the agencies; and
5. Providing policy makers, legislators and the citizens of Iowa with information on grant funds received and state agencies' competitive grant applications.

[ARC 7499C, IAB 1/10/24, effective 2/14/24]

541—11.2(8) Definitions. As used in this chapter:

"Applicant agency" means the agency intending to apply for, or applying for, a competitive grant.

"Competitive grant application" means a grant application that is in competition with other applications for limited funds.

"Federal Executive Order 12372" means the federal executive order that provides for the establishment of a process for the coordination and review of proposed federal financial assistance. In the order, states are encouraged to develop their own processes, and federal agencies, to the extent permitted by law, utilize the state process.

"GEMS coordinator" means the person appointed by the director of the department of management to coordinate GEMS.

"I/3 grant tracking module" means Integrated Information for Iowa (I/3) and the portion of the I/3 cost accounting module designed to collect data on all nonstate funds received by state government agencies.

"Single point of contact" means the GEMS coordinator.

"State agency" means any department or agency of state government except the board of regents.

[ARC 7499C, IAB 1/10/24, effective 2/14/24]

541—11.3(8) GEMS coordinator. The GEMS facilitator will coordinate all aspects of GEMS under Iowa Code sections 8.9 and 8.10. The GEMS coordinator will:

1. Identify and execute strategies to secure nonstate funds;
2. Ensure that all agencies utilize the Iowa grants database to track all competitive grant applications;
3. Ensure that all agencies utilize the I/3 grant tracking module for all grants received;
4. Operate as the state's single point of contact, pursuant to Federal Executive Order 12372;
5. Establish a grants network, representing all state agencies, to operate in an advisory capacity;
6. Assign a state application identifier (SAI) number at each stage of the application process: notification of intent, application submitted, and final status;
7. Review competitive grant applications of special significance, at the coordinator's discretion;
8. Serve as liaison with the state single point of contact in contiguous states;
9. In cooperation with other state agencies, monitor and refine the GEMS competitive grants review procedures;
10. Maintain a list of state agency grants coordinators;
11. Ensure, to the greatest degree practicable, that all GEMS competitive grants reviews are conducted in accordance with these rules;
12. Provide training and policy guidance; and
13. Provide status and results reports to appropriate contacts on an as-needed basis.

[ARC 7499C, IAB 1/10/24, effective 2/14/24]

541—11.4(8) Grants network. The grants network includes representation from all state agencies. Agency representatives will serve as agency grants coordinators. All agency grants coordinators will work with the GEMS coordinator to implement Iowa Code section 8.10 and do the following:

1. Communicate relevant information to the GEMS coordinator;
2. Utilize the Iowa grants database to track all competitive grant applications;
3. Utilize the I/3 grant tracking module for all grants received;
4. Inform the Iowa office for state-federal relations of initiatives for which the agency is seeking federal funds; and
5. Participate in issue-specific federal legislation work groups.

[ARC 7499C, IAB 1/10/24, effective 2/14/24]

541—11.5(8) GEMS competitive grants review system. The purpose of the GEMS competitive grants review system is to allow state government coordination and review of all competitive grant applications in order to avoid duplication and conflicts.

11.5(1) Agency competitive grants review coordinator. Agency grants coordinators will:

- a. Serve as the agency's competitive grants review coordinator and as liaison between the agency and the GEMS coordinator for the GEMS competitive grants review process.
- b. Assist in the evaluation of the GEMS competitive grants review process.

11.5(2) GEMS competitive grants review process. The following is a generalized summary of the GEMS competitive grants review process that will be followed by state agencies with respect to review of applications for competitive grants.

a. *Step 1—intent to apply.*

- (1) The applicant agency will complete the intent to apply section of the Iowa grants database when the applicant agency identifies a competitive grant opportunity.
- (2) Upon submission of the intent to apply, a notification will be sent to all state agencies.
- (3) Any state agency, or the GEMS coordinator, may request a GEMS competitive grants review meeting to explore the project in greater detail, identify opportunities for collaboration and resolve possible conflicts.

(4) The applicant agency and the GEMS office will receive the agency request for a GEMS competitive grants review meeting within two working days of submission of the intent to apply notification.

(5) The GEMS review meeting will be held within 12 working days of submission of the intent to apply notification. The applicant agency will work with the GEMS office to schedule the meeting.

b. *Step 2—application submitted.*

(1) Upon completion of the GEMS competitive grants review process, but prior to submission of the grant application, the applicant agency will enter the grant application information in the application section of the Iowa grants database.

(2) When all necessary fields are completed, the Iowa grants database will automatically generate written confirmation of completion of the GEMS competitive grants review to the applicant agency.

(3) The applicant agency will keep a file copy of the confirmation. The applicant agency will include the written confirmation with all federal competitive grant applications pursuant to Federal Executive Order 12372.

c. *Step 3—status.*

(1) The applicant agency will enter the grant's status in the Iowa competitive grants database upon withdrawal of the application or notification of the receipt or denial of the grant.

(2) The GEMS office and the legislative services agency will be notified of the final grant status.

[ARC 7499C, IAB 1/10/24, effective 2/14/24]

These rules are intended to implement Iowa Code sections 8.9 and 8.10.

[Filed emergency 6/18/03—published 7/9/03, effective 7/1/03]

[Filed ARC 7499C (Notice ARC 7118C, IAB 11/15/23), IAB 1/10/24, effective 2/14/24]

CHAPTER 12
DAS CUSTOMER COUNCIL

Chapter rescission date pursuant to Iowa Code section 17A.7: 2/14/29

541—12.1(8) Definitions.

“DAS” means the department of administrative services created by Iowa Code chapter 8A.

“DAS customer council” means a group responsible for overseeing operations with regard to a service funded by fees paid by a governmental entity or subdivision receiving the service when the department and DAS have determined that DAS will be the sole provider of that service.

“Department” or “DOM” means the department of management created by Iowa Code chapter 8.

“Economies of scale” means mass purchasing of goods or services, which results in lower average costs.

“Leadership function” means a service provided by the department and funded by a general appropriation. Leadership functions typically relate to development of policy and standards and are appropriate when standardization is necessary and the ultimate customer is the taxpayer.

“Marketplace service” means a service that the department is authorized to provide but that governmental entities may provide on their own or obtain from another provider of the service.

“Quorum” means the presence of no less than a simple majority (50 percent plus 1) of the members eligible to vote.

“Utility service” means a service funded by fees paid by the governmental entity receiving the service and for which DAS is the sole provider of the service.

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

541—12.2(8) Purpose. The purpose of this chapter is the same as Iowa Code section 8.6(15) “c.”

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

541—12.3(8) Utility determination. Services for which the department has determined that DAS will be the sole provider are designated “utilities” in Iowa state government. Customers may choose the amount of service they purchase, but should buy from the single source. Utilities are those services for which a monopoly structure makes sense due to economies of scale. The process for determining whether DAS will be the sole provider of a service will include consideration of economic factors, input from the DAS customer council and input from upper levels of the executive branch.

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

541—12.4(8) DAS customer council established. In order to ensure that DAS utilities provide effective, efficient, and high-quality services that benefit governmental entities and the citizens they serve, this chapter establishes a DAS customer council for services identified as utilities.

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

541—12.5(8) DAS customer council membership. DAS customer council membership will consist of the chairperson and vice chairperson, the Governor’s cabinet state agency directors, a judicial branch representative overseeing DAS services provided to the judicial branch, and two legislative branch representatives overseeing DAS services provided to the legislative branch.

12.5(1) Executive branch agency representation. The DAS customer council will include directors from the governor’s cabinet-level agencies and two noncabinet-level agencies.

12.5(2) Legislative and judicial branch representation. If the service to be provided may also be provided to the judicial branch and legislative branch, the provisions of Iowa Code section 8.6(15) “c”(2) apply.

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

541—12.6(8) Organization of DAS customer council. The operations of the DAS customer council will be governed by a set of bylaws as adopted by the DAS customer council. Bylaws will address the following issues:

12.6(1) Member participation. Each member is expected to attend and actively participate in meetings. Participation will include requesting input and support from the group each member represents.

a. Substitutes for members and alternates absent from meetings will be allowed; however, members may attend by telephone or other electronic means approved by the DAS customer council.

b. Upon the approval of the DAS customer council, an alternate member may be selected by an agency or group that provides a representative to the DAS customer council to participate in DAS customer council meetings and vote in place of the representative when the representative is unable to participate.

12.6(2) Voting. A quorum is necessary for a DAS customer council vote.

a. Eligible members may vote on all issues brought before the group for a vote. Members may be present to vote during a meeting in person, by telephone or other electronic means approved by the DAS customer council.

b. Each member, other than the chairperson, vice chairperson and ex officio members, has one vote. Designated alternates may only vote in the absence of the representative from the same organization. A simple majority of the members voting will determine the outcome of the issue being voted upon.

c. DAS customer council bylaws may be amended by a simple majority vote of all members.

12.6(3) Officers. The officers of the DAS customer council will be the chairperson and vice chairperson. The director of the department of management will serve as chairperson, and the director of the department of administrative services will serve as vice chairperson. The chairperson and vice chairperson cannot be voting members.

12.6(4) Duties of officers.

a. The chairperson will preside at all meetings of the DAS customer council.

b. The vice chairperson will assist the chairperson in the discharge of the chairperson's duties as requested and, in the absence or inability of the chairperson to act, will perform the chairperson's duties.

12.6(5) Committees.

a. The chairperson may authorize or dissolve committees as necessary to meet the needs of the DAS customer council.

b. Members of the DAS customer council and individuals who are not members of the DAS customer council may be appointed by the chairperson to serve on committees.

c. Committees will provide feedback to the chairperson and the DAS customer council at the council's request.

d. Committees will meet, discuss, study and resolve assigned issues as needed.

12.6(6) Administration. DAS will assist the department by providing staff support to assist the chairperson with the following administrative functions:

a. Keeping the official current and complete books and records of the decisions, members, actions and obligations of the DAS customer council;

b. Coordinating meeting notices and locations and keeping a record of names and addresses, including email addresses, of the members of the DAS customer council; and

c. Taking notes at the meetings and producing minutes that will be distributed to all members.

12.6(7) Open records. DAS customer council books and records are subject to the open records law as specified in Iowa Code chapter 22.

12.6(8) Meetings. DAS customer council meetings are subject to the open meetings law as specified in Iowa Code chapter 21. The DAS customer council is responsible for the following:

a. Determining the frequency and time of council meetings.

b. Soliciting agenda items from the members in advance of an upcoming meeting.

c. Sending electronic notice of meetings, including date, time and location of the meeting, at least one week prior to the meeting date.

d. Providing an agenda, including those items requiring action, at least two days prior to the meeting. The agenda should also include any information necessary for discussion at the upcoming meeting.

e. Conducting meetings using the most recent version of Robert's Rules of Order, Revised.

541—12.7(8) Powers and duties of DAS customer council.

12.7(1) *Approval of business plans.* The DAS customer council, in accordance with Iowa Code section 8.6(15) “c”(1)(b)(i), reviews and recommends business plans. Business plans will include levels of service, service options, investment plans, and other information.

12.7(2) *Complaint resolution.* The DAS customer council will approve the internal procedure for resolution of complaints in accordance with Iowa Code section 8.6(15) “c”(1)(b)(ii). The procedure will include, at a minimum, the following provisions:

a. A definition of “complaint,” which will convey that this resolution process does not take the place of any other formal complaint, grievance or appeal process necessary by statute or rule.

b. Receipt of complaints.

c. Standards for prompt complaint resolution.

d. Provisions to aggregate, analyze and communicate issues and outcomes in a manner that contributes to overall organizational improvement.

e. Identification of the chairperson and vice chairperson’s decision as the final step in the process.

12.7(3) *Rate setting.* A majority of all voting council members will approve the rate methodology and the resulting rates for the services that the DAS customer council oversees. Rates will be established no later than September 1 of the year preceding the rate change. Established rates may be amended after September 1 upon recommendation by the department in consultation with DAS and upon affirmative vote by the DAS customer council.

12.7(4) *Biennial review.* Every two years, the DAS customer council will review the decision made by the department that DAS be the sole provider of a service and make recommendations regarding that decision.

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

541—12.8(8) Customer input. The department will establish procedures to provide for the acceptance of input from affected governmental entities. Input may take various forms, such as unsolicited comments, response to structured surveys, or an annual report on service requirements.

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

541—12.9(8) Annual service listing. DAS will annually prepare a listing separately identifying services determined by the department and DAS to be leadership functions, marketplace services, and utilities. The listing will be completed no later than September 1 of the fiscal year preceding the proposed effective date of the change.

[ARC 7500C, IAB 1/10/24, effective 2/14/24]

These rules are intended to implement Iowa Code section 8.6.

[Filed 10/16/08, Notice 7/30/08—published 11/5/08, effective 12/10/08]

[Filed ARC 7500C (Notice ARC 7119C, IAB 11/15/23), IAB 1/10/24, effective 2/14/24]

CHAPTER 13
SUSPENSION AND REINSTATEMENT OF STATE FUNDS

Chapter rescission date pursuant to Iowa Code section 17A.7: 2/14/29

541—13.1(27A) Definitions. For purposes of this chapter:

“*City*” means a municipal corporation but does not include a county, township, school district, or any special-purpose district or authority.

“*County*” means an administrative subdivision in the state governed by a locally elected board of supervisors and may be comprised of subdivisions, including cities, townships, school districts, or any special-purpose district or authority.

“*Declaratory judgment*” means a judgment issued by a district court declaring a local entity is in full compliance with Iowa Code chapter 27A or 27B.

“*Department*” means the Iowa department of management pursuant to Iowa Code chapter 8.

“*Final judicial determination*” means a district court ruling on a civil action brought by the state attorney general’s office finding a local entity to have violated the provisions of Iowa Code chapter 27A or 27B.

“*Fiscal year*” means the time period beginning on July 1 and ending the following June 30 as defined in Iowa Code section 8.36.

“*Governing body*” means the mayor and city council of a city or the board of supervisors of a county.

“*Local entity*” means the same as defined in Iowa Code section 27A.1(4) or 27B.1(1).

“*State agencies*” means any boards, commissions, or departments, as defined by Iowa Code section 7E.4, or other administrative offices or units of the executive branch of the state.

“*State funds*” means those funds held by the state that originate from revenues, fees or receipts collected by the state and distributed to local entities. Funds held by the state that are not defined as state funds include:

1. Federal funds (unless provided to the state and awarded as a grant by the state).
2. Funds paid out per gubernatorial or presidential emergency proclamation.
3. Any revenue collected and administered by the state on behalf of a local entity due to a locally imposed tax, fee or fine.
4. Any state funds for the provision of wearable body protective gear used for law enforcement purposes.
5. Payment for public protection, utilities, or goods and services.
6. Payment of settlements.
7. Setoffs as defined by Iowa Code section 8A.504.

[ARC 7501C, IAB 1/10/24, effective 2/14/24]

541—13.2(27A) Denial of state funds. State funds are denied to a local entity in circumstances authorized by Iowa Code section 27A.9(2) or 27B.5(2).

13.2(1) The department will send written notification to each state agency to deny state funds. Payments will continue to be made to the local entity until the beginning of the state fiscal year that begins after the date on which a final judicial determination is made, at which time payments will be denied.

13.2(2) If the local entity receives state funds through the county, the department will notify the county so that any needed changes may be made to apportionment systems for property tax credits, exemptions and replacements.

13.2(3) State agencies will contact federal granting agencies in writing to determine how to administer federal funds when state match funds are denied. State agencies may be obligated to discontinue drawing federal funds or issue repayments as instructed by federal granting agencies.

13.2(4) Funds will continue to be denied until the court issues a declaratory judgment declaring that the local entity is in full compliance with Iowa Code chapter 27A or 27B.

[ARC 7501C, IAB 1/10/24, effective 2/14/24]

541—13.3(27A) Reinstatement of eligibility to receive state funds. In circumstances authorized by Iowa Code section 27A.10(3) or 27B.6(3), the local entity's eligibility to receive state funds is reinstated.

13.3(1) The department will send written notification to each state agency to reinstate state funds. Payments will be reinstated to the local entity beginning on the first day of the month following the date on which the declaratory judgment is issued.

13.3(2) State agencies will contact federal partners in writing to determine how to reinstate the drawdown of federal funds when state match funds are reinstated.

[ARC 7501C, IAB 1/10/24, effective 2/14/24]

These rules are intended to implement Iowa Code chapters 27A and 27B.

[Filed ARC 4141C (Notice ARC 4008C, IAB 9/26/18), IAB 11/21/18, effective 12/26/18]

[Filed ARC 7501C (Notice ARC 7120C, IAB 11/15/23), IAB 1/10/24, effective 2/14/24]

CHAPTER 14
Reserved

CHAPTER 15
CALCULATING NET GENERAL FUND REVENUES
Rescinded **ARC 6186C**, IAB 2/9/22, effective 3/16/22

CHAPTER 16
SUSPENSION AND REINSTATEMENT OF STATE FUNDS
Rescinded **ARC 7501C**, IAB 1/10/24, effective 2/14/24