



STATE OF IOWA

TERRY E. BRANSTAD, GOVERNOR
KIM REYNOLDS, LT. GOVERNOR

IOWA DEPARTMENT OF COMMERCE
DIVISION OF CREDIT UNIONS
JOANN JOHNSON, SUPERINTENDENT

December 17, 2013

Ed Cook
Senior Legal Counsel, LSA
State Capitol
Des Moines, Iowa 50319

Re: State Government Efficiency Review Committee Suggestion

Dear Mr. Cook:

We have reviewed the proposal regarding travel receipts sent to you by the Banking Division, and concur in the analysis and conclusion. The majority of Credit Union Division employees are examiners who travel throughout the state during the year, and are highly trained for the work they perform. Other Division employees also occasionally travel for state business. In the previous fiscal year ending June 30, the Credit Union Division spent \$12,713.77 on meal reimbursement. We estimate the internal cost to process each travel voucher to be in excess of \$25 per voucher, when consideration is given to the value of examiner time in preparing the voucher and receipts, and the time value for 3 other people in the office (including the Superintendent and an Executive Officer, due to the limited number of office staff in the Division) to review and audit the claims for compliance with policy before the voucher is sent to the State Accounting Enterprise, where it is reviewed again for compliance with the receipt requirements. A per diem rate would greatly decrease the amount of processing time associated with each voucher, and allow employees to focus on the primary work for which they are trained and qualified.

We perform many of our credit union examinations in cooperation with the federal regulator for credit unions, the National Credit Union Administration. Their examiners' per diem, when travelling in our state, is \$41/day. While the current Iowa state per diem rate is \$28/day, the Banking Division's proposal for \$25/day would be acceptable in exchange for reducing the reporting time.

We understand that the State Accounting Enterprise is moving towards a paperless electronic system. If the receipt requirements are retained, travel receipts will require scanning as an additional step in processing travel vouchers in a paperless electronic system. A per diem would eliminate the requirement for meal receipts, however, and minimize processing and scanning required for travel vouchers.

We would also like to see a revision of the approved state rate for lodging, as the number of acceptable hotels agreeing to the state rate has significantly declined, making the process of securing suitable lodging more difficult for examiners who travel each week. \$55/night is not reflective of the current market for most hotels in the state. We understand, however, if such a revision is deemed beyond the scope of the Committee's review.

Thank you to the Committee for their consideration of these issues, which greatly impact the time and efficiency of our employees.

Sincerely,

A handwritten signature in black ink that reads "JoAnn M. Johnson". The signature is written in a cursive style with a large initial "J" and "M".

JoAnn M. Johnson
Superintendent of Credit Unions