



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT
CYNTHIA P. EISENHAUER, DIRECTOR

August 7, 2003

The Honorable Senator Jeff Lamberti
2621 NW 17th Street
Ankeny, IA 50021

The Honorable Representative Bill Dix
317 S. Walnut
P.O. Box 220
Shell Rock, IA 50670-0220

Dear Senator Lamberti and Representative Dix:

I am pleased to give you an update on our progress to implement the Charter Agency initiative. As you know, charter agencies will be granted administrative and financial incentives to implement ideas improving the operation of State government, reducing their costs and increasing revenues.

Here is a brief recap of our current activities:

- Governor Vilsack has signed Executive Order Number Twenty-Eight which designated seven charter agencies, as required by statute. These are the Department of Natural Resources, the Department of Revenue, the Department of Public Safety, the Department of Corrections, the Department of Human Services, the Iowa Veteran's Home, and the Alcoholic Beverages Division of the Department of Commerce.
- We are working to finalize agreements with charter agencies that define specific flexibilities and expectations for charter agencies and their directors. These agreements will evolve over the term of the initiative.
- To assist in effective communication, we have drafted two new documents. A Charter Agency Benefits and Flexibilities list and a Frequently-Asked Questions piece. Both have been shared with charter agency directors and employees, and are attached for your review.

You will recall that the initiative is expected to benefit the state's General Fund in the amount of \$15 million per year for each year of the five-year project. Specific pending commitments are:

Contribution	Agency
\$ 200,000	Natural Resources
1,000,000	Revenue
200,000	Public Safety
500,000	Corrections
1,000,000	Human Services
1,300,000	Veteran's Home
1,250,000	Alcoholic Beverages Division
8,000,000	Lottery
1,550,000	Uncommitted Grant Funds
\$15,000,000	TOTAL

We will continue to provide you with updates on a regular basis. If you have any questions or suggestions in the meantime, please contact Randy Bauer (281-7811) or me (after August 12, 2003.)

Thank you for your continued support of our efforts to improve services to and save money for Iowa taxpayers.

Sincerely,

Cynthia Eisenhauer

Attachments: Charter Agency Benefits and Flexibilities
Frequently-Asked Questions about the Charter Agency Initiative

cc Mollie Anderson
Babak Armajani
Randy Bauer
Paul Carlson
Jim Chrisinger
Steve Gleason
Sue Lerdal
Josh Mandelbaum
Dave Reynolds
Doug Wulf