

## **Transportation, Infrastructure, and Capitals Appropriations Subcommittee**

Wednesday, February 16, 2005

### **The Issue:**

Four buildings make up the Jessie Parker Building and contain about 105,000 square feet. Iowa Vocational Rehabilitation Services (IVRS) occupied the entire building until July of 2004.

Last fall the Disability Determination Services Bureau of IVRS moved to leased space due to security and space issues within the Parker Building. The dormitory space formerly used by IVRS clients is no longer used for that purpose because vocational rehabilitation services are delivered to lowans with disabilities throughout the state. Consequently, IVRS now needs only about 50,000 square feet to consolidate operations.

In order to be good stewards of state property, IVRS offered through the Department of Administrative Services to allow other state agencies to use vacant space. This helps reduce leasing costs for the State of Iowa by about \$775,000, but at the same time this will cost IVRS \$101,164 of non-federal match due to a recalculation of the State Wide Indirect Cost Allocation Plan.

### **The Explanation:**

Under the State Wide Indirect Cost Allocation Plan IVRS has been able to use nearly \$187,000 of building space allocation as non-federal match, this earns about \$691,000 of federal funds.

As IVRS consolidates VR operations into the South Building, our occupation goes from 100% to 46%. This reduces the amount of non-federal match on SWICAP building space from \$186,995 to \$85,831 for a loss of \$101,164. This \$101,164 matches \$373,785 of federal VR funds at a rate of \$1 of state funds to \$3.69 of federal funds. Altogether this amounts to \$474,949 and will provide VR services to over 340 lowans with disabilities for one year.

Here is information on what is included in the SWICAP building space allocation; these are services that benefit capital complex agencies, but the agencies are not directly billed for the services:

- Facility maintenance and mechanical support
  - Grounds activities (mowing, snow removal)
  - Life, health and safety system maintenance (fire alarms)
  - Lock shop
  - Custodial services
- Space management staff
- Leasing services staff
- Project management services staff
- General Services Enterprise customer service center