

**MANAGEMENT DEPARTMENT[541]**

**Adopted and Filed**

**Rulemaking related to DAS customer council**

The Department of Management hereby rescinds Chapter 12, “DAS Customer Council,” 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 section 8.6.

*State or Federal Law Implemented*

This rulemaking implements, in whole or in part, Iowa Code section 8.6.

*Purpose and Summary*

In Chapter 12, the Department of Administrative Services (DAS) Customer Council provides oversight for fees paid by government entities when DAS is the sole provider of the service.

*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 7119C**. 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 12 and adopt the following **new** chapter in lieu thereof:

CHAPTER 12  
DAS CUSTOMER COUNCIL

**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.

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

**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.

**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.

**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.

**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.

**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.

**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.

These rules are intended to implement Iowa Code section 8.6.

[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.