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## FISCAL UPDATE Article

Fiscal Services Division

August 31, 2022



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### CUSTOMER COUNCIL MEETING — AUGUST 2022

**Meeting.** The Customer Council meeting was held on Wednesday, August 3, 2022. The Council provides a link between the Department of Administrative Services (DAS) and the customers it serves. Employees from customer agencies serve on the Council and represent small-, medium-, and large-sized agencies. The Council oversees utility services and associated rates as provided by the four DAS enterprises: General Services (GSE), Human Resources (HRE), Central Procurement and Fleet Services (CPFSE), and State Accounting (SAE). The following actions were proposed and adopted by the Council:

#### Action Taken on the Previously Approved FY 2023 Rates:

- Increase the State Management rate under GSE from \$85.00 per hour in FY 2022 to \$95.00 in FY 2023 and FY 2024.
- Increase the State Surplus rate under GSE from \$85.00 per hour in FY 2022 to \$95.00 in FY 2023 and FY 2024. These costs are paid by surplus property sales proceeds.
- Increase the Family Medical Leave Act (FMLA) rate from \$33.96 to \$43.80 in FY 2023 and FY 2024. In FY 2022, this service was centralized in-house within the HRE, and an estimate of workload was initially adopted. This increase in rate will reflect a full year of being fully staffed.

#### Action Taken on Proposed Rate Changes for FY 2024:

- Increase the Benefits rate from \$40.92 to \$50.16 per filled position. In previous years, the DAS had vacant positions in this area, which are now filled. As a result, rates are being increased to reflect the full full-time equivalent (FTE) staff.
- Increase the Personnel Officers rate from \$93.00 to \$111.24 per filled position. In previous years, the DAS had vacant positions in this area, which are now filled. As a result, rates are being increased to reflect the full FTE staff.
- Increase the Merit Only Employment Services rate from \$23.68 to \$30.60 per filled position. In previous years, the DAS had vacant positions in this area, which are now filled. As a result, rates are being increased to reflect the full FTE staff.
- Increase the Training rate from \$27.60 to \$42.60 per filled position to reflect an increase in staffing and the implementation of a more robust training program statewide.
- Pause the Access Badging rate charge.

During the meeting, the Office of the Chief Information Officer (OCIO) of the Department of Management (DOM) also provided an update on its rates. For FY 2023, OCIO service rates were adjusted to reduce federal over-recovery while retaining a zero-increase budget for the OCIO; services that record excess retained earnings will be reduced in price, and services that record losses will be increased in price. This results in cost savings for some agencies and cost increases for other agencies. For FY 2024, the OCIO is currently evaluating a hybrid approach that would include an appropriation to the OCIO for services agencies are required to use, including centralized information technology (IT) infrastructure and cybersecurity, while retaining the rates model for services agencies can optionally use.

**Additional Information.** The [2022 Iowa DAS Business Plan and Report to the Customer Council](#) provides brief descriptions of all DAS utility services and methodologies that were reviewed and approved by the Customer Council. Additional information is also available on the DAS website [here](#).

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Doc ID 1293666