



# **ANNUAL REPORT**

Fiscal Year 2008

## TABLE OF CONTENTS

LETTER TO THE GOVERNOR, LT. GOVERNOR & IOWA GENERAL ASSEMBLY.....	3
VISION.....	4
MISSION.....	4
THE DAS STORY.....	5
Introduction.....	5
Business model.....	5
Service categories.....	6
Applied communications.....	6
Current status, Next steps and Reporting.....	8
ORGANIZATION CHART.....	9
GENERAL SERVICES ENTERPRISE (GSE).....	10
HUMAN RESOURCES ENTERPRISE (HRE).....	17
INFORMATION TECHNOLOGY ENTERPRISE (ITE) .....	22
STATE ACCOUNTING ENTERPRISE (SAE).....	26
DAS FINANCIALS.....	32



**LETTER TO THE GOVERNOR, LT. GOVERNOR AND IOWA GENERAL ASSEMBLY**  
November, 2008

Dear Governor Culver, Lt. Governor Judge and Members of the Iowa General Assembly,

On the behalf of the Department of Administrative Services (DAS), I am pleased to submit our Annual Report, representing fiscal year 2008.

Established on July 1, 2003, DAS is a consolidation of the departments of General Services, Information Technology and Personnel as well as the Accounting Bureau of the Department of Revenue and Finance. When created, DAS committed to these goals:

- Improve service to customers,
- Save money,
- Streamline, and
- Enhance resource flexibility for state government managers.

This year marks the fifth anniversary of implementation of the *entrepreneurial management* concept, a process conceived to save the state money through greater efficiencies and innovation. By implementing elements from the world of business such as customer service and competition, the DAS model has effectively saved the state of Iowa millions of dollars in its short history.

Service and customer satisfaction will continue to be central elements of the operational philosophy of DAS. In an era where state budgets face growing stress and pressure, the importance of sound and frugal business practices within state government has never been greater.

We are pleased to present this Annual Report for your review and thank you for your support of entrepreneurial management in state government and its role in allowing us to better serve the people of Iowa.

Sincerely,

Ray Walton  
Interim Director



### *Vision*

To be a world-class organization that is customer-focused, innovative and efficient.

### *Mission*

To provide high quality, affordable infrastructure products and services to Iowa state government customers in a manner that empowers them to provide better service to the citizens of Iowa and support the State of Iowa in achieving economic growth.



*Yankee Doodle Pops on the West Capitol Terrace, 2008*

## **The DAS Story**

### **History/Introduction**

Prior to 2003, four separate state entities provided the infrastructure services needed to operate Iowa state government. Those agencies were the Departments of General Services, Information Technology and Personnel as well as the Accounting Division of Revenue & Finance. The functions of these agencies essentially enabled departments and agencies with public profiles/roles to provide services to the people of Iowa. Beyond the shared function of administrative services, however, there was little to no coordination between these agencies in their day-to-day operations – contributing to inefficiencies, redundancies and, in many instances, duplicative spending.

In July of 2003, following a review of Executive branch agencies and legislation drafted in 2001, these four separate agencies were merged into one department – the Department of Administrative Services – and evolved into the General Services Enterprise (GSE), Human Resources Enterprise (HRE), Information Technology Enterprise (ITE) and State Accounting Enterprise (SAE). This consolidation has led to greater administrative efficiencies as well as creating opportunity for a more proactive and customer-focused heart of government operation. With a shared mission, these enterprises are able to operate more effectively while economizing on taxpayer dollars.

### **Business Model**

Iowa was the first state in the nation to create an entrepreneurial management system. This bold effort to develop a customer-focused environment within state government has required significant vision, strong leadership and an organization-wide commitment to service and responsiveness. In just five years, considerable progress has been made with nearly 90 percent of revenue to DAS coming from services provided to state agencies (in 2003, fees accounted for less than 10 percent). At the same time, five years is a very brief window in which to transform a large organization such as the executive branch of a state government, rooted in a more traditional format where administrative services are essentially provided to various agencies with no true accounting for the value of these services. While the technical aspects of the entrepreneurial system are functional, there remain emotional aspects yet to overcome.

As DAS proceeds with building on this model of government efficiency and effectiveness, further tune-ups are anticipated. Customer rates will continue to be adjusted to better reflect real market values as well as to allow for uncontrollable costs such as fuel, salt and energy. On July 1, 2008, the DAS Customer Council system was consolidated from four councils to one. By constantly reviewing and assessing this new approach to state government management, we are confident that we will continue in our ability to deliver the best possible products and services to our customers – other state agencies and, eventually, the citizens of Iowa.

## Service Categories

Every agency within state government consumes services – from heating and air conditioning to computer technology. In the past, paying for this broad array of costs was a matter of estimating budgets and receiving appropriated funds from the legislature. While such a model functioned for many decades, it was, inherently, inefficient. There was no real expectation for conservation or true targeted consumption.

By creating a service structure that integrates choice as well as incentive for conservation and purchasing within a budget, agencies are allowed far more flexibility in their operational strategies – essentially leading to greater efficiencies and savings.

Services provided by DAS are placed into three categories: utility services, marketplace services and leadership services.

- **Utility Services** are those most efficiently provided through a centrally-managed resource in order to maximize efficiency and/or capture economies of scale – where it makes economic sense to have a single supplier for all users, such as Capitol Complex space management or most human resource/personnel management services; customers are required to purchase utility services. *Funding: Customers have a voice in setting these utility rates through the Customer Council, which is similar to a board of directors. Utility services are funded by payments made by the agency using the services.*
- **Marketplace services** are those with which customers have a choice of vendors (inside our outside of state government) such as human resource training, conference planning, labor/management facilitation, motor pool vehicles, repairs, printing, graphic design, a variety of technology services (including mainframe services), networking and e-government solutions. *Funding: Marketplace services are discretionary and funded by payments made by the agency using the services.*
- **Leadership services** include policy, personnel, finance and marketing/communications. *Funding: Leadership services are funded by a General Fund appropriation.*

## Applied Communications

DAS implements several methods of communications in order to create and sustain effective business relationships between our department and the customers we serve.

### **Customer Council**

Prior to July 1, 2008, four Customer Councils (each related to one of the DAS enterprises) essentially served as boards of directors for a specific enterprise. These were comprised of customer representatives from small, medium and large state agencies within the executive branch as well as members from the judicial and legislative branches. Additionally, the councils allowed for one member from the public and a representative from AFSCME.

This type of broad-based representation allowed the councils to perform their duties fairly and equitably.

The primary purpose of the customer councils has been and continues to be to provide customer input to DAS management regarding levels of service and rate approval.

Customer councils met monthly.

Effective July 1, 2008, the four distinct customer councils were dissolved and a single customer council, under the supervision of the Department of Management, was created.

This council will mirror many of the functions of the charter councils in the areas of oversight of the DAS business plan and in approving utility rates set by DAS.

### ***DAS Customer Satisfaction Survey***

In the private sector, understanding customer needs and expectations is critical to business success. With entrepreneurial management in state government, similar care needs to be taken to ensure customer satisfaction.

Because this survey is a vital way in which to measure the perspective of the DAS customer base, it is continually assessed for accuracy and reliability.

The DAS Customer Satisfaction Survey is issued semi-annually and the results are posted on the DAS website.

### ***Newsletters***

*Customer Focus* is a bi-monthly publication distributed electronically to customers throughout state government. It provides customers with the most current information on services, new products, announcements and ways in which DAS is working to make government more efficient and cost effective. This newsletter is also an excellent medium for distributing special topics such as green initiatives.

*DAS Difference* is also a bi-monthly publication distributed exclusively to DAS staff. While sharing some information as *Customer Focus*, this newsletter provides department-specific content relating to human resources, safety, awards and general in-house news.

### ***eDAS***

This service request and billing system went into production July 1, 2005. eDAS allows customers to retrieve specific billing information regarding services offered by DAS. It provides a brief description of the service, the cost of the service and lists the service contact should the customer need to follow up with more questions. Customers can view services by enterprise, category of service or by searching for a key word specific to the service. eDAS is a primary mechanism for DAS to maintain an effective dialogue with its customers.

### ***Over the Top and Wall of Fame***

Recognizing employee achievement is an important way to energize staff and allow each individual to grow within his or her specific job. The Over the Top program recognizes employees going above and beyond their normally assigned duties in saving money for the state of Iowa and strengthening customer relations. The Wall of Fame program

acknowledges employees who provide outstanding customer service by posting comments from happy customers in public spaces.

### **Current Status, Next Steps and Reporting Process**

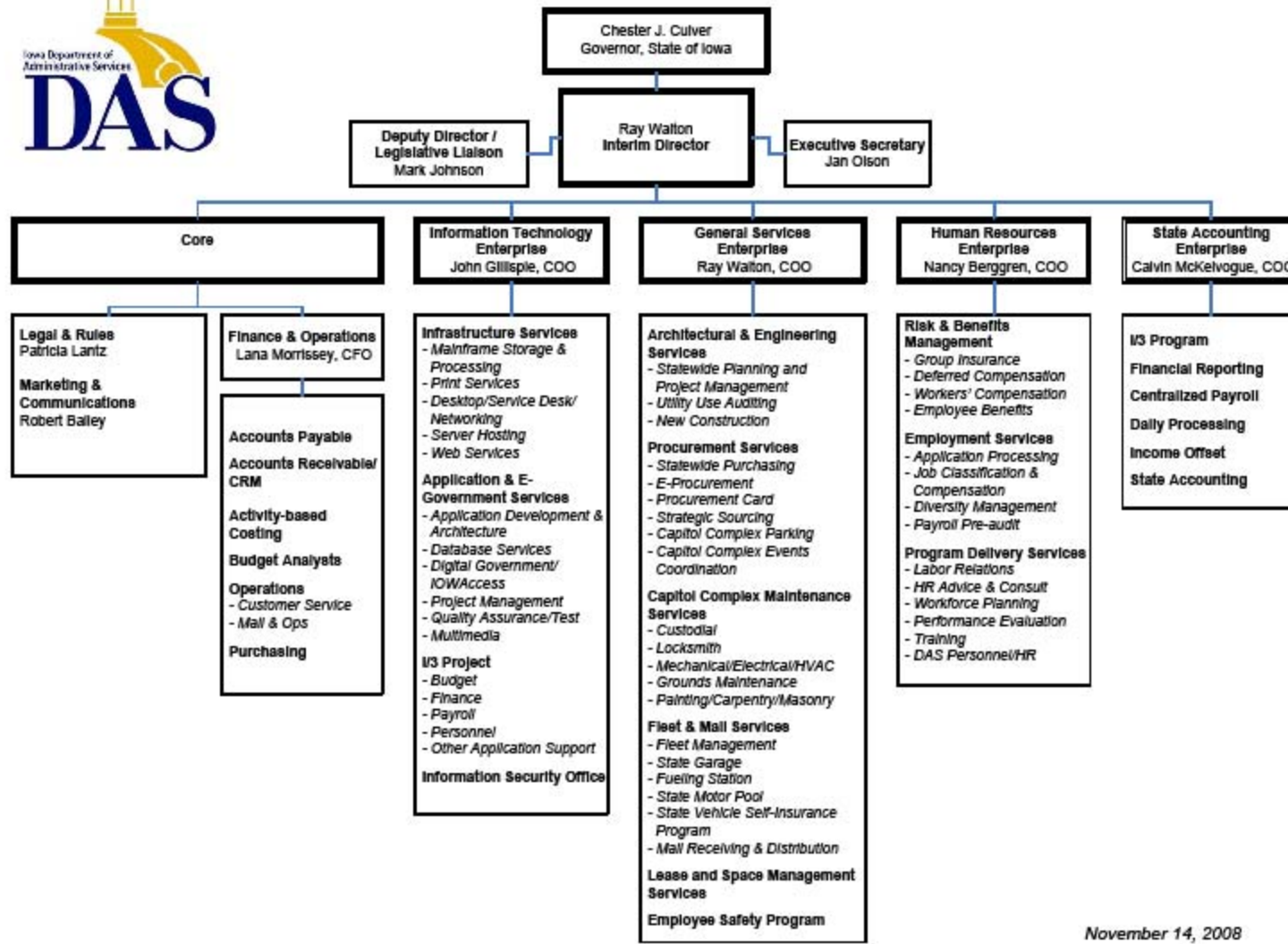
By utilizing an economy-of-scale savings model, DAS is able to offer considerable savings to local governments and political subdivisions when they purchase products and services utilizing DAS-negotiated master contracts.

At a time when all public bodies face continued budget challenges – particularly in the face of widespread natural disasters such as those experienced in 2008, discovering savings is a critical aspect of sound public management. DAS continues to explore outreach strategies to cities, counties and community colleges in the effort to strengthen the relationship between various layers of government rather than to create gaps. By implementing an ongoing attitude of cost savings, the true beneficiaries are the people of Iowa.





# Iowa Department of Administrative Services



November 14, 2008

## **GENERAL SERVICES ENTERPRISE (GSE)**

Ray Walton, Chief Operating Officer

The General Services Enterprise (GSE) maintains all Capitol Complex and Ankeny Laboratory buildings, grounds and monuments. Additionally, GSE operates the state fleet of vehicles, provides mail services to state agencies, provides statewide architectural and engineering project management services for construction projects and manages procurement activities for most executive branch agencies. The GSE is comprised of:

- Capitol Complex Maintenance Services – CCM (*Tim Ryburn, Administrator*)
- Architectural and Engineering Services (*Paul Carlson, Administrator*)
- Fleet and Mail Services (*Dale Schroeder, Administrator*)
- Procurement Services (*Debbie O’Leary, Administrator*)
- Vertical Infrastructure Program (*Dean Ibsen, Administrator*)
- Leasing and Space Management Services (*Barbara Bendon, Administrator*)

### **Notable Accomplishments - GSE**

#### ***Greater Efficiencies***

##### **Architectural & Engineering Services**

1. Developed and implemented a monthly construction project report for tracking financial and activity status of projects on and off the Capitol Complex.
2. Standardization of construction contract language and training of employees in order to streamline the preparation of construction services.
3. Improved tracking of invoices.

##### **Procurement**

1. Implemented standardized forms for RFB, RFB with negotiation, RFB with reverse auction, RFP and RFP with negotiation. This action eliminates time lost with ‘reinvention of the process’ for every bidding.
2. Posting of state contractual terms and conditions online rather than printing and mailing up to 20 pages of terms and conditions for every contract.
3. Increased state agency purchasing authority to \$50,000 (with training), allowing agencies the ability to focus on lower budget purchases while freeing GSE-Procurement to concentrate on larger purchases.
4. Developed a policy and procedures manual for GSE purchasing agents.

### **Capitol Complex – Mechanical Operations/Custodial & Grounds**

1. Increased workforce to mitigate the need for overtime hours. Also implemented stricter overtime guidelines in order to reduce the amount of OT being used. Now, prior approval from the COO is required before any overtime is permitted. All employees assigned overtime are required to provide the rationale for the overtime on their timesheets.
2. Implementation of a new preventative maintenance program designed to improve operational effectiveness.
3. Implementation of several technical innovations (free cooling, etc.) for the purpose of conserving energy and saving money.
4. Completion of the primary electrical distribution system for the Capitol Complex. This five generator system provides electricity to the entire campus in the event of a loss of power. Additionally, this system will facilitate the state's participation in MidAmerican Energy's peak demand curtailment program.
5. Teaming with Office Max and Priority Express to return empty ink and toner cartridges to Office Max for proper disposal. This service is provided at no cost to the state and prevents these materials from contaminating landfills.

### **Space Management/Leasing**

1. Developed and executed a project to track Capitol Complex and leased property furniture design, reset and move projects.
2. Posted a database of leased space within the Seat of Government as well as square footage allotted to each state department within the Capitol Complex on the DAS website.
3. Expanded staff in order to meet customer needs on a more timely manner.

## ***Greater Savings***

### **Architectural and Engineering Services**

1. Saved over \$211,000 after closing out \$4.7 million worth of construction projects (33 separate projects).
2. Provided guidance with grouping roofing construction projects so that these could be bid on the basis of several projects rather than a one project/one bid basis.

### **Procurement**

1. Lowered customer agency billings by \$550,000 (41.6% reduction) by aggressively obtaining vendor rebates.
2. Implemented a reverse auction process and signed contract with the State of Minnesota to implement that state's reverse auction tool.
3. Continued to realize significant savings when purchasing on a large volume basis for computer equipment and office supplies.

### **Capitol Complex – Mechanical Operations/Custodial & Grounds**

Replaced 1,200 conventional incandescent light bulbs in two legislative chambers and the dome of the Capitol with the newest generation of cold cathode compact fluorescent bulbs. In addition to contributing to greener energy consumption, this move is projected to save approximately \$30,000 over the life of the bulbs.

### **Fleet/Mail**

For the first time in years, considerable competition existed for the contract to presort mail. The newly negotiated contract resulted in over \$140,000 of annual savings for mail going out from the Capitol Complex (even as USPS rates were up \$.02).

### **Space Management/Leasing**

1. Expanded staff to include internal design services (as part of the association fee). This will save agencies required to spend up to \$60/hour for similar services in the private sector.
2. Renegotiated several leases in Des Moines, Council Bluffs, Cedar Rapids and Dubuque, reducing the base cost per square foot.

## ***Improved Service***

### **Architectural and Engineering Services**

1. DAS customers can now view the status of all construction projects throughout the state by referencing the Construction Project Report. This resource has never been accessible before in the history of GSE.
2. Working with the Capitol Planning Commission, the department developed, finalized and implemented a Site Features Policy for receiving, reviewing and accepting proposals for accepting site features on the Capitol Complex.
3. Continuing progress by the ADA Advisory Committee in developing recommendations for ADA parking and emergency evacuation procedures.

## **Procurement**

1. To alleviate backlog in the purchasing process, hired two additional purchasing agents, particularly in the construction and IT services areas.
2. Hosted a conference for procurement professionals from state and local governments as well as schools and universities on green buying. Featured speaker was Scot Case, an internationally known authority on green buying.
3. Continued professional development with two staff members receiving advanced certification.
4. Provided training to state agencies regarding purchasing rules and regulations as well as further insight in how to implement the State of Iowa's purchasing process.

## **Capitol Complex – Mechanical Operations/Custodial & Grounds**

1. In order to provide improved customer service and operational efficiencies, the Capitol Complex Maintenance area of GSE was reorganized so that Mechanical Operations could function more independently. This specialized area is responsible for mechanical systems (HVAC, electrical, etc) throughout the Capitol Complex. This reorganization has facilitated faster implementation of technical innovations designed to save energy and money.
2. GSE has modified the process to fill vacant custodial positions by reducing the hiring period from months to days. This move directly impacts customer needs and expectations.

## **Space Management**

1. Hired two additional staff members to improve customer service by reducing the backlog of redesign and move projects on the Capitol Complex as well as in leased facilities.
2. Provided additional training to departmental lease coordinators.
3. Met with various agency representatives to evaluate ways in which to cut costs by reducing spatial needs both on the Capitol Complex and with leased spaces. Provided suggestions on options for customers to consider.

## **Meeting Challenges**

### **Architectural and Engineering Services**

1. Addressed staffing needs by creating and filling Management Analyst and Program Planner positions within the Vertical Infrastructure program.
2. Responded to the largest single legislative appropriation for major maintenance work (\$40 million/FY 2008) by prioritizing and assigning projects.

### **Capitol Complex – Mechanical Operations/Custodial & Grounds**

Pending economic slowing will pose clear challenges for the foreseeable future – particularly in the levels of funding for support facilities and maintenance operations for the Capitol Complex and Ankeny Laboratories. Part of our ability to respond to smaller budgets will be to ensure employees in skilled jobs such as mechanical and electrical fields have the requisite licenses, preventing the need to contract with outside resources. Current employees who are unlicensed should receive training as soon as possible. Ensuring that employees are properly licensed will require increased financial resources.

### **Fleet/Mail**

1. In order to provide customers with better service, DAS Fleet purchased new fueling software and pumps for the Capitol Complex fueling station in the fall of 2007. However, the vendor struggled with adhering to the timeline for installation and performance according to the contract specifications. Through increased supervision of the vendor's activities, the DAS fueling station was fully automated in January of 2008 and customers are now able to use retail Wright Express fuel cards easily.
2. With a plan to implement more automation into the Capitol mail process, an automated system from Hasler, Inc. was purchased in order to scan and track receipt and internal delivery of incoming pieces. Unfortunately, this system repeatedly dropped data and, essentially, failed in its purpose. To remedy the situation, the Hasler system was returned and replaced with a Pitney Bowes system that continues to work according to expectations.

## **New Programs and Innovations for FY2008**

### **Architectural and Engineering Services**

1. Utilization of a new position of Management Analyst is facilitating the review of policies, procedures and practices and developing recommendations for improvements.
2. Program Planner is refining and maintaining website for the Vertical Infrastructure Program, Capitol planning Commission and the ADA Advisory Committee.
3. Implementation of a consent calendar process for adjusting funding for major maintenance projects.

### **Capitol Complex – Mechanical Operations/Custodial & Grounds**

1. With the responsibility for energy policy and management on the Capitol Complex at a time when demand for conservation and green solutions continues to rise, this division is aggressively implementing energy savings solutions. This strategy is being implemented with new construction and when replacing existing equipment. The Capitol Complex energy program

- was awarded a 4 star (out of a possible 5 stars) rating by the Evita Energy program (higher than any other governmental entity participating).
2. Implementation of a 20% biodiesel mix for operation of emergency generators on the Capitol Complex.
  3. Green cleaning products are now used throughout the Capitol Complex and at the Ankeny Labs. These bio-friendly products are purchased from Iowa Prison Industries and are composed, in part, of biological/renewable domestic agricultural materials. These products are non-toxic.
  4. The DAS Safety program received an Outstanding Achievement Award from the Iowa-Illinois Safety Council, recognizing accident prevention during the 2007 calendar year. Our accident incident rate for the year was 2.36 compared to the national average of 7.2 for government. In June of 2008, the DAS Safety program received the Occupational Excellence Achievement Award from the National Safety Council. This award recognized low lost workday incident rates for 2007. The Bureau of Labor and Statistics average government rate was 1.1. DAS was 0.0.
  5. Completed construction on the new Workers' Monument located at the intersection of East 9<sup>th</sup> and Grand.
  6. Supervision of construction of Phase II of the West Capitol Terrace that included winding sidewalks, planter beds, new lighting and improvements on Finkbine Drive.
  7. Installed over 6,000 LED lights for the Iowa Caucuses to enhance the showcasing of the Iowa State Capitol for national TV audiences.
  8. Installed additional bicycle storage throughout the Capitol Complex.

#### **Fleet/Mail**

DAS Fleet has increased the number of E85 and hybrid electric vehicles throughout State Government to 1,138. This number will increase significantly as the Iowa State Patrol converts its fleet to E85 models and as more flex fuel and hybrid vehicles suitable to the state's needs are introduced.

### **Affects of Severe Weather on GSE**

#### **Architectural and Engineering Services**

1. Assisted various departments in moving of materials and records from potentially flooded areas. This involved the removal and return of over 30,000 boxes of materials, securing of trucks/trailers
2. Water damage at Lucas Building (heavy rain runoff) called for readjustment of major maintenance funding.
3. As emergency funding needs arise, the Vertical Infrastructure Program has an established process for reallocating funds that is reviews by agencies involved as well as the Vertical Infrastructure Advisory Committee.

**Procurement**

Two purchasing agents were assigned to assist Homeland Security with its supply needs during flooding events.

**Capitol Complex-Mechanical Operations/Custodial & Grounds**

1. The need for directing funds in response to damage throughout state is creating a strain on the ability to maintain Capitol Complex building facilities.
2. Threatening floods required staff to mobilize on short notice to relocate at risk agency offices. Staff also assisted in moving documents and equipment.
3. Due to heavy rains, a major storm drain at the Lucas Building collapsed. The result was that agency storage areas in the basement of that building had to be relocated while the space was repaired. Repairs were made quickly and the space was soon available.



## **Human Resources Enterprise (HRE)**

Nancy Berggren, Chief Operating Officer

The Human Resources Enterprise (HRE) provides a full range of human resource services to Iowa state government. HRE's goal is to be a partner with state agencies in providing the highest quality services so that customers can focus on their core strategic initiatives. This relationship requires ongoing evaluation of HRE programs and processes in order to maximize results for customer agencies in meeting their human resource needs.

While a great deal of the HRE mission is centered on employment (personnel) and benefit issues – the Benefits Bureau, Employment Bureau and Program Delivery Services being the three primary pillars of the enterprise - a growing facet is in the area of professional development and continuing education. Performance & Development Solutions (PDS) administers an extensive catalog of continuing education and certification opportunities, including a cooperative effort with Drake University and the Certified Public Manager program. As more individuals take advantage of this opportunity, state government benefits as they learn leading edge public management techniques and practices.

PDS also assumed responsibilities for coordinating the Golden Dome Awards program. Additionally, PDS is the lead organization in implementing diversity training for all state employees, as mandated by Governor Culver's Executive Order Four.

HRE services include:

- Classification
- Compensation
- Selection assistance
- Diversity, Equal Employment Opportunity and Affirmative Action
- Workforce planning
- Performance evaluation
- Workforce data gathering, reporting and analysis
- Labor relations
- Benefits administration
- Risk management and leave administration
- Workers' compensation and Return to Work
- Wellness
- Training and development
- Organizational development
- Consultation with and advice to state agencies on human resource matters.

## Notable Accomplishments – HRE

### *Greater Efficiencies*

#### **Benefits Bureau**

By eliminating United Healthcare as an insurance choice, the processes and administration of the healthcare benefit will be significantly enhanced, reducing overall costs and staff ‘rework’ time.

#### **Employment Bureau**

Departments are encouraged to utilize BrassRing for both merit and non-merit covered job postings. The utilization of BrassRing for non-merit vacancies is increasing, contributing to a more thorough and effective entry process into the employment pool:

Fiscal Year	Non-Merit Postings	Merit Postings	Non-Merit as a %
2007	130	2473	5.25%
2008	146	2534	5.76%
2009 YTD (10-14)	68	650	10.46%

#### **Program Delivery Services**

Updated and improved the tracking of grievances and arbitrations.

### *Greater Savings*

#### **Benefits Bureau**

The elimination of United Healthcare as an employee option is estimated to save approximately \$35 million when comparing actual rates (2009) to what was budgeted.

### *Improved Service*

#### **Benefits Bureau**

In addition to implementing a number of benefit education initiatives, the bureau has formed a Personnel Associate advisory council to discuss/review benefit issues with major customer groups on a regular basis.

#### **Employment Bureau**

1. Continuing to focus on improving customer service regarding hiring practices and the use of Brass Ring, the online applicant tracking system.
2. In collaboration with Program Delivery Services Bureau and personnel officers, have launched a review of hiring practices for departments

throughout state government. This review will result in improved practices, innovation and quality assurance.

## **Meeting Challenges**

### **Benefits Bureau**

The long winter and spring flooding, along with action taken by some customer agencies, has impacted the Workers Compensation program through increased claims and costs. DAS-HRE is managing these claims to mitigate impact by establishing processes and procedures as well as utilizing mediation and other tools.

### **Employment Bureau**

In response to Governor Culver's Executive Order Four (EO4), DAS-HRE is making improvements to the affirmative action and diversity efforts of the Executive branch of state government, including working closely with the Diversity Council appointed by the Governor.

### **Program Delivery Services**

1. Implementing EO4 – Although programs to improve diversity are being administered by the Employment Bureau, personnel officers were called upon to assist customer agencies in responding to the requirements of this order.
2. Implementing the Governor's requirement that all executive branch agencies develop workforce and succession plans by July 1, 2009. DAS-HRE partnered with the Department of Management in developing a consistent approach to plan format and providing information sessions to all agency workforce planning teams.

## **New Programs & Innovations for FY2008**

### **Benefits Bureau**

1. Implementation of webinar technology for the purpose of benefit education.
2. Coordination of the DART Unlimited Ridership program.
3. Preparing to provide 403b deferred compensation program to over 340 education employers and the employees beginning 01/01/09.
4. Currently evaluating an electronic customer intake process designed to improve customer service as well as tracking of issues.

### **Employment Bureau**

1. Review of departmental hiring practices throughout the executive branch – the full impact of this ongoing effort will not be realized until late in FY2009 and beyond.
2. Participation in a Lean Sigma process improvement event for job recruitment. Programs in development as a result of this participation include a mentor program, an ambassador program for departments involved in the recruiting process and a statewide intern program – all designed to empower the State to recruit talent from a broader range of applicants as well as creating a more welcoming workplace environment.
3. Considering the expansion of the use of Brass Ring to include entities outside state government (while charging a fee). Currently, we provide courtesy postings for non-merit, city, county and other public entities without charging for the service.

### **Program Delivery Services**

1. The most prominent initiative is the extensive program put in place in response to EO4 – Diversity Training. On June 22, training for managers and supervisors from across Iowa began. These full day sessions were facilitated by outside professionals and supplemented by one PDS trainer. All planning, promotion and event management is provided by PDS staff and all expenses are being absorbed by PDS. By the end of 2008 (calendar year), it is estimated that nearly 95% of managers and supervisors will have received training. Beginning in January 2009, 700 half-day sessions will be held for state employees.
2. DAS-HRE engaged in a Kaizen Project to assess the State's classification system with the goal of improving and streamlining the current system. Improvements to the job classification specifications and guidelines are currently being made.
3. PDS is currently working with DAS-Marketing and Communications to develop an outreach campaign to other agencies as well as political subdivisions and 501 c 3 organizations throughout the state.
4. Investigating the feasibility of installing a Learning Management Software system to integrate with current eDAS and payroll software for the purpose of streamlining registration and billing processes.

## **Affects of Severe Weather on HRE**

### **Benefits Bureau**

The extended winter and subsequent flooding impacted the workers compensation program through increased claims and costs. By using

mediation and other tools, DAS-HRE is actively managing these claims to minimize impact.

**Program Delivery Services**

1. Using previous flooding events (1993) as a template, issued revised policies to accommodate time taken by state employees affected by flooding and tornadoes as well as for those taking the time to help victims.
2. Extended the deadline for completing FY2008 performance evaluations by one month.
3. Relocating some state offices into space otherwise used for training resulted in a loss of revenue for PDS of approximately \$14,000.
4. PDS also experienced a decrease in income because of cancellations due to departmental cost overruns, employees needing to cover other work assignments for flooded areas and time needed for flood recovery activities.
5. The extended winter affected PDS by forcing the cancellation of 8 courses.

## **Information Technology Enterprise (ITE)**

John Gillispie, Chief Operating Officer

The Information Technology Enterprise (ITE) provides high quality, customer-focused information technology services as well as business and communications solutions to government and its citizens. This includes:

- Coordinate the promotion and integration of information technology in all business aspects of state government
- Provide for server systems, including mainframe and other server operations, desktop support and applications integration
- Provide applications development, support and training as well as advice and assistance in developing and supporting business applications throughout state government

In an increasingly technology-based world, ITE is at the core of nearly every new development and application. The ITE Help Desk services approximately 3,000 support calls every month and directly supports over 300 websites and applications used by citizens to conduct business with state government. From leading the development of the Integrated Information for Iowa (I3) system to stopping over 3 million SPAM and Virus emails from entering the state's email system every day, ITE is literally involved in every aspect of daily business in state government.

Additionally, ITE Print is part of DAS-ITE, producing more than 60 million printed pages every year for 42 state agencies.

Virtually all of ITE's services are marketplace services – meaning ITE must remain competitive on cost and service levels with private sector providers. In a highly competitive industry, the ability to maintain product pricing that will keep customers is an ongoing challenge.

## **Notable Accomplishments**

### ***Greater Efficiencies***

- The *Single Contact Repository* application processes an average of 17,500 criminal record checks every month for customers in healthcare, human resources, human services and education.
- ITE co-sponsors and supports the effort across state government to automate the creation and maintenance of agency Continuity of Operations (COOP) and Continuity of Government (COG) planning.

### ***Greater Savings***

- ITE information systems process over 66 million online business transactions, 26,000 electronic payments and 176,000 state warrants monthly – eliminating thousands of employee hours that would be required to process similar volumes of business.

### ***Improved Service***

- ITE directly supports over 300 websites and applications used by citizens to conduct business with state government with over 40 million page views every month. The top five viewed websites in July 2008 were:
  - Iowa Courts – 20 million page views
  - Iowa Sex Offender – 9 million page views
  - Department of Revenue (Tax) – 1.3 million page views
  - Department of Natural Resources (Parks) – 1 million page views
  - Governor's Office – 1 million page views
- The ITE Information Security Office (ISO) monitors potential threats to government technology resources – conducting annual risk assessments at 44 state agencies to identify potential vulnerabilities and to determine where efforts should be focused to mitigate threats.

## **Meeting Challenges**

Information technology is a dynamic industry with constant technological advances and upgrades being created to make service faster, more effective and more secure. Keeping technologically current requires significant capital investment as well as employing the personnel necessary to understand and anticipate trends and developments.

This rapidly evolving industry can, at times, be a difficult fit for the public sector. Large investments in particular technologies one year can appear to be folly the next year

because of product and industry changes. ITE personnel do an outstanding job of anticipating challenges with what can often be regarded as limited resources. To remain relevant and effective in an ever-changing technological climate, the State of Iowa must strive to think forward when funding information technology services.

### ***Activity Based Costing***

ITE is completely funded by billing other agencies and departments for goods and services. Because a surplus balance cannot be carried and we need to compete with private sector providers, the rates charged need to be accurate and fair.

ITE engaged IBM to develop a cost methodology to more accurately price services and, in the end, eliminated 220 duplicate services. Customer agencies were provided with new pricing projections and these new prices were reviewed. While continuing to be reviewed, it is believed that the existing approach is perceived as fair by customers.

### ***Integrated Information for Iowa (I/3)***

I/3 is the State's Enterprise Resource Planning (ERP) system, supporting State financial processes and was originally implemented in 2004. After extensive planning, the I/3 finance system was upgraded in June, 2008. More upgrading will be required in the areas of Data Warehouse Enhancement, Budget System, Document Gateway, 1099 Forms for 2008, Human Resources/Payroll and Web Services 2.

Because the I/3 system is central to the processing of budgets and financial information for the entire executive branch, it is critically important. The HR/Payroll portions of the system are over 30 years old and a difficult technology to maintain (supporting staff are all due to retire in 3-4 years).

### ***Impact of Large Customers***

ITE'S top ten customers in FY08 accounted for 55 percent of total revenue (with DHS accounting for 40 percent). ITE is striving to diversify its customer base to better absorb projected declines. It is estimated that, within 5 years, larger customers will be adopting technologies that no longer need ITE support.

Through consolidation of IT infrastructure and technology, ITE will be better prepared to support a broad base of customer agencies throughout State government.

### ***Aging Mainframe***

Currently, two mainframes operated by ITE are nearing the end of their normal 'lives' (IBM will no longer be providing upgrades). The State owns one of the units and has the option of buying the currently leased machine at a reasonable cost. ITE has back up plans and a maintenance strategy for these units. However, early indications are that there will be a decrease in Mainframe revenues as customers leave. Currently, Mainframe processing accounts for 42 percent of ITE business. As customers migrate away from Mainframe processing, an increasing rates may be required.



### ***SPAM***

ITE supports over 3,800 email accounts and approximately 800 Blackberry devices for 29 state agencies. Additionally, ITE provides archiving for 6,300 email accounts. To protect our customers, we maintain a highly effective filter to protect state systems from SPAM.

SPAM accounts for up to 8 million messages a day (about 65% of the email traffic in state government). ITE has devised a method for dynamically blocking this unwanted traffic, preventing it from entering the server and filling employee mailboxes.

## **New Programs/Innovations for TY2008**

### ***Green Information Technology***

In an ITE directed data server power reduction pilot program (May-June, 2008), 37 traditional dedicated servers were consolidated onto 3 high capacity servers. This test revealed a 83% reduction in power used with a net monthly savings of electricity of \$117. Perhaps more important was the projected reduction of pollutants resulting from the lower electrical demand, equivalent to 314 pounds of Sulphur Dioxide, 894 pounds of Oxides of Nitrogen and 466,648 pounds of Carbon Dioxide. Further consolidations are being considered.

With the right planning and up front funding, green IT strategies will save money for the State of Iowa as well as lowering its carbon footprint.

### ***Mobile Office (Office in a Box)***

Office in a Box is a leading edge, integrated, service solution providing wired and wireless Internet voice and data service to various locations over a broadband connection. Taking advantage of the convergence of voice and data networks into a common network, Office in a Box provides an instant infrastructure for work environments. With the right security, these distributed locations are seen as seamless extensions of the State network.

Technical representatives from ITE have attended demos of this technology and will continue to evaluate its feasibility within State government. Possible applications include bank examiners, inspectors and the rapid deployment of field offices in the event of disaster or emergency.

## **Affects of Severe Weather on ITE**

As rivers rose in Des Moines, threatening leased office spaces in floodplain areas, ITE Desktop services responded quickly in removing computer equipment from danger and reconnecting personnel in temporary locations. By taking action before the water would have reached these locations, a more orderly and productive transition was ensured.

ITE technicians built and continue to support a special Flood Resource Center website for citizens seeking information and assistance through the summer of severe conditions.

**State Accounting Enterprise (SAE)**  
Calvin McKelvogue, Chief Operating Officer

Stewardship in government equates to managing resources entrusted by others so that services returned maintain the well being of citizens. SAE is committed to promoting the well being of Iowans by providing efficient and effective services and resources so that all outreaching State departments can better serve citizens of the state. These services and resources – dependent on the collection and reporting of financial information and the processing of financial transactions – are critical elements needed by every branch of government in order to maintain the quality of life Iowans enjoy.

***Centralized Financial System***

The State's primary system for collecting, processing and reporting financial transactions and information is Integrated Information for Iowa, or I/3. I/3 is a computerized financial resource planning system managed by SAE to record and classify over 18 million financially-related transactions and economic events every year. Additionally, the system provides current, real-time information regarding State resources and obligations.

Because stewardship necessitates the enactment of fiscal strategies that ultimately result in the allocation and disbursement of monetary resources, I/3 is the most vital fiscal tool available. What's more, over 1,400 State employees use I/3 to record and process around \$22.2 billion in revenue and \$20 billion in expenditures. SAE provides Help Desk support, training and resources to develop improved functionality for end-users.

***Warrant Processing and Disbursement***

Most transactions and events processed by the I/3 system involve interdepartmental transfers and external disbursement of State funds. So that all parties receive accurate and timely payments, the disbursement process must occur within a system that assures integrity and efficiency. SAE ensures that the 7.2 million payments it issues every year are supported by approved claims from the paying departments. To further ensure accuracy, SAE validates each of the 250,000 claims submitted. Pre-audited claims submitted to SAE for payment are approved the day of receipt.

In order for the disbursement process remains efficient and effective, SAE provides ongoing training to departments regarding procedure, guidelines and regulations and follows through by monitoring compliance. Comprehensive reports that include information about warrant transactions and status, bank transfer activity and internal documents processed are provided to help departments maintain quality assurance and efficiency in their respective operations.

### ***General Fund Cash Flow Estimates***

Incoming revenue that funds State-managed programs, project and operations does not arrive on a consistent or predictable basis. At the same time, expenditures occur daily. This imbalance of cash flow can hinder the State's ability to meet ongoing financial obligations. The office of the Iowa State Treasurer manages these fluctuations of cash flow by various methods, including issuing short-term debt instruments that provide proceeds to be used as needed in the remainder of a particular fiscal year. So that these instruments are tax-exempt to investors, federal tax laws require justification of the State's cash needs prior to issuance. SAE assists the Treasurer of the State meet his requirement by providing a month-to-month cash flow estimate that identifies cash shortfalls. Once the instruments have been sold to an underwriter and the proceeds have been received, the Treasurer invests the funds to earn interest and draws upon these funds as needed. This fund management technique requires continual monitoring of cash needs in order to maximize return on interest while maintaining access to the funds to meet daily obligations. By projecting revenue and expenditure timing and amounts to the Treasurer, SAE is providing a valuable service.

### ***Cash Management Improvement Act***

The federal Cash Management Improvement Act (CMIA) was enacted in 1990 to improve the process of transferring federal funds to individual states. The act is designed to ensure equity between the two levels of government while improving efficiency of fund transfers. This is done by assessing a financial liability against states for retaining interest income generated from the early withdrawal of federal assistance as well as assessing a similar liability against the federal government when grantee funds are not available on a timely basis. CMIA requires a formal Treasury-State Agreement (TSA) between the U.S. Treasury and Iowa in order to implement the act and its regulations. SAE is responsible for negotiating this agreement annually and maintaining compliance with the agreed-upon procedures, including the annual calculation and payment of interest liability resulting from federal cash balances being held by the state.

### ***Statewide Central Service Cost Allocation***

Funding vital state programs efficiently is critical to the mission of providing and maintaining services to Iowans. Part of this efficiency lies in the discovery and recovery of federal funds available for equitable shares of program costs. SAE administers the Statewide Cost Allocation Plan (SWCAP), which is designed to reach these objectives. SWCAP is an annual process identifies central services provided to various departments and ensures equitable funding between Federal and State resources for these services. Central services are those services provided by particular state agencies to other departments and agencies in order for programs to be administered. Examples of central services include printing, mailing, purchasing, accounting, technology support, motor pools and buildings/grounds maintenance.

In order to recover central service costs from federal programs, a SWCAP is critical. The plan identifies those operating departments responsible for performance or administration of federal awards as well as indentifying and quantifying their billed and non-billed (allocated) central services. Additionally, the SWCAP provides a description and

justification for each service billed and allocated to them while providing financial records as supporting documentation.

Essentially, the SWCAP process is a negotiation between the state and federal levels of government to define what is equitable funding. Every year, the Plan is submitted to the U.S. Department of Health and Human Services for review, adjustment (if necessary) and approval. During a period of review and after a federal negotiator has studied the plan and discussed agency questions and concerns, SAE researches questionable items and provides explanations/responses in defense of plan content and methodology. Once negotiations are complete, billings and allocations are approved and appropriate reimbursements are made to either HHS or the State.

### ***Comprehensive Annual Financial Report***

Each year, SAE publishes the Comprehensive Annual Financial Report (CAFR) to present the state's financial position and results of operations as well as relating certain demographic and statistical information. CAFR assists elected officials to understand Iowa's financial condition at the end of each fiscal year and to make reasoned economic decisions regarding the use of limited financial resources for the upcoming year. The report is also instrumental for rating companies such as Moody's Investors Services and Standard & Poor Corporation as these entities analyze the state's financial integrity and set bond ratings for capital borrowing. The CAFR is also of particular interest to citizens and groups throughout the state interested in the business of governing.

To ensure report accuracy and validity, standards for financial accounting and reporting have been established by the Government Accounting Standards Board (GASB). The GASB keeps standards current to reflect changes in the governmental sector, considers significant areas of accounting and reporting that can be improved through the standard-setting process and improves the common understanding of the nature and purposes of information contained in financial reports by providing guidance on implementation of those standards.

In addition to consistently complying with GASB standards, SAE has been recognized by the Government Finance Officers Association of the United States and Canada for excellence in governmental accounting and reporting by being awarded the *Certificate of Achievement* for 15 consecutive years. In order to earn this certificate, the State of Iowa must also receive an unqualified (clean) audit opinion.

### ***Income Offset***

When State departments, local governments or other political subdivisions are unable to collect delinquent receivables, they can submit claims to SAE for collection assistance. SAE matches these claims against any pending payment such as tax refunds, accounts payable, lottery payouts or unclaimed property settlements and offers these payments to the appropriate entities as satisfaction of outstanding debts. Over the past four years, SAE has collected over \$70 million as part of the Income Offset Program.

The recent inclusion of casino winnings (\$10,000 and more) as qualifying payouts will surely increase the funds recovered through this program.

### ***Federal Tax Reporting***

Taxes represent the largest source of revenue for government at every level and it is imperative that governments maintain effective procedures to capture, process and report information about taxable events and transactions. The Internal Revenue Service works with governments at all levels, non-profit organizations and the private sector to implement an effective tax collection system.

SAE provides certain income tax reporting services to the IRS, including capturing financial disbursement data through the central financial system, processing this data to meet IRS guidelines and ensuring that approximately 14,000 IRS 1099-Miscellaneous forms reach vendors across the nation. Additionally, SAE works closely with the Iowa Department of Revenue in providing ongoing online support to vendors as well as assisting the IRS by helping to correct erroneous taxpayer information.

### ***Centralized Payroll***

Each year, the Central Payroll staff of SAE processes around 535,000 payroll warrants and direct deposits to state employees. Pay and benefits for over 70 departments totals over \$1.25 billion annually. SAE is also available to assist employees with questions of rules, regulations and guidelines as well as making payroll calculations and estimates. SAE's system of direct deposit and a web-based Online Payroll Warrants saves additional time and money for taxpayers.

In addition to making employees happy every payday, Central Payroll is responsible for the accounting and reporting for three post-retirement benefit programs:

- The SPOC Insurance Trust Fund receives converted sick leave dollars of the retirees of the Iowa DNR (game wardens) under the Peace Officers collective bargaining agreement. Those funds are used to pay retiree premiums for health, dental and life insurance benefits.
- Three early out incentive programs provide for employees to be paid the full or partial value of their leave balances at the time of termination for four subsequent years.
- The Sick Leave Insurance Program (SLIP) provides for the payment of retirees' employer shares of health insurance premiums from a 'bank' of dollars calculated based on their sick leave balance at the time of retirement. This benefit became effective July 1, 2007. DAS-SAE maintains the account balances for each of these retirees and processes the monthly payment of their state share of health insurance premiums to the insurance companies. This is done after processing a monthly SLIP billing through the accounting system to transfer the funds from the (former)employing department to the Payroll Trustee account.

Other duties of Central Payroll include the pre-audit and processing of back pay, taxable benefits, Military Pay differential, settlement agreements and supplemental Worker's Compensation benefits. Additionally, Central Payroll provides support services to the unemployment compensation program by providing reports to other departments that assist them in filing mandatory Iowa Workforce Development unemployment returns, processing quarterly payments to IWD to reimburse that department for unemployment claims, and recovering those non-General Fund reimbursements from other state departments.

Serving state employees is Central Payroll's primary responsibility. Additionally, the group performs quality assurance activities that help ensure integrity within the payroll function. Review and reconciliation of health, dental, life and long-term disability transactions and reports help to ensure that accurate premiums are submitted to insurance carriers. Additionally, W-2 and 1099-R information is prepared and submitted in compliance with federal and state tax laws.

SAE and Central Payroll understand the importance of timeliness of service and are committed to meeting strict time requirements for all payroll related distributions and reports. Wages, salaries, withholdings, state matches and federal and state tax payments have various schedules. Central Payroll has a proud tradition of continually meeting all deadlines.

## **Notable Accomplishments**

### ***Greater Efficiencies***

I/3 is forcing departments to become more efficient in their business processes. This is not an easy transition and each step requires significant one-on-one time spent with individual departments.

### ***Greater Savings***

The Income Offset program continues to be an outstanding example of saving money for the state (as well as its political subdivisions). By expanding the reach of the program to more cities, counties and community colleges, SAE is providing a valuable service to agencies and political entities with few other options in recovering monies owed to them.

### ***Improved Service***

SAE is dedicated to serving each and every customer in a timely and accurate manner. In addition to providing huge amounts of financial information to departments and individuals, the enterprise has been instrumental in assisting the DAS Communications Department in providing payroll information to the press, often under tight timelines.

## **Meeting Challenges**

Local communities face many financial challenges, not the least of which is recovering funds owed to their treasuries. In FY2008, SAE did much to expand the Income Offset Program to include more communities. Currently, the roster of local governments participating in the program is over 100 and indications are that more will enroll. One pending challenge regarding this program in the future is that municipal utilities may be hindered in obtaining customer Social Security numbers. SSNs are the only way SAE can match outgoing money to those owing funds.

SAE led the upgrade of the I/3 financial system to the newest release of the Advantage product CGI offers. This was an extraordinarily time consuming and challenging venture that has nevertheless resulted in a successful implementation with minimal impact on our users/customers.

## **New Programs/Innovations for FY2008**

The expanded Income Offset Program has resulted in SAE being able to assist local governments in recovering approximately \$1.1 million in FY2008.

## DAS Financials

### GENERAL OPERATIONS (Non Infrastructure)

#### BALANCE BROUGHT FORWARD

	FY2008	FY2007	FY2006	FY2005	FY2004
Balance Brought Forward	\$37,486,231	\$33,494,287	\$36,647,396	\$23,709,756	\$18,050,794
Adjustments to Balance Brought Forward	2,108	-\$207,682	-\$57	\$621,053	\$476,067
Reversions	0	\$0		\$89,416	\$1,103,583
<b>ADJUSTED BEGINNING BALANCE BROUGHT FORWARD</b>	<b>\$37,488,339</b>	<b>\$33,286,605</b>	<b>\$36,647,339</b>	<b>\$24,420,225</b>	<b>\$19,630,444</b>

#### RESOURCES

Appropriations and Appropriation Adjustments	\$17,455,639	\$12,560,889	\$15,869,333	\$22,559,337	\$33,748,326
Receipts	185,255,733	\$170,036,798	\$155,066,670	\$142,684,087	\$114,970,424
<b>TOTAL RESOURCES</b>	<b>\$202,711,372</b>	<b>\$182,597,687</b>	<b>\$170,936,003</b>	<b>\$165,243,424</b>	<b>\$148,718,750</b>

#### DISPOSITION OF RESOURCES

Expenditures	\$201,600,369	\$178,062,426	\$173,902,168	\$151,826,928	\$138,750,884
Appropriations & Appropriation Transfers	870,636			\$697,261	\$4,572,269
Reversions	836,064	\$552,023	\$403,276	\$492,064	\$1,233,693
<b>TOTAL DISPOSITION OF RESOURCES</b>	<b>\$203,307,069</b>	<b>\$178,614,449</b>	<b>\$174,305,444</b>	<b>\$153,016,253</b>	<b>\$144,556,846</b>
<b>BALANCE CARRY FORWARD</b>	<b>\$36,991,136</b>	<b>\$37,486,231</b>	<b>\$33,277,898</b>	<b>\$36,647,396</b>	<b>\$23,792,348</b>
Adjustment to Balance Carry Forward	-98,495				-\$82,592
<b>ADJUSTED BALANCE CARRY FORWARD</b>	<b>\$36,892,641</b>	<b>\$37,486,231</b>	<b>\$33,277,898</b>	<b>\$36,647,396</b>	<b>\$23,709,756</b>

#### Footnotes:

- > Source of General Operations financial information is I3 - Schedule 6 SD (SD 030).
- > Information above covers all DAS operations, *excluding* infrastructure. FY07 includes an adjustment to BBF of -\$216,389 for fund 506. Fund 506 is related to infrastructure so information is included on the page for DAS Infrastructure Financials.
- > Balance Rolled Forward amounts reflect the balances in various Revolving and Internal Service funds such as; IT Technology, Utility Services, & Fiduciary funds.
- > FY08 includes an adjustment to Balance Carry Forward for fund 506 that is no longer reported under Special Department 030SD. The balance carry forward for fund 506 has been moved to Special Department 954SD



<b>INFRASTRUCTURE</b>	FY2008	FY2007	FY2006	FY2005	FY2004
<b>BALANCE BROUGHT FORWARD</b>					
Balance Brought Forward	\$77,087,185	\$34,375,971	\$30,375,807	\$44,222,845	\$45,061,064
Adjustments to Balance Brought Forward	-216,389	\$216,389			
<b>ADJUSTED BEGINNING BALANCE BROUGHT FORWARD</b>	\$76,870,796	\$34,592,360	\$30,375,807	\$44,222,845	\$45,061,064
<b>RESOURCES</b>					
Appropriations, Transfers & Supplementals	\$71,928,827	\$80,239,047	\$37,703,815	\$17,462,117	\$42,773,686
Receipts	4,993,510	7,329,276	19,399,770	12,038,025	9,292,698
<b>TOTAL RESOURCES</b>	\$76,922,337	\$87,568,323	\$57,103,585	\$29,500,142	\$52,066,384
<b>DISPOSITION OF RESOURCES</b>					
Expenditures	\$45,434,789	\$44,564,555	\$53,364,524	\$43,362,179	\$52,840,273
Reversions & Appropriations Transfers	24,602	508,943	1,575	0	49,331
<b>TOTAL DISPOSITION OF RESOURCES</b>	\$45,459,391	\$45,073,498	\$53,366,099	\$43,362,179	\$52,889,604
<b>BALANCE CARRY FORWARD</b>	\$108,235,247	\$77,087,185	\$34,113,293	\$30,360,808	\$44,237,844
Adjustment to Balance Carry Forward	98,495		\$262,678	14,999	-14,999
<b>ADJUSTED BALANCE CARRY FORWARD</b>	\$108,333,742	\$77,087,185	\$34,375,971	\$30,375,807	\$44,222,845

**Footnotes:**

- > Source of Infrastructure financial information is I3 - Schedule 6 (SD 954 and SD 030).
- > FY06 expenditures have been adjusted upward & BCF downward on this report by \$6,066 to match Schedule 6 SD report pulled for FY07 information.
- > FY07 Adjustments to Balance Brought Forward (BBF) includes \$216,389 from Fund 506. Fund 506 is part of SD 030 and is included in the operations data, however fund 506 is used to account for pass-through funds for Infrastructure. Including the \$216,389 in the BBF also increased the Balance Carry Forward and Adjusted Balance Carry Forward amounts.
- > Infrastructure involves projects throughout the State of Iowa, some that are funded by direct appropriations to DAS, and some that are funded by direct appropriations to the benefiting agency and transferred to DAS. Other projects are funded by a combination of appropriations & additional funds contributed by the benefiting agency.
- > Infrastructure involves multi-year projects and therefore the funding is appropriated to be spent over a period of time, usually 4 years. The year end Balance Brought Forward reflects the total amount unobligated from all the multi-year funded sources that have been appropriated to the Department of Administrative Services.
- > FY06 adjustment to BCF was included to match actual FY07 BBF amounts on schedule 6 SD report
- > FY08 adjustment to Balance Brought Forward (BBF) includes reversing previous \$216,389 adjustment to BBF in FY07
- > FY08 includes an adjustment to Balance Carry Forward (BCF) for fund 506 that is no longer reported under Special Department 030SD. The balance carry forward for fund 506 has been moved to Special Department 954SD

	<b>DAS UTILITIES</b>	<b>BASIS FOR RATE CALCULATION</b>	<b>Notes</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
	<b>State Accounting Enterprise (SAE)</b>								
	Integrated Information for Iowa (I/3)	Annual allocation starting in FY07	2	\$106.44	\$103.68	N/A	N/A	N/A	N/A
	<b>Information Technology Enterprise (ITE)</b>								
	Directory Services	FT & PT Perm Employee	3	\$9.48	\$9.00	\$9.40	\$8.26	\$7.88	\$6.75
	Information Security Office (ISO)	FT & PT Perm Employee	3	N/A	N/A	\$10.41	\$12.76	\$16.58	\$14.45
	Service-Oriented Architecture (SOA)	64% = FTE; 36% = agency usage							\$4.27
	Authentication & Authorization (A&A)	64% = FTE; 36% = agency usage							\$4.67
	<b>Human Resources Enterprise (HRE)</b>								
	Benefits	FT & PT Perm Employee *		\$27.24	\$32.88	\$28.80	\$34.80	\$34.80	\$29.40
	Personnel Officers (" <i>Program Delivery</i> " in FY05)	FT & PT Perm Employee *		\$60.24	\$60.96	\$65.88	\$71.28	\$71.28	\$77.28
	Labor Relations	FT & PT Perm Employee *		\$29.28	\$25.32	\$31.56	\$21.84	\$21.84	\$20.04
	Employment Services		4	\$68.04	N/A	N/A	N/A	N/A	N/A
	Employment Services - Merit Only	FT & PT Perm Employee *	4	N/A	\$17.76	\$19.68	\$18.48	\$18.48	\$24.60
	Employment Services - Merit and Non-Merit	FT & PT Perm Employee *	4	N/A	\$58.08	\$60.12	\$58.92	\$58.92	\$59.28
	Health Insurance Surcharge	Per participant		\$24.00	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00
	Golden Dome		5	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
	Unemployment	Annual allocation	6	N/A	N/A	N/A	N/A	N/A	N/A
	Workers' Compensation	Annual allocation	6	N/A	N/A	N/A	N/A	N/A	N/A
	<b>General Services Enterprise (GSE)</b>								
	Association Fees - Office & Storage combined	Per square foot	7	N/A	N/A	\$3.43	\$3.10	\$3.10	\$3.29
	Association Fees - Office Space	Per square foot	7	\$3.15	\$3.51	N/A	N/A	N/A	N/A
	Association Fees - Storage Space	Per square foot	7	\$2.20	\$2.72	N/A	N/A	N/A	N/A
	Association Fees - Ankeny Lab	Per square foot		N/A	\$5.69	\$5.57	\$5.26	\$5.26	\$5.26
	Purchasing	Annual allocation	6	N/A	N/A	N/A	N/A	N/A	N/A
	Mail Services	Annual allocation	6	\$0.04	\$0.07	N/A	N/A	N/A	N/A
	Blanket Bond	FT & PT Perm Employee	8	N/A	\$1.64	\$2.06	\$2.14	\$2.13	\$1.58
	Fleet – Risk Management	Per active vehicle		N/A	\$209.28	\$209.28	\$288.00	\$288.00	\$288.00
	Leasing, Fee at Seat of Govt.	Per square foot		\$0.19	\$0.12	\$0.11	\$0.11	\$0.10	\$0.12
	Fleet Management	Per active vehicle		\$183.36	\$239.04	\$225.00	\$176.76	\$176.76	\$256.44
	Fleet Depreciation	Per active vehicle	9						N/A
	Design & Construction Services	Per hour	10	N/A	\$60.22/hr	\$116.85/hr	\$83.84/hr	\$83.84/hr	83.84
	Leasing, Fee Outside Seat of Govt.	Per hour		\$41.60/hr	\$50.90/hr	\$50.90/hr	\$61.90/hr	\$61.90/hr	61.9

TICKMARK LEGEND	
1	While DAS has provided this comparative history of the various utilities and applicable rates, the reader should <i>be careful in their interpretation</i> of the information.
	Rates reflected in this comparison are the final rates charged to customers, which may be different than the rates originally approved by the Customer Councils for budgeting purposes.
2	In FY05 this amount was a combination of individual rates: IFAS, HRIS & Budget based on FTE counts for the 1st Qtr of 2004. In FY06 this became I/3 and the rate was computed based upon FTE counts for the 4th Qtr of 2004. In FY07 the methodology was changed to a combination of component allocations and was reviewed with the Federal Government.
3	Rates were based <u>on FTE counts</u> as follows: FY05 = 1st Qtr 2004 / FY06 = 4th Qtr 2004 / FY07 = 3rd Qtr of 2005 / FY08 = 3rd Qtr of 2006 / FY09 = Qtr 3 of 2007/ ISO started in FY07.
4	In FY05 this was <i>Employment Services</i> but in FY06 the HRE Customer Council split the service into <i>Employment Services - Merit</i> and <i>Employment Services - Merit and Non-merit</i> .
5	Rates were based <u>on 5 Qtr FTE average</u> as follows: FY05 = point in time / FY06 = FT/PT ending Qtr 4 of 2004 / FY07 = FT/PT ending Qtr 3 of 2005 / FY08 = FT ending Qtr 3 of 2006 / FY09 = Qtr 3 of 2007.
6	Charges are based upon allocations, which are based on historical usage; this results in a unique charge to each agency.
7	In FY07 the GSE CC established one rate for space, regardless of type, eliminating separate office and storage rates.
8	Rates were based <u>on FTE counts</u> as follows: FY05 = point in time / FY06 = Qtr 4 of 2004 / FY07 = Qtr 3 of 2005 / FY08 = Qtr 3 of 2006 / FY09 = Qtr 3 of 2007
9	Fleet depreciation rates and charges are billed contingent on vehicle type and purchase date.
10	In FY06 Design & Construction operations were funded by a combination of Infrastructure appropriation and utility rates. The total rate for FY06 was \$97.26/hr.
N/A	Not Applicable: Rate had not started, was combined elsewhere or was eliminated; or the "rate" was actually an allocation
(*)	Rates were based <u>on 5 Qtr FTE average</u> as follows: FY05 = ending Qtr 1 of 2004 / FY06 = ending Qtr 4 of 2004 / FY07 = ending Qtr 1 of 2005 / FY08 = ending Qtr 1 of 2006 / FY09 = ending Qtr 1 of 2007 / FY10 = ending Qtr 1 2008