



Iowa Department of Administrative Services

Fiscal Year 2009

Annual Report

Prepared November 2009



On the cover and spacer pages: The artwork in front of the Hoover State Office Building, “Five Stones – One Tree,” was installed by Iowa City artist Luther Utterback in 1979. Five limestone blocks and a Japanese gingko tree are incorporated into the 116-ton work. Four limestone blocks are arranged above the ground and the fifth stone, a 16-ton block of choice limestone, is buried six feet below the ground. Mr. Utterback, who did no polishing or finishing of the stones, commented: “The piece was produced by the earth.”

A majority of DAS employees are officed in the Hoover Building, with others in the Grimes Building, Facilities Management Center, Central Energy Plant, Fleet Building and Parking Ramp, and custodial staff in nearly every building on the Capitol Complex and at the Iowa Laboratory Facility in Ankeny.

Photos and design by Darcy Pech, DAS Marketing & Communications, 2009.

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November 2009

<http://das.iowa.gov>

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LETTER OF SUBMISSION

November 30, 2009

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 2009.

This year marked the sixth anniversary of DAS and the 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
Director

DAS AT A GLANCE

Vision Statement:

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

Mission Statement:

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.

Divisions:

- Core (Director's Office and Finance)
- General Services Enterprise (GSE)
- Human Resources Enterprise (HRE)
- Information Technology Enterprise (ITE)
- State Accounting Enterprise (SAE)

Employees:

In FY2009, DAS had an average of 421.5 employees, with 420 employees on July 1, 2008 (the start of FY09) and 421 employees on June 30, 2009 (end of FY09).

Director:

Ray Walton was confirmed as DAS Director on March 30, 2009. He previously served as Chief Operating Office of GSE. Mr. Walton succeeded Mollie Anderson, who served as DAS Director from the inception of the department in July 2003 through September 2008, having previously served as director of the Iowa Department of Personnel.

Table of Organization

See Appendix A on page 34.

List of Services

See Appendix B on page 36.

Associated Boards and Commissions

See Appendix C on page 39.

Reports and Publications

See Appendix D on page 40.

History of DAS's Creation

See Appendix E on page 42.

HISTORICAL CONTEXT

Fiscal Year 2009 began on July 1, 2008 – in the midst of some of the worst natural disasters to hit Iowa in recent history. Severe weather and flooding affected parts of central and much of eastern Iowa, while several devastating tornadoes hit Butler, Black Hawk and Monona counties. Eighty-five of Iowa’s 99 counties were declared presidential disaster areas. Eighteen people died during the summer of 2008 due to these disasters, and thousands more suffered the loss of their home and belongings, while watching their communities as they were severely tried by these events.



Tornado damage in Parkersburg



Subsiding flood waters cover a boat home in Cedar Rapids.



Members of the Rebuild Iowa Advisory Commission survey a roadway heavily damaged by floodwaters near Oakville.

(Photos courtesy of the Rebuild Iowa Office, rio.iowa.gov.)

Governor Chet Culver and Lt. Governor Patty Judge were in their second year in office in 2008. Amidst the devastation from the floods and tornadoes, and the increasingly grim national economic outlook, they called for fiscal responsibility and a leaner, more efficient state government. Selective cuts totaling \$40 million trimmed expenses, cut unnecessary travel and froze state hiring. On December 22, 2008, an additional \$90 million was saved with a 1.5 percent across-the-board cut in general fund spending.



Governor Chet Culver and Lt. Governor Patty Judge

Nationally, the summer and fall of 2008 were dominated by the presidential campaign. Barack Obama was elected the 44th president of the United States on November 4, 2008. He was inaugurated January 20, 2009.



The national recession deepened over the winter of 2008-09. In response, Congress passed and President Obama signed into law the American Recovery and Reinvestment Act (ARRA) on February 17, 2009. The purpose of the \$787-billion Recovery package was to jump-start the economy to create and save jobs. The Act specified appropriations for a wide range of federal programs, and increased or extended certain benefits under Medicaid, unemployment compensation, and nutrition assistance programs. The legislation also reduced individual and corporate income tax collections, and made a variety of other changes to tax laws.¹



The first regular session of the 83rd Iowa General Assembly convened on January 12, 2009. Legislators focused on balancing the budget amidst the national recession, without raising taxes; economic initiatives to create jobs and spark an economic recovery; rebuilding after the natural disasters of 2008; and making health care more affordable for Iowa children. The Legislature adjourned on April 26, 2009.

The Iowa Supreme Court handed down a unanimous ruling on April 3, 2009, stating that defining marriage as between one man and one woman violated the equal protection clause in the state's Constitution. The ruling sparked rallies of support, protest demonstrations, and talk by some legislators of changing Iowa law to reverse the ruling, though nothing was passed during the 2009 session. Iowa was the fourth state in the nation to legalize same-sex marriage.

Signs of an economic recovery began to appear in early summer 2009. Although state government continued to struggle because of declining revenues, nationally the economic picture was gradually becoming brighter.

Fiscal Year 2009 ended on June 30, 2009.

¹ Source: recovery.gov, Accessed 10/27/09. <http://www.recovery.gov/FAQ/Pages/ForCitizens.aspx>

BUSINESS MODEL

Iowa was the first state in the nation to create an entrepreneurial management system for a state agency. 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.

PURPOSE

“Government’s partner in achieving results”

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. The creation of DAS in 2003 not only consolidated the source for these basic services, but put incentives in place for DAS to offer them at the best possible prices and with value placed on high customer service.

ORGANIZATIONAL STRUCTURE

DAS provides services in the following business areas: general services, human resources, information technology, and state accounting. In addition to consolidating the four departments that used to manage these functions, DAS implemented a new business approach known as *entrepreneurial management* – a customer-focused approach to delivering services in a competitive marketplace. This change reflects a growing trend in both public and private sectors to focus on the customer – to know their business and provide the tools to deliver quality services. In turn, customer departments have more input about what services and products they buy from DAS. Business decisions are motivated by the desire to meet customer needs and by rewards or consequences for financial performance.

In embracing the entrepreneurial management approach, DAS was divided into four *enterprises* (versus “divisions”). The heads of those enterprises are called *Chief Operating Officers*, and the people and agencies DAS serves are its *customers*.

ORGANIZATIONAL VALUES

DAS has in place a set of four “service standards” that define the core values of the organization in providing excellent customer service. They are:

1. Be Worthy of Trust
2. Provide Valued Service
3. Be Responsive
4. Be Efficient

These four standards reflect the core values of an agency that is continually striving to meet the needs of the customers.

PRODUCTS AND SERVICES

DAS provides the products and services government needs to run – often “behind the scenes,” but vital for day-to-day operations.

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.

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 from DAS.

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 agencies using the services.

- **Marketplace services** are those with which customers have a choice of vendors (inside or outside of state government) such as human resource training, motor pool vehicles and 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 certain policy, personnel, finance and marketing/communications functions.

Funding: Leadership services are funded by a General Fund appropriation. Some necessary administrative and oversight functions are funded by including those costs in the rates charged for utility and marketplace services.

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 – leading to greater efficiencies and savings.

CUSTOMERS

The primary customers of DAS are other Iowa state agencies and their employees. DAS also provides services to some city, county and municipal government entities, school districts, and community colleges. Non-profit organizations are also eligible to use some DAS marketplace services, such as the Print Shop. In addition, members of the general public are served by DAS when they seek employment with the State, use an online program or application we’ve developed, and visit or use state facilities and grounds.

The core of our business model is providing excellent customer service in cost-effective ways. A few of the principal ways in which we manage that relationship with our customers are explained below.

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

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 mirrors many of the functions of the charter councils in the areas of oversight of the DAS business plan and in approving utility rate methodologies and resulting rates.

The primary purpose of the customer council has been and continues to be to provide customer input to DAS management regarding levels of service and rates. The Customer Council generally meets monthly.

- **eDAS:** This service request and billing system (<https://edas.iowa.gov/>) 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.
- **Customer Satisfaction Surveys:** Due to budget constraints, the semi-annual DAS Customer Survey was suspended in FY09. Individual areas conducted smaller-scaled and more targeted surveys, focus groups, etc. to gather customer feedback. Nevertheless, customer surveys are valued as an important component of the entrepreneurial model and it is hoped they can be resumed in the future.

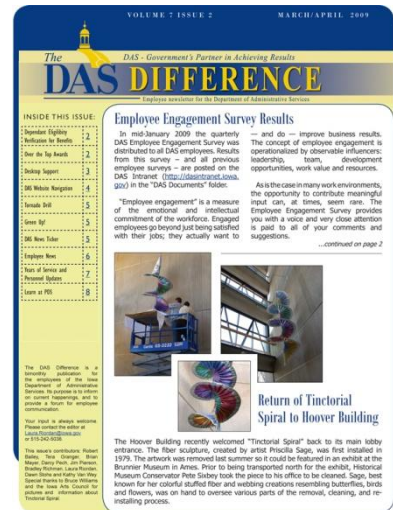
COMMUNICATIONS

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

- **Website:** The DAS website, <http://das.iowa.gov>, was redesigned in 2007 and continues to be the primary vehicle for making information readily accessible for customer agencies and the public.
- **Newsletters**
 - *Customer Focus* is a bi-monthly publication distributed electronically to customers throughout state government. It provides readers 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.



- *The DAS Difference* is a publication distributed exclusively to DAS staff. While sharing some of the same information as *Customer Focus*, this newsletter provides department-specific content relating to human resources, safety, awards and general in-house news.
- *First Friday Edition* – In April 2009 the Marketing & Communications bureau started publishing a monthly e-mail newsletter for DAS employees to provide more timely updates on enterprises' activities, personnel updates, legislative updates, and a message from the director. With the implementation of *First Friday Edition* as a monthly piece, publication of *The DAS Difference* was reduced from a bi-monthly to a quarterly basis.
- For a complete list of all newsletters published by various areas of DAS, see Appendix D on page 40.



- **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. Honorees are nominated by supervisors and managers; *Over the Top* awards are held semi-annually. The *Wall of Fame* program acknowledges employees who provide outstanding customer service by posting comments from happy customers in public spaces, including a bulletin board in the Hoover Building and on the DAS website.



This team from HRE was recognized with an *Over the Top* award for their work launching the 403b program under an extremely tight deadline. Pictured: Top row, left to right: Jim Pierson, John Williams, Ed Holland. Front row, left to right: Jennifer Sandusky, Terri Marshall, Robbie Stoecker.

FINANCES

In just six years, considerable progress has been made with 87 percent of revenue to DAS coming from services provided to other state agencies. In 2003, the year DAS was formed, fees accounted for less than 10 percent.

In Fiscal Year 2009, DAS oversaw appropriations totaling \$12.32 million, revenues for utilities of \$29.00 million, and \$57.01 million in revenue receipts from marketplace services. Combined, DAS is a \$98-million-per-year business.

See Appendix F for a more detailed view of DAS finances.

‘ORGANIZATION SEEKS CONSTANT IMPROVEMENT’

News headlines rarely tout the constant efforts government makes to improve. In many respects, DAS revolutionized the way state government in Iowa operates. At the same time, though, transforming the executive branch of a state government, rooted in a more traditional format where administrative services are provided to various agencies with no true accounting for the value of these services, is an ongoing challenge. 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 fine-tuning is 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. Customer needs will continue to be evaluated to determine the types and levels of service required. Efficiencies will continue to be explored, and cost savings sought.

By constantly reviewing and assessing this innovative 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 and the citizens of Iowa.

GENERAL SERVICES ENTERPRISE

Patricia Lantz, 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, space and lease management, and manages procurement activities for most executive branch agencies.

The GSE is comprised of:

- Architectural and Engineering Services (*Paul Carlson, Administrator*)
 - Primary responsibilities include: Assist state agencies in facilities design, construction and management by providing or managing those professional services required by our customers in the performance of their respective missions.
- Capitol Complex Maintenance Services – CCM (*Tim Ryburn, Administrator*)
 - Primary responsibilities include: Maintain the Capitol Complex buildings and grounds to provide a safe, healthy, cost-effective and aesthetically pleasing environment for elected officials, employees and visitors.
- Fleet and Mail Services (*Dale Schroeder, Administrator*)
 - Primary responsibilities include: Provide for and support the vehicular needs and travel requirements of state agencies; Provide reliable and cost effective receipt, processing and distribution of U.S. and interoffice mail for state agencies within the Des Moines metropolitan area; Provide to state agencies within the Des Moines area the pickup and delivery of records and data processing.
- Leasing and Space Management Services (*Barbara Bendon, Administrator*)
 - Primary responsibilities include: Assignment, design and reconfiguration of office space for every state office building on the Capitol Complex and at the lab facility in Ankeny; Locating, negotiating and managing all of the leased space in Polk County for state offices; Reviewing leases for state facilities outside Polk County; Managing numerous moves, re-sets and mapping out spaces for office designs and redesigns.
- Procurement Services (*Debbie O'Leary, Administrator*)
 - Primary responsibilities include: Facilitate a process that provides timely, cost-effective, high quality goods & services through cooperative and proactive procurement practices.
- Vertical Infrastructure Program (*Dean Ibsen, Administrator*)
 - Primary responsibilities include: Work collaboratively with agencies supported by the Department of Administrative Services to identify construction and maintenance projects and establish priorities on an enterprise-wide basis.

NOTABLE ACCOMPLISHMENTS IN FY09

GREATER EFFICIENCIES

- Through participation in a Kaizen event, Procurement Services streamlined the process used to issue a Request for Proposal and other bid documents, decreasing the number of steps by more than 60 percent.
- Closed out 90 construction projects totaling \$52 million in state facilities across Iowa – the largest number of construction projects closed out in recent history. This was due, in part, to the creation and implementation of a monthly construction project tracking process/report that specifically focuses upon and emphasizes financial status, progress, and results (closed-out projects). On a monthly basis, the report is posted to the DAS website and is the primary reference source for agency customers to assess the status of their projects. The current report contains the financial and “completion” status of 215 statewide construction projects.
- Energy Efficiencies: An audit of the Iowa Capitol Complex energy usage was performed by a partnership between the National Governors Association (NGA) and Wal-Mart one week in October 2008. A team of engineers, in collaboration with DAS, examined the Complex’s lighting, HVAC (heating, ventilation, and air conditioning) and building envelope. The audit engineers were employed by Applied Energy Solutions, an Oklahoma-based company, and accompanied by Wal-Mart associates from the company’s Energy Department. The following is an excerpt from the report received as a result of this audit, noting Iowa state government’s exceptional achievements in energy efficiency.

“We recognize that state governments have competing annual budget priorities. It is not uncommon to see capital expenditures deferred, forcing facilities staff to prioritize the resources provided to them. In the case of the Iowa Capitol Complex, however, we were pleased to find that the State of Iowa has already made significant progress in reducing energy consumption in most of its densely occupied buildings. Based on the scope of our audit, there were **no significant opportunities** identified. The primary finding is that Iowa should be held up as an example to other states about how to implement energy savings initiatives.

“One important key to the State of Iowa’s energy consumption reduction is the building automation system that allows remote control of lighting and temperatures. The State uses the system to schedule operating hours for building lighting and standardize temperature set points, setback and use of free cooling and economization. In addition, the State has upgraded most of the building lighting to energy-efficient T8 lamps with electronic ballasts.

“This report highlights two current directives that exemplify a robust energy policy. These directives could be submitted to the NGA as a Best Practice for distribution to all states. Other states may be looking to develop their own energy efficiency goals, and they could use [these] as a benchmark.”

GREATER SAVINGS

- Increased the number of miles that fleet vehicles need to be driven before they are turned in for auction, thereby reducing the number of new vehicles purchased.
- Implemented a project using inmate labor that helped save more than \$8,000 in laundering costs for items such as mop heads.
- Reduced the number of desk phones assigned to employees who are in the field more than they are at their desks.
- Managed participation in the HP PurchasEdge program, which allowed state agencies that had bought HP products off the State's contract with OfficeMax to redeem points to receive free equipment, saving agencies thousands of dollars.

IMPROVED SERVICE

- On November 19, 2008, Iowa gained its first chapter in the National Institute of Governmental Purchasing, Inc. (NIGP) with the induction of the Iowa Public Procurement Association (IPPA). Organized in 1944, NIGP is an international not-for-profit educational and technical organization of public purchasing agencies.
- Issued about 300 Request For Proposals and invitations to bid to help reduce costs of goods and services of general use for state agencies and other governmental entities.
- Assumed building maintenance responsibilities for the Jessie Parker Building.
- Completed the conversion to using "green" cleaning products. Now all buildings cleaned by Capitol Complex Maintenance use eco-friendly products.
- Piloted a recycling program on the Capitol Complex to increase recycling opportunities to include plastic, glass, newspapers and aluminum, in addition to the existing office paper recycling program.
- Closed out Phase 1 of the West Capitol Terrace project, the popular public park on the Capitol Complex.
- Managed more than 40 off-complex leases, collocating agencies as much as possible, and negotiating reductions in rents.

MEETING CHALLENGES

- Helped move agencies from flood-endangered space to save vital records. Worked with a variety of agencies to accomplish the move out – and back into – leased space.
- Started planning for the revamping of the Mercy Capitol hospital building [pictured at right] for use as office space. This will provide greater efficiencies by not only saving money on leases, but also moving agencies closer



together. This is a long-range project that will last at least until FY11, and maybe beyond.

- Continued to work with agencies and employees to solve parking issues.
- Successfully responded to a number of building emergencies on the Capitol Complex, such as fire alarms, power outages, elevator troubles, etc.
- Implemented the “Iowa Smokefree Air Act” on the Capitol Complex by posting new signage, designating approved smoking areas and converting smoking huts into bus shelters.

NEW PROGRAMS AND INNOVATIONS IN FY09

- The responsibility of managing state surplus property was returned to DAS from Iowa Prison Industries. Instead of selling items through a store-front operation, DAS-GSE is using online technology to auction items through a vendor’s website.
- Purchased software that allows departments to receive an electronic confirmation for certified mail delivery for a fee of \$1.10 instead of \$2.30 for traditional confirmation. This is a significant savings for departments using DAS mail operations.
- In response to Governor Culver’s Executive Order Six, which required DAS to make energy consumption information available to the public, the Capitol Complex ‘Eye on Energy’ kiosk was set up in the Capitol building. The kiosk allows visitors to monitor energy consumption throughout the Complex while also learning about conservation efforts implemented by DAS. The display is a state-of-the-art interactive program created by Quality Automation Graphics in Ankeny that uses real-time data on energy consumption. The data displayed at the kiosk is the same information DAS engineers use to monitor energy use and is a result of networking advances engineered by Siemens Building Technologies. In addition to watching real-time information about energy consumption and efficiency, visitors can learn interesting facts about the history of each of the 14 buildings being monitored.
- Began updating the 2000 Master Plan for the Capitol Complex. The updated Master Plan will be presented to the Legislature in 2010.
- Work began on a new monument on the Capitol Complex, “Shattering Silence” by Iowa artist James Ellwanger. The monument, located west of the Judicial Building, was completed in FY10.
- Construction began on the Iowa Association for Community College Trustees’ building on East Court. With their move into their new building (scheduled for September 2009), the State will take possession of their old building at the base of the West Capitol Terrace at 707 East Locust Street. The State plans to tear down the building in order to complete the park.



The kiosk cabinet, made of Iowa walnut, was designed and constructed in the DAS Carpentry Shop.

GOALS/OBJECTIVES FOR FY10 (AND BEYOND)

- Complete construction of LEED-certified office building which will house the Iowa Utilities Board and the Office of Consumer Advocate (IUB/OCA).
- Update and manage the new building acquisition on Complex, formerly called Mercy Capitol Hospital.
- Reduce utility costs by 10 percent in accordance with the across-the-board budget reduction ordered by Governor Culver in October 2009. This will be challenging because the initial appropriation was already less than requested, plus the State will be bringing on two new buildings in FY10, Mercy Capitol and the IUB/OCA building.
- Continue to undertake a wide variety of energy savings projects to implement on the Complex.
- Help agencies better manage their services contracting efforts.
- Reduce the number of seat of government leases (leases in Polk County that are not on the Capitol Complex), thereby saving leasing agencies money.
- Reduce the number of fleet vehicles throughout state government.
- Identify goods that all agencies need and establish master agreements based on committed volume and large discounts.



Thousands gathered for the 2008 'Yankee Doodle Pops' annual celebration for Independence Day. DAS-GSE scheduled and oversaw more than 400 events that used the Capitol Complex in FY09.

HUMAN RESOURCES ENTERPRISE

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.

The HRE is comprised of:

- Employment Services Bureau (*Bill West, Administrator*)
 - Primary responsibilities include: Application intake and evaluation; Selection assistance; Job classification and compensation; Workforce planning, Diversity, Equal Employment, and Affirmative Action; Hiring practices review; Performance system; Workforce data collection, analysis, and reporting; Payroll pre-audit; Temporary and contingency staffing services contracting.
- Program Delivery Services (*Mary Ann Hills, Administrator*)
 - Primary responsibilities include: Labor relations; Human Resources liaison services to executive branch agencies; Training and development (Performance & Development Solutions); Statewide human resource policy development; Negotiation of three Collective Bargaining Agreements; Hiring practices review (along with the Employment Services Bureau).
- Risk and Benefits Management Bureau (*Ed Holland, Administrator*)
 - Primary responsibilities include: Employee benefits program, including group health insurance, dental insurance, life and supplemental life insurance, disability insurance; Wellness programs; Workers' compensation program; Employee Assistance Program; Flexible Spending Accounts; Deferred Compensation; and other employee benefits programs.

NOTABLE ACCOMPLISHMENTS IN FY09

GREATER EFFICIENCIES

- Combined workforce planning with diversity and affirmative action planning to eliminate multiple reporting requests from the departments for related programs and data.
- Updated and improved the tracking of grievances and arbitrations.
- Provided online historical arbitration answers, grievance answers, and policy records.
- Negotiated a two-year, voluntary Collective Bargaining Agreement with each of the three unions.

- Completed full-day diversity training for over 2,000 executive branch managers and supervisors and launched a half-day training program for more than 20,000 state employees that will be completed by the end of 2009.
- Assisted with agency Hiring Practice Reviews.

GREATER SAVINGS

- Billed agencies for only actual costs of Diversity Training.
- Increased use of electronic scanning systems to reduce manual steps in employment application submission and uploading process, saving approximately 5 percent of associated staff person's time.
- Negotiated all insurance renewals for the 2009 plan year and realized significant cost avoidance when we streamlined the program and eliminated United Healthcare as a health insurance vendor. Resulting cost avoidance was \$40.8 million.
- Instituted a Dependent Verification process to ensure the State wasn't inadvertently paying for employees' children who were no longer eligible to be covered by their parents' insurance. While exact savings cannot be determined, since the process was put in place 1,906 ineligible dependents have been eliminated from the State's health and dental plans.

IMPROVED SERVICE

- Employment Services Bureau provided departments with direct feedback on their hiring practices to improve outcomes and reduce potential litigation. Reviewed non-contract job specifications and minimum qualifications to clarify standards for the public, the departments, and DAS employment staff.
- Developed and provided specialized training for managers and supervisors in preparation for the Grievance Resolution Improvement Process.
- Implemented the new 403b program for school districts. 403b is a voluntary retirement savings program offered by employers of educational & education-related institutions. This savings program is designed to supplement pension and Social Security benefits at retirement.
- Expanded our benefit education services for employees.
- Executed a formal request for proposals for vendors offering services under the State's deferred compensation program, which includes the 403b program.

MEETING CHALLENGES

Working with out-dated and fragmented systems

The biggest challenge the Risk and Benefits Management Bureau faces is trying to impact the cost of benefits. Almost everything that can be done with current budget and staffing levels in order to create efficiency into the program is being done. However, those efforts cannot impact the inefficiency that comes from multiple payroll systems. Currently there are studies and commissions taking place to review these inefficiencies and determine whether anything can be done to address them with respect to current budget restrictions.

Obtaining accurate and consistent data from various systems presents problems for the Employment Services Bureau as well, due to the lack of interconnectivity between the two existing systems - HRIS and BrassRing. The pre-audit function reviews hiring data entered in HRIS against BrassRing and notifies departments of discrepancies and omissions of critical data in order to improve the quality and consistency of information between these two systems. HRIS has not been updated through the I/3 initiative. Updating the HRIS system is recommended.

Stretching staff

The diversity training requirements set forth by Governor Culver's Executive Order Four (EO4) created a challenge for Performance and Development Solutions to find an efficient and cost-effective way to train every state employee. As a result of EO4, PDS has trained all executive branch managers and supervisors and, by the end of 2009, will have trained over 21,000 state employees in diversity awareness.



As programs to improve diversity are being administered by the Employment Bureau, Personnel Officers are called upon to assist customer agencies in meeting the requirements of Executive Order Four, adding to their normal job duties.

Personnel Officers also remain integral to assisting agencies in the application of the relevant rules and collective bargaining agreement language related to all areas of human resource management in state government.

Staff, in conjunction with the Department of Management, reviewed and provided comments to customer agencies about their draft workforce and succession plans. In addition, the diversity and affirmative action plans were incorporated into agency workforce plans.

A healthy workforce

It is clear that one of the best ways to impact benefit costs (insurance, health, and long-term disability), workers' compensation and leave utilization is to improve the health of the state's workforce. The challenge in doing this is having no money, no staffing, and little support from stakeholders to implement a coordinated wellness program. DAS continues to improve the wellness activities and services that are provided at little cost to the State.

NEW PROGRAMS & INNOVATIONS IN FY09

- Offered numerous new Benefit Education webinars and recordings.
- Developed and published a brief benefits summary for employees called, “Your Benefits at a Glance.”
- Implemented a Dependent Verification process for insurance coverage.
- Implemented the new 403b program for school districts.
- Introduced a new scanner for applications in FY 2009. This has reduced the number of steps required to review, edit and load documents into the BrassRing system.
- In response to EO4, put in place an extensive program to provide diversity awareness 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 Performance & Development Solutions (PDS) trainer. All planning, promotion, and event management was provided by PDS staff and all expenses were absorbed by PDS. At the end of calendar year 2008, 95% of managers and supervisors received training. This course is also being offered on a quarterly basis for all new managers and supervisors. In March 2009, the delivery of more than 750 half-day sessions began for state employees.
- PDS launched a marketing campaign, targeting non-profits, local governments, and state agencies. Working with DAS Marketing and Communications, the PDS website was revamped to reflect its relationship to DAS and better communicate information to the public. A general, informational brochure was created and used at trade shows, in mailings, and in classrooms.
- PDS offered Microsoft Office 2007 computer training classes in the computer lab at the Hoover Building. Many departments upgraded their software to Office 2007 and needed to learn the new features of Word, Excel, PowerPoint, and Access. Two PDS training specialists launched a full program of classes, including special sessions.
- PDS provided a spring wellness series free to all employees, with topics on stress management, nutrition, care-giving, new home buyers, credit score information, and more. Over 30 sessions were held over a 90-day period. Other new classes included the development of a half-day session called, *Prepare and Present Grievance GRIP*, which was done in collaboration a personnel officer.

GOALS/OBJECTIVES FOR FY10 (AND BEYOND)

- Implement an ‘electronic first report of injury’ form for workers’ compensation.
- Complete a Request for Proposal for dental insurance vendor selection.
- Streamline the Dependent Verification process.
- Introduce a new low-cost retiree health plan option.
- Implement an early-out retirement program if enabled through legislation and approved by the Governor’s Office.

- Develop a comprehensive internal desk manual system to clarify processes and procedures for staff, improve and incorporate any undocumented functions, and improve customer service in Employment Services.
- Review and update published manuals, such as the *Managers and Supervisors Manual*, for departments, especially in the area of hiring-practice guidelines.
- Improve the management of the outplacement and recall programs for employees who will be laid off due to the current budget situation.
- Provide accurate, helpful and relevant rule and Collective Bargaining Agreement language interpretation to customer agencies regarding reductions in force and continue to assist with all human resource challenges related to these issues.
- PDS will provide workshops, computer training, webinars, online e-courses, electronic survey development, team-building, strategic planning services, and customized sessions based on individual needs. Additionally, PDS will assist with workforce planning, organizational analysis and design, and cultural change and leadership development. The certificate series will continue to be offered along with the nationally-recognized Certified Public Manager program through Drake University.

INFORMATION TECHNOLOGY ENTERPRISE

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. In an increasingly technology-based world, ITE is at the core of nearly every new development and application of daily business in state government.

The ITE is comprised of:

- Application & E-Government Services (*Mark Uhrin, Administrator*)
 - Primary responsibilities include: Providing applications development, support and training as well as advice and assistance in developing and supporting business applications throughout state government.
- I/3 Project (*Steven Larson, Administrator*)
 - Primary responsibilities include: Leading the development of the Integrated Information for Iowa (I/3) system.
- Information Security Office (*Jeff Franklin, Administrator*)
 - Primary responsibilities include: Stopping over 150 million SPAM and virus e-mails from entering the state's e-mail system every month; Provide security awareness training to state employees (the ISO distributed over 18,000 security-related materials in FY09), and specific security training and consultation to numerous agencies; Distribute Security News and Security Alerts e-bulletins.
- Infrastructure Services (*Lorrie Tritch, Administrator*)
 - Primary responsibilities include: Providing for server systems, including mainframe and other server operations, desktop support and applications integration; Manage the ITE Help Desk, which 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; Operate DAS Print Services, which produces more than 60 million printed pages every year for 42 state agencies and all three branches of government; Oversee Data Center Print, which operates as a mainframe print center producing a number of specialized forms, many of which contain confidential data, including nearly all state warrants.

NOTABLE ACCOMPLISHMENTS IN FY09

GREATER EFFICIENCIES

- DAS-ITE reviewed the costs to provide services and used detailed "Activity Based Costing" analysis to determine a rate structure that recovers the appropriate revenue to support

each individual service. This process has gone through two years of refinement to make a very close match between rates and cost to provide each individual service.

- Assessed the technical processing of financial and accounting activities in I/3 and identified ways to improve performance and increase efficiencies. As a result, application systems availability to the business users has increased and the need for after-hours troubleshooting and staff support has decreased.
- Applied changes in I/3 to internal software development and operational processes that support easier and faster system modifications and implementations, which, in turn, support improved responsiveness to those business users depending on the automated systems.
- The ITE Help Desk and Desktop Support automated production of most billing files, thus reducing staff time required to produce the files and facilitating more timely, accurate billings.
- Application scanning was a key offering from the ISO office. During application development or modification, it's not uncommon to inadvertently create programming vulnerabilities. The ISO office scanned dozens of applications and resolved numerous problems prior to applications being made available to users.
- Application & E-Government Services (AEGS) worked with the Department of Management to add the ability to add school budgets to an existing local government application; worked with the Department of Natural Resources to create web-enabled systems for safety education and boat dock registration; and created a single statewide access point to get information from county recorders, assessors, auditors and treasurers for a County Real Estate Electronic Portal.
- DAS/ITE has implemented a secure file transfer service on mainframe computers serving agency customers. This allows computers to communicate more efficiently and in a secured environment. This is used to share data with federal partners, private sector, or between agency applications on servers and the mainframe.
- Virtualization, which allows the work of multiple servers to be performed by a single server, continued to result in increased server utilization in DAS-ITE, resulting in a much more efficient environment and the reduction of redundant or under-utilized servers. .
- DAS-ITE has updated the tape technology used to store backup data to perform twice as fast and double storage capacity, providing improvements in daily backup processing for key workloads such as e-mail, file storage and I/3. In addition, the tape drives work with "key management" computers to encrypt all data written to the tapes. Tapes that were written prior to implementation of encryption technology are being retrieved from offsite storage and rewritten in encrypted format as rapidly as possible while meeting production schedules. If a tape is lost, the confidential data is protected in a way that conforms to Iowa and federal standards for its protection.
- DAS Print Grimes achieved an average turnaround time based on all jobs produced within DAS Print of two days.

[Right:] DAS Print employee Derek O'Riley demonstrates a new printer feature during an open house showcasing Print Shop services.



GREATER SAVINGS

- Re-evaluated all resources allocated to I/3 data storage and, by balancing resource costs with business needs, reduced total costs.
- Overtime costs for I/3 support staff were reduced by improving the efficiency and stability of technical infrastructure and processing controls. These savings are reflective of applied efforts to prioritize quality and reliability.
- Implemented a reduced-cost web filtering system.
- The Desktop Support team replaced a FAX, scanner, copier, and printer with a single multi-function device that performs all of these functions, and did so at no cost by using purchasing points accumulated with HP.
- Application & E-Government Services (AEGS) developed an Income Offset application that allows Iowa casinos to check winnings of over \$10,000 against a list of debtors to the State. Adding this application increased collections by about \$100,000.
- DAS purchased and installed a new mainframe (IBM Z10) to replace the previous mainframe (IBM Z890) that was originally purchased in 2002 and was upgraded in 2005. The Z10 is approximately the same capacity as the Z890, but it is a current model that can be upgraded (or downgraded) to match processing requirements. The hardware, software, and maintenance charges for the Z10 are lower than for the Z890 and will result in cost savings.

IMPROVED SERVICE

- Increased cross-training of I/3 staff during 2009 has resulted in a greater depth of employee skill sets, improved backup capabilities and enhanced applications support.
- The Information Security Office (ISO) reviewed and updated the Enterprise Laptop Data Protection, Data Classification, and Wireless LAN Standards to keep pace with changes in technology and information security. The ISO also assisted several agencies with developing and enforcing their own internal policies.
- The ISO played a key role in the development of the STARTS security awareness video which highlights the importance of information security in state government.
- For the past three years, the ISO has conducted agency security assessments based on the internationally recognized ISO27001 standard. A total of 49 risk assessments were completed in FY09. The risk assessment process allowed the ISO to meet one-one-one with agencies to promote security awareness and establish security goals.
- The State of Iowa recognizes and participates in national Cyber Security Awareness month. The ISO organized numerous activities during October such as hosting training, speakers, providing information tables throughout the Capitol Complex and distributing IT security related materials.
- The ISO replaced used PC's acting as Intrusion Detection Systems (IDS) with server-class machines during FY09. These systems collect logs from numerous network and server devices and provide alerts of suspicious network activity.

- Due to the vast quantity of log files collected, the ISO also tested Security Incident and Event Management (SIEM) systems. The SIEM project will provide an automated review of logs and provide agencies with information on what is happening on the devices they manage and the network traffic entering their environments.
- The ITE Server Team was able to maintain service rates while adding Disaster Recovery capabilities for Enterprise Vault and Microsoft Exchange e-mail services.
- Implemented secure wireless LAN access in the Hoover State Office Building conference rooms.
- During FY09 Enterprise Hosting services experienced significant growth from the previous year, indicating that more state agencies are turning to DAS for IT solutions. A few examples include:
 1. Server Consulting labor was up by 190%.
 2. 129% more Windows Virtual partitions were sold.
 3. 71% more Virtual Linux partitions were sold.
- The Help Desk and Desktop Support consolidated service lines, identified associated costs of each, and implemented new pricing.
- Application & E-Government Services (AEGS) worked with the Department of Natural Resources to create web-enabled systems to allow citizens to report poaching incidents and other fish or wildlife crimes, and to increase public access to water pollution control permit information. AEGS also worked with the Department of Economic Development to rewrite their Business License Information Center application into a more current, tech-savvy program; and worked with the Department of Inspections and Appeals on their State Public Defender Case Tracking system and Defender application maintenance and support.
- The DAS mainframes were updated to a currently supported version of the operating system (Z/OS 1.9). This complex process involved three operating environments supporting the departments of Human Services and Revenue, and many other customers on the Hoover mainframe as well as Iowa Medicaid Enterprise and Iowa Workforce Development environments on the JFHQ (Joint Forces Headquarters) mainframe. Many other vendor software packages required updates to be coordinated, tested, and placed into production to be compatible when the underlying operating system is upgraded.
- The Storage Area Network (SAN) provides a shared storage environment in support of applications running on servers, including I/3, enterprise e-mail, file and print services and customer applications. The SAN was updated and the newer, correctly sized disk enabled a lower price for SAN services as well as enhancing performance, resulting in increased utilization of this service.

MEETING CHALLENGES

Impacts of the economic downturn

During FY2009 the Request for Proposal for a new payroll system was completed. However, with the unforeseen economic downturn, it has required a delay in implementing the new system. New

options are being explored to enhance the current system or replace it with a solution that can be implemented within the constraints of the current economic and financial environment.

Uphill upgrades

The project to convert the I/3 Data Warehouse to an ETL (Extract/Transform/Load) model presented considerable challenges. Work performed during 2009 has led to a better understanding of this technical architecture and the discovery that it does not meet business needs as intended. As a result, we are in a better position to design an alternate solution for this process.

The state was initially on track to upgrade its budget application system during FY2009. However, implementation has been delayed due to problems encountered with the application software and delayed technical support from the vendor. We continue to address this challenge by working with the vendor, CGI, to solve problems and move forward with completion of the implantation.

ITE continues to work on problems related to disk subsystems and implementation of the CGI-AMI Performance Budgeting system related to I/3.

In the process of developing improved disaster recovery capabilities, we discovered that a number of technologies we assessed did not fulfill our requirements. We will continue to search for technologies that will deliver the functions required to meet our disaster recovery strategy.

In the process of updating hardware and software, ITE is careful to not interrupt the various missions of our customer agencies. For instance, the process to upgrade mainframe support for IWD needed to be completed without disrupting that agency's need to be accessible to citizens filing for continued unemployment claims (which begins at 7 a.m. daily). We installed and tested new software from 4 a.m. to 6 a.m., requiring a longer overall schedule to complete the upgrades but ensuring no interruption of service to the public.

Staffing

One of eight Database Administrators left the department, creating a serious depletion in our DB knowledge base and capabilities. Through a program of aggressive cross training, the knowledge and capability gap was closed without replacing the FTE.

AEGS experience a noticeable slowdown in project work during FY09. The AEGS business model of supplementing employees with contractors to react to business fluctuations worked well, as AEGS has 12 less contractors at the end of the year than it had at the beginning of the year.

Staying competitive

The majority 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 retain customers is an ongoing challenge. Currently, the cost of regulatory and infrastructure-related services and consulting are included in the rates for ITE's marketplace services. Directly funding such costs through an appropriation or other means would reduce the cost of ITE's marketplace services to state agencies.

Crucial Current and Future Challenges

State Payroll System - The current payroll system dates back to the early 1980s and is based on a previous generation of hardware, software and design techniques. This situation presents costly challenges and delays when performing routine maintenance and when making updates and modifications to support changes in laws, rules, business decisions and data capture.

Information Security Office (ISO) - The ISO is continually challenged with having adequate resources to maintain and proactively secure the State's IT environment. The scope of state networks, buildings and staff is widely disbursed both geographically and administratively and IT security issues continue to become increasingly complex. The federated operating environment and severely constrained resources challenge the ISO in their efforts to evaluate and mitigate risk in our continually changing threat environment.

NEW PROGRAMS/INNOVATIONS IN FY09

- The costs and subsequent pricing of services under the Activity-Based Costing Methodology were fully reflected in rates in FY09. Significant work was spent on measuring the results of the initial round of activity-based pricing.
- Modified online payroll warrants application in order to reduce printed paper usage.
- Reduced the usage of Social Security numbers in processes to increase data privacy.
- Implemented electronic notifications for processing events in I/3.
- Improved turnaround times for I/3 report processing and distribution.
- Reduced the amount of vendor support used in technical environments for I/3.
- Automated processes in I/3 that were previously performed manually.
- Numerous IT standards were announced. Enterprise information technology (IT) standards seek to reduce costs and increase productivity by defining or limiting the tools used, defining best practices, implementing technology policies that reduce the overall complexity of IT, and recommending or mandating certain technical solutions which are used, developed or deployed by state governmental entities.
- Introduced secure wireless LAN access in Hoover Building conference rooms.
- AEGS released a major revision to its Project Management Lifecycle Guide. Many professional organizations establish a project management lifecycle to assist in narrowing the focus of programs and projects, prioritize their objectives, and ensure projects are finished on time and within budget. Every project management life cycle contains five steps: initiation, planning, execution, monitoring/control and closure.
- Iowa School Alerts became generally available after a successful year as a pilot project. At the end of FY09 there were 227 school districts enrolled in the system and over 18,000 subscribers receiving closing alerts for their districts.

- eLeave was made available. This online service allows employees to request leave via a web browser and provides managers with a detailed, up-to-date view of staff availability.
- Launched the Address Validation Service. This service permits agencies to validate addresses against U.S. Postal Service lists to ensure that the addresses are properly formed, current and deliverable. Through periodic processing of address lists, agencies can qualify for reduced postage rates.

GOALS/OBJECTIVES FOR FY10 (AND BEYOND)

- Take steps toward modernizing the state's centralized payroll system, including improved user access and integrated data management.
- Re-engineer the current I/3 data warehouse methodology to allow archiving of financial data.
- Implement new software for processing annual 1099's.
- Migrate warrants printing to newer print hardware to cut sheet forms.
- Reduce overall paper consumption by replacing paper reports with electronic reports and reducing the total number of reports produced on an annual basis.
- Improve disaster recovery capability in support of Continuity of Operations objectives.
- The ongoing growth of electronic business data each year, along with the requirement to retain many years of historical data, poses a challenge to find more economical ways to store this data and associated documents. We will continue to seek new technologies and methods to manage high volumes of data at lower per unit costs.
- An ongoing, long-term goal is to more closely integrate the financial, budget, and payroll systems in I/3 to achieve system synergies and increased processing efficiencies.
- Expand security risk assessments to include Enterprise Standards compliance and technical auditing.
- The ISO and several agencies are working on collaborative projects to improve security for the State. Some of these include:
 - Enterprise e-mail encryption
 - Data leakage prevention using enhanced gateway services
 - Internet-based, employee IT security training and tracking
 - Expanded intrusion detection and prevention system
- Marketplace services will be added for the Information Security Office. Some of these include:
 - Application Scanning
 - Network, website and client pen testing
 - Installation and technical support of security systems
 - Facilitation of tabletop and functional IT-related exercises
 - Administrative investigation support, computer forensics
- In FY10, The State of Iowa – along with several state, federal, private and international participants – will participate in a cyber security disaster exercise called Cyber Storm III. This

exercise is sponsored by the Department of Homeland Security and will improve Iowa's preparedness for a cyber-related disaster.

- Assist various agencies to achieve their missions by providing world-class server hosting services at competitive marketplace prices.
- Investigating cloud computing options – both by testing external providers and working to assess internally hosted cloud computing solutions. Implementation of a cloud-based system hosted by government may provide new levels of flexibility and cost savings for agencies that are willing to participate.
- Migrate current e-payment services to a shopping cart model that will reduce the state's risk of having credit card information provided by citizens released.
- Major new release of the SING service (Single Contact Repository for criminal histories) to allow more efficient access to background information, making it easier for entities to verify appropriate backgrounds for those providing services to the most vulnerable Iowans.
- Thoroughly implement document and test business continuity processes between mainframe data centers for processing, software, storage and connectivity to customers.
- Determine what data center services are essential to customers and bring the inventory of services into alignment. Then offer these services at the most cost-effective manner.

STATE ACCOUNTING ENTERPRISE

Calvin McKelvogue, Chief Operating Officer

The State Accounting Enterprise (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, while also providing services to Iowans. 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.

Functions of the SAE include:

- Centralized Financial System (*Lori McClannahan, Program Manager*)
 - Integrated Information for Iowa, or I/3, is the State's primary system for collecting, processing, and reporting financial transactions and information. I/3 records and classifies over 18 million financially-related transactions and economic events every year. Additionally, the system provides current, real-time information regarding state resources and obligations. SAE provides Help Desk support, training and resources for the more than 1,400 state employees using I/3 to develop improved functionality for our customers.
- Warrant Processing and Disbursement (*Trina Brietske, Program Manager*)
 - SAE ensures that the 10.4 million payments it issues every year are supported by approved claims from the paying departments by validating each of the 220,000 claims submitted. In order for the disbursement process to remain efficient and effective, SAE provides ongoing training to departments regarding procedures, guidelines and regulations while following 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 (*Calvin McKelvogue, Chief Operating Officer*)
 - SAE assists the Treasurer of the State in meeting this requirement by providing a month-to-month cash flow estimate that identifies cash shortfalls.
- Cash Management Improvement Act (CMIA) (*Jay Cleveland, Division Administrator*)
 - CMIA requires a formal Treasury-State Agreement (TSA) between the U.S. Treasury and the State of Iowa in order to implement the act and its regulations, which is intended to ensure equity between the two levels of government while improving efficiency of fund transfers. SAE negotiates this agreement annually and maintains 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 (*Jay Cleveland, Division Administrator*)
 - SAE administers the Statewide Cost Allocation Plan (SWCAP) which centers on recovering central service costs from federal programs. In order to achieve this, the discovery and recovery of federal funds available for equitable shares of program

costs are identified by SAE for all departments in the State of Iowa that received federal funds. A rigorous negotiation process is conducted between the state and the U.S. Department of Health and Human Services to define what is equitable funding.

- Comprehensive Annual Financial Report (CAFR) (*Calvin McKelvogue, Chief Operating Officer*)
 - Each year SAE publishes the CAFR to present the state's financial position and results of operations as well as relating certain demographic and statistical information. The CAFR assists elected officials in understanding Iowa's financial condition, allowing for reasoned, economic, decisions for the use of financial resources for the upcoming year. It is also instrumental for rating companies as these entities analyze the state's financial integrity and set bond ratings for capital borrowing.
- Income Offset (*Jay Cleveland, Division Administrator*)
 - When state departments, local governments or other political subdivisions are unable to collect delinquent receivables, they can join this program and submit claims to SAE for collection assistance. SAE matches these claims against any pending payment such as tax refunds, accounts payable, lottery payouts, casino winnings of \$10,000 and over, or unclaimed property settlements and then presents these payments to the appropriate entities as satisfaction of outstanding debts. Over the past five years, SAE has collected over \$95.3 million as part of the Income Offset Program.
- Federal Tax Reporting (*Jay Cleveland, Division Administrator*)
 - SAE provides certain income tax reporting services to the Internal Revenue Service, 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 (*Jean McPherson, Program Manager*)
 - Each year, SAE processes around 558,000 payroll warrants and direct deposits to state employees. Pay and benefits for over 70 departments totals over \$1.50 billion annually. SAE is also available to assist employees with questions of rules, regulations and guidelines as well as making payroll calculations and estimates. Central Payroll is also responsible for the accounting and reporting for two post-retirement benefit programs, the State Police Officers Council (SPOC) Insurance Trust Fund and the Sick Leave Insurance Program (SLIP).
 - Other duties of Central Payroll include the pre-audit and processing of back pay, pay and leave corrections, taxable benefits, Military Pay Differential, settlement agreements, and supplemental Workers' Compensation benefits. 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 (IWD) 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.

- 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. Also, W-2 and 1099-R information is prepared and submitted in compliance with federal and state tax laws.

NOTABLE ACCOMPLISHMENTS IN FY09

GREATER EFFICIENCIES

- SAE continues to recruit additional departments for participation in the Online Payroll Warrant Paperless System. Savings are recognized from less printing and fewer employees handling the warrant reports

GREATER SAVINGS

- The Income Offset program continues to be an outstanding example of collecting money owed to the State, as well as its political subdivisions. By continually expanding the reach of the program to more cities, counties and community colleges, SAE recovered over \$25 million during FY2009. (An increase of almost \$3 million compared to FY08 collections.) The January 2009 inclusion of casino winnings (\$10,000 and over) as qualifying payouts increased the funds recovered through this program by approximately \$100,000.
- SAE's system of direct deposit and a corresponding web-based Online Payroll Warrants website saves paper, time and money for the citizens and taxpayers of Iowa.

IMPROVED SERVICE

- The I/3 upgrade was completed, providing departments with an enhanced, more user-friendly interface and additional capabilities on the accounting system.
- SAE proactively redesigned the Direct Deposit Form as a security safeguard. The state benefits from this improvement with stronger internal controls over the direct deposit of payments to employees and vendors.
- SAE is dedicated to serving each and every customer in a timely and accurate manner. In addition to providing considerable financial information to departments and individuals, the enterprise has been instrumental in assisting the DAS Communications bureau in providing payroll information to the press, often under tight timelines.
- In addition to consistently complying with Government Accounting Standards Board (GASB) standards in the preparation of the Comprehensive Annual Financial Report, 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 Excellence in Financial Reporting* for 16 consecutive years. In order to earn this certificate, the State of Iowa must also receive an unqualified (clean) audit opinion.

MEETING CHALLENGES

When Centralized Payroll was faced with new health insurance taxability issue, staff reacted quickly. Same Sex Spouse and Adult Dependant taxability are different in that these are taxable by the federal government, but not the state government. A speedy resolution was determined and implemented in a very short time period.

Currently, programmers are required to pull hard data out of HRIS when Payroll staff needs information. An updated HR/Payroll system would be beneficial in that Payroll staff could do their work without the time consuming steps of involving a programmer. A new payroll system would allow such issues to be easier to implement, but the cost of the system is a barrier.

An additional Statewide Cost Allocation Plan (SWCAP) was required for FY2009 in order to report ARRA funds that were received by the state. This was conducted in conjunction with the state's annual SWCAP for FY2009.

Local communities are facing many financial challenges, not the least of which is recovering funds owed to their treasuries. In FY2009, SAE continued to expand the Income Offset Program to include even more communities. 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.

When the floods of 2008 required the activation of over 4,000 soldiers and airmen of the Iowa National Guard, SAE responded immediately in order to ensure that these troops would not experience any additional hardships due to the loss of their usual incomes. Each person who was activated had their paperwork individually processed in order to expedite their pay during this emergency. In recognition of SAE employees going above and beyond normal duties, the Department of Public Defense presented them with an Award of Excellence for their "outstanding support of the soldiers and airmen of the Iowa National Guard during the floods of 2008." [Pictured at right: Calvin McKelvogue, Chief Operating Officer of SAE, accepting the award.]



Pictured, left to right: Duane Jamison, General Zirkelbach, Calvin McKelvogue, Steve Lorenz, Paula Hutton, and Deputy Adjutant General Schwab.

NEW PROGRAMS/INNOVATIONS FOR FY09

The expanded Income Offset Program has resulted in SAE being able to assist local governments in recovering approximately \$1.1 million in FY2008 and \$2.3 million in FY2009.

GOALS/OBJECTIVES FOR FY10 (AND BEYOND)

- Currently, 1099's are processed from the state's mainframe. If it is possible to move this system into I/3, the state's accounting system, it could represent a savings to the State.
- Another cost saving goal is consideration for lowering the threshold amount for casino offsets in the Income Offset Program. The amount is presently set at \$10,000 and above.

APPENDIX A: TABLE OF ORGANIZATION

NOTE: The following table of organization represents the structure of the department as of June 30, 2009 – the end of Fiscal Year 2009. As of November 2009, when this report was submitted, the following changes have occurred:

- Patricia Mullenbach was named Chief Financial Officer on Sept. 24, 2009.

A current table of organization can be found on the DAS website at http://das.iowa.gov/about_DAS/orgchart.pdf.

Iowa Department of Administrative Services



Chester J. Culver
Governor, State of Iowa

Deputy Director /
Legislative Liaison
Mark Johnson

Ray Walton
Director

Executive Secretary
Jan Olson

Core

Information Technology
Enterprise
John Gillispie, COO

General Services
Enterprise
Patricia Lantz, COO

Human Resources
Enterprise
Nancy Berggren, COO

State Accounting
Enterprise
Calvin McKelvogue, COO

Legal & Rules
Patricia Lantz

Marketing & Communications
Robert Bailey

Finance & Operations
Lana Morrissey, CFO

Accounts Payable

Accounts Receivable/ CRM

Activity-based Costing

Budget Analysts

Operations
- Customer Service
- Mail & Ops

Purchasing

Infrastructure Services
- Mainframe Storage & Processing
- Print Services
- Desktop/Service Desk/ Networking
- Server Hosting
- Web Services

Application & E-Government Services
- Application Development & Architecture
- Database Services
- Digital Government/ IOWAccess
- Project Management
- Quality Assurance/Test
- Multimedia

I/3 Project
- Budget
- Finance
- Payroll
- Personnel
- Other Application Support

Information Security Office

Architectural & Engineering Services
- Statewide Planning and Project Management
- Utility Use Auditing
- New Construction

Procurement Services
- Statewide Purchasing
- E-Procurement
- Procurement Card
- Strategic Sourcing
- Capitol Complex Parking
- Capitol Complex Events Coordination

Capitol Complex Maintenance Services
- Custodial
- Locksmith
- Mechanical/Electrical/HVAC
- Grounds Maintenance
- Painting/Carpentry/Masonry

Fleet & Mail Services
- Fleet Management
- State Garage
- Fueling Station
- State Motor Pool
- State Vehicle Self-Insurance Program
- Mail Receiving & Distribution

Lease and Space Management Services

Employee Safety Program

Risk & Benefits Management
- Group Insurance
- Deferred Compensation
- Workers' Compensation
- Employee Benefits

Employment Services
- Application Processing
- Job Classification & Compensation
- Diversity Management
- Payroll Pre-audit

Program Delivery Services
- Labor Relations
- HR Advice & Consult
- Workforce Planning
- Performance Evaluation
- Training
- DAS Personnel/HR

I/3 Program

Financial Reporting

Centralized Payroll

Daily Processing

Income Offset

State Accounting

APPENDIX B: CATEGORIZATION OF PRODUCTS AND SERVICES

This chart shows the location of current agency services within one of the three categories within DAS for FY2007/08, as well as the categorization for FY2009. The categories are:

- **Leadership functions** are those services related to policy and standards development that will be funded through a general appropriation. It is appropriate where standardization is required and the ultimate customer is the taxpayer.
- **Utilities** are those services for which a monopoly structure makes sense due to economies of scale. Customers choose the amount of service purchased but must buy from a single source. Utilities will be funded by an internal service revolving fund.
- **Marketplace services** are those services that may be purchased in a competitive environment. Customers may choose to buy these services from any available vendor. These services are funded through enterprise revolving funds.

PROGRAM/SERVICE	Category for FY07 & FY08			Category FOR FY2009		
	Leadership	Utility	Marketplace	Leadership	Utility	Marketplace
GENERAL SERVICES ENTERPRISE						
Architectural & Engineering Services (formerly "Design & Construction) – includes Vertical Infrastructure Program and Project Management		X			X	
Association Fee – includes Mechanical, Custodial, Grounds, Lock Shop, Facility Maintenance, Space Management services and Employee Safety Program (50%)		X			X	
Ceremonial Space Maintenance – includes Employee Safety Program (50%)	X			X		
Utility Usage Oversight	X			X		
Fleet – Depreciation – includes Purchasing, Replacement and Disposal of Vehicles		X			X	
Fleet – Management		X			X	
Fleet – Risk Management		X			X	
Motor Pool/Fueling Station			X			X
State Garage			X			X
Gas Station			X			X
Mail Services – includes Mail Processing and Delivery		X			X	
Purchasing – includes Bidding and Contracting		X			X	
Blanket Bond		X			X	
Leasing (Fee at Seat of Govt. and Fee Outside Seat of Govt.)		X			X	

PROGRAM/SERVICE	Category for FY07 & FY08			Category FOR FY2009		
	Leadership	Utility	Marketplace	Leadership	Utility	Marketplace
Events Coordination	X			X		
HUMAN RESOURCES ENTERPRISE						
General Training			X			X
Conference Planning			X			X
Special Consultation Services (development and implementation of studies aimed at developing staff or the organization such as organizational climate studies, training needs assessments or customized exit surveys)			X			X
Labor/Management Committee Facilitation			X			X
Employment Services (Merit Only and Merit and Non-Merit) – includes Application Intake and Referral, Workforce Planning, Classification and Compensation Studies, Data Management (publications like the Iowa Almanac), Diversity Program Management, Performance Appraisal Management, Payroll Audit, and Contingent Workforce Contract Management		X			X	
Golden Dome Awards		X			X	
Benefits – includes Deferred Compensation, Group Insurance Programs, Employee Wellness Program, Employee Assistance Program, and Leave Management		X			X	
Health Insurance Surcharge (for health insurance administration)		X			X	
Unemployment Contract		X			X	
Workers' Compensation		X			X	
Labor Relations – includes Contract Negotiations, Collective Bargaining Agreement Interpretation, Federal Law Interpretation and Grievance Processing		X			X	
Personnel Officers – includes Individual Classifications, Classification Appeal Hearings, DAS-HRE Rules Interpretation, Investigations, 19B Investigations and Reviews and Appeals		X			X	
INFORMATION TECHNOLOGY ENTERPRISE						
Desktop/Workstation			X			X
Service Desk			X			X
Networking/Communications			X			X
Server Hosting			X			X
Mainframe Services			X			X

PROGRAM/SERVICE	Category for FY07 & FY08			Category FOR FY2009		
	Leadership	Utility	Marketplace	Leadership	Utility	Marketplace
E-mail			X			X
Common Calendar and Directory		X			X	
Mainframe Development Services			X			X
Database Services			X			X
Web Services			X			X
Consultation			X			X
Printing Services - Consulting			X			X
Graphic Design and Layout			X			X
1- and 2-Color Offset and Digital Printing			X			X
Digital Color Printing			X			X
On-site Copier Services			X			X
Letter Shop Services			X			X
Information Security Services		X			X	
Service-Oriented Architecture	<i>Not available</i>				X	
Authorization & Authentication			X		X	
STATE ACCOUNTING ENTERPRISE						
Comprehensive Annual Financial Report (CAFR)	X			X		
Centralized Payroll	X			X		
Centralized pre-audit/post-audit	X			X		
Iowa Income Offset Program	X			X		
Cash Management Improvement Act of 1990	X			X		
Statewide Indirect Cost Allocation Plans	X			X		
Integrated Information for Iowa (I/3)		X			X	

APPENDIX C: ASSOCIATED BOARDS AND COMMISSIONS

ADA Advisory Committee: Focuses on the unique issues related to building and facility accessibility, and makes recommendations to DAS and the Iowa Vertical Infrastructure Advisory Committee.

Capitol Planning Commission: Advises the Legislature on future developments of the Capitol Complex.

Chief Information Officers (CIO) Council: Promotes policies and practices for effective use and management of information resources in Iowa state government.

Diversity Council: Executive Order Four, issued by Governor Culver, created a state Diversity Council to review policies, procedures and practices related to diversity in state government and to develop recommendations for improvements.

Health Review Committee: A requirement of the AFSCME Collective Bargaining Agreement, this committee focuses its efforts on quality, employee education and cost containment of health benefits.

Customer Council: This group is made up of representatives from customer agencies and is responsible for annually reviewing and recommending action on the DAS business plan as it relates to utility services; approving the rate methodology and resulting rates for utility services; and being the voice of the customer in evaluating service levels.

Insurance Committee: Instituted by the Iowa Executive Council to recommend approval of insurance renewal changes prior to DAS-HRE presenting before Executive Council for final approval.

IOWAccess Advisory Council: Creates a one-stop electronic gateway to government information and transactions, whether federal, state or local.

Iowa Vertical Infrastructure Advisory Committee: Annually develops and submits to the Governor recommendations for maintaining and evolving the inventory and assessment of the state's infrastructure and reports on the findings of the assessment.

Technology Governance Board: Facilitates information technology decisions within the executive branch of Iowa state government, basing these decisions on business drivers supporting customer requirements.

APPENDIX D: REPORTS AND PUBLICATIONS

CODE-MANDATED REPORTS

The following reports are required per Iowa Code 8A.111:

- An annual report of the department as required under section 7E.3, subsection 4.
- Internal service fund service business plans and financial reports as required under section 8A.123, subsection 5, paragraph "a", and an annual internal service fund expenditure report as required under section 8A.123, subsection 5, paragraph "b".
- An annual report regarding total spending on technology as required under section 8A.204, subsection 3, paragraph "a".
- An annual report of expenditures from the IOWAcess revolving fund as provided in section 8A.224.
- A technology audit of the electronic transmission system as required under section 8A.223.
- An annual report on state purchases of recycled and soybean-based products as required under section 8A.315, subsection 1, paragraph "d".
- An annual report on the status of capital projects as required under section 8A.321, subsection 11.
- An annual salary report as required under section 8A.341, subsection 2.
- An annual average fuel economy standards compliance report as required under section 8A.362, subsection 4, paragraph "c".
- An annual report of the capitol planning commission as required under section 8A.373.
- A comprehensive annual financial report as required under section 8A.502, subsection 8.
- An annual report regarding the Iowa targeted small business procurement Act activities of the department as required under section 15.108, subsection 7, paragraph "c", and quarterly reports regarding the total dollar amount of certified purchases for certified targeted small businesses during the previous quarter as required in section 73.16, subsection 2.
- An annual report on the condition of affirmative action, diversity, and multicultural programs as provided under section 19B.5, subsection 2.
- An unpaid warrants report as required under section 25.2, subsection 3, paragraph "b".

- A report on educational leave as provided under section 70A.25.
- A monthly report regarding the revitalize Iowa's sound economy fund as required under section 315.7.

NEWSLETTERS

Customer Focus: Bimonthly publication focusing on developments and achievements in DAS that affect our customers.

DAS Procurement Update: Quarterly newsletter informing state purchasing employees of developments and upcoming events that affect purchasing.

First Friday Edition: A monthly e-mail newsletter for DAS employees, providing enterprise updates, legislative update, a message from the director and personnel updates.

ISO (Information Security Office) Cyber Security Tips: Monthly newsletter providing information and tips to reduce risk to information resources and protect the confidentiality, integrity and availability of critical information assets.

ITE (Information Technology Enterprise) Education News: Bimonthly newsletter detailing the current computer classes offered by DAS-ITE.

PDS (Performance & Development Solutions) Training: Monthly newsletter highlighting current training and development opportunities offered by PDS.

Security News: Distributed 2-3 times a week by the Information Security Office, this e-mail digest provides a summary of current happenings related to information security, cyber-threats, etc.

The DAS Difference: A quarterly newsletter for DAS employees focusing on awards and extraordinary accomplishments in and out of the office of employees.

APPENDIX E: HISTORY OF DAS'S CREATION

Over 30 agencies in state government specialize in services to Iowans such as natural resources, public health, public safety, economic development, the arts, education, human services, revenue, transportation, veterans' services and more.

Until July of 2003, four different state departments provided essential internal administrative services to state agencies: General Services, Information Technology, Personnel, and the finance 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 2001, then Governor Tom Vilsack and Lt. Governor Sally Pederson initiated a review of executive branch agencies with the idea of combining these four agencies. They believed that any dollar not spent on administration could be better spent providing services that directly affect Iowans. The Governor and Lt. Governor decided to pursue legislation to consolidate these service departments, giving employees greater incentives to improve services, lower costs, and more flexibility to meet customers' needs – the needs of state departments providing critical services to Iowans.

There were four primary changes that the legislation produced:

1. Removal of many of the mandatory requirements that agencies use internal administrative services.
2. A change in the way that the agencies receive funding for services; an adjustment was made to transfer General Fund monies previously appropriated to DAS entities to the budgets of customer agencies. This was a one-time distribution of the appropriation. Those monies are now in the respective agencies' budgets. Agencies have control over how their funds are spent when purchasing products and services from DAS.
3. The creation of customer councils to guide the establishment of rates, and
4. Implementation of key business principles including accrual accounting, the development of business plans, competitive pricing, and customer satisfaction measures.

Thus, DAS was created by legislation (House File 534) on July 1, 2003. Four enterprises were created within DAS: 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.

APPENDIX F: DAS FINANCIAL STATEMENTS

1. General Operations (Non-Infrastructure), FY04-FY09
2. Infrastructure, FY04-FY09
3. DAS Utility Services and Rates, FY05-FY11

GENERAL OPERATIONS (Non Infrastructure)	FY2009	FY2008	FY2007	FY2006	FY2005	FY2004
BALANCE BROUGHT FORWARD						
Balance Brought Forward	\$36,892,641	\$37,486,231	\$33,494,287	\$36,647,396	\$23,709,756	\$18,050,794
Adjustments to Balance Brought Forward	\$8,289	\$2,108	(\$207,682)	(\$57)	\$621,053	\$476,067
Reversions	\$0	\$0	\$0		\$89,416	\$1,103,583
ADJUSTED BEGINNING BALANCE BROUGHT FORWARD	\$36,900,930	\$37,488,339	\$33,286,605	\$36,647,339	\$24,420,225	\$19,630,444
RESOURCES						
Appropriations and Appropriation Adjustments	\$16,207,158	\$17,455,639	\$12,560,889	\$15,869,333	\$22,559,337	\$33,748,326
Receipts	\$190,821,629	\$185,255,733	\$170,036,798	\$155,066,670	\$142,684,087	\$114,970,424
TOTAL RESOURCES	\$207,028,787	\$202,711,372	\$182,597,687	\$170,936,003	\$165,243,424	\$148,718,750
DISPOSITION OF RESOURCES						
Expenditures	\$210,256,802	\$201,600,369	\$178,062,426	\$173,902,168	\$151,826,928	\$138,750,884
Appropriations & Appropriation Transfers					\$697,261	\$4,572,269
Reversions	\$728,009	\$836,064	\$552,023	\$403,276	\$492,064	\$1,233,693
TOTAL DISPOSITION OF RESOURCES	\$210,984,811	\$202,436,433	\$178,614,449	\$174,305,444	\$153,016,253	\$144,556,846
BALANCE CARRY FORWARD	\$32,944,906	\$36,991,136	\$37,486,231	\$33,277,898	\$36,647,396	\$23,792,348
Adjustment to Balance Carry Forward	\$1,851,002	(\$98,495)				(\$82,592)
ADJUSTED BALANCE CARRY FORWARD	\$34,795,908	\$36,892,641	\$37,486,231	\$33,277,898	\$36,647,396	\$23,709,756

- Footnotes:**
- > Source of General Operations financial information is I3 - Schedule 6 SD (SD 030).
 - > Information above covers all DAS operations, excluding infrastructure and fund 506.
 - > Balance Rolled Forward amounts reflect the balances in various Revolving and Internal Service funds such as; IT Technology, Utility Services, & Fiduciary funds.
 - > FY09 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
 - > FY08 includes an adjustment to BCF for fund 506.
 - > FY07 includes an adjustment to BBF of -\$216,389 for fund 506.

INFRASTRUCTURE	FY2009	FY2008	FY2007	FY2006	FY2005	FY2004
BALANCE BROUGHT FORWARD						
Balance Brought Forward	\$108,333,742	\$77,087,185	\$34,375,971	\$30,375,807	\$44,222,845	\$45,061,064
Adjustments to Balance Brought Forward		-216,389	\$216,389			
ADJUSTED BEGINNING BALANCE BROUGHT FORWARD	\$108,333,742	\$76,870,796	\$34,592,360	\$30,375,807	\$44,222,845	\$45,061,064
RESOURCES						
Appropriations, Transfers & Supplementals	(\$18,312,347)	\$71,928,827	\$80,239,047	\$37,703,815	\$17,462,117	\$42,773,686
Receipts	\$10,574,084	4,993,510	7,329,276	19,399,770	12,038,025	9,292,698
TOTAL RESOURCES	(\$7,738,263)	\$76,922,337	\$87,568,323	\$57,103,585	\$29,500,142	\$52,066,384
DISPOSITION OF RESOURCES						
Expenditures	\$54,353,566	\$45,434,789	\$44,564,555	\$53,364,524	\$43,362,179	\$52,840,273
Reversions & Appropriations Transfers	\$609,783	24,602	508,943	1,575	0	49,331
TOTAL DISPOSITION OF RESOURCES	\$54,963,349	\$45,459,391	\$45,073,498	\$53,366,099	\$43,362,179	\$52,889,604
BALANCE CARRY FORWARD	\$45,632,130	\$108,235,247	\$77,087,185	\$34,113,293	\$30,360,808	\$44,237,844
Adjustment to Balance Carry Forward	(\$1,568,820)	98,495		\$262,678	14,999	-14,999
ADJUSTED BALANCE CARRY FORWARD	\$44,063,310	\$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)
- > 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.
- > 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 expenditures have been adjusted upward & BCF downward on this report by \$6,066 to match Schedule 6 SD report pulled for FY07 information.
- > 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
- > FY09 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

DAS UTILITIES	BASIS FOR RATE CALCULATION	Notes	FY05	FY06	FY07	FY08	FY09	FY10	FY11
State Accounting Enterprise (SAE)									
Integrated Information for Iowa (I/3)	Annual allocation starting in FY07	2	\$106.44	\$103.68	N/A	N/A	N/A	N/A	N/A
Information Technology Enterprise (ITE)									
Directory Services	FT & PT Perm Employee	3	\$9.48	\$9.00	\$9.40	\$8.26	\$7.88	\$6.75	\$6.75
Information Security Office (ISO)	FT & PT Perm Employee	11	N/A	N/A	\$10.41	\$12.76	\$16.58	\$16.22	\$14.45
Service-Oriented Architecture (SOA)	64% = FTE; 36% = agency usage							\$4.27	\$4.27
Authentication & Authorization (A&A)	64% = FTE; 36% = agency usage							\$4.67	\$4.67
Human Resources Enterprise (HRE)									
Benefits	FT & PT Perm Employee *		\$27.24	\$32.88	\$28.80	\$34.80	\$34.80	\$29.40	\$29.40
Personnel Officers ("Program Delivery" in FY05)	FT & PT Perm Employee *	11	\$60.24	\$60.96	\$65.88	\$71.28	\$71.28	\$74.28	\$74.28
Labor Relations	FT & PT Perm Employee *		\$29.28	\$25.32	\$31.56	\$21.84	\$21.84	\$20.04	\$20.04
Employment Services		4	\$68.04	N/A	N/A	N/A	N/A	N/A	N/A
Employment Services - Merit Only	FT & PT Perm Employee *	11-Apr	N/A	\$17.76	\$19.68	\$18.48	\$18.48	\$21.54	\$21.54
Employment Services - Merit and Non-Merit	FT & PT Perm Employee *	4	N/A	\$58.08	\$60.12	\$58.92	\$58.92	\$59.28	\$59.28
Health Insurance Surcharge	Per participant		\$24.00	\$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	\$2.00
Unemployment	Annual allocation	6	N/A	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	N/A
Flexible Spending	Per participant		\$51.12	\$51.12	\$51.12	\$51.12	\$51.12	\$51.12	\$51.12
General Services Enterprise (GSE)									
Association Fees - Office & Storage combined	Per square foot	7	N/A	N/A	\$3.43	\$3.10	\$3.10	\$3.29	\$3.29
Association Fees - Office Space	Per square foot	7	\$3.15	\$3.51	N/A	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	N/A
Association Fees - Ankeny Lab	Per square foot		N/A	\$5.69	\$5.57	\$5.26	\$5.26	\$5.26	\$5.30
Purchasing	Annual allocation	6	N/A	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	N/A
Blanket Bond	FT & PT Perm Employee	8	N/A	\$1.64	\$2.06	\$2.14	\$2.13	\$1.58	\$1.58
Fleet - Risk Management	Per active vehicle		N/A	\$209.28	\$209.28	\$288.00	\$288.00	\$288.00	\$318.12
Leasing, Fee at Seat of Govt.	Per square foot		\$0.19	\$0.12	\$0.11	\$0.11	\$0.10	\$0.12	\$0.12
Fleet Management	Per active vehicle		\$183.36	\$239.04	\$225.00	\$176.76	\$176.76	\$256.44	\$244.92
Fleet Depreciation	Per active vehicle	9						N/A	N/A
Design & Construction Services	Per hour	10	N/A	\$60.22/hr	\$116.85/hr	\$83.84/hr	\$83.84/hr	83.84	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	61.90	61.90
Surplus State Property	Actual costs	New							N/A

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 on <u>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 on <u>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 on <u>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.
11	The FY10 rates were subsequently changed for several services in FY10 and the FY10 amounts noted above reflect those changes. Employment Services Merit only from \$24.60 to \$21.54, Personnel Officers from \$77.28 to \$74.28 and ISO from \$14.45 to \$16.22.
N/A	Not Applicable: Rate had not started, was combined elsewhere or was eliminated; or the "rate" was actually an allocation
(*)	Rates were based on <u>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

