



Fiscal Year 2023
Annual Report and
Performance Report

(fulfilling requirements of Iowa Code sections 7E.3 & 8E.210)

Department of Administrative Services

Adam Steen, Director



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INTRODUCTION

Dear Governor Reynolds, Lt. Governor Gregg, Members of the Iowa General Assembly,

On behalf of the Iowa Department of Administrative Services (DAS), enclosed please find DAS' annual report and performance report for fiscal year 2023 (July 1, 2022 through June 30, 2023). This report, submitted pursuant to Iowa Code sections 7E.3 and 8E.210, provides an overview of the Department, information and results regarding several key services provided by DAS, and its performance plan results.

DAS is committed to serving as a customer-focused organization that provides a complement of valued products and services to internal customers and the general public while managing within current resources.

Sincerely,

Adam Steen, Director
Department of Administrative Services

AGENCY OVERVIEW

Mission: To implement a world-class, customer-focused organization that provides a complement of valued products and services to the internal customers of state government.

Vision: DAS will be an organization of excellence, providing services and support to meet our stakeholder agencies' needs and ever mindful of good stewardship in resource utilization.

Customers

The Department of Administrative Services provides direct service to a wide variety of customers, both internal and external to State government. Internal customers include State agencies and employees, the Governor's Office, offices of elected officials, and the legislative and judicial branches. Examples of external customers include local jurisdictions of government, vendors, visitors to the Capitol complex, and the taxpayers of Iowa.

How the Department of Administrative Services is Organized.

Custodian of Public Buildings (C., 1886, 21st GA, Ch. 148)

The Department of Administrative Services' predecessor agency dates back to 1886 when the Twenty-first General Assembly created the Custodian of Public Buildings "who shall have the care of the Capitol, together with all the grounds and premises appurtenant thereto, belonging to the state". The scope of the Department has changed over time, adding the responsibility for statewide accounting, procurement, fleet administration and human resources management.

The Iowa Department of Administrative Services is organized into four enterprises and central administration. Each of the enterprises provides services to other departments of the State as well as to the citizens of Iowa. They are:

- Central Administration
 - Adam Steen, Director (515) 725-2205
 - Nathan Reckman, Deputy Director/General Counsel (515) 783-5356
 - Tami Wiencek, Public Information Officer (515) 725-2017
- Office of the General Counsel
 - Nathan Reckman, General Counsel (515) 783-5356
 - Labor and Legal Services
 - Employee Relations
- Mirela Jusic, Chief Financial Officer (515) 281-5062
- General Services Enterprise
 - Charlee Cross, Chief Operating Officer (515) 725-2281
 - Facility Maintenance
 - Statewide Design and Construction
 - Mail Administration
 - Leasing and Space Management
 - Surplus Property
- Human Resources Enterprise
 - Erin Reinders, Chief Operating Officer (515) 281-5064
 - Ben Keenan, Chief Strategy Officer (515) 321-6753 (c)



- Employment Services
- Employee Benefits
- Organization Performance
- Worksmart HCM
- Talent Development
- Central Procurement and Fleet Services Enterprise
 - Allen Meyer, Chief Operating Officer (515) 725-2272
 - Procurement
 - Fleet Operations and Motor Pool
 - Print Shop
 - Purchasing Card Program
 - Warehouse
- State Accounting Enterprise
 - Nick Miller, Chief Operating Officer (515) 281-3725
 - State Accounting
 - Centralized Payroll
 - Financial Reporting
 - Daily Processing
 - Offsets Program

Operating Budget

General Fund

The Department of Administrative Services is comprised of four enterprises: Central Procurement/Fleet Services, General Services, Human Resources, and State Accounting, as well as the Office of General Counsel and central administration. For fiscal year 2023 DAS received a small general fund appropriation of slightly more than \$8.2 million in support of functions that are not billed to customers for various reasons. The general fund appropriation supported a total of 60.75 full-time equivalents. The make-up of the \$8.2 million is:

- \$4.1 million for utilities (e.g., electric, gas, etc.) for the Capitol Complex
- \$2.0 million for running and managing the State’s financial reporting systems through the State Accounting Enterprise
- \$1.5 million for maintaining the ceremonial space located on the Capitol Complex
- \$0.5 million for grounds maintenance at Terrace Hill.
- \$0.1 for management and administration of the Department

Other Appropriations (Revitalize Iowa’s Infrastructure Fund)

The Department received a total of \$20 million from the RIF account for major maintenance and an additional \$2.0 million for routine maintenance of vertical infrastructure across the State. The vertical infrastructure maintained with these appropriations is comprised of a total square footage exceeding 13.7 million sq. ft. with an unfunded major maintenance need of over \$375 million. In addition, the Department received \$1.0 million for Capitol Complex security and \$500,000 for the maintenance of monuments on the Capitol Complex.



Internal Service Funds

The enterprises within DAS are primarily funded by the fees generated for the provision of services to customers comprised of State agencies and local jurisdictions. All fees and methodologies are approved, prior to implementation, by the Customer Council as required by Iowa Code section 8.6 and 11 IAC -- 541.12. There were 174.64 full-time equivalents in the Department supported by service fees to agencies totaling \$88.1 million. The services, products and activities (SPAs) supported by the fees charged are summarized below.

Centralized Procurement and Fleet Services Enterprise

- \$12.1 million for **Fleet Management**
Provides administration of the State's vehicle fleet to include the fuel card program, vehicle repairs administration, vehicle repairs and replacements, risk management, compliance with state and federal requirements for alternative fuels and Corporate Average Fuel Economy (CAFÉ), and provide a fleet of motor pool vehicles that state agencies may utilize on a per-mile, or daily use basis.
- \$2.8 million for **Centralized Procurement**
Provide a system of uniform standards and specifications for the procurement of goods and services, including the competitive bidding procedures; negotiate and administer master agreements; establish and oversee the State's procurement card, and the travel P-card programs.
- \$2.2 million for **Risk Management**
Provides driver insurability assessment, state vehicle collision and accident liability coverage, and investigation, negotiations and settlement of vehicle claims.
- \$2.8 million for **Print Shop Services**
Provides short-run turnaround printing services that to serve the best interests of the State and provide high-quality, cost-effective printing services to State agencies, State officials, and other branches of State government.

General Services Enterprise

- \$12.1 million for **Facility and Leasing Management**
Provides facility management including mechanical, electrical, custodial, grounds, routine maintenance and other facility management of state-owned facilities totaling more than more than 2.4 million square feet and maintain 163 acres of land in the Des Moines metro area; coordinate more than 185 leases totaling 1.0 million square feet and \$12.3 million in annual rent for State agencies.
- \$1.2 million for **Design & Construction**
Provides the management and oversight for state agencies involved in facility design, construction, and renovation of State-owned properties on the Capitol complex and across the state.
- \$0.9 million for **Mail Services**
Provides incoming and outgoing local and U.S. Postal Service mail service for all state agencies and officials at the seat of government, processing more than 17 million pieces of mail annually.
- \$0.4 million for **State Surplus**
Removal and disposal of surplus state property. Net proceeds of on-line auctions are deposited to the State General Fund.

Human Resources Enterprise

- \$1.6 million for **Organizational Performance**
Provides applicant eligibility, tracking, and placement services; conduct market surveys; organizational development; performance management; and position classification.
- \$1.7 million for **Employment Services**
Provides applicant eligibility, tracking, and placement services; conduct market surveys; organizational development; performance management; and position classification.
- \$3.0 million for **Benefits**
Manages the State's employee benefits programs, including health, dental, life, and long-term disability insurance; deferred compensation and flexible spending programs; as well as the Unemployment Compensation Program, Employee Assistance Program, and the Family Medical Leave Act (FMLA) program.
- \$1.1 million for **Training and Development**
Provide state-wide training regarding violence free workplace, diversity, sexual harassment, and substance abuse policies; provide managers and employees a variety of staff development training opportunities related to stress management, communications skills, fundamentals of supervision, team building; and discipline, as well as other topics.
- \$1.1 million for **Human Capital Management**
Provides human resources assistance to State agencies and assists with the administration of the enterprise resource program (HR) system.
- \$32.9 million for **Workers' Compensation**
Provide for the financial and administrative management of state employee workers' compensation benefits including the State's third party administrator and DAS staff who administer the program.

Office of the General Counsel

- \$0.6 million **Labor and Legal Services**
Provides state-wide expertise in the areas of collective bargaining negotiations, grievances, hearings, and arbitrations, employee relations, misconduct investigations, as well as classification appeal hearings.
- \$0.5 million **Employee Relations**
Provides investigative services and discipline guidance related to alleged violations of the Equal Opportunity, Affirmative Action, and Anti-discrimination policy, the policy prohibiting sexual harassment in the Executive Branch, and the violence-free workplace policy.

State Accounting Enterprise

- \$7.4 million for the **Accounting & Payroll Systems**
Administer the State's centralized accounting and payroll systems and controls all payments made from the State treasury.

FY2023 Accomplishments

Over the past fiscal year the Department of Administrative Services has been engaged in several exceptional projects that are not normally under DAS' purview.

Alignment – The Department worked closely with the Governor's Office, the Department of Management, and the Office of the Chief Information Officer to ensure the Governor's alignment was implemented with minimal interruptions to the State's day-to-day activities. DAS led activities related to alignment included accounting, payroll, and human resources elements on the state-wide enterprise level; and integration of the Historical Division of the former Department of Cultural Affairs and the State Library, formerly a division in the Department of Education into the Department of Administrative Services.

Toledo – The Department was instrumental in the win/win transfer of the Iowa Juvenile Home State Training School property to the City of Toledo. The Department secured State and federal funding for the demolition of several buildings in preparation of the transfer of the property. As a result, the State is saving the Iowa Department of Health and Human Services \$225,000 in annual routine maintenance costs and several million dollars in major maintenance needs. The City of Toledo is repurposing the 27-acre campus for location of the new middle school and a needed housing development.

PPE Warehouse – Starting July 1, 2022, DAS assumed responsibility to operate a warehouse with a stockpile of Personal Protective Equipment (PPE), and Durable Medical Equipment (DME). Some of the PPE stockpile was in excess of the demand projected within the life of the product, and some of it was already past the expiration date of the product. DAS offered the PPE out to those entities with a need for the products to fight the spread of contagious diseases. During FY23 over 3.4 million items worth more than \$2.1 million were issued to help mitigate the spread of COVID. An additional 26 ventilators were loaned out on Memorandums of Understanding with hospitals and emergency medical service providers.

Honey Creek Resort – Early into the fiscal year the concessionaire holding the operating contract had decided not to renew the agreement. The Resort would have been closed in April of 2023, just as the prime season for the resort was approaching. The Department issued a Request for Proposal for a new concessionaire and negotiated a contract with the successful bidder. The transfer of concessionaire operations occurred on April 12, 2023.

New State Accounting System Kick-off (CGI) – The Department is in the process of upgrading the State's enterprise-wide accounting system. Work on the new Cloud-based system began early in the spring of 2023. The Iowa Advantage upgrade involves a migration to the Cloud coupled with a "like-for-like" functional upgrade. All existing I3 modules will be upgraded as part of Phase 1. The new system is expected to "go-live" in March 2024.

FY2024 Projects – The Department will continue to provide assistance to other agencies, currently working with the Department of Health and Human Services and the Department of Corrections on the disposition of more than 5,500 acres of real estate.

KEY RESULT TEMPLATE

SERVICES/PRODUCTS/ACTIVITIES

Name: Energy Management

Description: GSE provides energy management services to reduce energy consumption on Capitol Complex.

Why we are doing this: To ensure State facilities on the Capitol Complex are operated in an energy efficient manner while providing a safe and comfortable environment for the people who work and visit the buildings on the complex.

What we're doing to achieve results: GSE monitors energy usage and continues to implement energy efficiency initiatives.

Results

Performance

Measure:

Percent of prior year Capitol Complex energy consumption.

Performance Target:

99% (equals 1% reduction from the prior fiscal year)

Data Sources:

DAS-GSE Utility Bills.

Data Reliability:

Data is compiled from Utility Bills.

Annual kBtu Usage

Fiscal Year	Gas (kBtu)	Power (kBtu)	Diesel (kBtu)	Total (kBtu)	% decr from previous year
FY12	63,103,100	131,726,228	2,625,818	197,455,146	
FY13	85,307,100	130,492,373	3,977,302	219,776,775	11.30%
FY14	97,822,400	131,126,896	743,318	229,692,614	4.51%
FY15	86,143,300	129,704,546	268,036	216,115,882	-5.91%
FY16	79,530,900	125,907,328	176,037	205,614,265	-4.86%
FY17	79,477,500	122,279,940	232,177	201,989,617	-1.76%
FY18	99,571,500	127,141,250	230,589	226,943,339	12.35%
FY19	106,380,100	127,790,926	165,041	234,336,067	3.26%
FY20	100,578,800	132,156,791	40,820	232,776,411	-0.67%
FY21	96,956,300	129,314,296	311,772	226,582,368	-2.66%
FY22	100,205,174	133,036,780	89,712	233,331,666	2.98%
FY23	104,159,530	132,588,345	50,400	236,798,275	1.49%

Why we are using this measure: To ascertain the successfulness in providing efficient and economical work environments for State employees.

What was achieved? Consumption of natural gas was up 3.9% compared to fiscal year 2022, and consumption of electricity down slightly. The primary cause of increased expenses is attributed to higher rates for natural gas (13.7%) and water (16.3%). The cost of natural gas has increased by 87% since fiscal year 2020.

Data Sources: GAS-GSE Utility Invoices

KEY RESULT TEMPLATE

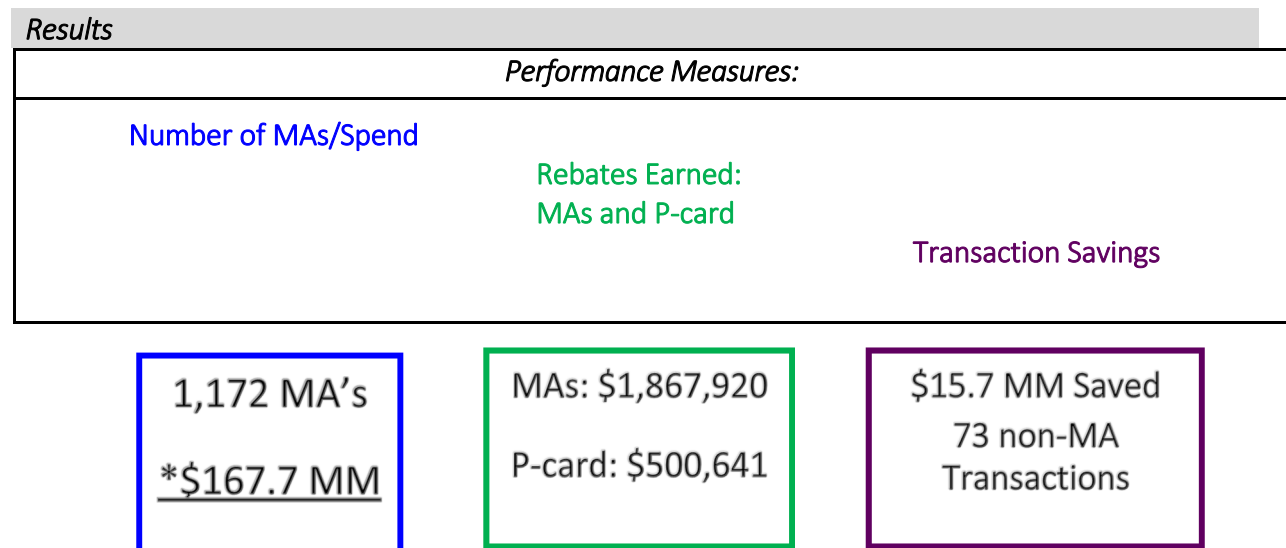
SERVICES/PRODUCTS/ACTIVITIES

Name: Central Procurement

Description: Central Procurement facilitates timely, cost-effective procurement services benefiting all state agencies. Additionally, the Central Procurement Purchasing Card Program (P-card) provides state agencies an efficient, cost-effective alternative to traditional procurement methods, saving time and money.

Why we are doing this: To provide the procurement of goods and services at low cost/best value while ensuring compliance with applicable statutes and administrative rules.

What we're doing to achieve results: Establish master purchasing agreements (MA) through competitive bidding, as well as participate in cooperative purchasing consortiums providing access to competitively bid vendor agreements.



What was achieved? Central Procurement saved agencies in excess of \$15.7 million on procurement transactions, while master agreements also saved agencies considerable time and money. Additionally, use of the P-card eliminated over 84,278 payment transactions through state accounting. Procurement activities earned more than \$2.36 million in rebates, reducing costs to customer agencies.

* MA Spend does not include over \$405 MM of payments to Health Insurance Providers.

Data Sources: Central Procurement records, NASPO, I/3, US Bank contract

KEY RESULT TEMPLATE

SERVICES/PRODUCTS/ACTIVITIES

Name: Fleet Management

Description: Fleet Services operates a cost-effective motor pool of vehicles for use by state agencies on long and short term rental basis.

Why we are doing this: Providing motor pool services that assist agencies’ operations and reduces expense. To provide an economical, ready fleet of vehicles for state agencies to conduct business.

What we're doing to achieve results: Fleet Services assesses the needs of State agencies based on experience and adjusts the size of the motor pool to meet demand, and operational costs are reviewed to ensure economical rental rates.

Results

<i>Performance Measures:</i>	
Motor Pool Capacity Use	Motor Pool Rate vs. Personal Reimbursement

93.0%

\$0.39
vs.
\$0.50

What was achieved? Effective use of motor pool vehicle assets; thorough review of costs to determine economical vehicle rental rate and repair service success. Unpredictable delivery delays for vehicle orders are making it difficult to manage motor pool vehicle quantities during peak seasonal usage. The utilization rate is expected to continue at the FY2023 rate, or improve during fiscal year 2024.

Data Sources: Fleet records, I/3.

KEY RESULT TEMPLATE

SERVICES/PRODUCTS/ACTIVITIES

Name: Training/Performance and Development Solutions (PDS)

Description: Performance and Development Solutions (PDS), the training group in the Organizational Performance Bureau of DAS-HRE, offers training and development opportunities for State of Iowa employees.

Why we are doing this: To enhance and develop the effectiveness of the State of Iowa workforce.

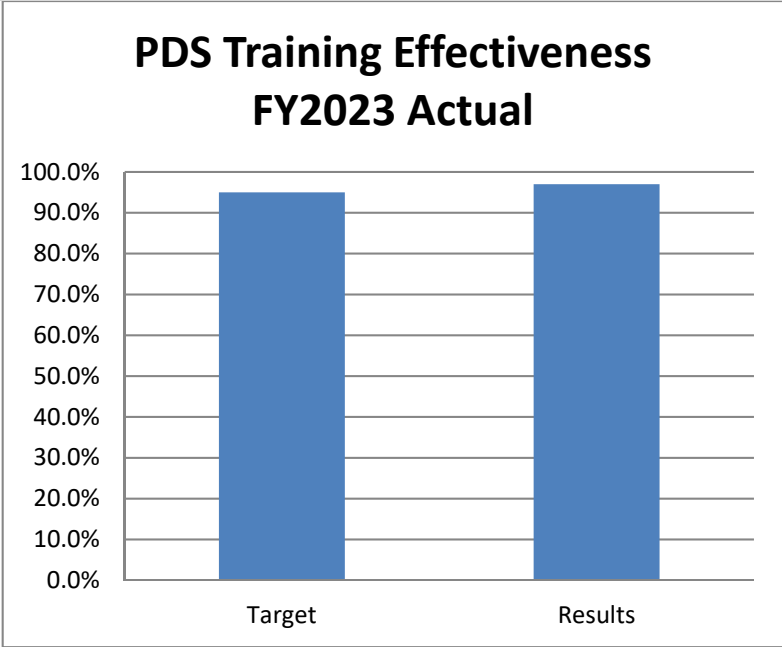
What we're doing to achieve results: PDS continuously analyzes course data to align with industry best-practices.

Results

Performance Measure:
Percent of participant evaluations for job-related courses that indicate the skills, abilities, and knowledge gained in the course will be helpful in performing their job.

Performance Target:
95%

Data Reliability:
Data is compiled at the end of each training course.



Why we are using this measure: In order to be an effective use of state resources, the training offered must directly impact the State’s ability to deliver expert, timely, and cost-effective programs and services.

What was achieved? 95% of respondents indicated that the skills, abilities, and knowledge gained in the course would be helpful in performing their jobs. The target was achieved.

Data Sources: DAS-HRE (Survey Monkey)

KEY RESULT TEMPLATE

SERVICES/PRODUCTS/ACTIVITIES

Name: Centralized Payroll

Description: DAS-SAE Centralized Payroll processes payroll warrants for all participating state agencies. Correctly processing payroll warrants is dependent on Centralized Payroll providing guidance to individual agencies and staff in order for accurate information to be input into the payroll system.

Why we are doing this: To ensure state employees are paid timely and accurately.

What we're doing to achieve results: Participates in annual training offered to any agency employee responsible for employment / benefits / payroll processing, as well as, one-on-one training to individuals or agencies as requested; develop and publish additional resources and manuals pertaining to payroll processing and make available to all agency employees.

Results

Performance Measure:

Percent of Pay Warrants written correctly.

Performance Target:

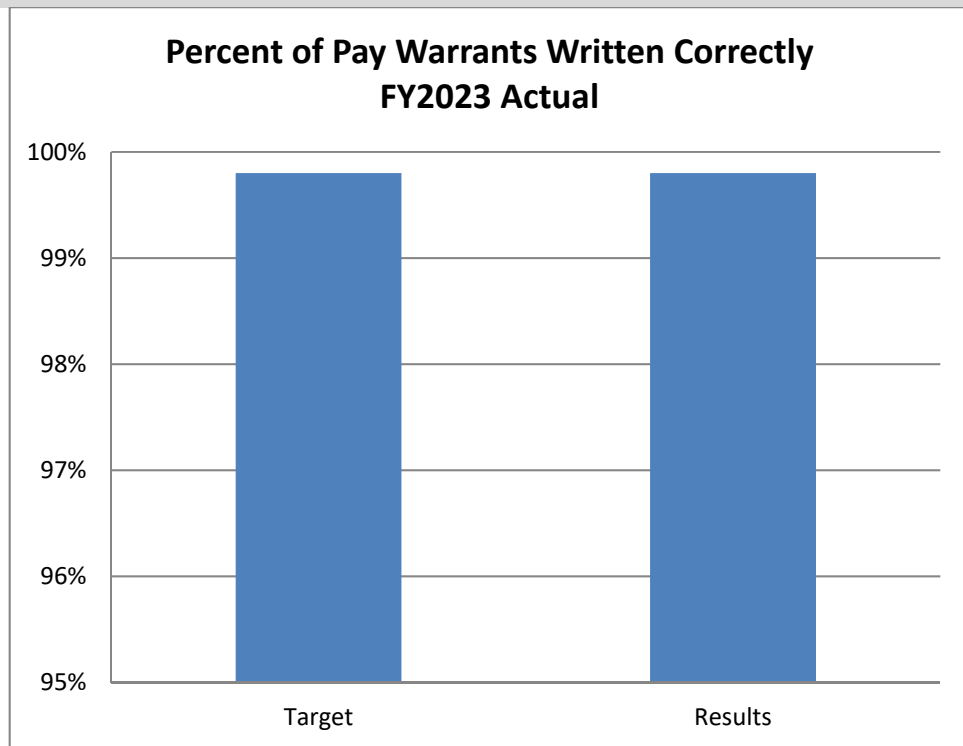
99.8%

Data Sources:

DAS-SAE

Data Reliability:

Data is compiled biweekly.



Why we are using this measure: To ensure State of Iowa employees are paid accurately and timely.

What was achieved? 99.98% of all payroll warrants were written correctly. Only 81 rewrites were processed on a total of 506,043 pay warrants.

Data Sources: State Centralized Payroll System



AGENCY PERFORMANCE PLAN RESULTS FY 2023

Name of Agency: DEPARTMENT OF ADMINISTRATIVE SERVICES
Agency Mission: To deliver efficient and effective services to enable and support the mission and operations of our stakeholder agencies.
Core Function: Physical Assets Management

Service, Product or Activity: Facilities and Space Maintenance and Management

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Percent of work completed by Capitol Complex Maintenance (CCM) in conformance with industry efficiency and competency/training standards.	95%	99%	<p>What Occurred: The target was exceeded. Work order tickets are processed and tracked through facility management maintenance software to allow work to be tracked from start to completion.</p> <p>Data Source: Facility Management Maintenance Software.</p>
2. Percent of major maintenance project funds completed by Design & Construction on-time and within budget.	99%	100%	<p>What Occurred: All projects were completed on-time and within budget.</p> <p>Data Source: GSE Design & Construction</p>
3. Percent of prior year Capitol Complex energy consumption.	99%	102.9%	<p>What Occurred: The target was not achieved. Consumption of natural gas was up 3.9% compared to fiscal year 2022, and consumption of electricity down slightly. The primary cause of increased expenses is attributed to higher rates for natural gas (13.7%) and water (16.3%). The cost of natural gas has increased by 87% since fiscal year 2020.</p> <p>Data Source: Utility invoices</p>

Service, Product or Activity: Fleet Management

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Average annual utilization rate of the State motor pool.	90%	93.0%	<p>What Occurred: Motor pool usage was back to normal for FY2023. The usage shows seasonal influences, and due to unpredictability of the time to receive vehicles after placing an order, it is difficult to manage around the seasonal surge</p> <p>Data Source: Fleet rental records</p>

Core Function: Resource Management

Service, Product or Activity: Training

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. For Performance and Development Solutions (PDS): Percent of participant evaluations for job-related courses that indicate the skills, abilities and knowledge gained in the course will be helpful in performing their job.	95%	95%	<p>What Occurred: 181 courses were delivered by PDS in FY2023 attended by 4,029 individuals. Training staff also administered 8 online learning courses completed by over 18,000 individuals. 95% of the respondents indicated that the skills, abilities and knowledge gained in the course would be helpful in performing their jobs.</p> <p>Data Source: DAS – Human Resources Enterprise (Survey Monkey)</p>



AGENCY PERFORMANCE PLAN RESULTS FY 2023

Service, Product or Activity: Employment Services			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Percent of position classification appeals in which the Department's decision is upheld.	99%	100%	What Occurred: There were no classification appeals. Data Source: DAS – Human Resources Enterprise
Service, Product or Activity: Mail			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Percent of first class mail metered by the Pitney-Bowes mail management system and processed at discounted postage rates.	95%	99%	What Occurred: Physical mailings and metering of outgoing mail have recovered to pre-pandemic levels. Data Source: Pitney Bowes Business Manager System
Service, Product or Activity: State Accounting			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Percent of required federal and state accounting reports (annual & monthly) completed timely. (IRS forms 941, 945, 720, W-2s, SSA reports.)	99%	99.9%	What Occurred: The target was achieved. Data Source: Wage and tax reports sent to Federal/State authorities, Payroll Reports maintained in I/3 Data Warehouse or saved to LAN.
2. Percent of payroll deductions processed by required due dates.	99%	99.9%	What Occurred: The target was achieved. Data Source: GAX documents prepared to process payments.
3. Percent of pay warrants written correctly.	99.8%	99.98%	What Occurred: The target was achieved. 81 rewrites on 506,043 warrants. Data Source: Payroll Journals and Rewrites Payroll Journals.
4. Percent of claims pre-audited within 5 working days of receipt.	98%	100%	What Occurred: Daily Processing continues to work with departments, guiding and assisting in the correct submittal of information. Classes are offered for free on a bi-annual basis or more often if requested/needed. Data Source: Sampling of paid claims.
5. Percent of non-general fund unemployment claim payments paid originally from the general fund recovered from state agencies.	95%	99.5%	What Occurred: DAS-SAE works closely with departments to determine any reimbursement recovery amounts to the general fund. Data Source: IWD Quarterly claim statements (Notice of Reimbursement Benefit Charges) and DAS-SAE calculation of Non-General Funded amounts, based on 10-digit payroll number.
Service, Product or Activity: Central Purchasing			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Percent of contracts awarded by centralized purchasing without successful appeal.	100%	100%	What Occurred: More appeals were received than normal, although none were successful. The target was achieved. Data Source: Central Procurement records
2. Procurement Card program rebates.	\$420,000	\$500,641	What Occurred: The target was exceeded. Data Source: P-Card Program/U.S. Bank



AGENCY PERFORMANCE PLAN RESULTS FY 2023

Name of Agency: DEPARTMENT OF CULTURAL AFFAIRS – HISTORICAL AND ARCHIVES DIVISIONS			
Service, Product or Activity: Collections, Preservation, Stewardship and Management			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. State Archives Collection Utilization (downloads and page views).	21,500,000	27,996,878	What Occurred: The target was exceeded. Data Source: Dept. of Cultural Affairs
Service, Product or Activity: Educational Programming, Access and Outreach			
Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
2. # of visitors to the State Historical Museum/State Historical Building, Research Centers and Historic Sites, and attendance at educational events.	110,000	56,616	What Occurred: The target was not achieved largely because of the maintenance and remodeling of the main lobby and the skylights at the Historical Building. Data Source: Dept. of Cultural Affairs