

Department of Administrative Services



Rates and Assessment 2025
Kate Nass, State Chief Financial Officer
Robert Otero, DAS Budget Director

Agenda

- 01** Historical Context
- 02** Assessments and Rates Overview
- 03** DAS Program Overview



History





Historical Context

Prior to 1991-93:

- Policy oversight function was coordinated through the Executive Department and funded through a General Fund appropriation.
- Direct services to agencies were provided by the Department of General Services and funded through charges for services.

1993:

- The two departments were abolished and merged into the Department of Administrative Services (DAS).
- Policy makers decided to ease the GF burden and moved to an assessment for all agencies to cover the policy oversight functions.

Present:

- DAS' budget maintains assessment funding for the policy offices and a mix of assessment and charge for services for the service programs.

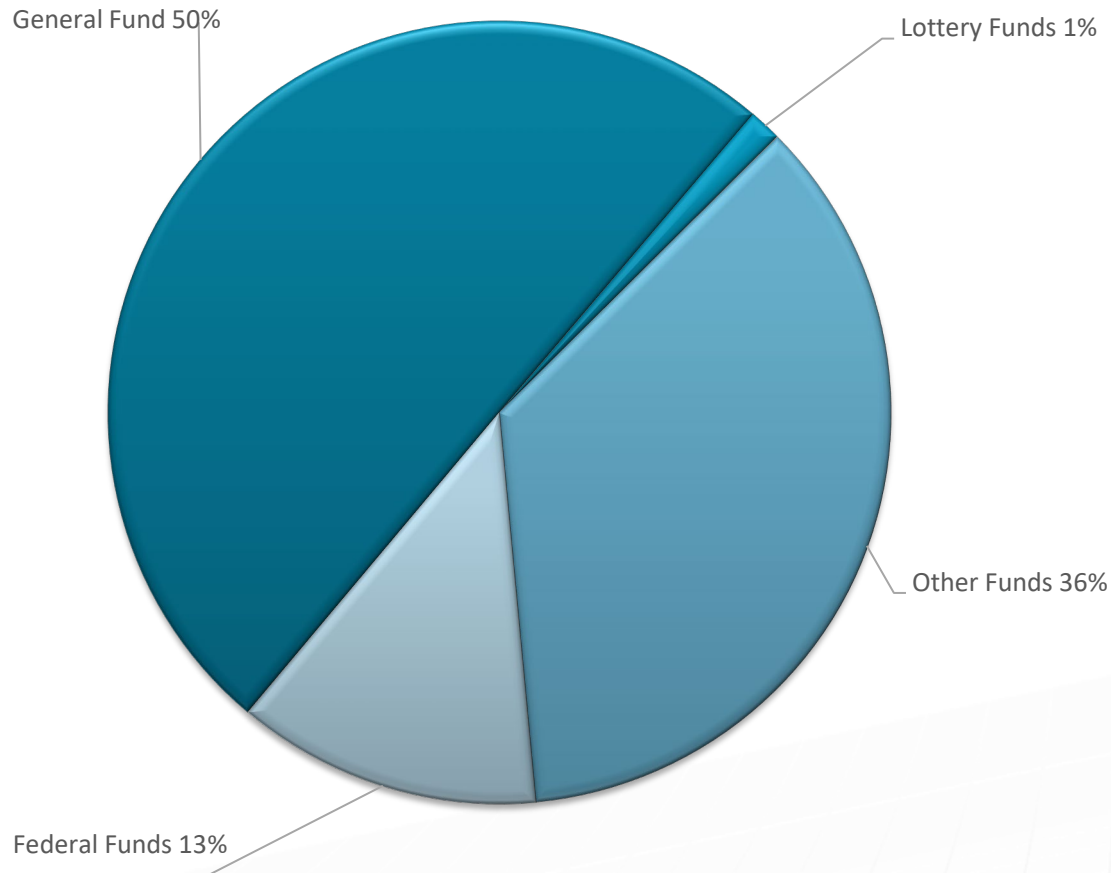
Rates and Assessments Overview



Assessments



2023-25 Leg Adopted Budget: Assessments by Fund Type



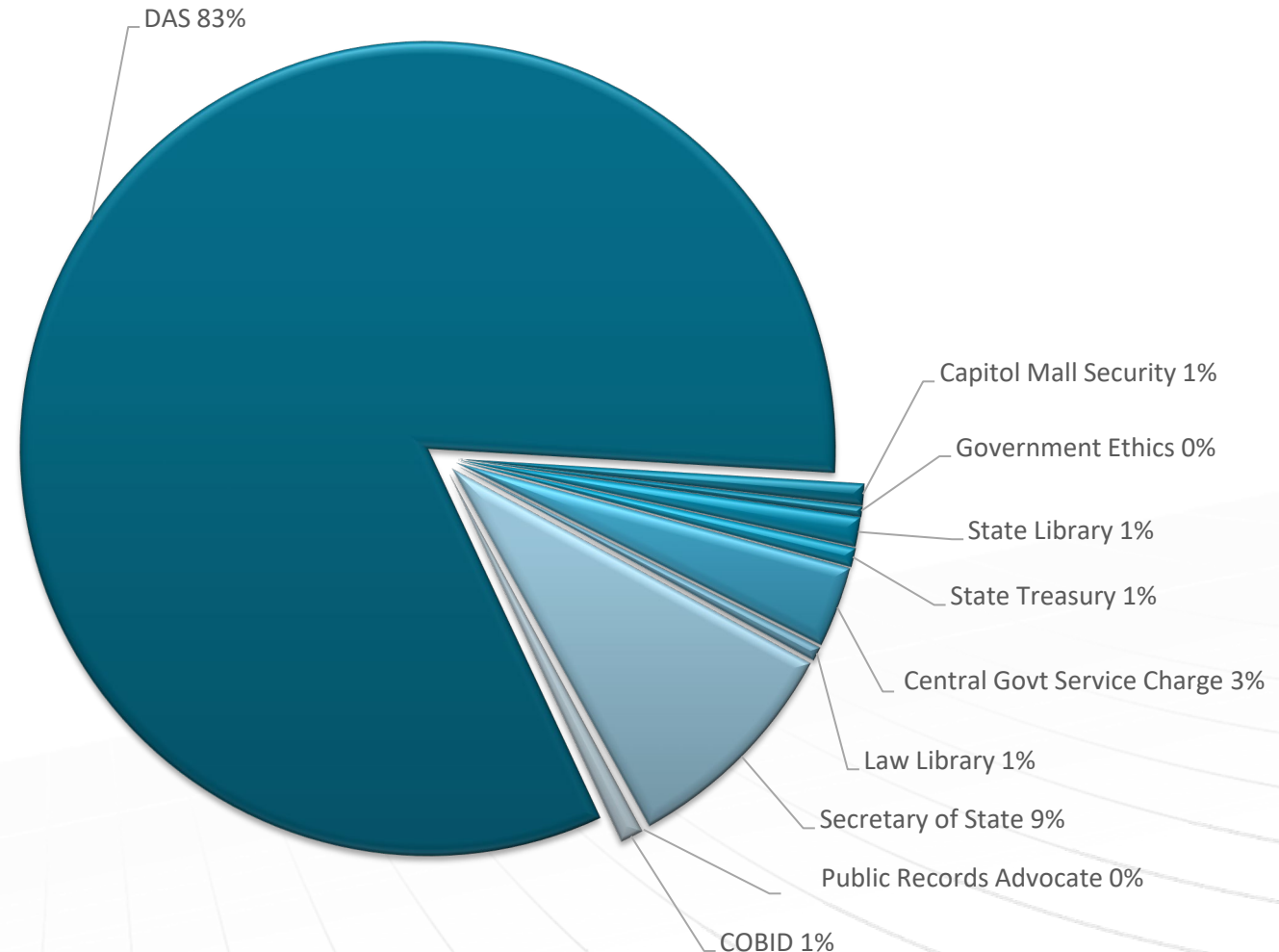
Assessments are paid through various fund types from agencies and budgeted in State Government Service Charges.



Assessments are not unique to DAS

Besides DAS, includes the following:

- Government Ethics Commission
- Capitol Mall Security (Oregon State Police)
- State Library
- Law Library (Judicial Branch)
- Certification Office for Business Inclusion & Diversity (COBID)
- Secretary of State (Audits & Archives)
- State Treasury (Debt Management)
- Central Government Service Charge (various Legislative costs)





Methodology Considerations

Customer Impact

- All customers should pay the same rate for the same service.
- Subsidies should be avoided if possible.

Statewide Central Cost Allocation Plan (SWCAP)

- SWCAP is the plan DAS submits to the Federal Government in accordance with OMB Circular A-87, A-21, and other applicable federal laws and regulations to obtain approval for rates and assessments to be charged to federal programs for centralized services.
- Central service charges are recovering costs, but not making money from the charges for services. In summary, a working capital reserve of up to 60 days cash expenses (apr. 2 months reserve) for normal operating purposes is considered reasonable and allowable by the Federal Government.
- Over overcollection and unallowable costs results may result in refunds back to the Federal Government or penalties for excessive cash balances (over 60 days working capital).

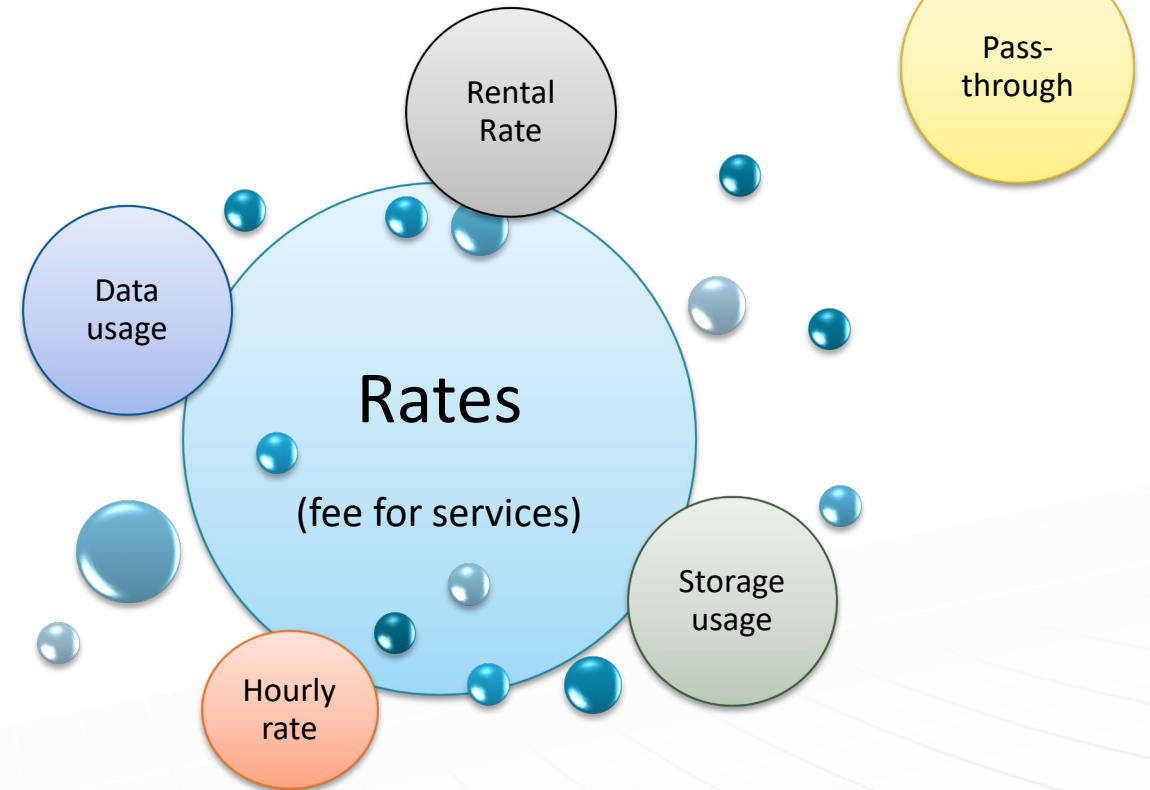
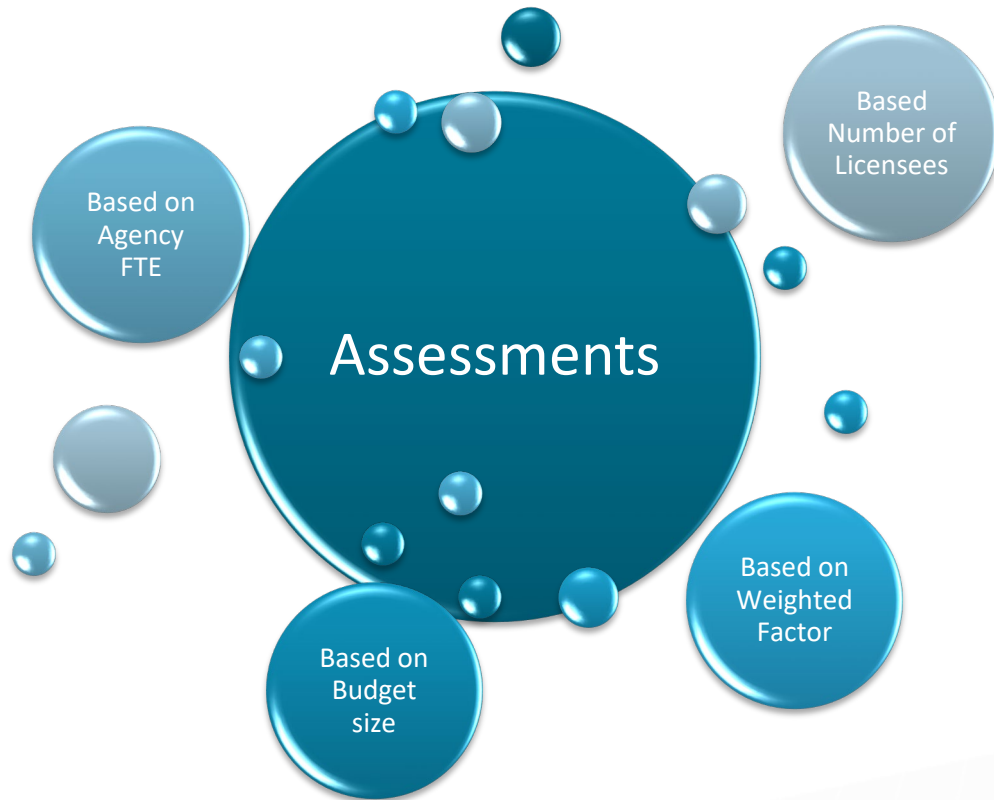
Assessment and Rates

- Should recover full cost of service (including all overhead and State Government Service Charges) and maintenance replacement for each program.
- Rates are developed based on projected usage by agency and the metric which most directly drives the cost.
- All common approach/methodology for the calculation of hourly rates based on allowable billable hours should be adopted.

Pass-through

- Not part of assessment or rates; pass-through occur when DAS collects cash from agencies on behalf of a third-party vendor.

Common Methodology Types



DAS Cost Recovery



Price List of Goods and Services

Main vehicle for DAS Cost Recovery

Purpose is to recovery costs fairly and consistently over time

Creating the Pricelist

Begins a few months after
Legislatively Adopted Budget is
finalized

Update based on revenue
projections, cash balances, and policy
packages decisions at different stages

Updates are need to most accurately
reflect recovery costs to agencies and
not to over-collect/under-collect
revenue

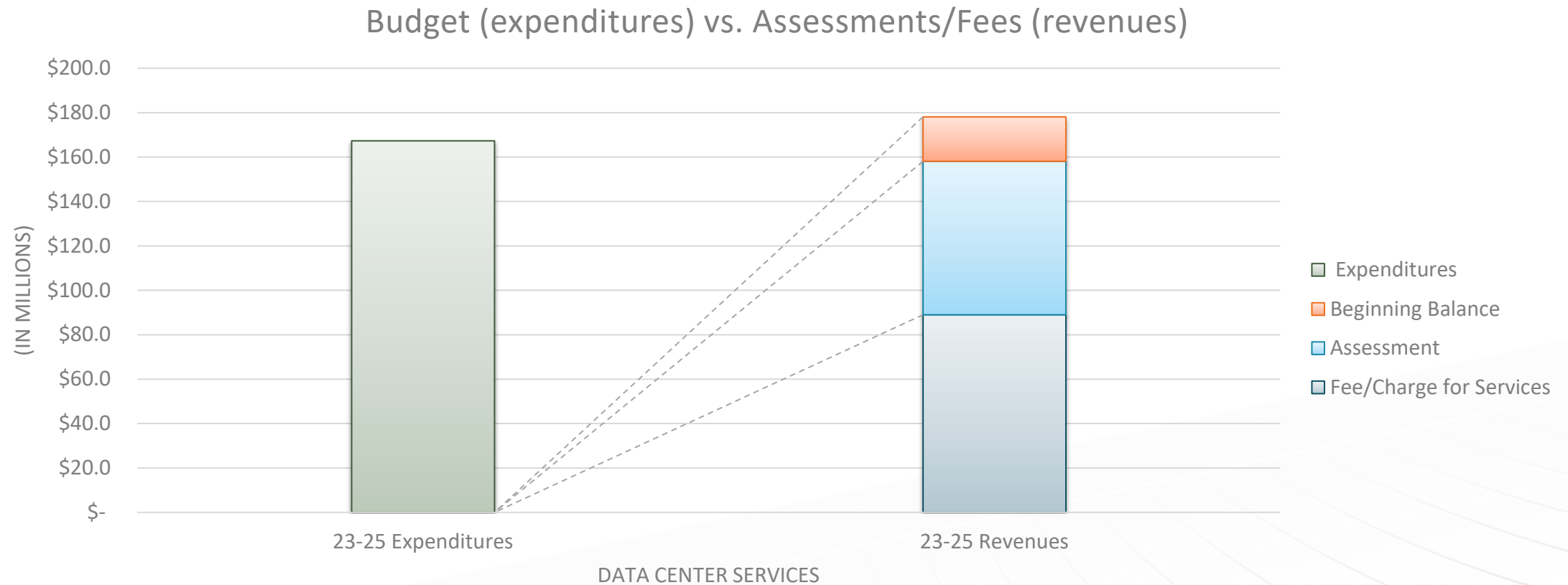
Pricelist is Updated 3 times:

Agency Request Budget

Governor's Budget

Legislative Adopted Budget

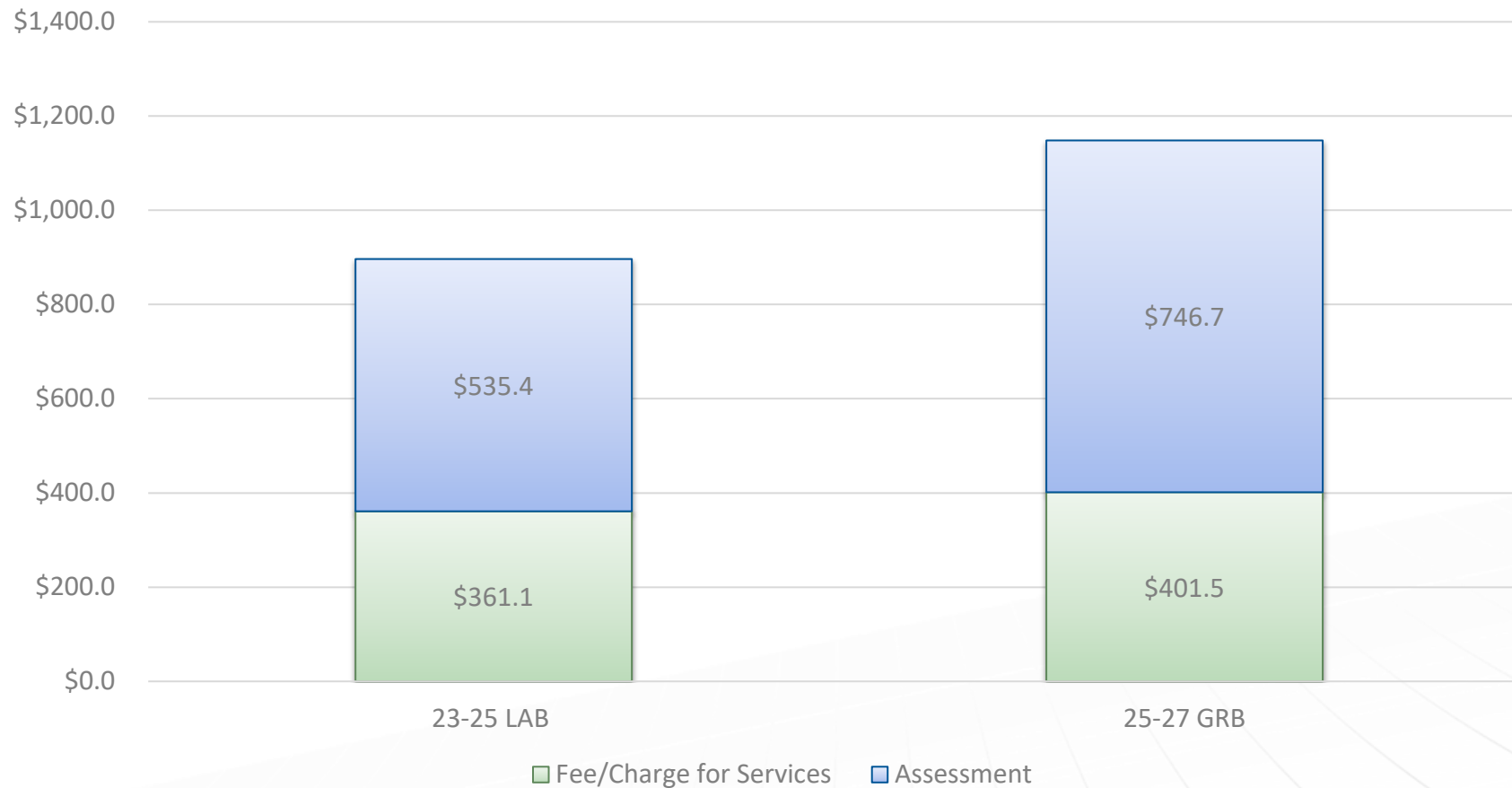
Budget vs Revenues (Data Center Example)



DAS Program Methodology Overview



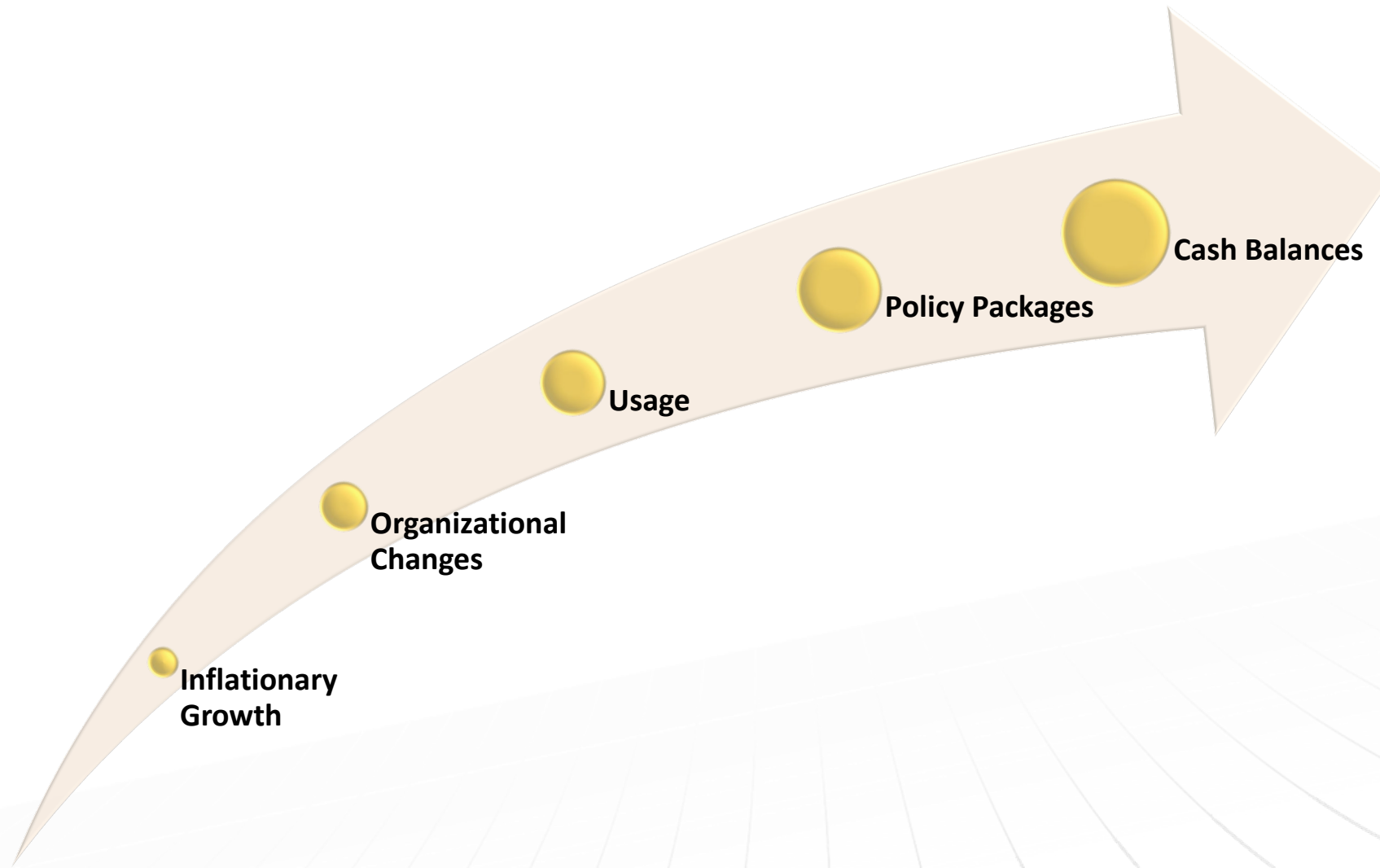
DAS Total: Assessment vs. Fee for Services



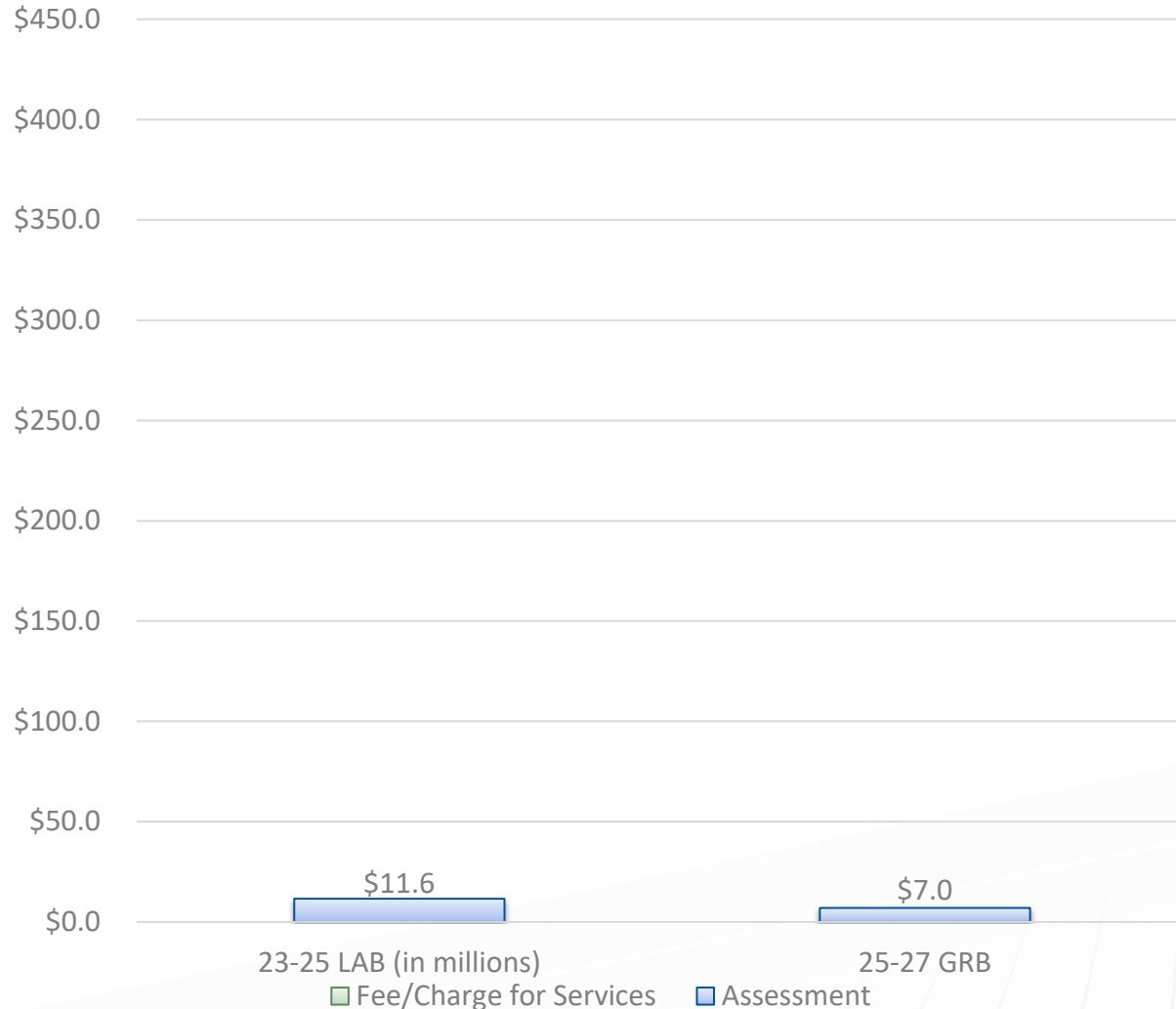
Rates/Assessments Methodology



Cost Drivers



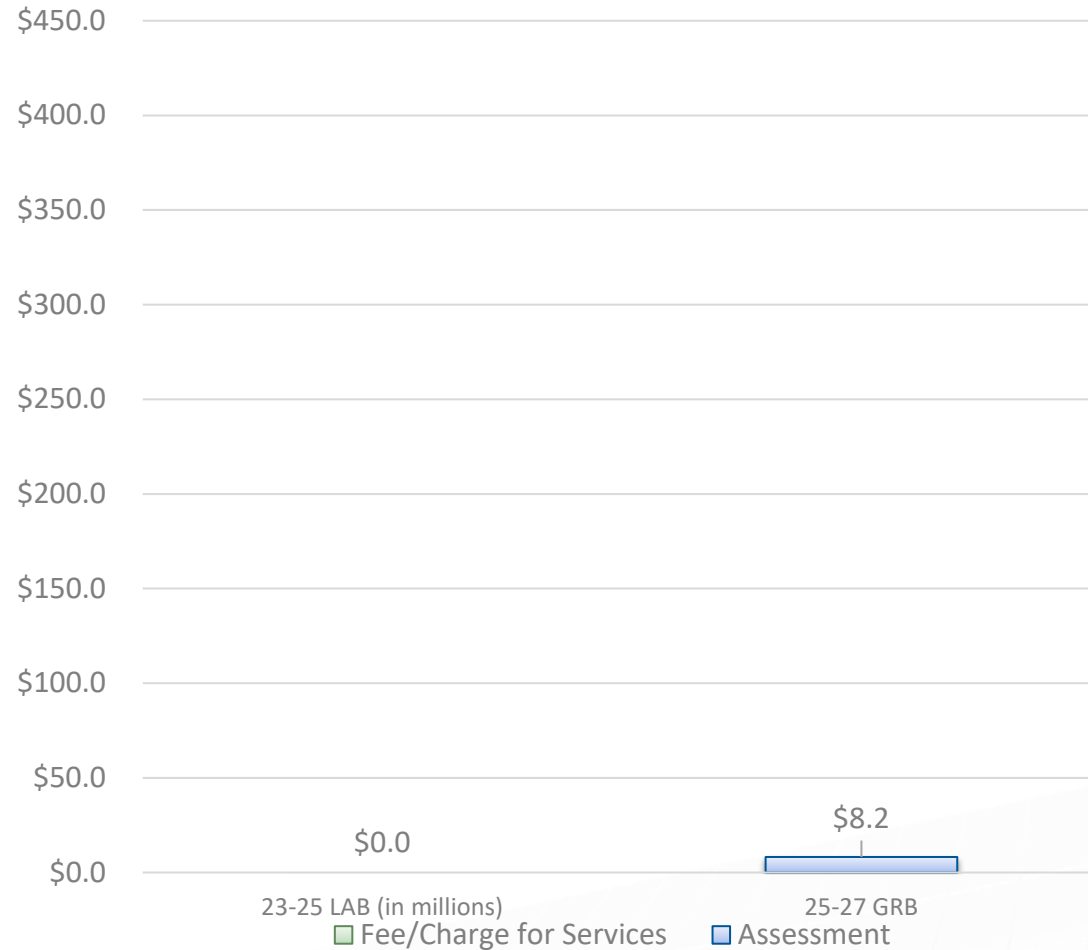
Chief Operating Office



Assessment Methodology

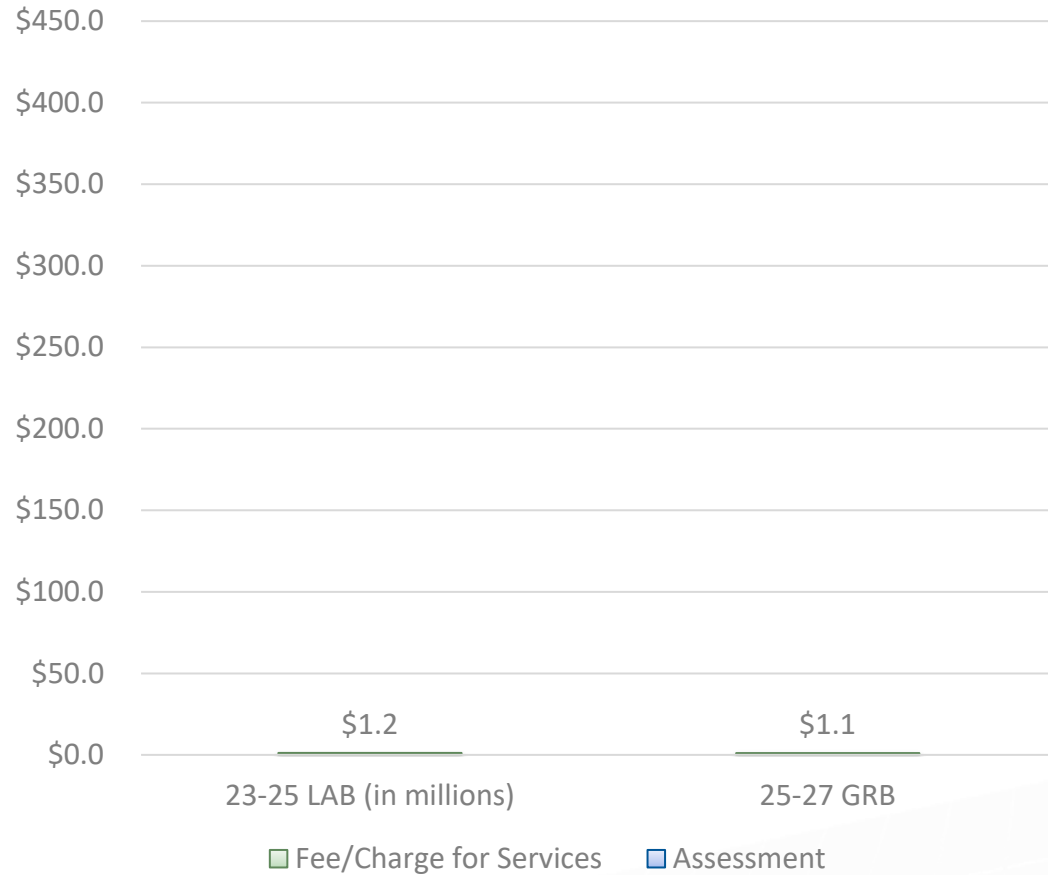
- Costs allocated to state agencies based on Leg Adopted Budget Full-time Equivalent (FTE) authority.

Strategic Initiatives and Enterprise Accountability (new division)



Assessment Methodology

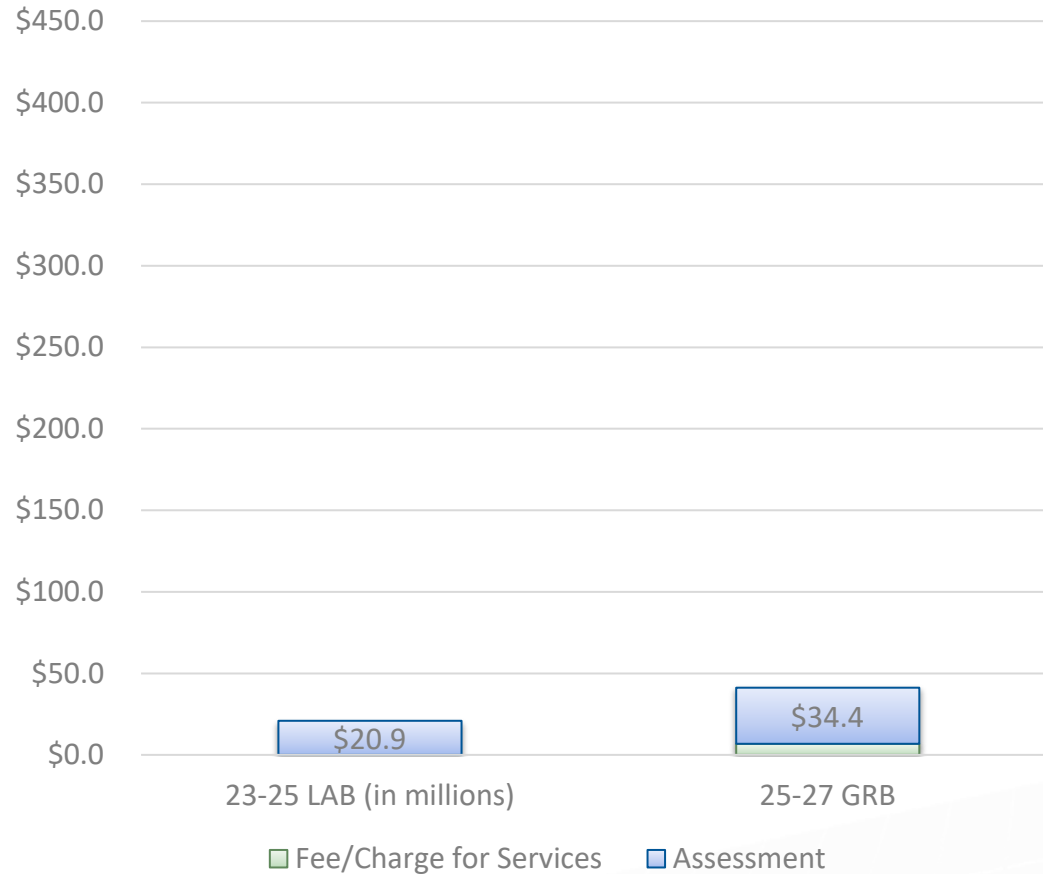
- Costs allocated to state agencies based on Leg Adopted Budget Full-time Equivalent (FTE) authority.



Fee for Services Methodology

- Example of billable units:
Per month per position for
technology support

Chief Financial Office



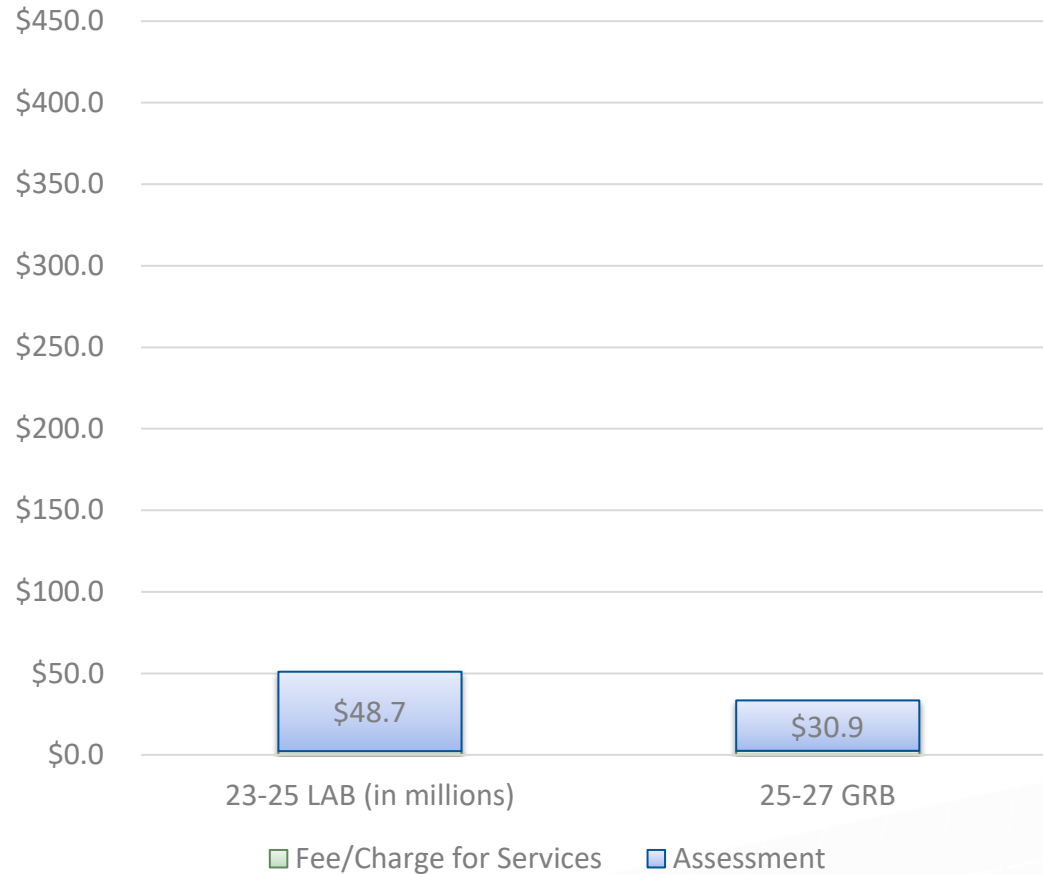
Assessment Methodology

- A 50 percent split between:
 - Leg Adopted Budget Full-time Equivalent (FTE) authority.
 - Minimum Charges
 - \$2,500 – agencies with 2.00 or less FTE
 - \$5,000 – agencies with 2.01 to 30.00 FTE
 - Size of the agency's total funds LAB.

Fee for Services Methodology:

- Examples of billable units
 - Per accounting record
 - Per transaction

Chief Human Resources Office



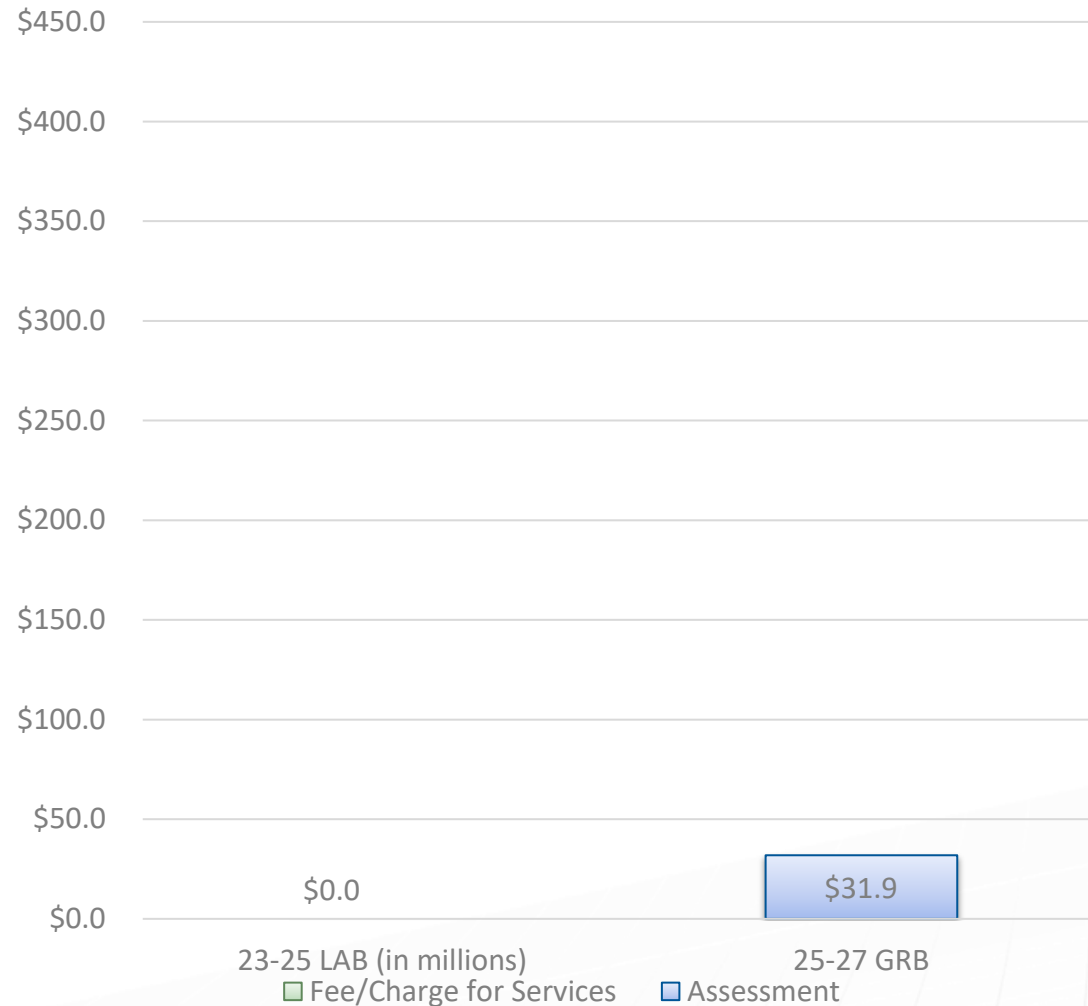
Assessment Methodology

- Costs allocated to state agencies based on Leg Adopted Budget Full-time Equivalent (FTE) authority.

Fee for Services Methodology

- Per hourly rate

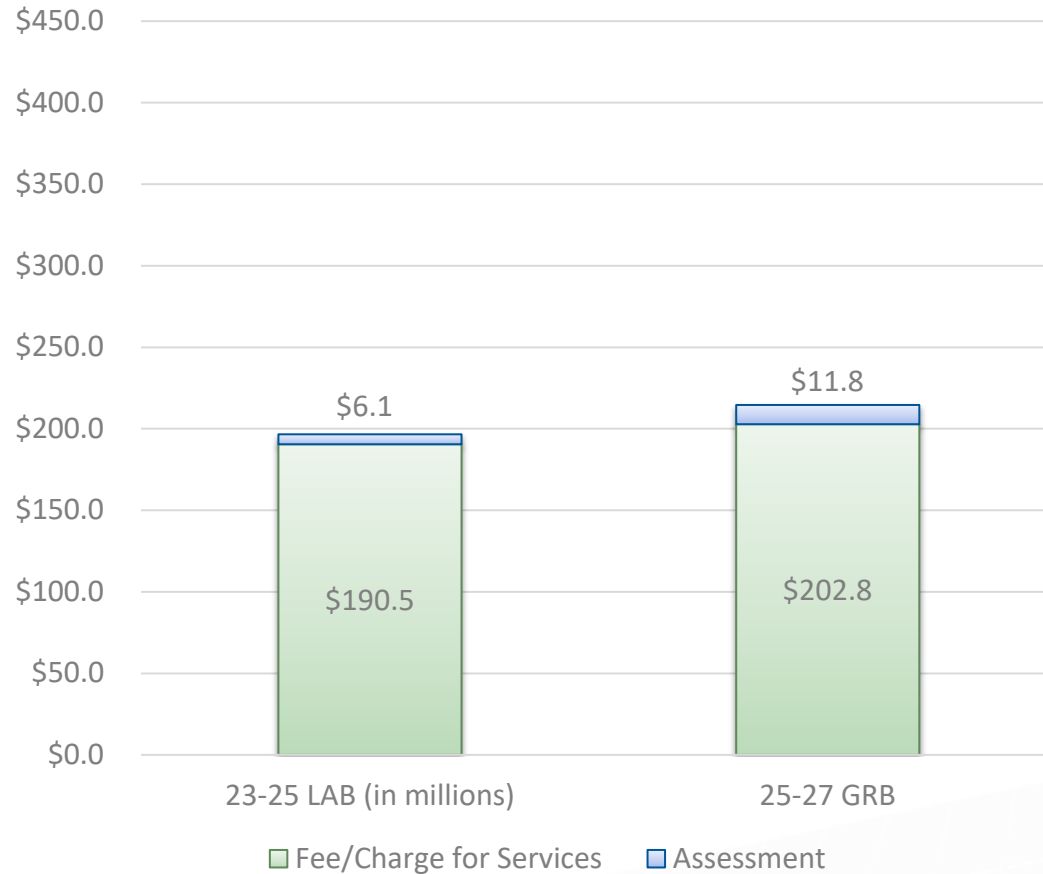
Workday (new division)



Assessment Methodology

- Costs allocated to state agencies based on Leg Adopted Budget Full-time Equivalent (FTE) authority.

Enterprise Asset Management



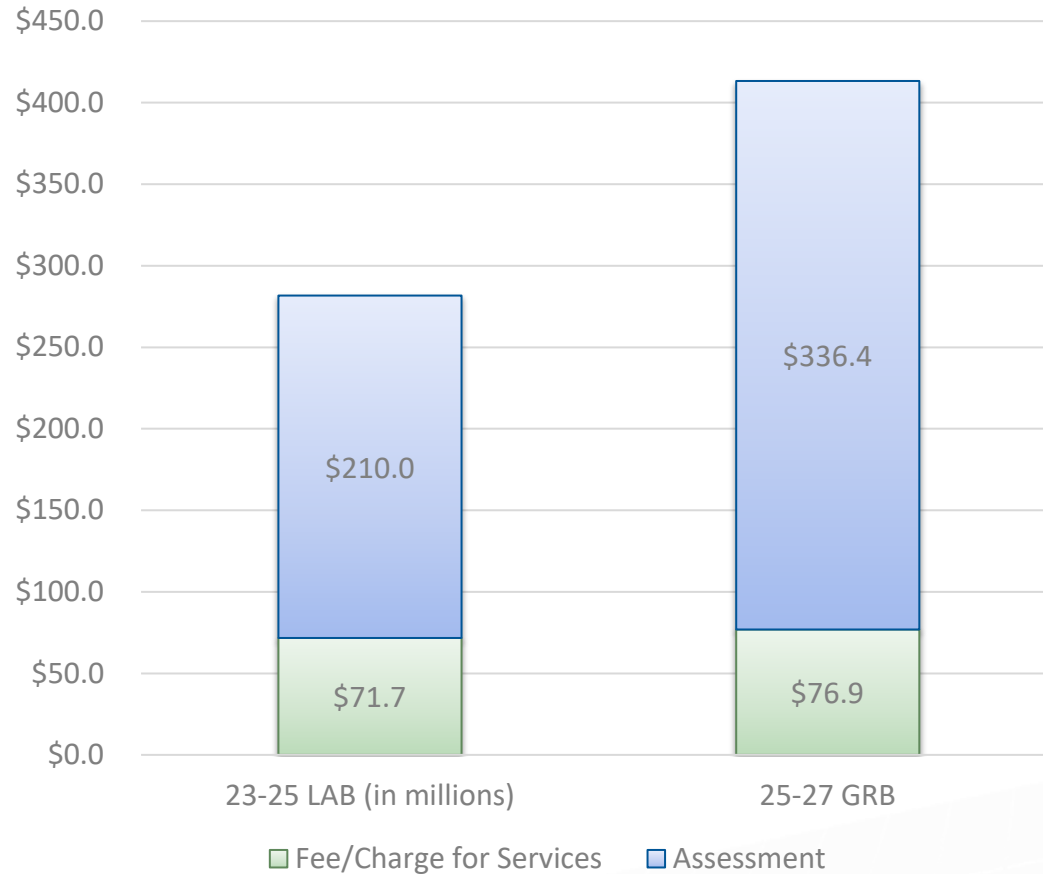
Assessment Methodology

- Real Estate Services:
 - 1/3 based on LAB Equivalent (FTE) authority.
 - 1/3 based on size of the agency's total funds LAB.
 - 1/3 based on value of land the agency owns.
- State Surplus Property:
 - 20 percent based on LAB Full-time Equivalent (FTE) authority.
 - 80 percent based on historical property transactions.

Fee for Services Methodology

- Examples of billable units
 - Per square foot
 - Per vehicle rental

Enterprise Goods and Services



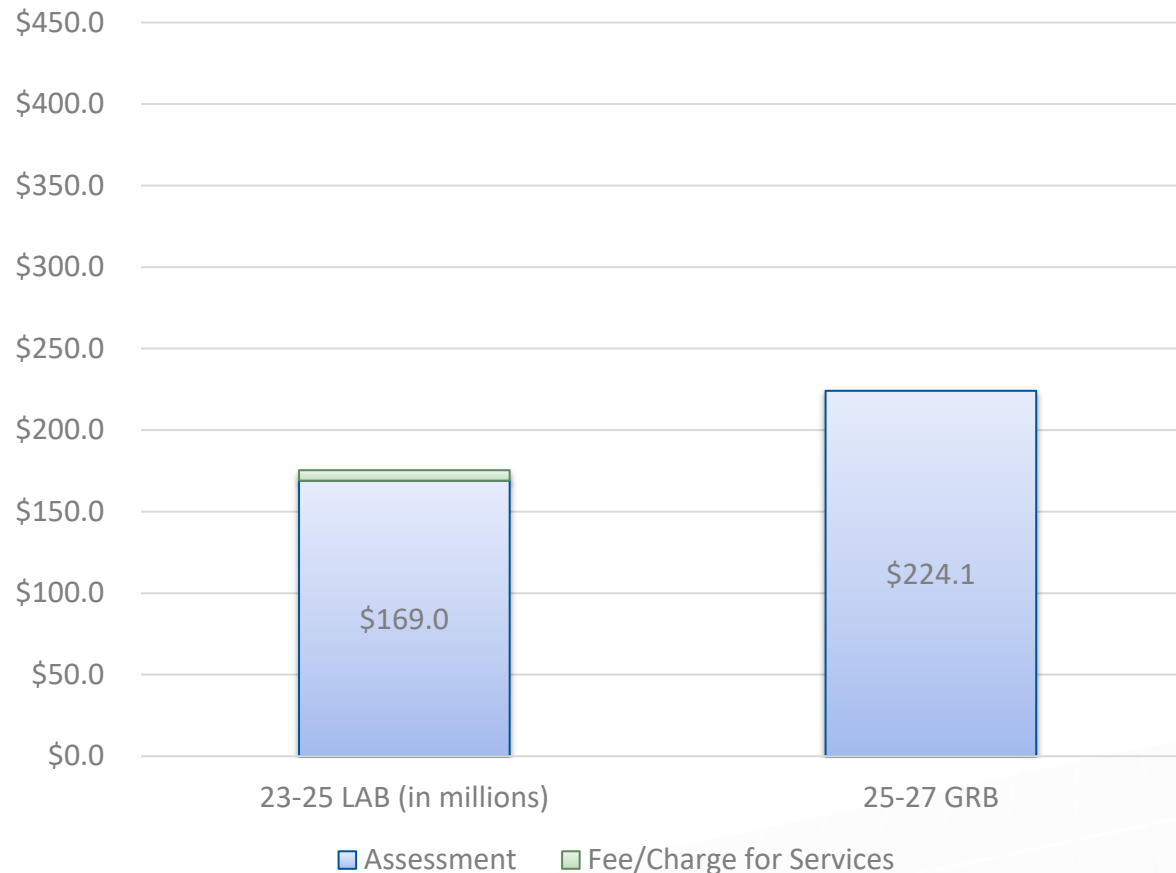
Assessment Methodology:

- Procurement Services:
 - Costs allocated to state agencies based on LAB Full-time Equivalent (FTE) authority.
- Risk (Liability, Property & Workers' Comp):
 - Costs to state agencies based on actuarial data, insurance costs, and risk administration.

Fee for Services Methodology:

- Examples of billable units
 - Per accounting record
 - Per printing impression
 - Per hourly rate

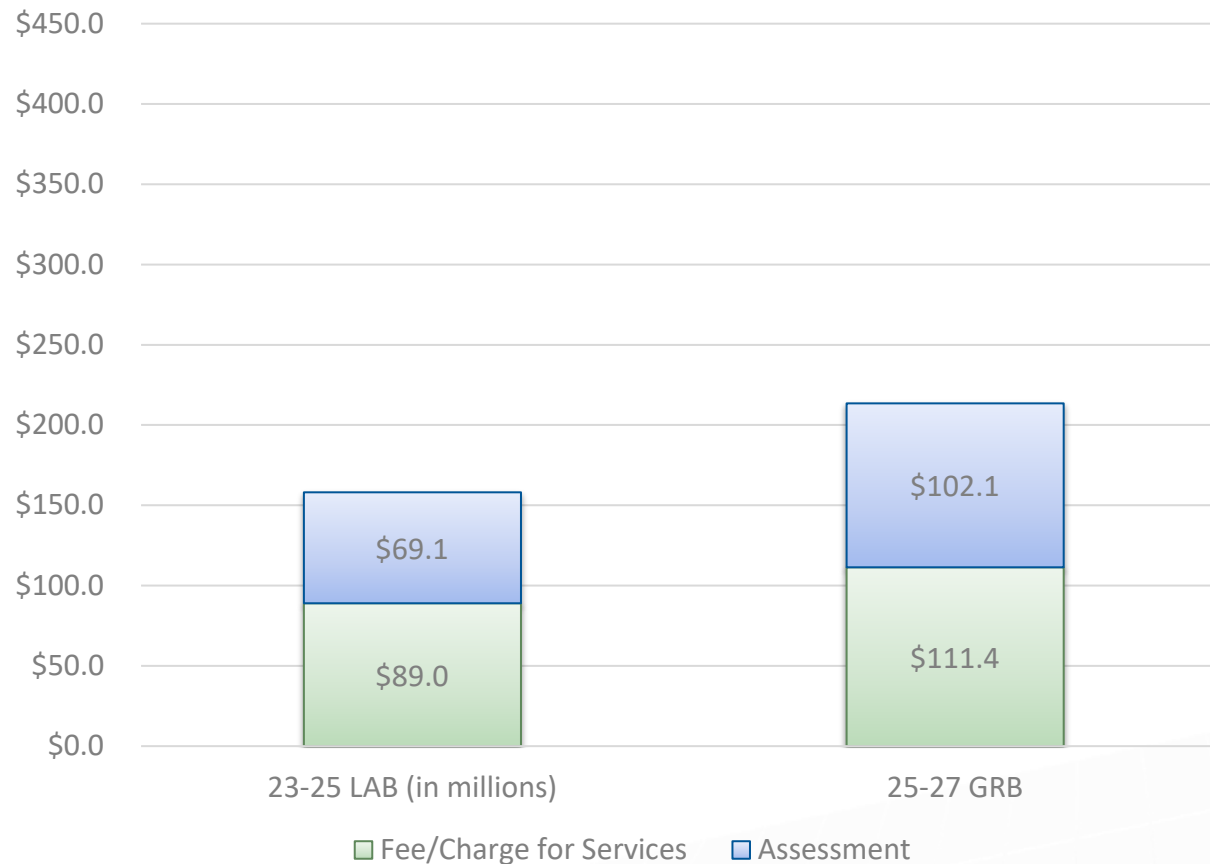
Enterprise Information Services



- **Assessment Methodology:**
 - A 50 percent split between:
 - LAB Full-time Equivalent (FTE) authority.
 - Minimum Charges
 - \$2,500 – agencies with 2.00 or less FTE
 - \$5,000 – agencies with 2.01 to 30.00 FTE
 - Size of the agency's total funds LAB.
- **Fee for Services Methodology:**
 - Examples of billable units
 - Per month per line fee for new IBM telephone system

Enterprise Information Services

Data Center Services



Assessment Methodology

- Costs allocated to state agencies based on LAB Full-time Equivalent (FTE) authority.

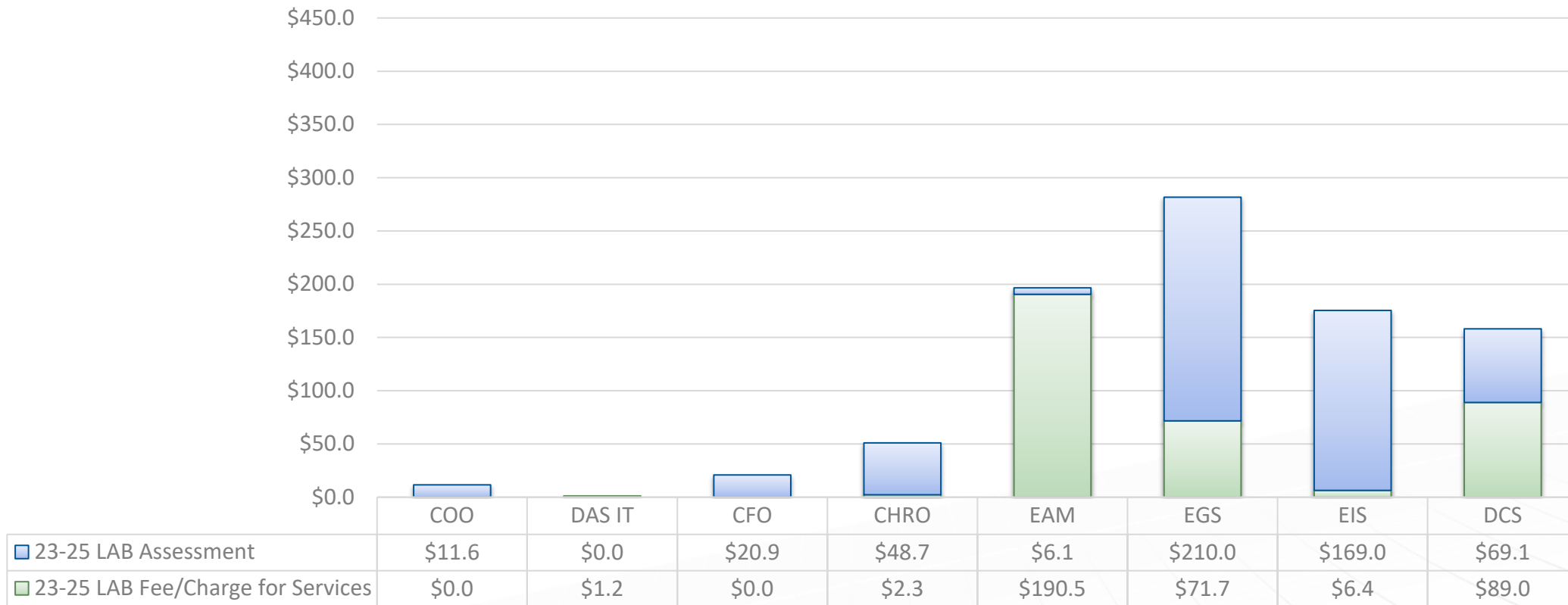
Fee for Services Methodology

- Examples of billable units
 - Per server instance
 - Per CPU minute
 - Per port, switch
 - Per strand

Summary of DAS Divisions Assessment vs. Fee for Services



23-25 Legislative Approved Budget



Summary of DAS Divisions Assessment vs. Fee for Services



25-27 Governor's Recommended Budget



Thank You

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[DAS Budget Services](#)

