

From: Walton, Ray [DAS]

Sent: Thursday, October 29, 2009 3:39 PM

To: IA Dept Directors - Executive Branch; IA Elected Officials

Cc: IA Dept Directors Assistants; DAS Customer Council Members; IA Chief Financial Officers; DAS Executive Leadership Team; Sullivan, Pam [DAS]; Sterk, Julie [DAS]; Axne, Cynthia [IDOM]; Hackbarth, Heather [IDOM]; Riordan, Laura [DAS]

Subject: FY 2010 DAS Rate Reductions & Rebates - CORRECTED VERSION

In our effort to assist customer agencies with managing Governor Culver's ten percent across-the-board cut, DAS (with the approval of the Customer Council on October 20) issued a combination of cuts in utility rates or rebate of funds totaling \$3,196,962.04. As part of the meeting with the Customer Council, we noticed an error that placed rebates for two utilities (Directory Services and ISO) in the rate reduction column. We clarified and corrected this error to the Council at the beginning of the meeting.

In our subsequent message to agencies, however, we inadvertently repeated our earlier mistake. The two utilities (Directory Services and ISO) were reported as rate cuts when, in fact, these utilities are rebates. Although we regret this error, we are happy to report that customer agencies are receiving an additional \$23,145.91 in rebate – which raises the total refund to our client agencies to \$3,220,107.95. An agency-by-agency breakdown of the corrected additions is attached.

I apologize for this oversight.



October 23, 2009

MEMORANDUM

TO: Department Directors & Elected Officials
FR: Ray Walton
RE: FY 2010 DAS Rate Reductions & Rebates

At the Customer Council meeting on Tuesday, October 20, DAS committed to reducing the majority of its utility rates for customer agencies as well rebating funds from certain services where reducing utility rates was not possible. These reductions approximated 10 percent in order to 'match' Governor Culver's ATB. Overall, this 'return' totals \$3,196,962.04.

Attached is a breakdown of what each customer agency will be receiving in rate cuts/rebates. Reductions and rebates are effective December 1, 2009 and are based on each customer's historical usage of the applicable service. The dollar amounts will be reflected in your January 2010 eDAS bill, based on December 2009 services.

To avoid confusion, please know that DAS is essentially its own largest customer in areas such as ITE, including storage, print & networking and maintaining the eDAS system – resulting in significant rebates back to our agency. So that we could fulfill our assurance to the Customer Council of rebating approximately \$1.2 million, we subsequently increased (grossed up) ITE rebates. It is important to know that rebates to individual customer agencies were not reduced and customers are receiving the \$1.2 million in rebates from ITE that were discussed and approved by the Council.

Every Executive Branch agency is feeling the impact of the ATB and, in the spirit of partnership with our customer agencies; we believe that the combination of rate reductions and rebates is the right measure to take in order to assist in better managing the cuts we all face.

Please feel free to contact me with any questions, comments or concerns.

Thank you.

Ray

Cc: DAS Customer Council Members
Chief Financial Officers
DAS Executive Leadership Team
Pam Sullivan
Julie Sterk
Heather Hackbarth