

Administrative Policy No. 14.04

Subject:	DSHS Leased Facilities Policy
Information Contact:	Leased Facilities and Maintenance Operations Facilities, Finance & Analytics Administration 509-720-4875
Authorizing Source:	Chapter 43.20A RCW
Effective Date:	November 1, 1987
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Approved by:	<u>Original signed by Dana Phelps</u> Deputy Chief of Staff

Purpose

This policy assigns Leased Facilities and Maintenance Operations, Facilities, Finance, & Analysis Administration, responsibility for all lease coordination and project management of leased facilities activities for the Department of Social and Health Services (DSHS) leased facilities.

This policy does not pertain to day-to-day building management of DSHS leased facilities. For day-to-day building management see Administrative Policy 14.15.

Scope:

This policy applies to all DSHS organizational units in leased facilities.

Definitions:

Acquisition means to procure leased facilities (office, warehouse, and storage).

Allocation means the calculated amount of space occupied by programs in a given facility.

Alteration means any physical changes in a facility. Examples include an addition or deletion of hard walls, electrical, plumbing, doors, and windows, or a reconfiguration of furniture systems panels.

Budget Approval Authority means the individual in each administration who is designated the

authority to approve all leased facilities costs.

Budget Development, Lease Coordination and Project Management means management of the following activities: Leased Facilities Strategic Planning, project pre-planning, coordinating project budget development, monitoring facility expenses, managing leased facilities data, acquiring leased facilities, renewing existing leases, planning space, allocating space, coordinating building alterations and office reconfigurations, and monitoring construction.

Budgeting means using existing leased facilities information and the Leased Facilities Strategic Plans to identify one-time and ongoing costs for leased facilities including: lease costs, ongoing facility operating costs, construction costs, and other costs to develop DSHS leased facility budgets.

Change Order means a proposed revision to a leased facility construction project's approved scope of work.

Colocation means a group or consolidation of agency programs, including community partners, located and sharing space in the same facility/campus.

Division means a DSHS entity as defined by the DSHS organizational structure.

DSHS project team means a designated team made up of representatives from: all involved DSHS programs; leased facilities planning and design team staff; and enterprise technology network services staff formed for the purpose of a leased facilities project. The affected program's appointing authorities will assign a representative to the DSHS Project Team. The representative from each involved program is assigned the responsibility of articulating their administrations needs within the leased facility.

Executive management means the DSHS secretary, assistant secretaries, and their designees.

Facility/Campus means a physical space leased on behalf of DSHS to meet the space requirements of one or more programs.

Leased facilities advisory committee is a standing committee chaired by the leased facilities and maintenance operations chief, and made up of designated headquarters and field representatives from each administration. This committee advises the leased facilities and maintenance operations chief on escalated leased facilities issues. It also serves as the advisory body for all leased facilities issues including strategic planning, policies, procedures, standards, and guidelines. Members of this committee have delegated authority from their respective executive managers to represent their administration's interests and make facilities management decisions on their behalf.

Leased facilities strategic plan means a six year action plan that outlines the renewals, remodels, and relocations of all leased facilities in each DSHS region.

Leased facilities and maintenance operations chief means the primary oversight position in DSHS for all leased facilities activities.

Lease matrix means a table in the leased facilities database where each program's space usage in a facility is entered using a percentage. This percentage is based on the number of square feet each program occupies and defines the amount each tenant shall pay for facility related costs. The lease matrix is used to update the Agency Financial Reporting System (AFRS) master index and is used in accounting transactions and budget development.

Leased space requirements means the standard Department of Enterprise Services requirements and performance criteria that property owners must provide for all leased facility construction projects.

DSHS space and furniture standards means an established guideline for the allocation of space to ensure that space is efficiently utilized and new furniture purchases are consistent in all DSHS facilities. The Facilities Oversight and Planning Program, Office of Financial Management develops current Washington state office space standards.

Subtenant means an entity outside of DSHS that may be co-located to provide shared or supporting services.

Policy

- A. Leased facilities and maintenance operations provides centralized oversight for all leased facilities activities.
- B. Leased Facilities and maintenance operations establishes, publishes, and maintains procedures for DSHS leased facilities activities in participation with all DSHS programs.
 1. These procedures include, but are not limited to:
 - a. Leased facilities strategic planning;
 - b. Acquisition of new leased space;
 - c. Renewal of existing leased space with an alteration;
 - d. Renewal of existing leased space without an alteration; and
 - e. Reconfiguration or alteration of leased space outside of lease renewal.
- C. Leased facilities and maintenance operations develops and maintains a leased facilities strategic plan in coordination with all agency programs.
 1. Executive management or designee approves each strategic plan before being finalized and implemented.
 2. Leased facilities and maintenance operations develops administrative budget requests

in support of the Leased Facilities Strategic Plans.

3. The leased facilities strategic plan is developed based on agency goals as defined by DSHS executive management.
- D. Leased facilities and maintenance operations establishes, publishes, and maintains DSHS space and furniture standards.
1. A procedure to review and revise DSHS space and furniture standards must be developed by leased facilities and maintenance operations. This procedure must include participation by all DSHS administrations through the leased facilities advisory committee.
 2. This document must be reviewed every two years by leased facilities and maintenance operations and the leased facilities advisory committee.
 3. All leased facilities must be designed based on these space standards.
 4. All requests for exceptions to the space and furniture standards must be initiated by the requesting administration's assistant secretary. Exceptions may be granted by mutual agreement of the assistant secretaries for the affected programs with final approval by the Facilities, Finance, and Analytics Administration (FFAA) assistant secretary. If approved, costs of implementation of the DSHS space and furniture standards exception must be borne by the affected administrations.
- E. Any DSHS program must not create vacant space by moving out of a facility during the term of a lease without a firm designated tenant to back-fill the vacant space or the execution of a lease termination clause.
1. Agreements to continue rental payments in lieu of obtaining a tenant are not permitted without an approved exception by the Facilities, Finance, and Analytics assistant secretary.
 2. Leased facilities and maintenance operations must work with administration(s) staff and the Department of Enterprise Services and OFM when required to identify alternate tenants before making any move.
 3. All exception requests must be initiated by the requesting administration's assistant secretary. Exceptions may be granted by mutual agreement of the assistant secretaries for the affected programs with final approval by the FFAA assistant secretary. If approved, the vacating tenant is responsible for lease expenses on the vacated space until the end of the lease, or until an appropriate tenant fills the vacant space.
- F. Leased facilities and maintenance operations provides oversight of the leased facilities

budget by:

1. Developing the DSHS maintenance level leased facilities budget in coordination with the central budget office and DSHS administrations;
 2. Developing the DSHS one-time project budget based on the leased facilities strategic plan;
 3. Gaining approval on the DSHS maintenance level leased facilities and one-time project budgets from budget approval authorities;
 4. Maintaining the DSHS lease matrix;
 5. Coordinating budget information for each facility project;
 6. Monitoring ongoing and one-time lease expenditures; and
 7. Generating reports to include all leased facilities expenditures.
- G. Budget approval authorities:
1. Are accountable for all leased facilities costs.
 2. Approve all requests for increased leased facilities costs for lease renewals, remodels, office reconfigurations, and new leases, including:
 - a. Lease costs;
 - b. Tenant improvements;
 - c. Change orders; and
 - d. Moving expenses.
- H. The leased facilities advisory committee:
1. Serves as a mediating body for issues related to this policy or the procedures developed; and
 2. Provides leased facilities and maintenance operations with input and advice regarding strategic planning and facilities management needs.
- I. DSHS project team members:
1. Actively participate in project meetings; and
 2. Articulate program needs to leased facilities planning and design team staff.

- J. Leased facilities planning and design team staff will coordinate with the Department of Enterprise Services to:
1. Coordinate leases or preview prospective space with current or prospective landlords;
 2. Submit change order requests during construction; and
 3. Coordinate alterations to any leased facility during a lease term.

DSHS Official