



Administrative Policy No. 14.04

Subject: DSHS Leased Facilities Policy

Information Contact: Leased Facilities Unit
Operations Support & Services Division
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Authorizing Source: Chapter 43.20A RCW

Effective Date: November 1, 1987

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Approved by: Original signed by Dana Phelps
Senior Director, Policy & External Relations

Purpose

This policy assigns the Operations Support and Services Division, Leased Facilities Unit, 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.

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; the Office Support and Services Division (OSSD); and the Information Systems Services Division 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/or 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 Operations Support and Services Division, Director, and made up of designated headquarters and field representatives from each administration. This committee advises the OSSD Director 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 Unit Manager means the primary oversight position in DSHS for all leased facilities activities.

Lease Matrix means a table in the Leased Facilities Data Base 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 populates and updates 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 landlords shall provide for all leased facility construction projects.

Space Standards means an established guideline for the allocation of space to ensure that space is efficiently utilized in all DSHS facilities. Current state standards are developed by the Department of Enterprise Services.

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

Policy

- A. Leased Facilities Unit provides centralized oversight for all leased facilities activities.
- B. Leased Facilities Unit 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. The Leased Facilities Unit develops and maintains a Leased Facilities Strategic Plan in coordination with all agency programs.
 1. Executive Management and/or designee approves each strategic plan before being finalized and implemented.
 2. The Leased Facilities Unit 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. The Leased Facilities Unit establishes, publishes, and maintains DSHS Space Standards.
 1. A procedure to review and revise DSHS Space Standards must be developed by the Leased Facilities Unit. This procedure must include participation by all DSHS

Administrations.

2. This document must be reviewed bi-annually by the Leased Facilities Unit and the Leased Facilities Advisory Committee.
 3. All leased facilities must be designed based on these space standards.
 4. All exceptions 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 OSSD Director. If approved, costs of implementation of the DSHS Space Standard change 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 OSSD Director
 2. The Leased Facilities Unit must work with Administration (s) staff and the Department of Enterprise Services and/or OFM when required to identify alternate tenants before making any move.
 3. All exceptions 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 OSSD Director. 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 Unit provides oversight of the leased facilities budget by:
1. Developing the DSHS maintenance level leased facilities budget in coordination with the 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 the OSSD Director and the Leased Facilities Unit 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 the Leased Facilities Unit.

J. Leased Facilities Unit 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 orders requests during construction; and
3. Coordinate alterations to any leased facility during a lease term.

¹ Corrected references to Operations Support & Services Division