

**REPORT OF THE
DEPARTMENT OF GENERAL SERVICES**

**An Estimate of the Resources and
Personnel Required to Maintain
the Facility Inventory and Condition
Assessment System Developed
Pursuant to the Auditor of Public
Accounts 2004 Report**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



HOUSE DOCUMENT NO. 67

**COMMONWEALTH OF VIRGINIA
RICHMOND
2005**



COMMONWEALTH of VIRGINIA

Department of General Services

James T. Roberts
Director

September 30, 2005

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The Honorable John H. Chichester, Chairman
Senate Finance Committee

The Honorable Vincent F. Callahan, Jr., Chairman
House Appropriations Committee

Dear Senator Chichester and Delegate Callahan:

Item C-194.10 E of Chapter 951 of the 2005 Acts of Assembly directs the Department of General Services to provide an estimate of the resources and personnel required to maintain the Facility Inventory and Condition Assessment System developed pursuant to the Auditor of Public Accounts 2004 report.

This report is attached.

If you have any questions I hope you will feel free to contact me. As always, I look forward to working with you on these and other matters of mutual concern.

Sincerely,

A handwritten signature in black ink, appearing to read "James T. Roberts", written over a printed name.

James T. Roberts

Enclosure

2006-2008 Decision Package Narrative Justification (Form NJ)



Virginia Department of Planning and Budget
August 2005

1. Agency name: Department of General Services 2. Agency code: 194
3. Decision package number: 602 4. Title: Assume Maintenance & Oversight of the New Statewide FICA System
5. Priority of this decision package: 8

Section 1: General Description

6. Summary of cost

Fiscal year	Dollars (1), (2)		Positions	
	GF	NGF	GF	NGF
FY 2007	455,378	712,258	2	
FY 2008	455,378	712,258	2	
FY 2009	455,378	712,258	2	
FY 2010	455,378	712,258	2	
FY 2011	455,378	712,258	2	
FY 2012	455,378	712,258	2	

7. Description

On or about May 1, 2006, the APA will transfer responsibility of the new statewide Facility Inventory Condition and Assessment (FICA) system to DGS. DGS must maintain the system. DGS will also have oversight of the implementation of the system with all remaining agencies throughout the Commonwealth who have not completed their input under the APA's Phase I oversight of the new system. This is all in accordance with Chapter 4, Section C.194.10 of the 2004 Special Session of the General Assembly.

8. Expected outcomes

The proposal will allow for the accumulation, analysis, and prioritization of the data needed to assess maintenance costs and manage performance of maintenance for all statewide buildings. In addition, the system will provide the information necessary to plan for each phase in the life cycle of each of the statewide buildings.

9. Consequences of funding/not funding

According to the APA's assessment of deferred maintenance throughout all state agencies, there was no complete inventory of all the Commonwealth-owned buildings, their components, and their existing physical condition. It was further assessed that the Commonwealth did not have a good indicator of the existing backlog of deferred maintenance. The proposed funding would enable DGS to maintain and manage the new FICA system. The new FICA system will greatly assist in removing the above deficiencies that were assessed by the APA and enable the Commonwealth to conduct its facilities management in a more business-like manner taking advantage of technologically advanced tools.

10. Need for request

According to the APA, the Commonwealth owns over \$8.6 billion in buildings and surrounding infrastructure valued at historical costs. The current replacement value of the same would be \$12.6 billion. Some of the buildings date back as far as 1695 and are in a constant state of deterioration. The deterioration is cyclical and compounds the deficiencies. The new FICA system will assist in providing more adequate and timely preventative maintenance and component replacement. The new system will allow management to better control and plan to address many of the deteriorated conditions proactively.

11. Alternatives considered

This is a proposal to manage and continue the implementation of a system that was already established by APA under a pilot phase. According to APA’s presentation to the General Assembly, DGS’s take-over of the newly procured system is already a forgone decision and DGS has not been given the option of alternatives.

12. Are the proposed services, programs, or activities mandated? YES NO

Explanation: The proposed services are mandated by Chapter 4, Section C.194.10 of the 2004 Special Session of the General Assembly.

13. Is legislation needed? YES NO

Explanation:

14. Appropriation Act language needed? YES NO

Explanation:

Section 2: Cost of request

15. One-time funding? YES NO

Explanation: Only two expenses listed in section 17 of this package require one-time funding over the projected years. Those two expenses are for the “Property & Improvements” and the “Equipment”.

16. Recurring need? YES NO

Explanation: The funding requirement is recurring and will increase with the succeeding biennium. The reason for the increase is due to the fact that a substantial portion of the first year biennium costs are due to services that are provided by a vendor already selected by APA during the Phase I portion of the FICA system. The vendors cost will be subject to increases on an annual basis.

17. Personal services? YES NO

Position (Role) Title	# of employees	Expected hire date	Band	Starting salary	Annual \$ cost of salary & fringe benefits
VA/FICA System Program Manager – 1 FTE	1	03/06	5	\$70,000	95,183
VA/FICA System Data Technician – 1 FTE	1	03/06	3	\$27,000	43,562
SUBTOTAL					\$162,560

Explanation: The positions will provide direct services to manage and oversee the new FICA system and to further the implementation of the system. The start date in March 2006 will enable the new staff to become oriented and familiar with the system and to fully understand the mission of this effort prior to the APA transfer of the responsibility and oversight of the system to DGS on or about May 1, 2006.

18. Nonpersonal services? YES NO

Expenditures	FY 2007 CHANGE		FY 2008 CHANGE	
	GF	NGF	GF	NGF
Contractual Services ***	339,647	531,243	339,647	531,243
Supplies & Materials	1,950	3,050	1,950	3,050
Continuous Charges	50,700	79,300	50,700	79,300
Property & Improvements(3)	8,970	14,030	8,970	14,030

- (1) DGS/ISS recommended that an estimate be included for the cost for computer lab space. 18 training sessions are estimated.
- (2) Recommended by DGS/ISS for VITA charges for servers and additional program staff.
- (3) Reconfigure space and provide office furniture for two new BFM staff persons.
- (4) Provide two complete computer set-ups for the new BFM staff.
- (5) Annual escrow fee is defined by DGS/ISS as payable to a third party (insurance) in the event that VFA went out of business.
- (6) Travel, lodging and per diem expenses for BFM staff during site assistance to other agencies outside of the Richmond area.

Explanation:

***This is a new activity for DGS. APA’s selected vendor, Vanderweil Facility Advisors (VFA), will provide system support and program support under their existing contract that was negotiated by APA. 1.) VFA is providing the FICA software and hosting and maintaining the application. 2.) VFA will provide annual training for the end users for all the state agencies. 3.) VFA will provide program support, since it is the Commonwealth’s overall goal to develop a long range comprehensive planning process that protects the value of its facility assets. VFA will offer consulting services to develop and execute an effective decision process. 4.) VFA will provide Project Management services on an as-needed basis. 5.) VFA Programming support recommended to be included by DGS/ISS.

The 2007 amount shown covers the above three sections of services in the estimated amounts of \$423,500, \$129,800, \$110,000, 100,000, and 100,000 respectively.

***NOTE: The funding needed for FY2006 would be approximately \$16,000 for VFA services not presently contracted between VFA and the APA for the last month in FY06; and approximately \$40,640 to fund the new positions for the last quarter of FY06.

19. Nongeneral fund sources? YES NO If YES, fill in table below:

Revenue Source Code	Fund/ Fund Detail Code	Fund/Fund Detail Title	FY 2007 amount	FY 2008 amount
New	0200	Facility condition training and assessments	712,258	712,258

Explanation:

20. Grant funds? YES NO

Explanation:

21. Methodology for cost of proposal

The cost for VFA services were obtained directly from an estimate from the firm.

The cost for the proposed two new DGS staff positions is based on DHR pay grade information.

Section 3: Measuring Results

22. What are the expected results to be achieved if this request is funded?

The proposal will allow for the accumulation, analysis, and prioritization of the data needed to assess maintenance costs and manage performance of maintenance for all statewide buildings. The success of the effort can be measured by monitoring the data inputted by all state agencies for their buildings. APA has required all state agencies to list their buildings in VFA's database. If any agencies have not fulfilled their obligations concerning the assessment of their buildings (the input of the assessment data into the system), it will be readily apparent. VFA's staff -- utilizing their software, in-house consultants, and historical cost data and trends -- will be responsible for assessing the cost to correct the deficiencies that are inputted by the agencies for each of their buildings.

23. Performance measure in *Service Area Plan*? YES NO

Performance measure(s): Implement proper and cost-effective maintenance, repairs, operation, and security of state owned and operated facilities predominately in the Capitol Square Complex and the metro-Richmond area, and expand such services to other state agency facilities.