



DAS ISF – FACILITIES MANAGEMENT

INFRASTRUCTURE AND GENERAL GOVERNMENT APPROPRIATIONS SUBCOMMITTEE

BUDGET BRIEF

SUMMARY

The internal service fund within DFCM provides building maintenance, management and preventive services to its state agency subscribers. The ISF performs maintenance and services such as janitorial, security, grounds maintenance, heating/air conditioning repair and utility payments in order to resolve each building’s specific maintenance concerns in a timely and cost effective manner.

Services of the DFCM ISF are optional. Currently DFCM contracts with agencies to provide services in about 190 owned and leased facilities throughout the state. By Building Board policy, however, if an agency not using DFCM fails to meet maintenance standards, DFCM must take whatever action is necessary to rectify the situation.

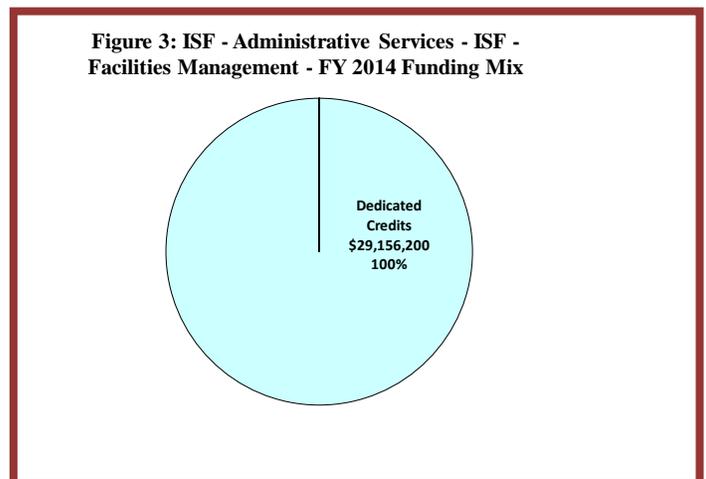
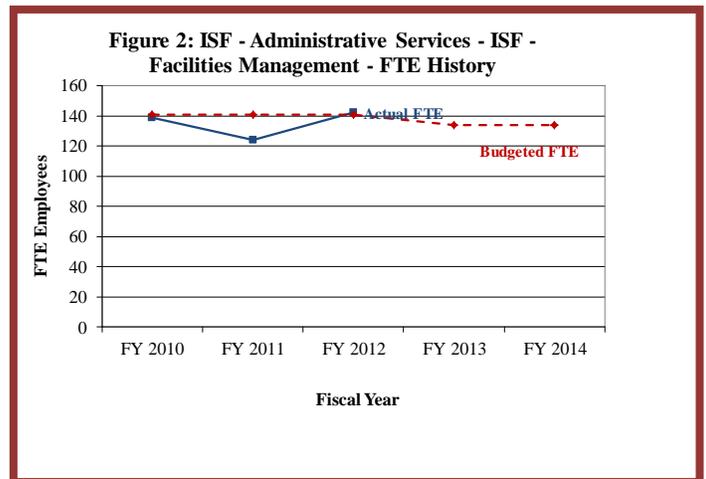
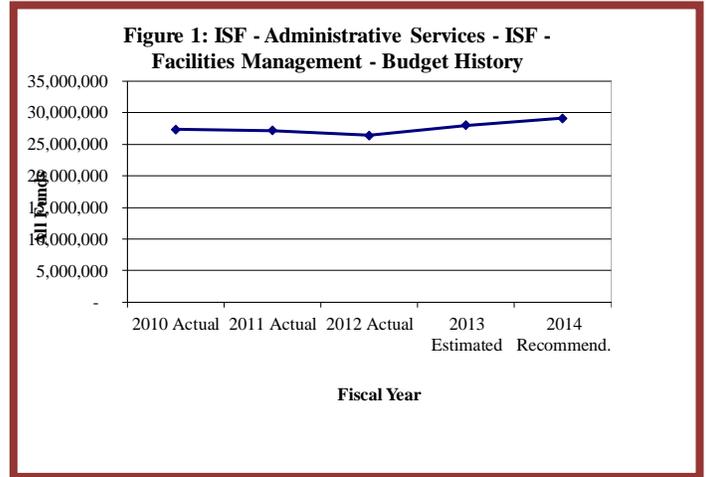
ISSUES AND RECOMMENDATIONS

Rate Increases and Decreases

DFCM charges agencies rates that are calculated based on the projected expenses associated with each building program for the coming year. If DFCM collects more revenue than is necessary to pay the operating expenses for the building maintenance, then the excess amount stays in the account as retained earnings which are then used in the next year to reduce the rate.

Intent Language

Since FY 1999 the Legislature has approved intent language allowing DFCM to add up to three FTE and/or up to two vehicles if new buildings or service level agreements come on line during the Interim, subject to legislative approval in the next session. The Analyst recommends the Legislature continue authorizing the intent language with the stipulation that DFCM notify the IGG co-chairs before adding any vehicles or FTEs above the authorized level.



ACCOUNTABILITY DETAIL

Per Square Foot Costs

At an average of \$4.50 per square foot in FY 2012, DFCM maintenance rates were about 61 percent less than the rates paid by federal agencies and are lower than national private and local private rates. Data comes from the annual publication of BOMA (Building Owners and Managers Association) International. 2012 is the last year for which BOMA data are available.

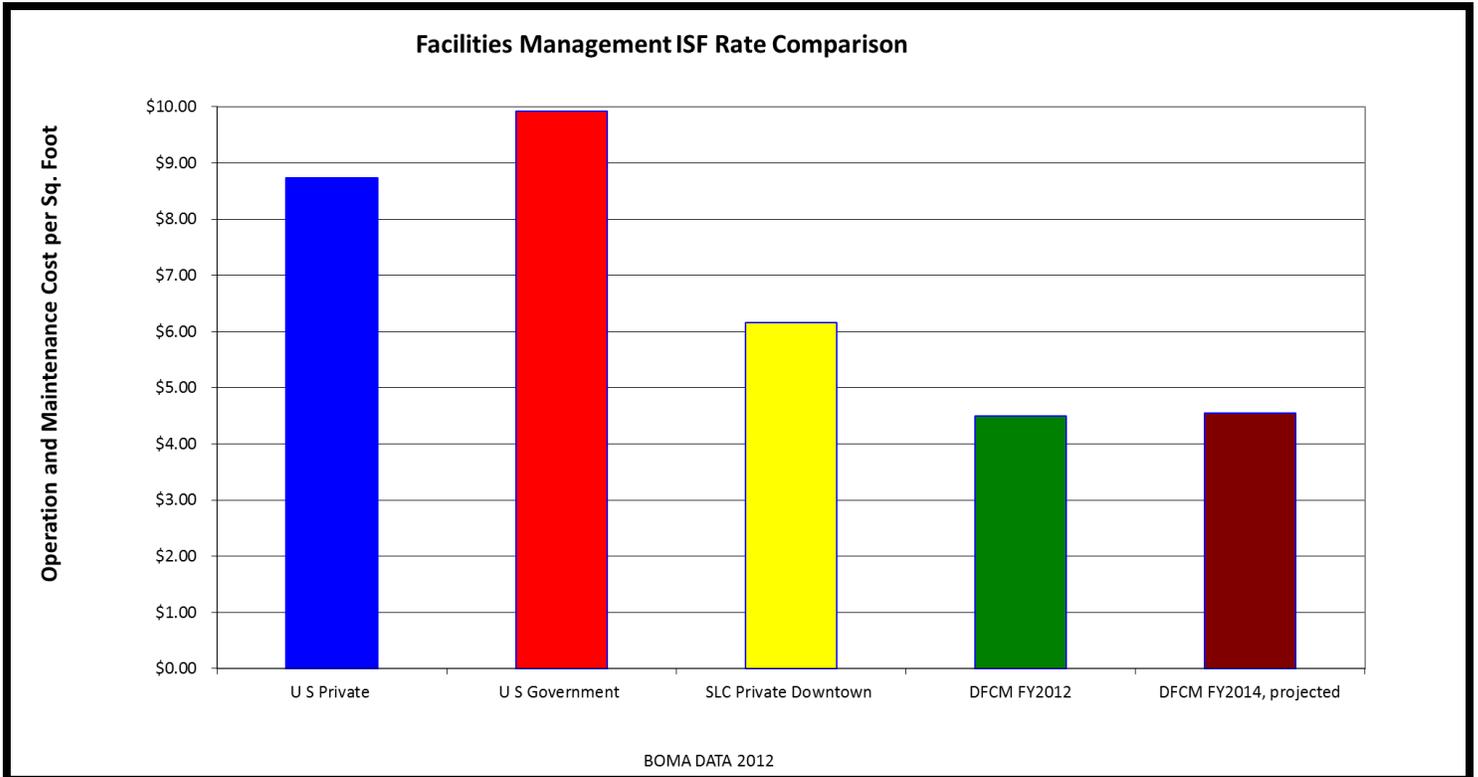


Figure 4

BUDGET DETAIL

Intent Language

The Analyst recommends the Legislature continue using the following intent language with the stipulation that DFCM notify the IGG co-chairs before adding any vehicles or FTEs above the authorized level for FY 2013.

The Legislature intends that the DFCM internal service fund may add up to three FTEs and up to two vehicles beyond the authorized level if new facilities come on line or maintenance agreements are requested. Any added FTEs or vehicles will be reviewed and may be approved by the Legislature in the next legislative session.

LEGISLATIVE ACTION

The Analyst recommends the Legislature approve the FY 2014 Budgeted FTE, Authorized Capital Outlay, and the Annual Revenue as presented in the following table as well as listed in the IGG Subcommittee’s Base Budget Bill:

DAS ISFs - FY 2014	Budgeted FTE	Authorized Capital Outlay	Annual Revenue
ISF - Facilities Management	134.0	\$63,000	\$29,156,200
Totals	134.0	\$63,000	\$29,156,200

1.

2. Rates as presented separately in an Issue Brief.

3. Intent Language as presented above and also delineated in the Intent Language Issue Brief.

4. Additional Authorized Capital Outlay of \$27,500 as listed in the table below:

DAS ISFs Requested Increases - FY 2014	Budgeted FTE	Authorized Capital Outlay
ISF - Facilities Management		\$27,500
Totals ISF - Facilities Management		\$27,500

BUDGET DETAIL TABLE

ISF - Administrative Services - ISF - Facilities Management						
	FY 2012	FY 2013		FY 2013		FY 2014*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Recommended
Dedicated Credits - Intragvt Rev	26,454,900	28,151,400	(149,700)	28,001,700	1,154,500	29,156,200
Total	\$26,454,900	\$28,151,400	(\$149,700)	\$28,001,700	\$1,154,500	\$29,156,200
Programs						
ISF - Facilities Management	26,454,900	28,151,400	(149,700)	28,001,700	1,154,500	29,156,200
Total	\$26,454,900	\$28,151,400	(\$149,700)	\$28,001,700	\$1,154,500	\$29,156,200
Categories of Expenditure						
Personnel Services	7,867,000	7,634,100	461,600	8,095,700	91,100	8,186,800
In-state Travel	11,500	12,500	(900)	11,600	(100)	11,500
Out-of-state Travel	5,800	4,500	1,300	5,800	(100)	5,700
Current Expense	19,024,900	18,764,000	1,235,100	19,999,100	(461,600)	19,537,500
DP Current Expense	384,500	386,500	3,200	389,700	(300)	389,400
Other Charges/Pass Thru	228,700	234,400	0	234,400	(500)	233,900
Depreciation	23,300	12,400	14,400	26,800	5,600	32,400
Total	\$27,545,700	\$27,048,400	\$1,714,700	\$28,763,100	(\$365,900)	\$28,397,200
Other Data						
Budgeted FTE	141	135	(1)	134	0	134
Actual FTE	142	0	0	0	0	0
Authorized Capital Outlay	36,500	63,000	0	63,000	0	63,000
Retained Earnings	2,524,800	3,717,200	(1,953,700)	1,763,500	758,900	2,522,400
Vehicles	77.0	78.0	(1.0)	77.0	1.0	78.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.