

Report on Leases

Department: Arkansas Department Education

Secretary: Johnny Key

The purpose of this report is an analysis of leases within each Department and assist in the formulation of a report to the Governor on how to achieve greater efficiency and cost savings as it relates to leases. **The report template includes sections for three projects for your convenience. This number is not a goal or target. You may add or delete boxes for as many projects as you submit.**

ACTION PLAN FOR PROJECT 1:

1. Project Title – Space reallocation

1.1. Brief description of project, goal, and action plan.

ADE is currently evaluating all office space across all divisions, including an analysis of what property is owned and what is leased. We moved the Arkansas Better Chance program staff out of office space within DHS into DESE's Learning Services Division in October 2019. We are also renovating the Luther Harding building which currently houses the Division of Career and Technical Education. Once this renovation is complete, we will be able to move additional staff out of current leased buildings.

1.2. Identify any additional resources required for the implementation and success of this plan.

Once we receive a list of available lease space and rent across all state government, we can more effectively identify available or more cost-efficient space if needed.

1.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?

ADE owns some of the buildings currently being utilized and uses ADE's own funds for capital improvements. There will be cost associated with renovations of the current Division of Career and Technical Education, Luther Harding building.

1.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.

Once space is reallocated among the divisions – both those housed in ADE owned buildings and at leased properties, ADE will realize significant cost savings by allowing leases to expire and relocating employees into state owned buildings. This will also allow for greater efficiencies by bringing staff into the same proximity and promoting a culture of one ADE.

1.5. What is the implementation timeline and key action steps for this plan? How will you track progress?

By Fall of 2020, the Luther Harding building will be renovated and maximized with employees. Progress will be tracked with the contractors on an ongoing basis.

1.6. Identify any obstacles to the implementation and success of this plan.

We are currently working to identify space for the current employees working within the Luther Harding building to relocate during the building renovation. Availability of state-owned facilities other than those owned by ADE, if needed.

1.7. How could Department of Transformation and Shared Services provide support to the Department?

ADE will continue to coordinate with the Division of Building Authority to review existing available space across state agencies and identify potential opportunities.

ACTION PLAN FOR PROJECT 2:

2. Project Title – Utilize an energy system management provider

2.1. Brief description of project, goal, and action plan.

Identify and utilize an energy system management company, to assess needs, monitor performance, and maintain and replace equipment.

2.2. Identify any additional resources required for the implementation and success of this plan.

Initial research and review of potential providers has been initiated.

2.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?

Costs will be determined after a needs assessment of ADE facilities has been conducted.

2.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.

Comparing energy costs to ADE, including all Divisions, in Fiscal 2020 and previous years to those costs after the needs assessment is completed and recommendations are implemented.

2.5. What is the implementation timeline and key action steps for this plan? How will you track progress?

Initial conversations have already begun with Arkansas School for the Blind and Arkansas School for the Deaf, which will be the first ADE Division to undergo an initial energy system management assessment.

2.6. Identify any obstacles to the implementation and success of this plan.

Resources will be dependent on the outcome of the needs assessments.

2.7. How could Department of Transformation and Shared Services provide support to the Department?

ACTION PLAN FOR PROJECT 3:

3. Project Title

3.1. Brief description of project, goal, and action plan.

3.2. Identify any additional resources required for the implementation and success of this plan.

3.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?

3.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.

3.5. What is the implementation timeline and key action steps for this plan? How will you track progress?

3.6. Identify any obstacles to the implementation and success of this plan.

3.7. How could Department of Transformation and Shared Services provide support to the Department?

Additional thoughts/comments: