

Report on Department Leases

Department: Arkansas Department of Human Services

Secretary: Cindy Gillespie

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 the 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:

DHS DONAGHEY PLAZA SOUTH LED LIGHTING UPGRADE

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

To date in FY20, DHS is spending approximately \$52,989.47 in electrical cost monthly on the Donaghey Plaza South (DPS) building. The objectives of this project are to reduce overall electrical costs, reduce the impact on cooling the building produced by 3,700 fluorescent light fixtures generating 115 degrees of heat each throughout the building. This includes the efficiencies realized by moving to LED lighting in general and the draw on electrical power overall. This project will eliminate the fluorescent lighting and ballast system in the building and replace it with cool operating, low energy LED lighting. This will directly reduce the electrical consumption for lighting and for cooling the building in the warmer months, extend the life of cooling systems and reduce maintenance costs.

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

There are existing resources within DHS to assist in facilitating this project. They are:

- DHS Facilities Administrator with 30 years of experience in DHS construction and renovation.
- Colliers Building management maintenance staff.
- Electrical Usage Data as well as building schematics;
- Other inhouse staff and resources.

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

DHS a vendor that will accomplish this work:

- The projected one-time cost for the project is \$252,000.
- DHS has the funds to implement the plan.

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

The performance indicator or key metric for this project will be a comparison of monthly electrical costs which are expected to drop between 18% and 25%.

Reduction in overall electrical costs expected to be as much as \$53,466.84 annually or \$534,668.84 over 10 years in lighting costs alone.

Additionally, an estimated reduction in building cooling cost at \$57,228.63 annually or \$572,286.30 over 10 years. Potential savings total over 10 years of 1,106,954.00.

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

This project can be planned and executed within SFY 2020 by June 30, 2020. Monitoring of the costs and impact on electrical and cooling will be maintained throughout the lifetime of the overall TAT.

Project Plan:

1. Decide on utilization of Energy provider proposal or DHS funded DBA S&C process.
2. Produce cost analysis, plans and specifications for submittal to DBA for review and approval.
3. Bid for general contractor through DBA Construction Section and begin work.
4. Evaluate efficiency and effectiveness of project through electrical cost reduction data review, reduction in overall general maintenance and bulb replacement.
5. Consider other opportunities to within DHS central complex and additional campuses for similar projects, and savings.

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

- Could be some pushback if LED lighting is not the same intensity or tint as previous fluorescents.

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

Review of project and approval to bid by TSS, Division of Building Authority if necessary.

ACTION PLAN FOR PROJECT 2:

2. Project Title:

DHS VoIP Migration Project

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

In FY2019, OIT identified the need to standardize telephony services throughout the agency. Standardization will remove barriers, enhance collaboration, provide modern unified communications features, and reduce the overall operating cost of telephony services by approximately \$980K annually. OIT chose the Department of Transformation and Shared Services' Division of Information Systems (DIS) as the new telephone provider, utilizing DIS' Cisco VoIP platform. OIT is migrating the agency's 7,300+ telephone lines (including call centers) one facility at a time. The goal is to migrate every facility to VoIP by the end of the 4th QTR FY2021.

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

The internal resources facilitating this project are:

- Divisional IT Managers for data gathering;
- AIT for network management and switch configuration;
- Facility-based Business Managers and County Administrators for data gathering and scheduling;
- OIT project management.

The primary external resource facilitating this project is DIS. The project is dependent on DIS' ability to execute according to the project schedule.

- DHS and DIS will collaborate in data gathering, design, facility access, and scheduling;
- DHS is dependent on DIS for providing SIP trunking, arranging Local Number Portability, providing telephone sets (when leasing), and all onsite and remote user training.

DHS and/or DIS will engage external contractors to run data lines on an as needed basis.

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

DIS charges a one-time installation fee of \$60.00 per line, or approximately \$440,000 project-wide. The ROI in terms of monthly savings to cover this installation fee is 5.4 months.

There are sufficient funds in the budget to cover anticipated costs.

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

The performance indicators or key metrics for this project are monthly cost reductions for telephony services and adherence to the project schedule. The forecasted monthly savings per quarter are (cumulatively):

- End of 2nd QTR FY2020: \$4,653 (16 facilities migrated)
- End of 3rd QTR FY2020: \$25,313 (32 facilities migrated)
- End of 4th QTR FY2020: \$51,002 (46 facilities migrated)
- End of 1st QTR FY2021: \$63,715 (62 facilities migrated)
- End of 2nd QTR FY2021: \$69,126 (77 facilities migrated)
- End of 3rd QTR FY2021: \$72,374 (95 facilities migrated)
- End of 4th QTR FY2021: \$82,360 (100 facilities migrated)

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

The project is in execution phase now, with 10 facilities complete. The implementation timeline is shown in 1.4 above, as the implementation timeline and the forecasts of cost savings are tied to one another.

The OIT project manager will track progress and report project status to the CIO.

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

- DIS' ability to port telephone numbers in a timely fashion from local telephone companies. This project will require DIS to port telephone numbers from some companies that they have not previously ported from, creating instances in which we have no baseline to track progress/measure ability to execute.
- DIS' ability to maintain the aggressive schedule of migrating an average of 5 facilities per month through the end of the project.
- DIS and DHS' unfamiliarity with migrating Lync phone service, which accounts for approximately 1,400 of DHS' 7,300 lines. Where Lync phones are present, the implementation team will not be able to pre-stage the new phone sets prior to the migration, as is the standard practice. A workaround has been identified but not tested.
- Project communications; virtually every DHS employee is a stakeholder in this project, requiring thorough and accurate communication at all levels of management.
- The identification and design of any complex call centers not already identified.

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

The Department of Transformation and Shared Services' Division of Information Systems is central to the execution of the project and ensuring post-project success.

3. Project Title:

DIVISION OF COUNTY OPERATIONS PHASE ONE PROJECTS: – BAXTER COUNTY

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

- The Division of Aging, Adult and Behavioral Health (DAABH) is currently renting office space separate from the rest of the divisions within the Department of Human Services.
- The Division of Children and Family Services (DCFS) would need to make Baxter County a priority in their scanning project to make room for DAABH in the current file room.

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

There are existing resources within DHS to facilitate this project. They are:

- Rework the Baxter County office staff to make space for the DAABH workers.

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

- This is a low-cost project that once completed will provide savings for the agency by not having to pay additional rent to house employees.
- There are funds in the budget to cover anticipated costs of moving and adding additional data lines to the county office.
- Less than \$5,000.00

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

- The performance indicator for this project will be one county office with all divisions housed within it.
- The projected savings per year are approximately \$7,800 from rent.

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

This project will be planned and executed within SFY 2020 by June 30, 2020.

Project Plan:

- Within divisions, moving Division of Children and Family Services (DCFS) visitation room allowing space for DAABH to move workers over.

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

- Possible impact on staff morale

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

At this time, DHS does not anticipate involving the Department of Transformation and Shared Services in this project but will certainly do so as warranted.

4. Project Title

DIVISION OF COUNTY OPERATIONS PHASE ONE PROJECTS: – SEBASTIAN COUNTY

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

- The Division of Aging, Adult and Behavioral Health (DAABH) is currently renting office space separate from the rest of the divisions within the Department of Human Services.

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

- Rework the Sebastian County office staff to make space for the DAABH workers.

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

- This is a low-cost project that once completed will provide savings for the agency by not having to pay additional rent to house employees.
- There are funds in the budget to cover anticipated costs of moving and adding additional data lines to the county office.

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

The performance indicators or key metrics for this project will be:

- The performance indicator for this project will be one county office with all divisions housed within it.
- The projected savings per year are approximately \$17,154.41 from rent and utilities.

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

- This project will be planned and executed within SFY 2020 by June 30, 2020.

Project Plan:

- Within divisions, moving the Department of Commerce's Division of Services for the Blind (DSB) out of the DHS County Office and making space for DAABH to move workers into the vacated DSB area.

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

- None

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

- At this time, DHS does not anticipate involving the Department of Transformation and Shared Services in this project but will certainly do so as warranted.

5. Project Title:

DIVISION OF COUNTY OPERATIONS PHASE ONE PROJECTS: – ARKANSAS COUNTY

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

- Currently the Department of Human Services has two (2) county offices in Arkansas County, DeWitt and Stuttgart.

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

There are existing resources within DHS to facilitate this project. They are:

- The use of Shared Services staff to help facilitate the move from DeWitt to Stuttgart.
- The use of Department of Correction inmates to help move office furniture.

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

- This is a low-cost project, less than \$20,000 and once completed will provide savings for the agency by not having to pay additional rent to house employees.
- There are funds in the budget to cover anticipated costs of moving and adding additional data lines to the county office.

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

- The performance indicator for this project will be one county office with all divisions housed within it.
- The current estimated savings per year are \$35,274.00 from rent, janitorial and utilities.

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

This project will be planned within SFY 2020 by June 30, 2020, and will be executed within SFY 2021 by December 31, 2020.

Project Plan:

- Within divisions, moving all the county workers from DeWitt to the Stuttgart office.

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

- Possible impact on staff morale
- For the office that will be relocated, an Action Plan would be developed and implemented to communicate to all staff, beneficiaries, area legislators, and local elected officials in the county.

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

At this time, DHS does not anticipate involving the Department of Transformation and Shared Services in this project but will certainly do so as warranted.

6. Project Title:

DIVISION OF COUNTY OPERATIONS PHASE ONE PROJECTS: – MISSISSIPPI COUNTY

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

- Currently the Department of Human Services has two (2) county offices in Mississippi County, Blytheville and Osceola.
- Recommend that the existing Osceola office be repurposed into a processing center.
- If the building is unable to be repurposed to a processing center, then DCO would end the lease.

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

There are existing resources within DHS to facilitate this project. They are:

- The use of Shared Services staff to help facilitate the move from Osceola to Blytheville.
- The use of Department of Correction inmates to help move office furniture.

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

- This is a low-cost project, less than \$20,000 to move the staff.
- There are funds in the budget to cover anticipated costs of moving and adding additional data lines to the county office.

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

- The performance indicator for this project will be one county office with all divisions housed within it.
- There would be no cost savings on this project.
- If DCO were to end the lease on Osceola office the estimated savings per year are \$150,315.52 from rent, janitorial and utilities that could be reinvested in another location.

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

This project will be planned within SFY 2020 by June 30, 2020, and will be executed within SFY 2021 by December 31, 2020. The move would be one by December 31, 2020. However, the rebuild of the Osceola office may take longer than twelve months but we anticipate it being completed by December 31, 2021, (SFY 2022).

Project Plan:

- Within divisions, moving all the county workers from Osceola to the Blytheville office.
- Repurpose the existing Osceola office into a processing center.

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

- Possible impact on staff morale
- For the office that will be relocated, an Action Plan would be developed and implemented to communicate to all staff, beneficiaries, area legislators, and local elected officials in the county.

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

At this time, DHS does not anticipate involving the Department of Transformation and Shared Services in this project but will certainly do so as warranted.

7. Project Title:

DIVISION OF COUNTY OPERATIONS PHASE ONE PROJECTS: – MONROE COUNTY

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

- Currently the Department of Human Services has two (2) county offices in Monroe County, Brinkley and Clarendon.
- Recommend ending the lease on the Clarendon county office.

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

There are existing resources within DHS to facilitate this project. They are:

- The use of Shared Services staff to help facility the move from Brinkley to Clarendon.
- The use of Department of Correction inmates to help move office furniture.

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

- This is a low-cost project, less than \$20,000 to move the staff.
- There are funds in the budget to cover anticipated costs of moving and adding additional data lines to the county office.

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

- The performance indicator for this project will be one county office with all divisions housed within it.
- There would be cost savings of approximately \$76,841.28 in rent, janitorial and utilities.

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

This project will be planned within SFY 2020 by June 30, 2020, and will be executed within SFY 2021 by December 31, 2020.

Project Plan:

- Within divisions, moving all the county workers from Osceola to the Blytheville office.
- Utilizing all available space including using the file room as office space.

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

- Possible impact on staff morale
- For the office that will be relocated, an Action Plan would be developed and implemented to communicate to all staff, beneficiaries, area legislators, and local elected officials in the county.

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

At this time, DHS does not anticipate involving the Department of Transformation and Shared Services in this project but will certainly do so as warranted.

8. Project Title:

DIVISION OF COUNTY OPERATIONS PHASE ONE PROJECTS: – LOGAN COUNTY

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

- Currently the Department of Human Services has two (2) county offices in Logan County, Booneville and Paris. This project will reduce the amount of space that is being used for agency workers.

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

There are existing resources within DHS to facilitate this project. They are:

- The use of Shared Services staff to help facilitate the move from Booneville to Paris.
- The use of Shared Services staff to help facilitate the move from Booneville to the Booneville HDC.
- The use of Department of Correction inmates to help move office furniture.

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

- This is a low-cost project, less than \$15,000 and once completed will provide savings for the agency by not having to pay additional rent to house employees in a second county office.
- There are funds in the budget to cover anticipated costs of moving and adding additional data lines to the county office.

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

- The performance indicator for this project will be one county office with all divisions housed within it.
- The current estimated savings per year are \$73,298.04 from rent, janitorial and utilities.

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

This project will be planned within SFY 2020 by June 30, 2020, and will be executed within SFY 2021 by December 31, 2020.

Project Plan:

- Moving workers from the Booneville office to the Paris office.
- Moving designated workers from the Booneville office to the Booneville HDC. We already have approval from the Division of Developmental Disabilities Services (DDS) to proceed with this once usable space at BHDC is identified.
- There is currently more space in the Paris office to accommodate the workers moving there from Booneville.

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

- Possible impact on staff morale
- For the office that will be relocated, an Action Plan would be developed and implemented to communicate to all staff, beneficiaries, area legislators, and local elected officials in the county.

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

At this time, DHS does not anticipate involving the Department of Transformation and Shared Services in this project but will certainly do so as warranted.

9. Project Title

DIVISION OF COUNTY OPERATIONS – PHASE TWO PROJECTS: FAULKNER COUNTY, WASHINGTON, JEFFERSON, LONOKE, AND PULASKI

- The Department of Human Services has one office in **Faulkner County (Conway)** in which it is considered a “high traffic” office. This is an office where many divisions are always asking if there is space available to house additional employees. The goal for this plan would be to extend the current 19,000 sq ft facility to possibly 25,000 sq ft by adding and addition on the building. The new space would be worked in such a way that would provide ‘open’ spaces for divisions to use. This project could be planned within SFY 2020 by June 30, 2020, and executed by March 31, 2021.
- Currently the Department of Human Services has two (2) county offices in **Washington County**, Fayetteville and the Fayetteville annex. DHS would request that new facility be built in Springdale. Currently Washington County has 55,008 active DCO cases. The breakdown of the cases by city is Fayetteville (18,154) 33% and Springdale (26,493) 48% of all of Washington County cases are individuals who list their home residence as in Springdale. The lease for the current Fayetteville annex would be ended and those staff and others from the main Fayetteville office would be relocated to the Springdale office. This project could be planned within SFY 2020 by June 30, 2020, and executed within SFY 2022 by December 31, 2021.
- Currently the Department of Human Services has an office in **Jefferson County** that DHS has occupied since 1981. The plan for this office would include a request to move to a new facility in Pine Bluff. The new county office with all divisions housed within it as well as space for a mailing center and training space. This project could be planned within SFY 2020 by June 30, 2020, and executed within SFY 2022 by June 30, 2021.
- Currently the Department of Human Services has an office in **Lonoke County** that DHS has been in since 1992. Currently Lonoke County has 18,363 active DCO cases and the breakdown of cities is: Lonoke (3,240), Cabot (7,048), Austin (1,795) and Ward (2,705). Between Austin, Cabot and Ward there are 11,548 or 62% of all of Lonoke county’s clients. The proposed project includes 1) ending the lease on the Lonoke city office and open a facility in Cabot; and, 2) combining both the Pulaski Jacksonville and Lonoke county offices (would be 31,598 active DCO cases) and ending the lease in Jacksonville. This project could be planned within SFY 2020 by June 30, 2020, and executed within SFY 2022 by June 30, 2021.
- Currently the Department of Human Services has two offices in **Pulaski County** (south of the river). DCO has 46,013 active cases and the breakdown of offices is: South (27,171) and Southwest (18,842). The department is looking at renovating the Pulaski South office. If the cost of renovating Pulaski South is too much, the plan would be to identify a facility to combine both the Pulaski South and Southwest offices. This project would include a new county office with both county offices housed within it as well as space for training space and possible overflow from Saline County.

The project could be planned within SFY 2020 by June 30, 2020, and executed within SFY 2023 by December 31, 2023.

- Some one-time costs would include modular workstations, office chairs, computer equipment (CPU's and monitors), data connection and server(s) needed to accommodate the staff. There would also be additional costs associated with the construction of new and expanded facilities, even though they would be leased. Some of the savings from the other county office moves could be reinvested to provide the necessary funding. Other funding would need to be identified to support additional rent, janitorial, and utilities costs at the facilities.