

## Report on Leases

**Department:** Department of the Inspector General

**Secretary:** Elizabeth Smith

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.

### **ACTION PLAN FOR PROJECT:**

1. Project Title: *Co-location of divisions of the Department of the Inspector General (Department)*

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

Project description: To move personnel, technology, and office materials of the Department into a permanent location within three years.

Goal: To reduce the total amount of expenditure for rent and to streamline processes.

Action Plan: All Department of Inspector General employees will be co-located by April 2020. The OMIG occupies space through a private lease agreement which will terminate July 30, 2022 (FY2023). The plan is to collapse both other divisions into this location as soon as feasibly possible, no later than April 2020. Moving the other divisions into this location will allow for co-location of employees, sharing of services and resources as well as to save money from the rent payments being made by the other divisions. At the end of the private lease term, the Department will move from the privately leased location to a state-owned building.

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

Resources required will be related to moving office equipment, furniture, files, etc., along with technology services to move, expand, or retire technology hardware to accommodate the needs of the arrangement. These resources will be required in the short-term (FY2020) and again in the long-term (FY2023).

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

The results of the cost analysis revealed that expected savings resulting from the consolidation will offset the costs of the plan in each fiscal year. The current FY2020 budget will have sufficient funds to cover anticipated costs for FY2020.

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

The success and results of the plan will be measured by the reduction in the total amount of expenditure for rent. It is anticipated that up to approximately \$25,000 of cost savings will be achieved from FY2020 through FY2023. This considers the rental savings and estimated moving expenditures based upon current information and compared with FY2019 amounts as a baseline.

Efficiencies will be achieved through the sharing of common areas and common resources. Communication and work flow between Department administration and staff will be more effective than previous communication between multiple distinct divisions at separate locations.

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

The goal is to have all Department of Inspector General employees co-located prior to April 2020. In order to accomplish this plan, the Fair Housing division employees are planning to move by February 2020 and Internal Audit division employees are planning to move by March 2020. Department personnel will be working with TSS-Building Authority to determine a permanent location by July 2022 for all offices of the Department of Inspector General.

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

The Department is working closely with DIS make ready the networking essentials to support the additional divisions into the one Department location. Since we know DIS personnel is working with all of the cabinet level Departments during this transformation, we have staggered our division moves to take place in February and then March in order to allow for adequate time and planning. Should additional time be necessary, we should still be co-located and fully functional by April 2020.

Modular furnishings will need to be added or reconfigured to allow for additional personnel to have functional work spaces and adequate meeting and conferencing locations. Many of the employees occupying the current space will move into different work spaces. Space for storage of files and materials will need to be located. Scanning of paper files will take place to allow for space.

One concern is the draw on productivity of personnel during the FY2020 move and again in FY2022. Employees will be directed to plan ahead and pack early to avoid a decrease in productivity.

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

TSS Building Authority is assisting by planning for termination of the lease agreement for Fair Housing. TSS Building Authority has assisted by providing the services of Wes Lacewell and Greg Owens to analyze the current space to identify opportunities for the added workspaces and meeting locations necessary for the co-location in FY2020. TSS and the TSS Building Authority has begun discussions with the Department regarding planning for a permanent location in 2022 and we will continue working with them as that date draws nearer.