

Report on Leases

Department: Labor and Licensing

Secretary: Daryl Bassett

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: Facilities Project

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

This project involves the evaluation and assessment of the current facility needs of those entities comprising the ADLL in order to determine the best facility option for the ADLL. For those entities that do not own the building in which they are housed, this will include an evaluation and assessment of the following factors with respect to the current lease: total cost; cost per square foot; total square footage; and term of lease. In broader terms, the evaluation will include an assessment of space needs; shared space opportunities; and funding.

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

The resources and assistance of Arkansas Building Authority will be needed to determine and evaluate options, and the costs associated with those options.

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

The evaluation and assessment of options will have no costs. The costs associated with options under consideration will be addressed by the assessment. Any ultimate relocation will have costs, but they are too speculative at this time.

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

Success will be measured in terms of improved efficiencies and accountability. There will ultimately be improved efficiencies through shared space for such needs as board meetings, conferences, training and storage. The agency will be able to more effectively utilize staff and other resources through centralized administrative services. There will be improved accountability through line-of-sight management and ease of access to central administrative staff.

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

- A. October 2019. Assessment of current leases.
- B. October-November 2019. Assessment of viable options for facilities.
- C. December 2019. Development of a final facilities plan with a location and timeline.

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

Funding and buy-in from the boards and commissions are anticipated to be potential obstacles with respect to implementation of the project plan that is developed.

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

The Department of Transformation and Shared Services, through Arkansas Building Authority, will be critical to the project, particularly with the evaluation and assessment of options regarding facilities.

Additional thoughts/comments:

This project deals with leases of buildings and building space. Leases of other items, such as copiers/printers, are addressed in the Contracts Report.