

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
ANNUAL REPORT ON GOALS, OBJECTIVES AND POLICIES

January 2015

Program ID/Title: AGS-223/Office Leasing
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I. Goal

Improve the office leasing services provided to user departments.

II. Objectives and Policies

- A. #1 - Reduce the average number of days to complete lease requests to ninety (90) working days.
- B. #2 - Improve various areas of the Leasing Branch's operations.

III. Action Plan with Timetable

- A. Objective/Policy #1 - Reduce the average number of days to complete lease requests to ninety (90) working days.

1. Past Year's Accomplishments:

- a. Review of Office Space Requests – the Leasing Services Branch worked with the Public Works Division (PWD), Planning Branch to change the work flow processing of departments' requests for leased office space. The initial review of the departments' space request to determine the amount of office space authorized to be leased, is being performed by Planning Branch. The purpose of this procedure is to centralize PWD's office space inventory statewide, for both lease space as well as State office buildings. This will help to expedite Leasing Branch's lease review process.
- b. New Computer Equipment – We obtained approval for new computer purchases, and upgraded our operating systems to Windows 7 and our Microsoft Word and Excel software to the 2010 version. This past year, we all took appropriate classes through DHRD to familiarize ourselves with the new operating system and current software.

- c. Hawaii Compliance Express (HCE) – In working with our Deputy AG, DAGS Fiscal office and Pre-Audit Branch, we considered using State Accounting Form C-30 when lease payments are made to a party other than the landlord. However, after further research, our branch developed a policy and guidelines to determine when HCE and IRS Form W-9 should be collected for various types of payees.
- d. Educational and Networking Opportunities – our Leasing Specialists attended an annual presentation organized by various real estate organizations on forecasting the commercial real estate market and the office leasing market. The presentations touched upon the local economy, and provided training and opportunities for networking with industry professionals. These relationships will be beneficial in our negotiations with landlords and their broker representatives.
- e. Support for Leasing Specialist – due to the backlog of office lease requests which resulted from the high number of lease expirations and the complexity of many requests, our branch secretary was assigned to help prepare draft lease documents for the Leasing Specialists to help reduce their workload.

2. Required Actions

- a. Pursue additional training for staff in Microsoft Word and Excel 2013. This will increase our familiarity with the new computer software and Windows 7 operating system.
- b. Pursue the restoration of the Leasing Specialist position. The position was abolished due to the 2009 reduction in force (RIF) action, which resulted in the termination of the incumbent and created a backlog of lease renewals.
- c. Have Americans with Disabilities Act (ADA) site surveys completed for a majority of commercial properties which are, or can be considered for lease. Also, update/improve the ADA site survey checklist to make it more user friendly.
- d. Initiate any improvements to our branch policies and procedures that are consistent with the policies of DAGS Fiscal Office and Pre-Audit Branch, and seek improvements or develop new documents which can help expedite the leasing process.
- e. Coordinate with the PWD, Planning Branch to pursue lease consolidations into the Princess Victoria Kamamalu and Lihue

Courthouse state office buildings to create operational efficiencies for user agencies and to reduce DAGS' leasing costs.

3. Implementation Timetable

- a. One Year – Pursue any needed revisions/updates to our branch policies and procedures, and seek improvements or develop new documents to streamline the leasing process.

Enroll staff in additional computer software training through the State Department of Human Resources Development (DHRD).

Pursue approval for the restoration of the Leasing Specialist position in the FB 2015-17 budget.

- b. Two Years – Complete any necessary revisions to the minimum ADA guidelines for leasing office space, and distribute the same to all branches of State government for implementation. Update the ADA site assessment checklist to make it easier for department ADA coordinators to use.

Pursue office consolidations into the Princess Victoria Kamamalu Building and the Lihue Courthouse in accordance with state office building assignments.

- c. Five Years (or less)

Using the ADA site surveys, develop a state wide list of commercial office properties which meet the State's minimum ADA requirements.

Upon their renewal, structure the terms of appropriate office leases for eventual consolidation into the future Liliha Civic Center state office building.

Plan for branch retirements, and prepare for promotional opportunities subject to the restoration of the Leasing Specialist position.

B. Objective/Policy #2 - Improve on various areas of the Leasing Branch's operations.

1. Past Year's Accomplishments

- a. Data Base System – continued the preparation and updating of branch

policies and procedures, and the Leasing Information form PWD 500 to assist the DAGS, Systems and Procedures Office (S&PO) in developing a web based program to replace our branch's Access data base system.

- b. Revision of Office Space Standards, Forms & Instructions – through collaboration with the PWD, Planning Branch, we finalized the division's Office Space Standards, Instructions, and Space Need Computation worksheets (Form 501) for all departments to use when requesting office space. We also worked together to come up with a draft of a standardized office space request memo for all departments to use, a boilerplate response memo from DAGS to the requesting department, and revisions to the PWD's policies and procedures to document the procedural changes for reviewing office space requests.
- c. Public Works/Leasing Services Branch Website – we updated the Leasing Branch website by modifying the Public Works webpage. This will assist user departments who require leasing services to access the revised Office Space Standards, instructions and forms.

2. Required Actions

- a. Continue collaboration with the PWD, Planning Branch to finalize the standardized office space request memo, the boilerplate response memo, and revisions to the PWD's policy and procedures manual.
- b. After the standardized office space request memo is finalized, update the Public Works website to include this form to allow departments' use of the memo.
- c. Continue working with DAGS Systems and Procedures Office (S&PO) to develop a new web based, data base system to replace the current Access system. The data base system must be able to prepare a lease abstracts, project rent and operating cost for budget purposes, and project quarterly funding allotments, so that necessary funds will be available for encumbering lease contracts.
- d. When the draft Administrative Rules are completed, work with the Department of Labor to participate in public hearings for Act 62, SLH2007 (Payment of Prevailing Wages and Public Work Projects) and assist in finalizing Administrative Rules that impact all state and county agencies who engage in the leasing of office space from the private sector.

- e. Continue cross training for the volunteer staff (from another Public Works Division) on C-41 contract encumbrances, lease payments, purchase orders and P-Card purchasing.

3. Implementation Timetable

- a. One Year – Continue updating branch policies and procedures and work with DAGS, S&PO on the development of the web based, data base system to replace the current Access system.

Update the Office Space Forms panel of the PWD website with the standardized lease request form, and other updated lease forms to include the “Suggested Office Move Planning Guide”, and “ADA Site Assessment & Building Worksheets for ADA Compliance”.

- b. Two Years – Transition from the Access data base system to the new web based program, subject to completion by DAGS, S&PO.

Complete cross training for volunteer staff (from the Public Works Division) on C-41 contract encumbrances, lease payments, purchase orders, and P-card processing.

- c. Five Years (or less) – When the draft Administrative Rules are completed, work with the DLIR to participate in any public hearings for Act 62, SLH2007 (Payment of Prevailing Wages and Public Work Projects) and assist in finalizing Administrative Rules.

IV. Performance Measures

A. Customer Satisfaction Measure

- 1. Pursue evaluations from user departments concerning improvements to our leasing forms and instructions, the effectiveness of our website, and how it has helped in preparing and/or submitting leasing forms/requests more easily and efficiently.
- 2. Obtain evaluations of our branch’s leasing services after we are successful at restoring the Leasing Specialist position. Areas identified by user departments which require attention, will be addressed immediately.

B. Program Standard Measure

- 1. Seek measures of comparison with other States, and applicable branches

of State, County or Federal governments who perform office leasing services.

2. Evaluate the program's efficiency in reducing the average amount of time needed to complete new lease requests, relative to program staffing.

C. Cost Effectiveness Measure

1. Compare the actual cost per square foot for our leases in specific locations, with the published asking rates for lease space in similar areas.
2. Determine the extent of lease savings created from any revisions to the DAGS Office Space Standards.