

POLICY GOVERNING THE ACQUISITION AND MANAGEMENT OF LEASED PROPERTY

I. **OVERVIEW:** The process of acquiring leased real property requires a great deal of coordination between the Division of Facilities Management and tenant agencies. The procurement of leased space is tied directly to the appropriations process, and the strategic space plan as developed by the Office of Administration in conjunction with the tenant agencies. The purpose of this policy is to detail the process, delineate responsibilities, and establish timelines.

II. INTRODUCTION

A. **AUTHORITY:** Pursuant to RSMo 34.030 and 1 CSR 30-6.010 through 1 CSR 30-60.50, the Commissioner of Administration is charged with the authority and responsibility for procuring and managing contracts for real property leased by all state agencies with the exception of the following:

1. The Legislature
2. The Judiciary
3. Officials elected by a state-wide vote of the citizenry
4. The Department of Conservation
5. The Department of Highways and Transportation
6. The Department of Higher Education

The Office of administration (OA), Division of Facilities Management (DFM), Facilities Leasing Section (FLS) has been designated by the Commissioner as the operating agency responsible for the development and administration of the State's leased real property transactions. This agency shall serve as the State's exclusive representative in all real estate lease transactions. No individual, organization or agency other than DFM has the authority to obligate the State in any form; verbal, written or otherwise. The agencies listed above may, at their option, enter into a written agreement with DFM for the services provided to all other state agencies contingent on their acceptance of the policy and procedures as described in the document.

B. **PURPOSE:** The purpose of this policy is to establish uniform standards, methods and procedures for the acquisition and management of leased real property which will insure that:

1. Leased real property transactions are conducted in open, fair, forthright and timely manner.
2. The property adequately meets the tenant agency's program requirements.

3. The rental rate paid by the State corresponds favorably with the area's fair market value.
4. The premises comply with all applicable statutes, codes, regulations, and policies.
5. The State fulfills its contractual obligations and deals fairly with the Lessor.
6. The Lessor fulfills all contractual obligations and deals fairly with the State.

C. DEFINITIONS

1. Office of Administration (OA): The cabinet level organization within the Executive Branch responsible for the general administrative activities within State government.
2. Commissioner of Administration: The chief executive officer of the Office of Administration.
3. Division of Facilities Management (DFM): The agency within the Office of Administration responsible for the administration of State owned and leased real property.
4. Facilities Leasing Section: The unit within DFM directly responsible for administering the State's policy for the procurement and management of leased real property.
5. Tenant: The agency who is the occupant of the premises as assigned by the DFM.
6. Lessee: The State of Missouri, OA, DFM
7. Lessor: The owner of the leased property or the owner's designated representative.
8. Bidder: The individual or firm who submits a proposal for leasing property to the state.
9. Premises: All land, buildings, and equipment included as a part of the property leased to the State.
10. Request for Proposal (RFP)/Specifications: The document that contains all the terms, conditions, and requirements for the procurement of leased property. The RFP identifies the roles, responsibilities, and authorities of the Lessor, Lessee, and the tenant.
11. Space Standards: Guidelines established to estimate agency space requirements based on industry standards, experience, and agency needs.

12. Pre-bid Conference: A conference prior to bid opening. The conference's purpose is to review the RFP specifications and answer potential bidders' questions.
13. LMS: Lease Management System, the automated system used to track lease/budget/space information. The LMS is tied directly into the State's accounting and purchasing systems.
14. Agency Special Requirements: The section within the RFP that captures the tenant agencies' special program needs that are in addition to the standard specifications.
15. Pre-Design Meeting: A meeting held with the owner, architect, leasing coordinator, agency liaison, planning and design representative, and agency local staff to develop the floor plan for a facility.

III. GENERAL ADMINISTRATION

- A. MISSION STATEMENT: The mission of the Office of Administration is to assist and support the state agencies in the accomplishment of their goals by providing quality services that enhance productivity and management improvement. Within this context, the mission of DFM leasing is to provide a safe and comfortable physical environment which meets the tenant's program requirements at an acceptable cost as dictated by current market conditions. DFM will insure that all space acquired complies with all applicable codes, statutes and regulations. Additionally, DFM has the responsibility to maintain space standards providing a check and balance to agency space requests insuring that space utilization is within industry guidelines. Finally, DFM is responsible to the General Assembly for an accounting of the funds expended/needed to carry out the overall lease program.
- B. AUTHORITY/VIOLATIONS: As described above, the authority and responsibility for the procurement and management of contracts for real property rests with the Commissioner of Administration and has been delegated to DFM. Any other individuals who attempt to obligate the State in any form, verbal, written or otherwise, must assume full personal responsibility.
- C. ORGANIZATION STRUCTURE: The organizational structure of FLS is as indicated in Figure 1. ([PDF Format](#)) The Director of Facilities Management has overall responsibility for leasing operations. The Assistant Director has overall responsibility for the operation of the unit to include policy development and interface with the General Assembly. The State Leasing Manager supervises the State Leasing Coordinators and has the day to day responsibility for the unit's operation to include contract preparation, interpretation, and oversight of the procurement process. The State Leasing Coordinators have the responsibility for managing their assigned lease contracts (see Figure 2). The leasing coordinator does the actual negotiations and bid evaluation as well as the preparation of contractual documentation. The Review and Inspection Unit Manager supervises a group of inspectors and has the responsibility for interpreting codes, statutes, regulations, and guidelines associated with construction, renovation, and maintenance of facilities. The building inspectors review architectural drawings

for compliance with specifications and perform inspections of facilities currently occupied. Additionally, they inspect those facilities under construction/renovation insuring all provisions of the specifications are followed. The office manager has the day to day responsibility for all administrative tasks which support the efforts of the section. These include ordering supplies, maintaining contract files, preparing documentation, and maintaining the Lease Management System (LMS). Adjunct support includes a Budget Analysis Unit and Interior Planning and Design Unit. The Budget Analysis Unit has the responsibility for forecasting fiscal needs, reviewing agency budget requests, and preparing and tracking fund requests through the legislative process. The Planning and Design Unit has the overall responsibility for space need validation and the efficient layout of functional space within the constraints of the proposed facility.

- D. SPACE REQUIREMENTS/CONSOLIDATION: Many factors affect the rental rate which the State is required to pay. Several of the factors are determined by market conditions and are outside the control of the State (i.e., interest rates, codes/statutes, etc.). However, the State can control the amount of space required and the desired location of the facility. To this end, DFM will endeavor to limit the space allocated to 200 net rentable square feet per full time employee. DFM will encourage agencies to establish geographic boundaries for facilities as broadly as the program requirements will permit. Money can be saved by consolidating state facilities in one location. On a per square foot basis, the cost to renovate or construct a facility generally goes down as the size of the facility increases. The bottom line is that consolidation saves the State money and provides tax payers access to the services of more than one government agency at a given location. Thus it is the objective of DFM to pursue consolidation where and when the potential exists.
- E. COMPETITIVE BID PROCESS: The State's primary avenue for the acquisition of leased real property is through the publicly advertised competitive bid process. The competitive bid process offers the following benefits:
1. Provides an opportunity for any and all interested parties to participate.
 2. Insures the procurement process is conducted in an open environment, minimizing the appearance of impropriety.
 3. Competition is increased, thus, controlling rental costs.
- F. TENANT AGENCY RESPONSIBILITIES: The tenant agency is responsible for the day to day operation of the premises in accordance with the lease. Such responsibilities include, but are not limited to, procurement; payment and management of all premise services (i.e., utilities, janitorial, security, etc.).

The Lessor is contractually bound to maintain the premise in accordance with the lease. If at any point during the term of the lease, the Lessor does not respond in a timely and appropriate manner to correct any deficiency, the tenant agency should provide written notification of such deficiencies to the Lessor, and a copy to DFM. If the Lessor does not respond in a satisfactory and/or timely manner, the tenant agency should notify DFM of potential breach of contract and DFM

will address the issue on a priority basis to insure compliance with the contract's terms and conditions.

In order to assess Lessor responsiveness and/or compliance with the contract, it is essential that the tenant agency join with DFM in documenting the Lessor's positive and negative actions. Without such documentation, neither favorable nor negative action can be assigned to the Lessor.

The tenant agency's leasing liaison is responsible for insuring that a copy of the lease is transmitted to appropriate individuals and that the individuals are fully conversant with the terms and conditions of the contract and the responsibilities of the tenant agency.

The funds for rental payments are annually appropriated in House Bill 1013 (HB13). If the funds are appropriated, DFM will automatically honor any remaining renewal options. There are three circumstances that may cause DFM to not exercise renewal options:

1. Failure of the General assembly or U.S. Congress to provide funds.
2. Breach of contract by the Lessor.
3. Mutual agreement of lessor/lessee.

The desire of a tenant agency to "move" because of an external or internal situation is not sufficient justification for terminating an existing contract.

- G. LEASE: The lease legally binds together all the documents of the procurement process (RHP, Bidder Proposal, Intent to Award, Notice of Award, Notice to Proceed). The agency's signature on the Intent to Awards and DFM's subsequent issuance of a Notice of Award becomes the binding contractual agreement between the OA, the tenant, and the successful bidder. The Commissioner of Administration or his designated representative will sign the lease as the lessee. The lessor, lessee, and tenant will each receive an executed copy of the lease for their records.

IV. PROCUREMENT PROCESS

- A. Figure 3 lists the time frame actions and the responsibilities of both the tenant agency and DFM. A description of each follows:

TIME PERIOD:

1. **April-May**: The tenant agency evaluates the impact of current legislative action on its space requirements. The agency formulates a plan for the new budget cycle taking into account expiring leases, new requirements, and other requirements such as mid-term space adjustments resulting from unexpected growth. The agency prepares a space request for each facility in accordance with the current guidelines.

DFM will continue to track the budget process through the end of the legislative cycle updating core budgets in the Lease Management System (LMS). DFM will provide the tenant agencies a list of leases expiring in the following budget year with a consolidation recommendation if appropriate.

2. **May-June:** The tenant agency will submit the Space Analysis for all expiring leases (due to DFM June 1), new requirements and other requirements to the Planning and Design Unit in accordance with the instructions in Section VIII. The agency will include its special requirements for "build out" along with a recommendation to bid or a justification for negotiation in accordance with consolidation and the agency objects to the consolidation, the agency must provide justification for a stand alone facility.

DFM will validate each Space Analysis submitted and return to the agency a computer analysis of the validated space requirements. Each facility identified as a potential for negotiation will be inspected to determine the magnitude of renovations necessary to bring the facility into compliance with specifications. Based on this inspection, the validated Space Analysis, the recommendation of the tenant agency, and the negotiation policy in Section IV B, DFM will determine whether or not negotiation is appropriate and advise the tenant agency.

3. **July-August:** DFM prepares the specifications, forwards documentation to the tenant agency for review, and prepares the specifications for release to the public. The tenant agency reviews the specifications prepared by DFM for accuracy and completeness.
4. **September-December:** The tenant participates in the solicitation of bids by identifying and encouraging potential bidders to participate in the process. A representative from the tenant agency attends the pre-bid conference and will be called upon to discuss the program's specific questions as they relate to the members of the evaluation committee. Normally each division occupying the department may have one (1) representative on the committee and each department may have one (1) at large representative. In unusual situations, Division of Facilities Management will establish the membership of the evaluated committee to best meet the evaluation requirement. The members of the evaluation committee will submit their work sheets to the chairman of the evaluation committee at the completion of the bid evaluation. The tenant agency will receive a Notice of Intent to Award (NIA) along with the recommendation of the bid evaluation committee. The tenant agency has ten (10) working days to sign and approve the NIA or to offer its justification for another course of action.
 - a. DFM will release the specifications to the public by advertising in the appropriate publications and by notifying all potential bidders on the state-wide and local bidders list. DFM will forward a copy of the specifications to all those who request

them, the owner of the currently leased facility if any, and any individuals so identified by the tenant agency. DFM will schedule a pre-bid conference if appropriate. The pre-bid conference will include a review of the specifications and an opportunity for potential bidders to ask questions. Normally, specifications will remain out for bid six (6) to eight (8) weeks to permit potential bidders ample time to prepare their bids. Bids will be submitted to DFM and publicly opened and read aloud. A copy of the bids will be forwarded to the tenant agency for its review and records. Within two (2) weeks of the bid opening, the state leasing coordinator will establish an Evaluation Committee and schedule the actual bid evaluation. The details of the evaluation process are contained in Section IX. The leasing coordinator will chair the Evaluation Committee, collect evaluation worksheets from the committee members and prepare Notice of Intent to Award within ten (10) working days of the completion of the bid evaluation.

- b. If a lease requirement is approved for negotiation in accordance with Section IV B, the following actions will take place:
 - i. DFM will conduct an inspection of the facility to determine compliance with codes and specifications.
 - ii. The state leasing coordinator will meet with a representative from the tenant agency to review the Agency Special Requirements and to what extent variances to the specifications, if needed, can be approved. For example, does the carpet need replacing or will a deep cleaning be sufficient?
 - iii. The leasing coordinator will schedule a meeting with the landlord at the facility to include a representative from the tenant agency and a FLS building inspector. At this meeting the inspection results, specifications, and Agency Special Requirements will be thoroughly discussed with the landlord. The tenant agency representative is encouraged to attend all meetings with the landlord.
 - iv. Based on all the requirements discussed, the leasing coordinator will solicit an annual rental amount for the term of the lease.
 - v. Upon receipt of the landlord's proposal, the leasing coordinator will enter into further negotiations in order to obtain the most favorable terms possible for the State.
 - vi. Once a favorable price is obtained, the leasing coordinator will prepare a Notice of Intent to Award and forward it to the tenant agency for their review and

signature.

- vii. The tenant agency's representative and local staff are cautioned against direct communication with the landlord concerning the negotiation. These communications serve to confuse the landlord and weaken DFM's negotiating position resulting in potential increases in cost and delays in the project.

5. **March-May:** DFM will insure the following actions are completed:

- a. DFM will request a footprint from the successful bidder within ten (10) working days of his receipt of the Notice of Award.
- b. Upon receipt of the footprint, the leasing coordinator will schedule a pre-design meeting with the agency liaison, local staff, the owner, the architect, and a representative of the Planning and Design Unit. All representatives will provide input at the meeting which will be used in the design and development of the floor plan; however, the floor plan must be developed in compliance with the RFP and the State of Missouri Space Standards.
- c. The Planning and Design unit will design the floor plan with a CADD system within one week after the pre-design meeting.
- d. The floor plan will be forwarded to the agency for review and final approval. The agency has one week to respond to the floor plan, noting any necessary revisions on the plan, as well as the approval signature.
- e. The leasing coordinator will forward the finalized floor plan to the successful bidder.
- f. From receipt of the finalized floor plan, the successful bidder will normally have sixty (60) days (or as described in the RFP) to submit the required drawings.
- g. When appropriate, the leasing coordinator will schedule a preconstruction meeting to finalize the construction schedule and clear-up outstanding issues. The agency representatives are encouraged to attend.
- h. As the drawings are received, the leasing coordinator will forward the drawings to the appropriate building inspector who will review the drawings for compliance with specifications and codes.
- i. The building inspector will provide the leasing coordinator with a written critique of the drawings.

- j. The leasing coordinator will correspond with the successful bidder to answer any outstanding questions or to request revised drawings.
 - k. The leasing coordinator will provide the tenant agency with a copy of the floor plan from the architectural drawings and all correspondence related to the drawings.
6. **June-September:** DFM will issue a Notice to Proceed on the project once all major issues on the drawings have been resolved, the legislative session has concluded (by May 15th of each year) and funding for the project has been approved. The leasing coordinator and the building inspector will monitor the build out of the project for compliance with the established timetable and RFP.

When the successful bidder can establish a firm completion and occupancy date, the leasing coordinator will advise the tenant agency so a tentative move date can be established. DFM will provide the tenant agency with a listing of actions normally required to relocate a facility; however, the tenant agency is responsible for performing these actions and any associated expenses. Upon receipt of the information requested in the Notice to Proceed, a lease will be prepared. The leasing coordinator will prepare a lease and send a copy to the tenant agency for its review. The leasing coordinator will forward three (3) copies of the lease to the successful bidder for signature. The leasing coordinator will obtain OA signature(s) on the lease and forward one (1) copy of the fully executed lease to the tenant agency, one (1) copy to the landlord and place (1) copy in DFM's master file. The leasing coordinator will maintain communication with the landlord, the tenant agency and building inspector as the targeted occupancy date approaches. The successful bidder must notify DFM in writing forty-five (45) days prior to the completion date is determined, DFM will schedule an acceptance inspection. When the facility is determined to be acceptable for occupancy, DFM will issue a Certificate of Acceptance to the landlord and tenant agency authorizing the agency to occupy the facility and initiate payment of rent. The Certificate will identify any deficiencies and specify a date that the lessor must have all deficiencies corrected. The tenant agency must not occupy the premises prior to issuance of the Certificate. The issuance of the Certificate is a mandatory requirement.

- B. **NEGOTIATIONS:** The code of State Regulations dictates that leased real property be procured by publicly solicited proposals in the open, competitive market except when it is clearly in the State's best interest to pursue another process. This provision applies to standard procurement method for leased real property which will be publicly solicited proposals from all interested parties. DFM will only entertain written requests to waive the formal bid process if one or more of the following conditions are present:
- 1. The anticipated annual cost is less than \$10,000.00 (example: 200 sq. ft. storage area).

2. The term of the lease is twelve (12) months or less (example: temporary office area pending bid or daily rental).
3. The program operation needs can be documented to be such that the potential for other proposals is non-existent (i.e., hangar to house an aircraft at only airport in the community).
4. A facility procured via the public bid process less than six (6) years previous to the expiration of all renewal periods providing:
 - a. DFM conducts all negotiations with the lessor and may terminate the negotiations at any time.
 - b. The lessor has been responsive to the needs of the tenant agency and maintenance of the facility.
 - c. The facility meets, or will be renovated to meet, the current and projected needs of the agency.
 - d. The facility complies, or will be renovated to comply, with all mandatory applicable provisions of the current specifications.
 - e. The negotiation for an expiring lease can be finalized within the first four (4) months of the last option period of the lease.
5. The Director of Facilities Management determines that it is clearly in the State's best interest to waive the bid process.

If the request to waive the formal bid process is approved, the steps in the negotiation process will parallel those of the bid process, i.e., Space Analysis, RFP development, etc., except:

- a. There will be no published advertisement.
- b. Bidders will not normally be required to submit a bid or performance bond.
- c. Sealed plans may not be required.

- C. TEMPORARY/EMERGENCY LEASES: In rare circumstances, situations arise which require the acquisition of lease property outside of the normal process. Temporary is defined as space procured for less than a full term lease. Normally it is only for twelve (12) months or until permanent space can be procured. Temporary space should meet all Life Safety and Building Code requirements of ADAAG. When a need for temporary space arises, the tenant agency will submit a space request to the State Leasing Manager with written justification and explanation of why the space is needed. DFM will validate the space request, prepare specifications, and survey the market. When possible, two (2) or more sites will be identified and the specifications reviewed with each owner. The owners will be requested to submit a proposal to DFM and an award made to the lowest and best proposal. The process of negotiating will be as described in

Section IV B. Payments for temporary space will come from unallocated leasing appropriation funds or the tenant agency's operating funds.

V. LEASE MANAGEMENT

- A. LEASE: Facilities Leasing Section is the manager of the contract. It is responsible for the enforcement of all the provisions of the contract to include the withholding of rent, notice of lease termination, and preparation of amendments/addendums and assignments.

The tenant agency will be responsible for handling the day to day operation of the facility. It will control access to the facility and resolve minor maintenance problems with the landlord or his designated representative. Additionally, the tenant agency will procure and manage all facility support arrangements (janitorial, utilities, etc.). The tenant agency will copy FLS on all correspondence to and from the landlord to insure FLS is kept apprised of all problems in the facility. When problems cannot be resolved between the tenant and landlord, the agency should request the assistance of DFM.

- B. RATING SYSTEM: Effective September 1, 1995, DFM will establish and maintain a lessor rating system. This rating is based on annual inspections of the premises conducted by DFM, special inspections when requested, and an annual or bi-annual tenant agency/DFM assessment. This rating system will provide data on the lessor's contract performance for use in the bid evaluation process or when a bid waiver is requested. It may also be used to identify lessors whose performance is so unacceptable that breach of contract and/or denial of future awards should be considered.
- C. WITHHOLDING RENT: When a lessor fails to comply with the RFP or lease provisions, DFM will formally notify the lessor of the noncompliance and that rental payments will be withheld if compliance is not attained by a specific date. Normally, landlord will be given thirty (30) to sixty (60) days to attain compliance. In situations where the facility is untenable, the stoppage of rent may be immediate. In very rare occasions, DFM may authorize the tenant agency to contract for the necessary repairs and to deduct the cost from the landlord's rent. DFM will notify the tenant agency when to begin withholding rent and will also advise the agency when to release the withheld checks. When breach of contract has occurred and requires an immediate relocation, DFM will advise the landlord to work with the tenant agency to locate a suitable space for the program
- D. MONTH TO MONTH TENANCY: The legal definition of Month to Month Tenancy is where the lessee is allowed to hold over by the lessor. It is the policy of DFM to avoid this condition whenever possible. The lessor, at his option, may increase the rental rate or require the lessee to vacate the premises by issuing a thirty (30) day notice. In Month to Month Tenancy, the lease contract is no longer in effect and no provisions of the lease can be invoked.
- E. EXTENSION PERIODS: Extension periods, not to be confused with renewal periods and Month to Month Tenancy, are generally included in most new full term leases. These extension periods are true discretionary options available to the lessee with formal advance, usually sixty (60) days, notification to the lessor. All terms and conditions of the lease remain as set forth in the last renewal

period.

VI. ANCILLARY EXPENSES, RENT AND ONE TIME PAYMENTS

A. Advertising Expenses

1. The tenant agency(s) will be responsible for the payment of all advertising expenses associated with solicitations for proposals.

B. Moving/Service Contract Expenses

1. The tenant agency(s) will be responsible for making all necessary arrangements for such items as:
 - a. Communications (voice, data, etc.) wiring and service connections.
 - b. Establishment of utility service.
 - c. Procurement of contract for relocation of staff and equipment.
 - d. Procurement of all facility service contracts such as janitorial, removal of ice, snow, trash, lawn care and etc.

C. One Time Payments

1. DFM and the tenant agency will attempt to avoid making one time payments. If such payments are necessary they will be funded from the tenant agency's E&E funds. HB13 funds are to be used only for base rental rates and contractual commitments. All other payments will be made from the tenant agency's operating funds.

D. Rent

1. Single tenant facilities with funding authority appropriated to OA: The Division of Facilities Management will take responsibility for all aspects of lease payments. Such actions include preparation and processing all encumbrances and liquidations for payment of these leases.
2. Single tenant facilities with funding authority appropriated to the agency tenant: If an agency chose not to consolidate lease funds to OA. The tenant agency is responsible for all aspects of lease payment.
3. Multi-tenant facilities: DFM will take responsibility for all aspects of lease payments for all multi-tenant leases. Such actions include preparation and processing of all encumbrances and liquidations for payment of these leases.

E. Utilities and Service Contracts

1. Single Tenant Facilities

- a. Utilities: Agencies occupying single tenant facilities are responsible for all aspects of payment of utility bills. Utilities that are provided by the landlord will be paid from HB13 in accordance with the procedures outlined in VI (D.)(1), and (2).
- b. Service Contracts: Agencies occupying single tenant facilities are responsible for all aspects of payment of service agreements. If a lease is full service, utilities and service contracts will be paid from leasing appropriations in accordance with the procedures outlined in VI (D.)(1), and (2).

2. Multi-Tenant Facilities

- a. Utilities: Where one invoice is provided for a specific utility for an entire facility, such invoice will be sent directly to the Division of Facilities Management. Once received, the Division of Facilities Management will prepare inter-agency billing documents and send them to departmental contact personnel for each agency occupying space in the multi-tenant facility. Occupying agencies will then reimburse the RATF for their portion of the utility cost. If tenants of a particular facility are billed individually for a specific service, invoices will be sent directly to each agency and individual tenants will be responsible for payment of such utility.
- b. Service Contracts: Where one invoice is provided for a specific service for an entire facility, such invoice will be sent to the attention of the contact individual assigned to each site. The invoice should be verified and approved and routed to the Division of Facilities Management for payment. Once received, the Division of Facilities Management will prepare the appropriate documentation and pay such from the Office of Administration Revolving Administrative Trust Fund. Facilities Management will then prepare inter-agency billing documents and send them to occupying agencies. Occupying agencies will then reimburse RAFT for their portion of the services cost. IF tenants of a particular facility are billed individually for a specific service, individual tenants will be responsible for payment of such service.
- c. All funding requests for utilities and service contracts should be made in agency operating budgets. If a lease is awarded such that utilities and other services are provided by the landlord, operating funds for such costs will be transferred to the leasing budget.

VII. BUDGET PROCESS

A. Budget Requests

1. All budget requests for lease expenses must be developed in accordance with the annual budget instructions issued by the Office of Administration.
2. Funds for base rent only are to be requested in the leasing budget.
3. Funds for relocation, telecommunications, utilities, services and a one-time requirements are to be requested in agency operating budgets. If a lease is awarded as a full services lease, the appropriate core transfers will be made.
4. Core transfers will be handled on a case by case basis.

B. Budget Development

1. Single Tenant Facilities with funding authority appropriated to OA
 - a. Core Requests: The Division of Facilities Management will develop all core budget requests. Development includes core narrative and data entry to SAM and LMS budget systems.
 - b. Expiring Leases: Agencies are responsible for providing a space request for expiring leases. The Division of Facilities Management will develop all expiring lease budget requests. Development includes narrative and data entry to SAM and LMS budget systems.
 - c. New FTE Requirements: Agencies are responsible for providing a space request for new FTE. In addition, agencies are to provide narrative and financial information to the Division of Facilities Management. Financial information includes the required dollar amount and the fund sources. The Division of Facilities Management will ensure proper data entry into the SAM and LMS budget systems.
 - d. Other Requirements: Agencies are responsible for providing a space request for other requirements. In addition, agencies are responsible for providing narrative and financial information to the Division of Facilities Management. Financial information includes the required dollar amounts and the fund sources. The Division of Facilities Management will ensure proper data entry into the SAM and LMS budget systems.
2. Single tenant facilities with funding authority appropriated to the tenant agency.
 - a. Core Requests: Tenant agencies are responsible for all aspects of core budget development except data entry into the LMS budget system.

- b. Expiring Leases: Tenant agencies are responsible for all aspects of expiring lease budget request development except data entry into the LMS budget system.
- c. New FTE Requirements: Tenant agencies are responsible for all aspects of new FTE budget request development except data entry into the LMS budget system.
- d. Other Requirements: The Division of Facilities Management will develop all budget requests for multi-tenant facilities falling into the "other requirement" category.

3. Multi-Tenant Facilities

- a. Core Requests: The Division of Facilities Management will develop all core budget requests for multi-tenant facilities.
- b. Expiring Leases: The Division of Facilities Management will develop all expiring lease budget requests for multi-tenant facilities.
- c. New FTE Requirements: Such requests likely will not apply to multi-tenant facilities.
- d. Other Requirements: The Division of Facilities Management will develop all budget requests for multi-tenant facilities falling into the "other requirement" category.

C. Budget Submission

- 1. Leasing budget requests for facilities and requirements with the funding authority appropriated to tenant agency are to be included as part of the department's operating budget.
- 2. Leasing budget requests for facilities and requirements with the funding authority appropriated to OA will be submitted by OA as part of its operating budget.
- 3. The Division of Facilities Management will develop a comprehensive budget book in January consisting of all leasing budget requests and the Governor's recommendations. In May, the budget book will be revised to reflect legislative action.
- 4. Any funding requirement for a new facility should be requested in the fiscal year prior to the fiscal year your department will actually occupy such facility.

D. Budget Presentation

1. The Division of Facilities Management will be primarily responsible for developing information for presentation to the General Assembly.
2. The Division of Facilities Management will take the lead in presenting leasing budget requests to the General Assembly.
3. Agency personnel will be notified of hearing dates and expected to attend such to provide programmatic and other information.

VIII. SPACE ANALYSIS PROCESS

A. SPACE REQUESTS

1. A space request must be submitted for an expiring lease, a new requirement and/or an expansion of an existing facility. A new requirement is defined as an agency program which currently is not located in an existing owned or leased facility or any agency program which has been newly created.
2. All space requests must comply with the State of Missouri Space Standards.
3. Any variation from the State of Missouri Space Standards will require written justification.

B. SPACE REQUEST DEVELOPMENT

1. All space requests must be completed on the attached forms (figures 4 through 9) and include the following information:
 - a. Office Space Request Form (Figure 4)
Complete the top portion of the request with the basic information concerning the agencies location and contact person. Next, choose the category which best describes the type of office space requested; for example, "Expiration of Lease". Complete the other forms as indicated by the shaded boxes. Obtain approval of the agencies Department or Division Director.
 - b. Office Space Bid Data (Figure 5)
Provide detailed information including the desired location and boundaries for the facility, the number of male and female employees used to determine the restroom requirements, the projected growth rate, and if accessibility to public transportation is needed.
 - c. Project Justification Form (Figure 6)
Provide justification for the space request which identifies the need for the new requirement or the expansion of the facility. If the request is a result of an expiring lease, indicate on the form.

- d. Office and Workstation Requirement Form (Figure 7)
Provide detailed information which identifies the quantity and position title of all appropriated FTE including staff appropriated in the recent budget cycle. In addition, the location and address where the staff are currently located must also be provided. The form also requires the quantity, description and size for all additional requirements. Additional requirements are defined as any requirement which cannot be accommodated within the space standard allocation (A-K). For example: files, additional seating, drafting table, etc.
- e. Functional Support Areas Requirements Form (Figure 8)
The quantity and description of all support space requirements must be provided. Support space is defined as any ancillary space which supports the office work areas. For example: conference rooms, copy areas, file rooms, storage rooms, break rooms, etc. Provide a detailed description of the support space and what furniture, equipment, and storage units must be accommodated within the space. The minimum and maximum number of people to be accommodated within the areas must be provided.
- f. New Job Title Form (Figure 9)
Provide detailed information which will assist in determining the appropriate functional job description for a new position title which is not included in the space standards.
- g. Space Request Submission
 - i. The space requests must be submitted to the Planning and Design Manager, Division of Facilities Management, P.O. Box 809, Room 590, Truman Building, Jefferson City, MO 65102, (314) 751-7825.
 - ii. All requests must be submitted no later than June 1 of each fiscal year in order to be validated for the forthcoming leasing budget.
- h. Space Request Validation Process
 - i. All requests will be reviewed and validated to ensure the following: compliance with the State of Missouri Space Standards, the 200 net rentable sq. Ft. per person allocation of space and consistency for all Departments, Divisions and Sections within the State of Missouri.
 - ii. All requests will be entered into the LMS database and will be used as square footage criteria for the HB13 leasing budget.

- i. Space Request Approval Process
 - i. Upon validation of the space request, a representative of the Division of Facilities Management will meet with an agency representative to discuss any modifications to the request and the total square footage of the validated request.
 - ii. The agency will have a review period to provide any additional justification for square footage requirements. At the end of that time, final approval from the requesting agency's Department Director is required in order to proceed.
 - iii. The Division of Facilities Management has authorization for final approval for all space requests and square footage requirements.
 - iv. Upon final approval by the Division of Facilities Management the space requests will then be incorporated into a RFP.

- j. The Process for Developing a Floor Plan from the Validated Space Request
 - i. DFM will request a footprint from the successful bidder within ten (10) working days of his receipt of the Notice of Award.
 - ii. The leasing coordinator will schedule a pre-design meeting with the agency liaison, local staff, the owner, the architect, and a representative of the Planning and Design Unit. All representatives will provide input at the meeting which will be used in the design and development of the floor plan. However, the floor plan must be developed in compliance with the RFP and the State of Missouri Space Standards.
 - iii. The Planning and Design Unit will design the floor plan with a CADD system within one week after the pre-design meeting.
 - iv. The floor plan will be forwarded to the agency for review and final approval. The agency has one week to respond to the floor plan, noting necessary revisions on the plan, as well as the approval signature.
 - v. The leasing coordinator will forward the finalized plan to the successful bidder.
 - vi. The successful bidder shall have sixty (60) days (or as described in the RFP) to submit the required

architectural drawings.

- vii. The leasing coordinator will forward the drawings to the appropriate building inspector for final review and approval for compliance with all specifications and codes.

IX. EVALUATION PROCESS

- A. EVALUATION MEETINGS: Evaluation meetings will be held with all committee members and each bidder individually to discuss the facts and relative merits of each proposal. The Division of Facilities Management (DFM) leasing coordinator will serve as chairperson of the committee. On site inspections will be made of each proposed building or site.
- B. EVALUATION COMMITTEE MEMBERS: The Division of Facilities Management will appoint evaluation committee members to the evaluation committee. Appointees may include one(1) member from each tenant division and one (1) from each tenant division's department. Committee members may also include persons from other governmental agencies to the private sector with special expertise in the type of facility being evaluated. The number on the committee should not exceed five (5) persons on routine evaluations. Regardless of the number of persons on the committee, Division of Facilities Management will always have a minimum of 25% of the subjective points.
- C. THREE STEP EVALUATION PROCESS: The committee members must participate in the evaluation of the proposals using a three (3) step process. The steps which the committee will follow are described below:
 1. **Step One - Determination of Responsiveness**: First, each proposal must be reviewed in relationship to the proposal's compliance or noncompliance with the requirements set forth in the Request for Proposal document and any of its amendments.
 - a. A **responsive proposal** is one that agrees or complies with the mandatory requirements and therefore will be permitted to proceed to the next evaluation step.
 - b. A **Non-responsive proposal** is one which disagrees or fails to comply with the mandatory requirements of the RFP and therefore cannot be considered. In other words, a non-responsive proposal must be eliminated.
 - c. The mandatory requirements are generally identified by the words "**must**", "**shall**", or "**required**"; however, other language structure may also describe a mandatory condition.
 - d. If a proposal is clearly non-responsive, the Division of Facilities Management will eliminate it from consideration by the evaluation committee. Other factors may surface during the process of evaluation which renders the proposal non-responsive.

At that time the proposal will be removed from consideration.

2. **Step Two - Determination of Cost:** The leasing coordinator must determine and develop a comprehensive understanding of the relevant facts presented by each responsive proposal. The relevant facts must be determined for each responsive proposal in accordance with each of the evaluation criteria. The following methods are available to the evaluators for determining relevant facts.
 - a. Determination of Cost and Pricing Data: The leasing coordinator will provide cost data and determine the evaluation points assigned to cost. Each leasing coordinator must review all elements of the cost and pricing data submitted in each proposal in order to identify any discrepancies, omissions, mathematical errors, etc.
 1. The leasing coordinator must ascertain that the price and cost data conform to the pricing requirements of the RFP.
 2. The leasing coordinator must determine that all prices in the proposals are based on identical units of measure for an equitable comparison and do not contain exceptions to the pricing structure in the narrative of the proposal.
 - b. Determination of Cost Points: Cost points will be computed by the Division of Facilities Management. The committee, as a whole, will discuss the elements of cost and related considerations.
 - . A cost computation formula which is normally utilized and applicable for most cost data is described below. This particular formula will be used by the committee. The calculation of cost impact points must conform to the evaluation points published in the RFP.

$$\frac{\text{Low Response Price}}{\text{Compare Price}} \times \text{Maximum Cost Points} = \text{Cost Points}$$
3. **Step Three - Evaluation of Proposals:** The Division of Facilities Management will schedule the evaluation with each of the responsive bidders. During the evaluation, each responsive proposal must be evaluated on its relative merits in relation to requirements of the RFP. Each evaluator should decide the pros and cons related to the bidders approach and the specific reasons upon which their opinions rest.