

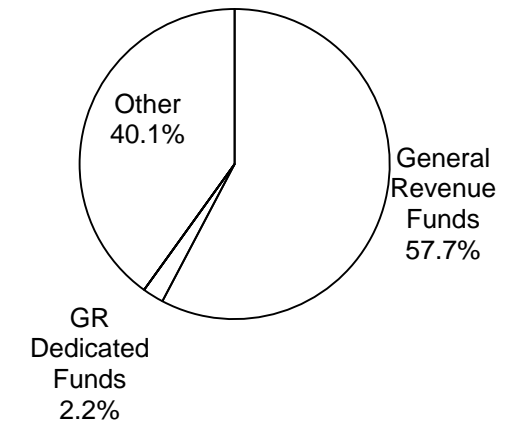
**Facilities Commission
Summary of Recommendations - Senate**

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Terry Keel, Executive Director

Demetrio Hernandez, LBB Analyst

Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$58,678,429	\$55,641,500	\$53,748,270	(\$1,893,230)	(3.4%)
GR Dedicated Funds	\$8,152,989	\$5,215,248	\$2,060,166	(\$3,155,082)	(60.5%)
<i>Total GR-Related Funds</i>	<i>\$66,831,418</i>	<i>\$60,856,748</i>	<i>\$55,808,436</i>	<i>(\$5,048,312)</i>	<i>(8.3%)</i>
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Other	\$69,824,650	\$106,029,301	\$37,319,405	(\$68,709,896)	(64.8%)
All Funds	\$136,656,068	\$166,886,049	\$93,127,841	(\$73,758,208)	(44.2%)

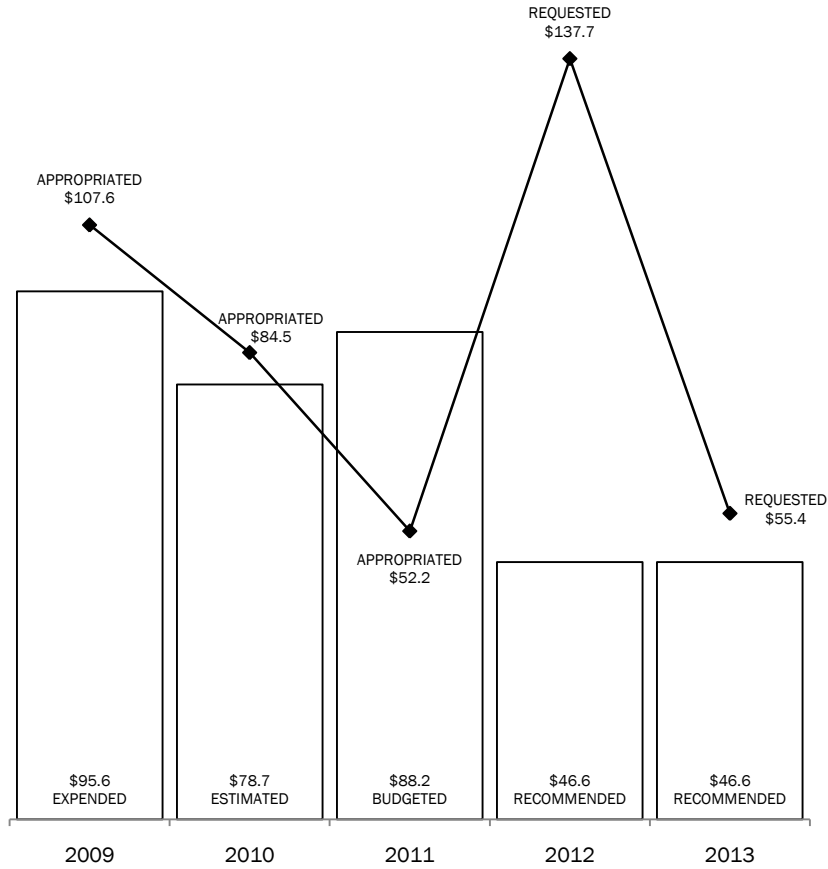
RECOMMENDED FUNDING
BY METHOD OF FINANCING



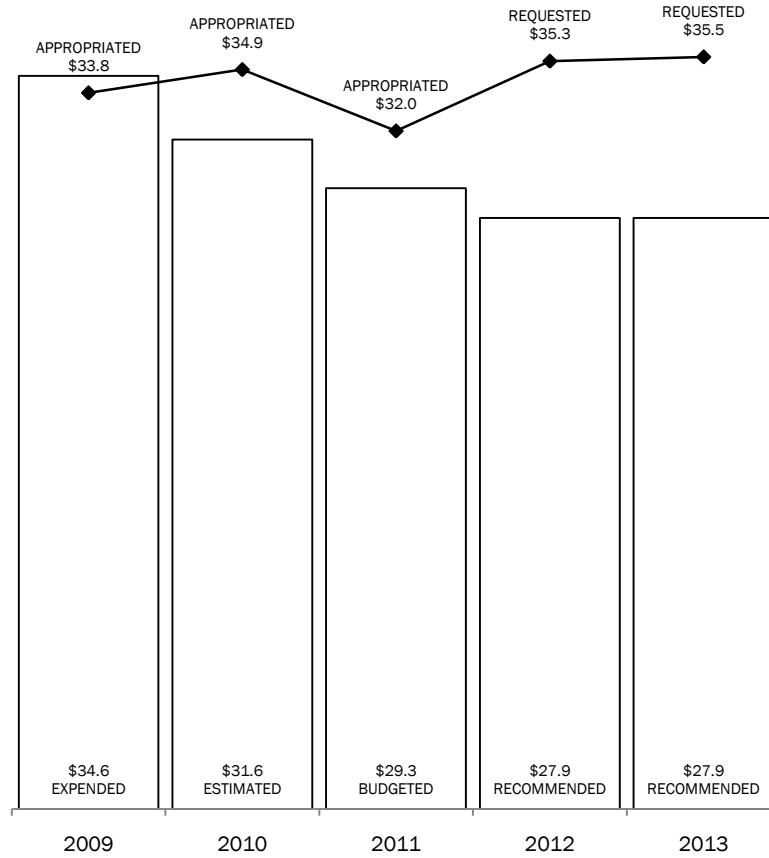
	FY 2011 Appropriations	FY 2011 Budgeted	FY 2013 Recommended	Biennial Change	% Change
FTEs	474.6	439.0	399.1	(39.9)	(9.1%)

The bill pattern for this agency (2012-13 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2012-13 biennium.

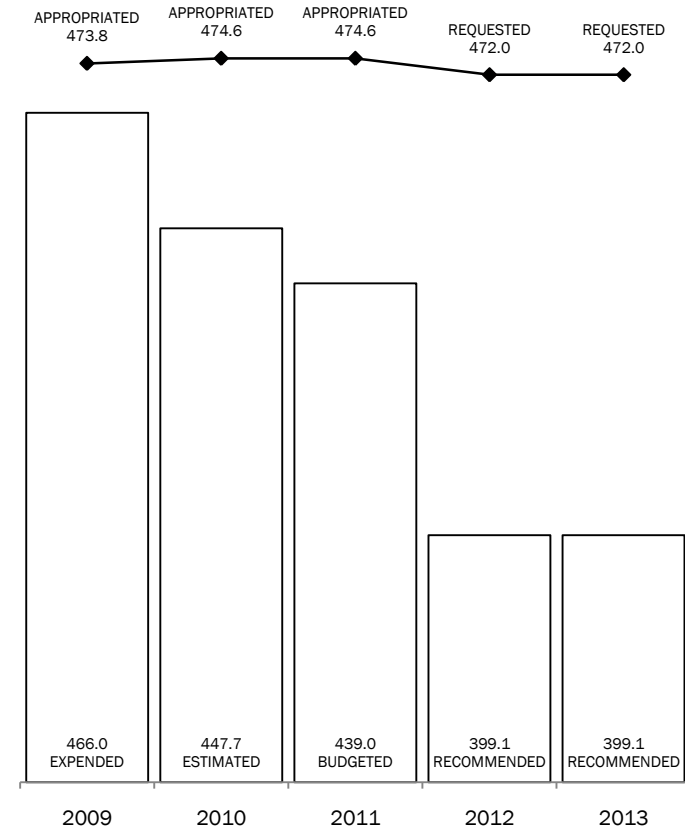
ALL FUNDS



**GENERAL REVENUE AND
 GENERAL REVENUE-DEDICATED FUNDS**



FULL-TIME-EQUIVALENT POSITIONS



Facilities Commission
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments
					The recommendations are to amend statutes to transfer the operations of the Texas State Cemetery to the State Preservation Board and the operations of the Federal and State Surplus Property programs to the Comptroller of Public Accounts. The transfer of the State Cemetery would place it under the supervision of the same agency that already oversees such tourist attractions as the State Capitol, the State History Museum, and the Governor's Mansion. The transfer of the surplus programs would place them under the control of an agency that already is responsible for the disposition of unclaimed property. In addition, the recommendations include eliminating the agency's in-house custodial staff, and replacing them with the more cost-effective contracted custodial employees.
LEASING A.1.1	\$1,160,888	\$1,065,098	(\$95,790)	(8.3%)	
FACILITIES PLANNING A.1.2	\$431,106	\$505,546	\$74,440	17.3%	The recommendations include an increase of \$0.1 million in General Revenue and 1 FTE contingent on the enactment of legislation that authorizes the agency to implement a program to lease excess parking spaces to individuals as described in the report, <i>Optimize the Use of State Parking Facilities</i> , in the 2011 Texas State Government Effectiveness and Efficiency report.
BUILDING DESIGN AND CONSTRUCTION A.2.1	\$12,221,521	\$8,993,502	(\$3,228,019)	(26.4%)	The recommendations reflect a decrease of \$3.2 million in All Funds, which consists of a \$3.1 million reduction in Interagency Contracts, and a decrease of approximately \$0.1 million in General Obligation bond proceeds, for construction projects.
Total, Goal A, FACILITIES CONSTRUCTION AND LEASING	\$13,813,515	\$10,564,146	(\$3,249,369)	(23.5%)	

Facilities Commission
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments
CUSTODIAL B.1.1	\$9,815,803	\$8,053,389	(\$1,762,414)	(18.0%)	Recommendations reflect a decrease of \$1.7 million in All Funds, which consists of a decrease of \$0.1 million in General Revenue and a decrease of \$0.8 million in Other Funds due to the replacement of 20.5 agency FTEs with contracted employees. In addition, the recommendations also reflect a decrease of \$0.7 million in General Revenue due to a reduction in contracted custodial costs.
FACILITIES OPERATION B.2.1	\$130,301,042	\$68,094,078	(\$62,206,964)	(47.7%)	The recommendations reflect a decrease of \$62.2 million in All Funds, which consists primarily of a \$57.3 million reduction in General Obligation bond proceeds, coupled with a reduction of \$4.9 million in Interagency Contracts, for deferred maintenance projects.
STATE CEMETERY B.2.3	\$1,543,273	\$0	(\$1,543,273)	(100.0%)	Recommendations reflect a decrease of \$1.1 million in General Revenue and \$0.5 million in Other Funds, with a reduction of 10 FTEs each fiscal year, due to the transfer of the Texas State Cemetery to the State Preservation Board.
Total, Goal B, PROPERTY MANAGEMENT	\$141,660,118	\$76,147,467	(\$65,512,651)	(46.2%)	
SURPLUS PROPERTY MANAGEMENT C.1.1	\$3,973,769	\$0	(\$3,973,769)	(100.0%)	Recommendations reflect a decrease of \$2.7 million in General Revenue-dedicated and a decrease of \$1.2 million in Appropriated Receipts, with a reduction of 24.5 FTEs each fiscal year, due to the transfer of the Federal and State Surplus Property Programs to the Comptroller of Public Accounts.
Total, Goal C, SURPLUS PROPERTY	\$3,973,769	\$0	(\$3,973,769)	(100.0%)	
CENTRAL ADMINISTRATION D.1.1	\$3,895,091	\$3,475,324	(\$419,767)	(10.8%)	Recommendations reflect a decrease of \$0.2 million in General Revenue-dedicated funds and \$0.2 million in Appropriated Receipts, with a reduction of 2.7 FTEs each fiscal year, associated with the transfer of the Federal and State Surplus Property Programs to the Comptroller of Public Accounts. In addition, the recommendations also reflect a reduction of approximately \$0.1 million in General Revenue funds, and 0.5 FTE each fiscal year, associated with the transfer of the Texas State Cemetery to the State Preservation Board.

Facilities Commission
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments
INFORMATION RESOURCES D.1.2	\$2,071,549	\$1,615,888	(\$455,661)	(22.0%)	Recommendations reflect a decrease of \$0.1 million in General Revenue-dedicated funds and \$0.1 million in Appropriated Receipts, with a reduction of 1.7 FTEs each fiscal year, associated with the transfer of the Federal and State Surplus Property Programs to the Comptroller of Public Accounts. In addition, the recommendations also reflect a reduction of approximately \$0.1 million in General Revenue funds, and 0.5 FTE each fiscal year, associated with the transfer of the Texas State Cemetery to the State Preservation Board.
OTHER SUPPORT SERVICES D.1.3	\$1,472,007	\$1,325,016	(\$146,991)	(10.0%)	Recommendations reflect a decrease of \$0.1 million in General Revenue-dedicated funds and \$0.1 million in Appropriated Receipts, with a reduction of 0.5 FTE each fiscal year, associated with the transfer of the Federal and State Surplus Property Programs to the Comptroller of Public Accounts. In addition, the recommendations also reflect a reduction of approximately \$0.1 million in General Revenue funds, and 0.5 FTE each fiscal year, associated with the transfer of the Texas State Cemetery to the State Preservation Board.
Total, Goal D, INDIRECT ADMINISTRATION	\$7,438,647	\$6,416,228	(\$1,022,419)	(13.7%)	
Grand Total, All Strategies	\$166,886,049	\$93,127,841	(\$73,758,208)	(44.2%)	

**Texas Facilities Commission
Selected Fiscal and Policy Issues**

Fiscal Implications of LBB Recommendations

- The Texas Facilities Commission currently utilizes both agency staff as well as contracted personnel for custodial services. In recent years, the agency has transitioned to using more contracted personnel for these services than agency staff due to its cost effectiveness. The recommendations include eliminating the remaining 19 FTEs that are agency custodial employees and replacing them with contracted personnel. It is not expected that these changes would have any additional negative effect on custodial services.
- The recommendations include transferring \$1.1 million in General Revenue funds and the operations of the Texas State Cemetery to the State Preservation Board. In addition to saving \$0.2 million and 1.5 FTEs in related indirect administration costs, the transfer would combine the preservation and maintenance responsibilities of the Texas State Cemetery with other historic properties such as the State Capitol, the State History Museum, and the Governor's Mansion at the State Preservation Board.
- The recommendations include transferring the funding and operations of the Federal and State Surplus Property Programs to the Comptroller of Public Accounts. In addition to saving \$0.4 million in related indirect administration costs, the transfer of these programs would allow the Comptroller to oversee these property disposition programs, which is consistent with the Comptroller's Unclaimed Property Program.
- The recommendations include \$37.4 million in General Revenue for the payment of utility expenses and assume current energy rates. Texas Facilities Commission anticipates that Austin Energy, TFC's sole electricity supplier in Austin, will raise its electric rates during the first quarter of calendar year 2012. The amount of the increase in the base electric rates is not known at the present time. If the rates are raised, TFC anticipates having to submit a 2013 supplemental appropriations request to cover the anticipated shortfall.

Statutory Changes Required to Implement LBB Recommendations

- Property and Maintenance of State Cemetery Grounds and Monuments – Government Code, Section 2165.2561(k),(l)
- Federal and State Surplus Property Program Operations – Government Code, Chapter 2175
- Implementation of Program to Lease Excess Parking Spaces – Government Code, Chapter 2165

**Texas Facilities Commission
FTE Highlights**

Full-Time-Equivalent Positions	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
Cap	473.8	474.6	474.6	399.1	399.1
Actual/Budgeted	466.0	447.7	439.0	NA	NA
Schedule of Exempt Positions (Cap)					
Executive Director, Group 5	\$126,500	\$126,500	\$126,500	\$126,500	\$126,500

The decrease in the agency's FTE cap for 2012-13 reflects a reduction of 11.5 FTEs associated with the transfer of the Texas State Cemetery to the State Preservation Board, and a reduction of 29.4 FTEs associated with the transfer of the Federal and State Surplus Property programs to the Comptroller of Public Accounts. Recommended amounts also include 1 FTE contingent on the enactment of legislation implementing a parking leasing program as provided by the Texas State Government Effectiveness and Efficiency report, *Optimize the Use of State Parking Facilities*.

State Auditor's Office Report No. 10-706, *A Classification Study of Exempt Positions*, states that the Executive Director's current salary is within the recommended salary range and group.

**Texas Facilities Commission
Performance Measure Highlights**

	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
<ul style="list-style-type: none"> <i>Cost Per Square Foot of TFC-provided Custodial Services</i> 	0.22	0.22	0.25	0.00	0.00
<i>Measure provides the average monthly per square foot costs incurred by TFC by having state employees provide custodial services.</i>					

2012-13 figures reflect recommendations to eliminate in-house custodial employees and replace them with contracted custodial staff.

Section 4

**Texas Facilities Commission (TFC)
Performance Review and Policy Report Highlights**

Reports & Recommendations	GEER Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Is included in the Introduced Bill	Action Required During Session
Optimize the Use of State Parking Facilities	93					
1: Amend statute to create a state parking facility leasing program, and include a contingency rider in TFC's bill pattern to appropriate \$120,715 in General Revenue Funds to the Texas Facilities Commission and increase the agency's full-time equivalent position cap by one position to administer the program.		(\$120,715)	\$1,775,000	GR	Rider 13: Contingency Appropriation and FTE Increase for Leased Parking Operations	

**Texas Facilities Commission
Rider Highlights**

- 2.(revised) **Information Listing of Appropriated Funds.** Revise rider to reflect 2012-13 amounts recommended for lease payments on state facilities financed through the Texas Public Finance Authority.
- 3.(revised) **Capital Budget.** Revise rider to reflect the capital projects recommended for the 2012-13 biennium.
- 4.(revised) **Unexpended Balances of Bond Proceeds for Deferred Maintenance.** Revise rider to reflect unexpended balance authority for general obligation bond proceeds that were appropriated and approved by the Eightieth and Eighty-first Legislatures, while removing the authority for the Texas State Library and Archives Commission project, which was completed during the current biennium.
- 9.(old) **Appropriations Limited to Revenue Collections.** Delete rider due to the recommendation to transfer the Federal Surplus Property program to the Comptroller of Public Accounts.
- 11.(new) **Contingency Appropriations Requiring Statutory Changes.** Add rider to reflect recommendations for transferring the Texas State Cemetery and the Surplus Property Programs contingent on the enactment of legislation by the Eighty-second Legislature relating to the modification of Government Code, Section 2165.2561, related to the maintenance of the Texas State Cemetery grounds and monuments, and Government Code, Chapter 2175, related to the operations of the Federal and State Surplus Property programs.
- 12.(old) **State Owned Housing.** Delete rider due to the recommendation to transfer the operations of the Texas State Cemetery to the State Preservation Board.
- 13.(new) **Contingency Appropriation and FTE Increase for Leased Parking Operations.** Add rider that, contingent upon enactment of legislation by the Eighty-second Legislature, authorizes one FTE each fiscal year and \$51,163 in fiscal year 2010 and \$46,011 in fiscal year 2011 out of the General Revenue Fund to the Texas Facilities Commission related to the operation of a program to lease excess parking spaces in state facilities.
- 14.(old) **Texas State Cemetery.** Delete rider due to the recommendation to transfer the operations of the Texas State Cemetery to the State Preservation Board.
- 15.(old) **State and Federal Surplus Property.** Delete rider due to the recommendation to transfer the operations of the State and Federal Surplus Property Programs to the Comptroller of Public Accounts.
- 16.(old) **Facilities Management.** Delete rider due to the fact that agencies can enter into a facility management services contract with the Texas Facilities

Commission with a term of less than two years.

17.(old) **Parking Usage Study.** Delete rider because agency has met the requirement of the rider.

18.(old) **Appropriation Authority for General Obligation Bond Proceeds.** Delete rider due to the fact that all general obligation bonds appropriated by the Eighty-first Legislature have already been approved and issued.

19.(old) **Texas State Cemetery Enhancement Projects.** Delete rider due to the recommendation to transfer the operations of the Texas State Cemetery to the State Preservation Board.

Facilities Commission
Items not Included in Recommendations - Senate

	2012-13 Biennial Total	
	GR & GR- Dedicated	All Funds
1. General Obligation bond request for deferred maintenance projects (\$82.5 million in bonds and \$11.4 million for debt service).	\$ 11,389,902	\$ 93,889,902
2. Utilities shortfall based on current TFC estimates of Austin Energy rates for 2012-13, which are projected to be annual increases of 1.33 percent for electricity and approximately 3 percent for water and wastewater. Texas Facilities Commission anticipates that the amount of Austin Energy's increase in the base electric rates could be significantly higher than the current agency estimate, but the level of increase is not currently known.	\$ 3,305,000	\$ 3,305,000
3. Increased security at certain state properties. Funding would provide for 31 FTEs (\$2,124,160), as well as surveillance equipment and fuel (\$75,000), to provide increased security at certain TFC-managed properties.	\$ 2,199,160	\$ 2,199,160
4. Small Contractors Participation Assistance Program. Funding would provide for 2 FTEs (\$190,000) and operating costs (\$1,110,000) to implement this program as required by Government Code, Section 2166.259.	\$ 1,300,000	\$ 1,300,000
5. Partial restoration of custodial services. Funding would allow for increased frequency of custodial services within state office buildings.	\$ 1,010,000	\$ 1,010,000
6. Network security upgrade and maintenance.	\$ 166,000	\$ 166,000
7. Integrated Statewide Administrative System (ISAS) maintenance.	\$ 110,000	\$ 110,000
8. Recycling collection vehicle through the Master Lease Purchase Program.	\$ -	\$ 54,000
Total, Items Not Included in the Recommendations	\$ 19,480,062	\$ 102,034,062