

Transition Briefing Paper Tier 2

SECTION I – AGENCY IDENTIFICATION

Department of General Administration

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Agency responsibilities

The mission of the Department of General Administration (GA) is to help its customers succeed by being their essential operations partner. GA is responsible for a variety of services that support the operations of state agencies, boards and commissions as well as city and county governments, school districts, colleges and universities, and many non-profit organizations.

Among our key services:

- **Goods and services contracting.** GA manages contracts for goods and services on behalf of 750 public entities -- \$260 million annually, representing about 7% of all state contracting activity.
- **Mail services.** GA picks up and delivers mail for 104 state agencies, processing more than 3 million pieces of mail monthly.
- **Public works contracting.** GA manages an average of 425 construction projects worth over \$600 million per biennium on behalf of 50 state agencies and colleges.
- **Property management.** GA is the landlord for about 5% of the state's owned facilities. About one-half of total agency revenue comes from rent payments. GA also assists agencies with over 1,100 leases in privately owned facilities throughout the state.
- **Surplus goods and property.** GA manages surplus programs for a wide array of materials, equipment, food, and real property.
- **Motor Pool.** GA rents and maintains 11% (1,500) of state-owned passenger vehicles, including a day-rental pool of roughly 150 vehicles.
- **Facilities operations and maintenance.** In Thurston County, GA maintains 50 buildings and 485 acres, including four parks and the 260 acre Capitol Lake, for 10,000 public employees and 600,000 annual visitors. GA also operates facilities in five other counties, including the North Cascades Gateway Center in Sedro Woolley.
- **Office supply/inventory management.** GA operates a central stores warehouse on behalf of 655 state and local agency customers.

Agency description

GA is a central service support agency with five operating divisions. With an average of 650 employees, GA serves as a partner to other agencies by providing expertise in essential services that agencies would otherwise have to provide themselves.

Agency funding structure

GA operates with a biennial budget of approximately \$181 million, split almost evenly between operating and capital. About 96% of GA's operations are on a fee-for-service basis. Only 4% of the department's operating budget comes from General Fund or other direct appropriations.

SECTION II – ORGANIZATION AND BUDGET

Please see Appendix.

SECTION III – AUTHORIZING ENVIRONMENT AND ENVIRONMENTAL SCAN

1. References to major statutory authorities

GA's authorizing statutes emphasize both responsive service and responsible stewardship. For GA, our challenge is balancing our leadership role in achieving savings and efficiencies from stronger management and coordination of services with appropriate sensitivity to the diverse needs of our customers. This also requires careful attention to the long-term needs of GA-managed facilities.

- Chapter 43.19 RCW - Department of General Administration
- Chapter 43.82 RCW - State Agency Housing
- Chapter 43.17 RCW - Administrative Departments
- Chapter 43.34 RCW - Capitol Committee

2. Major partners, suppliers, customer groups and their expectations

Customer groups

GA's customer groups include Washington state agencies, other states, the federal government, political subdivisions, educational institutions and other public organizations, as well as, to a lesser degree, not-for-profit establishments, businesses, and the public.

Customer expectations

GA's customers tell us they want five things:

1. Consistency and responsiveness in the delivery and quality of services.
2. Good communication with them.
3. Strong working relationships with them and among GA programs on their behalf.
4. More help in meeting their needs through proactive marketing of GA's specialized services.
5. Confidence that GA is efficient and provides competitive prices, keeping their costs as low as possible.

Partners

GA's business lines and programs work together to create the greatest possible level of efficiency and effectiveness of services. Many state agencies, such as the departments of Agriculture, Ecology, Personnel, Information Services and Transportation; the State Patrol; Correctional Industries in the Department of Corrections; the Office of the Superintendent of Public Instruction; and Washington State University are partners as well as customers.

Other partners include, but are not limited to:

- Other state governments. For instance, GA's Central Stores has successfully partnered with the State of Minnesota to provide a web-based catalog of service offerings. GA also participates with 15 other states in the Western States Contracting Alliance.
- Vendors and suppliers have served as private sponsors of program events such as workshops and videoconferences.
- GA's Energy Program has partnered with energy companies, such as the Avista Corp. in Spokane, to pass incentive funds on to its customers for energy-saving projects.

- Architects, engineers and contractors, such as the Associated General Contractors, have partnered with GA's Engineering and Architectural Services to co-chair the Associated General Contractors State Facilities Committee.

Suppliers

GA's suppliers are many and diverse and may provide goods or services to more than one business line. GA has marked its commitment to continued improvement of vendor access and diversity through the implementation of the agency's Business Equity and Access plan. We are also developing Washington's Electronic Business Solutions (WEBS), an online vendor registration portal and bidding system for thousands of businesses.

Vendor training is increasingly important to increase competition, ensure the lowest possible contract prices and improve supplier and contractor diversity.

3. Recap of external environmental scan, trends, authorizing environment, customers' characteristics, risks and challenges

Several important external trends will affect GA in the coming years:

- Continuing budget constraints for state and local government.
- Increasing demands for enterprise leadership in state government.
- Changing demands on aging state government infrastructure.
- Civil service reforms and increasing competition.
- Increasing needs for security and emergency preparedness.

In this section we provide an overview of these trends and challenges. Our Strategic Plan, SWOT Analysis, and Emergent Issues narratives elaborate on these trends and describe key initiatives with which GA is responding and positioning itself and the state to be more successful.

Budget constraints

The state continues to experience difficult economic conditions, and projections for the coming three years estimate state operating budget shortfalls of \$1 billion or more. GA's customers are competing for a shrinking pool of resources, which drives the demand for more cost-effective service delivery and lower-cost items.

These budget constraints can actually increase GA's workload. Customer agencies are increasingly challenged to set priorities for their activities and focus on core missions, leaving them less discretion to self-manage many agency support functions. They can no longer afford to purchase their own vehicles or process their own mail. In addition, when more capital money is made available for construction projects to help stimulate the economy or respond to greater student enrollments, this increases project management workload for GA's Engineering and Architectural Services.

Enterprise leadership

State government is learning to think of itself less as a collection of isolated activities, and more as a coordinated enterprise. A recent example is the shift to statewide - rather than agency or program specific - collective bargaining.

This has also been true in the information technology field, where state government has made great strides in better interoperability, common approaches to security and portfolio

management, and strategic investments across agencies. We have seen the benefits as the state has improved service efficiency, delivered more direct services to the public online, and withstood virus attacks that crippled others.

It is taking sustained leadership to think of state government as a single large enterprise for collective bargaining and information technology; it will take similar leadership to shift our thinking about other critical support services in the same way.

GA is well positioned to provide such enterprise leadership. For instance, GA chairs two strategic initiatives to consolidate state government's operating and communication systems into a single architecture and determine the state's infrastructure needs. And, as noted previously, we are pursuing web-based procurement, contracting and accountability tools that improve access to government and provide a one-stop experience for our customers, businesses, and the public.

Aging government infrastructure

As state-owned and managed buildings age, demand is increasing for better quality and more environmentally friendly buildings. Rapidly advancing technology is driving needs for improved infrastructure in state agency facilities and changing the ways in which agencies deliver services to the public from those facilities. As a result, many agencies have moved out of less expensive state-owned office buildings (such as the GA Building itself) and into more expensive but higher performing, better-quality leased facilities.

There is a critical need to reinvest in state-owned facilities to extend their useful life and provide more cost-effective alternatives for state agencies. We have a strong fiduciary ethic around designing and caring for state buildings and grounds, especially those with historic significance. GA is committed to integrating life-cycle cost considerations, universal access for persons with disabilities, maintainability and environmental sustainability into facility management and investment decision making. GA also emphasizes co-locating state agencies when planning new buildings or renovating existing buildings. Such efforts maximize the use of space and provide greater efficiencies through shared support services.

Civil service reform and competition

The Personnel System Reform Act of 2002 (PSRA) is spawning many changes that are creating both uncertainty and opportunity for government and its employees. A key component of these changes is increased competition.

Competition is not new to GA. For many years, we have pushed to transition from a cost allocation-supported budget to a fee-for-service model. The strategy adapts proven business management practices to the delivery of services. By managing our operations using this competitive model, a service continues only if it meets the demands of its customers within state government.

Many of GA's services are not mandated and can be obtained in the private sector, such as State Surplus, Central Stores, Consolidated Mail Services or the Motor Pool. More than half our operating revenue comes from these discretionary services.

We regularly measure ourselves against external benchmarks. This is an integral part of our promise to customers to provide quality services at competitive costs.

What is new under PSRA is that it allows further competition for services that we have historically provided to state agencies. GA will be providing support to competitive contracting efforts by other agencies. Internally, we are developing training for GA staff to help them determine the true cost of services, develop required core competencies and prepare them to successfully bid on potential contracts.

Security and emergency preparedness

Two tragic events in 2001 – the 9/11 attacks on the World Trade Center and Pentagon, and the Nisqually Earthquake, brought into sharp focus GA's growing role in security and emergency preparedness. The events demonstrated the evolving nature of the types of incidents which government must respond to. They showed us our vulnerabilities, but also our strengths.

After the Nisqually Earthquake, GA was at the center of smoothly re-establishing government functions at the capitol. Since 9/11, GA has stepped into a larger role supporting the state's emergency response efforts, such as acquiring emergency supplies, housing essential services and people, and ensuring minimal interruption of state government functions.

The events of 9/11 have also heightened our awareness of security in and around state government. GA had already commissioned a study of security needs on the Capitol Campus prior to 9/11, and we have been working since then to implement those recommendations.

SECTION IV - STRATEGIC PLAN HIGHLIGHTS

1. Mission statement

The mission of the Department of General Administration is to help our customers succeed by being their essential operations partner.

We successfully guide our customers through all the operational processes while stretching their resources. We strive to always come through for our customers, which means we keep the promises we make, we keep them informed on our progress, and we get the job done according to our promise. By doing our job well, we give our customers more time and resources to do theirs.

2. Major goals and strategies being used to carry out the agency mission

Our strategic plan identifies two broad strategic goals for the agency: Service and Stewardship.

- Our Service Goal is a **promise to our customers** to deliver highly valued services to state and local government and the public. We will do this by:
 - Delivering quality services at competitive prices meeting customer and stakeholder value expectations.
 - Improving the consistency and availability of GA services each year.
 - Increasing the average overall customer commitment to GA as our customers' service provider of choice.
- Our Stewardship Goal is a **promise to the public** to protect, preserve and use state resources responsibly. We will do this by:
 - Reducing state government's biennial costs by an additional \$20 million.
 - Improving the use of state staff, technology and fiscal resources.
 - Improving the physical and financial performance of both GA-owned and non-GA facilities.
 - Promoting state business practices that protect and sustain the environment.

Over 90% of our operating funding is dedicated to activities in these two goal areas. This strategic plan is supported by nearly 30 detailed business and functional plans, each of which contains performance measures and time frames.

GA Strategic plan – FY 2005 through FY2011

Goal 1 – Service. Deliver highly valued customer services to state and local government and the public.

Objective 1.1: Deliver Value. Deliver quality services at competitive prices meeting customer and stakeholder value expectations.

Strategies:

1. Biennially, show that each GA program meets or exceeds its published Best Value targets, and internal and industry benchmarks.
2. Quarterly, document that GA is efficient, publicly accountable and trusted beginning in FY 06. Post documentation to GA's website beginning in FY 06.
3. Annually, improve organizational and job competencies in performance and business management.

Objective 1.2: Improve Customer Experience: Improve the consistency and availability of GA services each year.

Strategies:

1. Annually, improve one-stop, online and self-service shopping convenience beginning in FY 05.
2. Provide expertise on statewide implementation of competitive contracting beginning in FY 04.
3. Enhance GA workforce diversity to reflect the communities in which we serve.
4. Improve individual and organizational core competencies in customer service delivery.

Objective 1.3: Earn Customer Commitment. Increase the average overall customer commitment ratings for GA programs from 2 to 4 (on a 5 point scale) by June 30, 2009.

Strategies:

1. Implement GA integrated branding strategy in FY 05.
2. Initiate cross marketing program in FY 06 and program assessments by FY 07.
3. Provide project status reports covering all GA activities to customers, legislators and stakeholders.
4. Complete frequent electronic customer surveys measuring consistency, responsiveness and overall satisfaction of GA's delivery on its promises in each GA program by FY 07.
5. Centrally receive and manage customer complaints and comments beginning in FY 06.

Goal 2 – Stewardship. Protect, preserve and use state resources responsibly.

Objective 2.1: Save Money. Reduce overall state government costs each biennium by an additional \$20 million.

Strategies:

1. Provide policy leadership and expertise for government in strategically acquiring goods and services, acquiring design and construction services, and meeting facilities needs beginning in FY 04.
2. Collaborate with other state procurement agencies and customers to implement biennial strategic sourcing plans for the \$3 billion in goods and services purchased each year by the state beginning in FY 05.
3. Maximize competition for state dollars by providing leadership and expertise for government to improve supplier and contractor diversity.
4. Lead supply chain management policy and collaborative efforts to move \$30 million of the state's \$75 million current level of statewide consumable inventories to cash beginning in FY05.
5. Annually, provide GA leadership assisting agencies to co-locate or consolidate in preferred areas with priority to state-owned and leased facilities.

Objective 2.2: Use Resources More Efficiently. Make better use of state staff, technology and fiscal resources each year.

Strategies:

1. Provide statewide business leadership and expertise for government, complemented by a suite of best value services, when an enterprise approach is the right alternative.
2. Charge fully costed user fees to support each line of GA business by FY08.

3. Fully implement elements of PSRA 2002 into GA's business plans.
4. Provide vendors, state agencies and local government with a statewide portal for customized one-stop shopping access in FY05.
5. Annually, improve GA's financial performance.

Objective 2.3: Manage State Facilities Effectively. Improve the physical and financial performance of both GA-owned and non-GA facilities.

Strategies:

1. Raise quality and level of services in GA-owned offices to that of state-leased offices by FY 2014.
2. Improve the financial performance of GA office buildings business by FY 08.
3. Implement custodial specialized cleaning program throughout GA in FY 05.
4. Annually, optimize use of state-owned and leased facilities.
5. Provide statewide leadership in effective facility design, operations and maintenance.

Objective 2.4: Protect the Environment. Promote state business practices to protect and sustain the environment each year.

Strategies:

1. Annually, contract for and use environmentally preferred/sustainable/renewable products and services.
2. Annually, reduce energy and water by improving facilities design, construction and operations.
3. Annually, design, build, maintain and lease LEED qualifying facilities.
4. Develop new GA initiatives to manage toxic wastes and mitigate global warming in FY 05 and FY 06.
5. Annually, improve the environmental quality of Capitol Lake for fish, wildlife and people.

SECTION V – Strengths, Weakness, Opportunities and Threats (SWOT) ANALYSIS

1. Strengths

Customer and employee research shows that the Department of General Administration is regarded as a technologically advanced organization with a broad expertise of state government laws and regulations. This enables the department to deliver a wide array of support services to a diverse customer group. Key among these strengths:

- Ability to apply economies of scale to all service offerings, particularly in procurement and contracting activities.
- Ability to exploit many means of distribution for services across programs on behalf of customers.
- Operations are located close to customers.
- Ability to consolidate services as needed.

The department is also recognized for the professional qualifications, licenses, certifications and knowledge that its employees apply to the delivery of services. Most programs have employees with private-sector experience. This enables the department to apply current business management practices to its operations.

2. Weaknesses

The department is sometimes perceived as costly, bureaucratic and unresponsive to customer demands. Services, communication and policies among divisions are inconsistent. Other key weaknesses:

- Current rates for services in many cases do not cover full costs.
- A few services have higher overall unit costs compared to private sector competition.
- Employee values of stewardship versus appropriate customer service sometimes results in conflicts and inconsistent levels of service and stewardship.
- There is a great need for employee training in a variety of areas, but limited resources restrict opportunities for employees to gain additional knowledge.

3. Opportunities

The Department of General Administration has identified numerous redundancies in services that other agencies perform. Examples include mail service, fleet management and contracting. The department could perform these services on behalf of the agencies at much less cost, saving state government money overall and enabling the agencies to focus their resources on their core missions. GA has the ability and expertise to more aggressively manage many of these services. Other key opportunities:

- Ability to expand use of technology to increase efficiency, save money and improve communication internally and externally.
- Ability to provide a one-stop shopping experience for customers and provide a bundled package of services.
- Ability to apply economies of scale to achieve savings for customers.
- Implementation of a new method of cleaning through custodial services that will result in healthier offices and better service for customers at lower costs.
- Ability to shed portions of the department's property portfolio to invest in more productive assets on behalf of customers and taxpayers.

4. Threats

The Department of General Administration is aware that most, if not all, of the services it provides can be handled by private providers. Although that could result in greater taxpayer costs in the long run, the department is hindered in its ability to respond because:

- Biennial budget appropriations limit the department's ability to be nimble in responding to customer needs.
- There is limited access to capital to finance new service offerings.
- Service rates do not allow for adequate operating and reinvestment reserves.
- Current personnel rules and mandated benefits for employees limit the ability to hire and pay for additional employees with expertise in key service areas.
- High fixed and overhead costs affect rates for services.
- It is difficult to form private-public partnerships that could benefit many customers and save money overall for taxpayers.
- There is growing pressure for the department to respond to competitive contracting when it becomes an option in July 2005.
- The department's research showed that 56% of our customers would consider switching to another service provider if given the opportunity.

SECTION VI - EMERGENT ISSUES

1. Strengthening state direction regarding centralized support services

The Department of General Administration is recognized as a national leader in providing centralized and managed state government support services. The department has generated over \$26 million in savings for customers during fiscal years 2003-04.

However, as suggested previously, there has been a historic policy tension between centralization and decentralization of services. Despite creating GA to unite and streamline essential support services, the state has continued to permit agencies to opt out of or duplicate many of these services for operational reasons where the cost-benefit is unclear. This has resulted in redundancies, loss of leverage, extra supporting infrastructure and overhead costs, loss of maximum efficiencies and higher state costs.

There are several important examples of the consequences of this policy tension, as well as of the potential for successful solutions:

Strategic sourcing to leverage state's purchasing power to save taxpayer dollars

The state spends \$3.7 billion annually for goods and services through uncoordinated purchasing activities scattered across agencies. State government now uses seven different systems to buy goods and services, which results in a lack of appropriate and coordinated efforts to manage expenses and eliminate redundant purchases. This results in missed opportunities for leveraging state purchasing power and increases costs for taxpayers.

GA is prepared to lead efforts to achieve greater coordination and efficiency to ultimately save up to 10% to 20% of the \$3.7 billion. The department has created strategies for several initial GA opportunities that could result in saving between \$20 million and \$40 million in the next biennium and substantially more later. A more comprehensive, consultant-supported statewide effort might be able to achieve \$100 million across state government in the next biennium.

Timeframe: GA expects to face this issue within the first 30 days of a new administration.

Key contact: Bill Joplin, Assistant Director, Office of State Procurement, (360) 902-7404; <mailto:bjoplin@ga.wa.gov>

Priorities of Government proposals to save \$50 million

The Department of General Administration submitted seven other proposals to improve the overall efficiency and effectiveness of state government as part of the Priorities of Government initiative through the Office of Financial Management. The proposals are designed to save at least \$50 million over the next six years, trim redundancies in staffing and reduce red tape for businesses and the public. Examples include creating green building incentives and a renewable energy and efficiency reinvestment fund to promote more sustainable public building practices, improving the management of state vehicle fleets and mail operations, and strengthening supply chain management and warehousing practices.

Timeframe: GA expects to face this issue within the first 30 to 60 days of a new administration.

Key contact: Grant Fredricks, Deputy Director, (360) 902-7203; <mailto:gfredri@ga.wa.gov>

Putting GA on a sound business model approach to operations

The Department of General Administration has been transitioning from a cost allocation-supported budget to a fee-for-service model for several years. The strategy adapts proven business management practices to the delivery of services. By managing our operations using this competitive model, a service continues only if it meets the demands of its customers within state government. To properly manage its operations, GA needs executive level and legislative support to quickly adjust levels of service, establish appropriate rates and manage fund balances. (Please also see summary of request legislation proposal Z-0143 in Section VII.)

Timeframe: GA expects to face this issue within the first 90 days of a new administration.

Key contact: Ron McQueen, Assistant Director, Administrative Services Division (360) 902-7360; <mailto:rmcquee@ga.wa.gov>

2. Facilities planning and management

All GA programs in the GA Services Account are self-supporting, with the current exception of the facilities planning and management program. GA owns and manages properties in six counties. We continuously evaluate these properties to ensure that their financial performance meets operating expectations and the state's business and service needs.

GA is now approaching the sale of the Tacoma Rhodes Center in Tacoma. In addition, we are planning to sell portions of the North Cascades Gateway Center to the federal Department of Labor in Sedro-Woolley; and to complete the legislatively approved sale of the 1058 Capitol Way Building in Olympia to TVW. These initiatives will position the facilities planning and management program to be self-sustaining, consistent with GA's business model.

Executive and legislative branch support will also be needed for GA to borrow funds or enter into private-public partnerships so that essential state government office and support facilities do not drain general obligation bond resources from education and social service needs.

Timeframe: GA expects to face this issue within the first 60 days of a new administration.

Key contact: Lenore Miller, Assistant Director for Facilities Planning and Management, (360) 902-0970; <mailto:lmiller@ga.wa.gov>

3. Security for the State Capitol Campus

Implementation of new security services

GA is responsible for security in the public areas of the Capitol Campus, involving a careful balancing of the public's right to open and accessible government with the need to guard against threats of violence and terrorism. Beginning December 2004, anyone entering the Legislative Building will pass through leased screening devices. GA will hire supervisory security personnel, with contractors staffing the entries. The operational cost is projected at \$1.9 million biennially. In 2005, the Legislature must decide on screening beyond the current biennium.

Timeframe: GA expects to face this issue within the first 30 days of a new administration.

Key contact: Dan Eikum, Chief of Security, (360) 786-7558; <mailto:deikum@ga.wa.gov>

Repeal of firearms ban at State Capitol buildings and grounds

A new rule is scheduled to take effect in January 2005 that repeals the ban against a person with a valid concealed pistol license from carrying a firearm on the Capitol Campus. The department is working with appropriate law enforcement agencies, including the Washington State Patrol, to help ensure public safety and security on the Capitol Campus. Other dangerous weapons will still be prohibited on campus.

Timeframe: GA expects to face this issue within the first 30 days of a new administration.

Key contact: Martin Casey, Legislative and Business Relations Manager, (360) 902-7208;
<mailto:mcasey@ga.wa.gov>

SECTION VII - 2005 AGENCY-REQUEST LEGISLATION

This year, GA is proposing its most ambitious and coordinated legislative agenda in a decade. These proposals closely align with the long-term strategic plan of the department, as well as with the ongoing POG II - Results Team 11 initiatives to enhance the effectiveness of government operations. These proposals, taken together, significantly advance the statutory foundation for accomplishing that effort.

Carry-forward legislation from 2003-2004

GA is seeking authority to continue working three agency-request bills from 2003-2004 in the 2005 Session.

Z-0075 -- Improving Management of the GA Motor Pool

Over the past several biennia GA has consolidated accounts and streamlined our handling of financial issues. The cornerstone of this effort has been GA's transition to a budgeted and non-appropriated business model. Most of our programs operate as businesses charging their customers a fee for the services our customers choose.

In 2002, we identified that the Motor Pool requires statutory changes to complete this transition. GA proposes to clarify assets credit accounting for vehicles turned into the motor pool and remove the appropriation lid on the motor pool fleet size. This is critical during tight fiscal times, as demand for state vehicles has increased while use of POV and mileage reimbursement has been curbed by agency directors to reduce costs. It is also important for GA to reverse the trend towards an old and unreliable fleet which is much more costly to maintain.

In 2003, this bill passed the House unanimously with strong bipartisan floor speeches. However, it did not move out of Senate Ways & Means. In 2004, this proposal passed the full House and the Senate Ways & Means Committee unanimously. The Lieutenant Governor pulled the bill from Senate Rules to the Floor. Unfortunately, we ran out of time before the final cut-off.

Z-0137 -- Commemorative Works Account

GA proposes to establish an interest earning account with the State Treasurer for private donations to maintain existing and proposed memorials and other State Capitol Campus projects.

This proposal was sponsored by Reps. Sommers and Alexander, passing the House unanimously in 2003 and 2004. Although there was no opposition in the Senate, we ran out of time before the final cut-off in both years.

Z-0138 -- Electronic and Web-Based Bidding

Current law is unclear whether an electronic/web bid process constitutes a "sealed bid" under RCW 43.19. Emerging technologies offer the potential of more efficient and accessible contracting tools. Therefore, GA requested that the statute be clarified regarding the use of electronic bid mechanisms.

This proposal passed unanimously in the House in 2003 and 2004, as well as from the Senate Government Operations Committee. Although there was no opposition in the Senate, we ran out of time before final cut-off in both years.

New request legislation for 2005

GA is also seeking authority to pursue four new agency-request bills in the 2005 Session.

Z-0142 -- Ease project-number limits on Job Order Contracting - Legislation authorizing Job Order Contracting (JOC) passed in the 2003 Session, but limited eligible agencies to only two JOC contracts. This has had the unintended consequence of limiting competitive access by smaller firms. Both the public and private sector would benefit if we could issue perhaps 10 or more JOC contracts. These could be issued by regions or by major clients. This will enhance access to opportunities for small and disadvantaged construction firms.

Z-0143 -- Management and Planning for GA Services Account

In the past decade, GA has used a phased legislative approach to implement our successful fee-for-service business model, moving one or two programs over at a time. We have run three bills over the years, which passed unanimously and were signed into law.

GA is proposing a new bill which would establish our business model in law and simplify some of the patchwork language governing the GA Services Account. We are using the Department of Information Services as a model, since they currently operate largely in the way we intend to.

Z-0144 -- Ease Bond and Retainage on Small Works Roster Projects – Small contractors struggle to meet the requirement for a performance bond and retainage in tight financial markets. Currently, we are allowed to waive the requirement for construction contracts up to \$35,000. We are seeking the same authority for small works roster projects up to \$200,000. The risk involved with waiving the bond and retainage for these small projects is typically very low. The benefit to the public owner is saving the cost of the bond and saving administrative costs involved with the bond and retainage. The burden to small businesses would also be reduced, enabling more businesses to compete for state construction contracts.

Z-0148 -- Authority for Contractors to use GA statewide Goods and Services

Contracts – GA proposes to amend RCW 43.19 to include Washington firms performing on state contracts among the eligible customers for GA master contracts for purchased goods and services. This would provide small contractors with access to broader purchasing power, may reduce costs of state projects, will enhance our ability to ensure quality and consistency, and will advance our goals of sustainability and diverse access to opportunities.

Key contact: Martin Casey, Legislative and Business Relations Manager, (360) 902-7208;
<mailto:mcasey@ga.wa.gov>

Appendix – The Department of General Administration’s Management Team Profiles, Organizational Chart, and Budget

Management Team Profiles

Rob Fukai, Director

Rob Fukai has more than 29 years experience in various executive positions with the Avista Corporation of Spokane. He has served as president of the Board of Regents at Washington State University, where he earned degrees in accounting and business administration in 1972.

Kathleen Hoff, Executive Assistant to the Director

Kathleen has served as Executive Assistant under two Directors, and prior to that she was the administrative assistant to the GA Deputy Director. She has worked for GA for the past 15 years, 10 of which have been in executive management.

Grant Fredricks, Deputy Director and Chief Operating Officer

Grant has 39 years of public service, the last 19 with Washington State. He has worked at the departments of Natural Resources and Ecology, is a licensed professional engineer, has earned master’s degrees in civil engineering and public administration, is a West Point distinguished graduate, and a 1992 Governor’s Distinguished Management Leadership Award.

Bob Bippert, Assistant Director, Division of State Services

Bob has worked for the state for 15 years and served as Assistant Director for this division since 1996. He earned a bachelor’s degree in management and finance from the University of Puget Sound. Bob also has 20 years of private sector experience in business, construction and real estate management.

Bill Joplin, Assistant Director, Office of State Procurement

Bill is responsible for statewide policy and centralized services related to contracting, inventory control and logistics. Bill led GA’s adoption of the competitive contracting rules under the 2002 Personnel System Reform Act. With public and private sector experience in a variety of disciplines, he received the 2004 Governor’s Distinguished Management Leadership Award.

John Lynch, Assistant Director, Engineering and Architectural Services Division

A licensed electrical/mechanical engineer, John supervises 500+ design/construction projects; a value of over \$600 million. In 25 years with GA, John has held positions as project manager, deputy assistant director and assistant director, and has directly managed projects for community colleges and state agencies.

Ron McQueen, Assistant Director, Administrative Services Division

Ron has over 41 years of experience in public service, of which 28 years have been at the supervisory or management levels. Experience includes duties at the federal, state, and local levels, as well as in the private sector.

Lenore Miller, Assistant Director, Division of Facilities Planning and Management

Responsible for GA-owned properties at the State Capitol and in five other counties, Lenore has 27 years of public service with the state and King County in facilities and budget management. She received the 2001 Governor’s Distinguished Management Leadership Award.

William Moore, Assistant Director, Division of Capitol Facilities

Bill has over 20 years of experience as a public sector leader and manager. He earned a Bachelor of Science degree in Sociology from Tuskegee University and has graduate studies experience in Public Affairs, Systems Management and the Armed Force Industrial War College. He received the 2003 Governor's Distinguished Management Leadership Award.

Martin Casey, Legislative and Business Relations Manager

Responsible for GA's legislative, regulatory, and small business programs, Martin formerly worked for the State Human Rights Commission and managed Legi-Tech, an online legislative information service. A graduate of Leadership Thurston County and the UW's Executive Management Program, he also serves on the Thurston County Noxious Weed Control Board.

Joan Cullen, State Agency Commute Trip Reduction/Internal Performance Consultant

An Evergreen State College graduate, Joan has worked for the State since 1990 and with the CTR program since 1991. As CTR Manager, Joan coordinates commute option programs for 54 state agencies and colleges and oversees the State Agency (SAFE) Ride pass and guaranteed ride home programs.

Craig Donald – Project Director, Tumwater Office Building

After 30 years in governmental finance and facilities management, Craig has taken over as Project Director for the Tumwater Office Building project. This uniquely financed project is a groundbreaking public-private partnership that adds another cost-saving tool to the GA facilities toolbox. Craig's background also includes private consulting and teaching.

Patricia McLain, Project Director, Legislative Building Rehabilitation

Pat is the principal executive lead for the \$118 million renovation and earthquake repair of the Legislative Building. Prior to this project, Pat demonstrated sustained leadership in a 22-year executive management career with seven state agencies in 11 separate leadership positions, twice earning the Governor's Distinguished Management Award.

Sam Schofield, Internal Auditor

Sam has served as GA's Internal Auditor since July of 2002. Previously, as controller of two manufacturers, he directed their financial and administrative support functions for eight years. Sam also brings extensive experience in cost accounting and public auditing. He earned his MBA degree from USC.

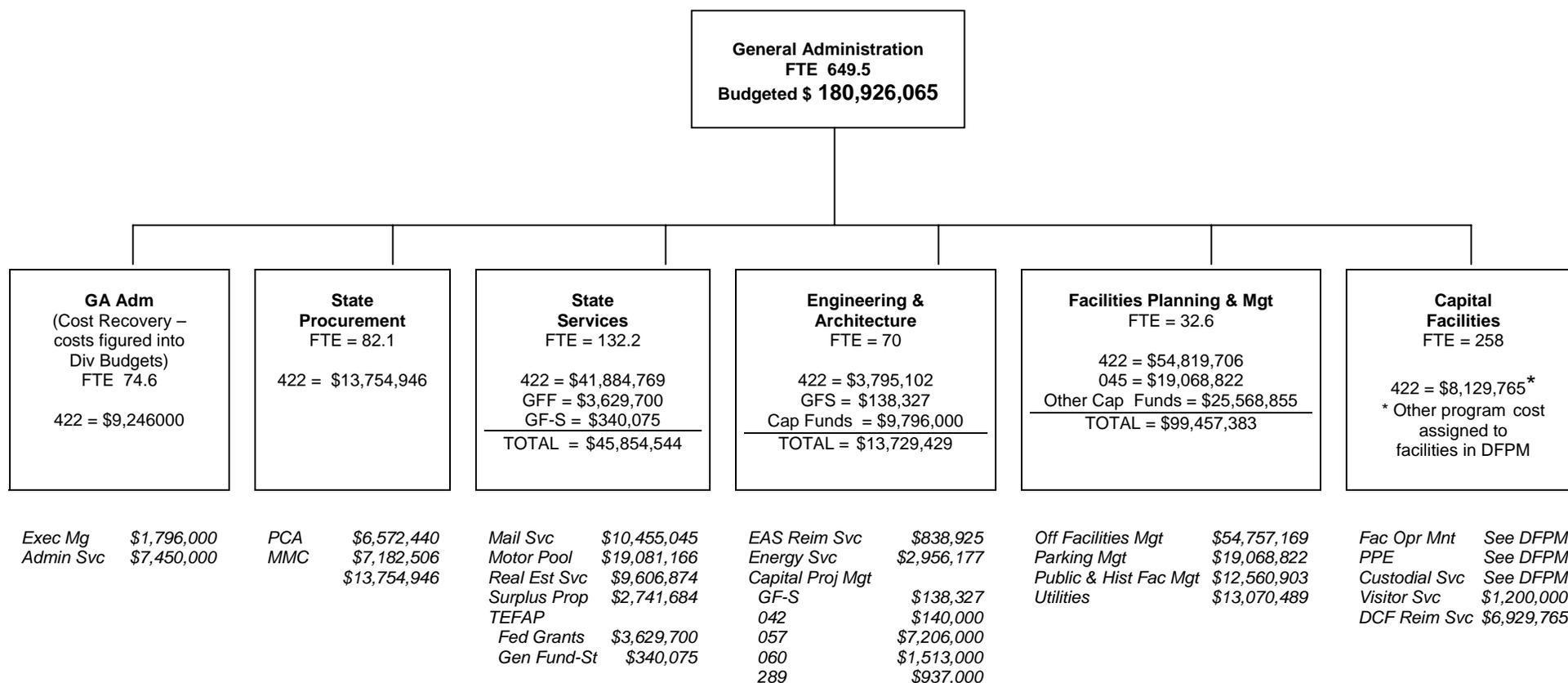
Steve Valandra, Public Affairs Director

Steve has more than 20 years of experience in media relations with several state agencies and the Legislature. He worked for six years as a daily newspaper reporter and editor. He also serves as a paid adviser to the student newspaper at South Puget Sound Community College.

Pam VanSpoor, Employee Services Manager, Administrative Services Division

Pam has 30 years of service with the state and was appointed GA Employee Services Manager in 1998. She is responsible for GA's human resources, safety, industrial insurance claim and internal services programs. Pam earned a Director's Leader of the Year Award in 2004.

General Administration 03-05 Budget by Division



Notes:

1. Operating costs based on 03-05 approved allotments (including FY 04 Supplemental) less temporary housing
2. Capital costs based on 03-13 approved budgets (including FY 04 Supplemental) less Legislative Bldg Rehabilitation Project
3. Budget for omnibus appropriations assigned to Office Facilities

Department of General Administration

