FY 2025-2029
STRATEGIC PLAN

TEXAS FACILITIES COMMISSION

JUNE 1, 2024

TEXAS FACILITIES COMMISSION | CENTRAL SERVICES BUILDING, 1711 SAN JACINTO, AUSTIN, TX 78701

This page intentionally left blank.

AGENCY STRATEGIC PLAN

FISCAL YEARS 2025 – 2029

BY

THE TEXAS FACILITIES COMMISSION

Commissioner	Dates of Term	Hometown
Brian Bailey, Chair	04/08/2019 – 01/31/2027	Austin
C. Price Wagner	03/15/2019 – 01/31/2025	Dallas
Eddy Betancourt	04/14/2023 – 01/31/2029	Mission
Bob Wetmore	07/24/2023 – 01/31/2027	Austin
Daniel Signorelli	06/09/2023 – 01/31/2029	Houston
Robert H. Clay	04/29/2024 – 01/31/2027	Houston

SUBMITTED JUNE 1, 2024

SIGNED: ______________________

Mike J. Novak, Executive Director

APPROVED: ______________________

Brian Bailey, Chair

This page intentionally left blank.

Table of Contents

This page intentionally left blank.

PART 1. STRATEGIC PLAN

AGENCY MISSION

Advance state government through modern construction and design, excellent customer service, strategic planning, and efficient asset management and maintenance of state facilities, to achieve the highest return on investment for the taxpayer.

AGENCY VISION

To remain the leading authority for top-tier construction of modern workplace solutions and facilities in the service of Texas. We are dedicated to fostering a culture of mutual respect, collaboration, and continuous improvement.

AGENCY MOTTO

Our Legacy: Build. Support. Maintain.

AGENCY GOALS & OBJECTIVES

General

- Offer Best-in-Class Customer Service
- Reduce and Eliminate Fraud, Waste, and Abuse of Taxpayer Property and Resources
- Comprehensively Plan, Design, Construct, and Optimize State Facilities
- Effectively and Cost-Efficiently Operate State Facilities
- Provide Secure, High-Quality Work Environments for State Employees, Visitors, and Contractors
- Optimize Use and Benefit of Surplus Government Property Fiscal
- Provide office space for state agencies through construction and leasing services and manage public buildings, grounds, property, and construction services.
- Protect and cost effectively manage, operate, and maintain state-owned facilities and grounds.

- Provide support to state agencies for surplus property needs.
- Establish and implement policies governing purchasing and public works contracting that promote the inclusion of historically underutilized businesses.

WHAT WE DO

The Texas Facilities Commission (TFC) supports the State of Texas through strategic facilities planning, asset management, design, construction, operation, maintenance, leasing of state facilities, and the sale, reallocation, or disposal of state and federal surplus property. TFC serves state agencies, legislative members/staff, and the public that utilize the state facilities owned, managed, or leased by TFC, as well as managing the renovations and construction for other state agencies. TFC provides property management, repair, renovation, maintenance, custodial, grounds, and utility services for its building inventory. The agency maintains a 24-hour, 7-day-a-week operation to ensure continuity of operations of vital building systems. Also, TFC provides physical security for certain state-owned facilities utilizing automated physical security management systems, credentialing, and badging services, including properly vetting and conducting criminal background checks on TFC employees, contractors, applicants, and consultants for authorized access to State buildings. Finally, TFC manages commercial parking for special events and University of Texas in Austin football games tailgating on TFC-controlled properties.

AGENCY OPERATIONAL GOALS AND ACTION PLANS

GOAL A: FACILITIES CONSTRUCTION AND LEASING

Provide Office Space for State Agencies through Construction & Leasing Services

A.1.1. LEASING: Provide Quality Leased Space for State Agencies at the Best Value.

Overview: TFC's State Leasing Services program procures and manages leased facilities to meet state agencies' operational needs throughout the State of Texas. The program manages approximately 726 active leases for office, warehouse, and training purposes for state agencies in 283 Texas cities and towns. The program evaluates agencies' facilities requirements; monitors real estate market rent and operating cost characteristics; and procures, negotiates, and manages lease contracts that represent the best value to the State. TFC's leasing portfolio is approximately 9.08 million square feet.

Objectives: TFC's State Leasing Services program seeks to accomplish its goal by:

- Serving as the leasing facilitator for state agencies by procuring and managing contracts for leased property.
- Maintaining space procurement is accomplished through Request for Proposals (RFP), direct negotiations, or Texas Multiple Award Schedule (TxMAS) Contracts.
- Inspecting leased facilities that house state employees to ensure compliance with lease provisions.
- Taking necessary action to ensure compliance with state and local laws, codes, and regulations.
- Negotiating lease renewals with property owners and their representatives.
- Reducing long-term lease costs to the benefit of state agencies.
- Maintaining a centralized system of records of all lease space procured and managed by TFC.
- Processing requests for new space and renewals in a timely manner, once all required information is submitted by the requesting agency.

Funding: TFC management of the Leasing Program has been funded as follows:

- $1.0 million by the 86th Texas Legislature
- $1.0 million by the 87th Texas Legislature
- $1.4 million by the 88th Texas Legislature

Construction of Capitol Complex Affects on Leasing:

Cost savings/avoidance for leased to state owned moves

April 2024

Per Biennium

Phase I cost savings:	$41,764,764	Phase I SF reduction:	744,537
Phase II cost savings:	$12,112,400	Phase II SF reduction:	92,364
Total Cost Savings:	$53,877,164	Total SF reduction:	836,901

Outlook: Completion of current construction projects (Capitol Complex Phase II) will allow the state to retire more leases and further reduce annual lease costs. The overall market rate for leased office space in Austin, Dallas/Fort Worth, San Antonio, and Houston was $39.80 per square foot in the 4th Quarter 2023, while the overall average for state leases in these cities was $19.65 per square foot. This difference reflects the consistent ability of TFC to obtain office space below market rates and provide the best value for the state.

A.1.2. **FACILITIES PLANNING**: Ensure State Optimizes Use of Leased/Purchased/Constructed Office Space.

Our task involves actively supervising a range of construction projects that have received approval and funding from the legislature, funding from other state agencies and that address immediate needs of agencies requiring alterations to their space. The primary objective is to ensure these projects progress according to the established schedule and stay within the allocated budget. Planning also provides the strategic input for office space demand to TFC's capital planning and building design and construction processes.

Funding: Funding for facilities planning has been allocated as follows:

- $0.8 million by the 86th Texas Legislature
- $0.8 million by the 87th Texas Legislature
- $1.0 million by the 88th Texas Legislature

Areas within the A.1.2 Goal:

- **Planning & Alterations (P&A), Planning & Space Management** – To continue to meet agency requested requirements by assigning state-owned space in the most effective and efficient manner possible. Continue to review all assigned state-owned space to verify space is being fully utilized as intended and identify underutilized space for reallocation. Maintain state records of state-owned building inventory to verify TFC has adequate available office space and parking to manage either policy scenarios of full-time in office or continued telework hybrid work schedules at this time.

- **P&A, A/E Design Services** – Provides statutorily required architectural and engineering services and oversight for Minor Construction projects. Procures and utilizes the services of outside Professional Service Providers when required by statute or when workload demands exceed staffing capacity. Provides preliminary estimates to client agencies for all requested projects that warrant professional design services. Maintains accurate record documents of evolving building interiors and system configurations. Provides professional interpretations upon request and educates coworkers and client representatives regarding Building Code, Life Safety Code, and Accessibility Standards.

- **P&A, Minor Construction** – Provides a full range of minor construction services to state agencies in state-owned and state-managed buildings on TFC's inventory or upon request, to other state agencies, to address small renovation, remodeling, and repair projects. Provides code compliant, professional quality construction services at competitive costs and in compliance with statutorily required architectural and engineering oversight. Works with private contractors when specialized trades are required or when workload demands exceed staffing capacity. Establishes schedules for each project once plans and budgets are finalized and approved by the client agency.

- **Public-Private Partnerships (P3)** – The 84th Texas Legislature directed TFC to establish a center to consult with governmental entities regarding the best practices for procurement and the financing of qualifying public-private partnership projects and to assist governmental entities in the review of proposals, negotiation of interim and comprehensive agreements, and management of qualifying projects under Government Code Chapters 2267 and 2268. In January 2016, TFC announced the establishment of the Center for Alternative Finance and Procurement (the "Center") as provided in House Bill 2475. The statutory mission of the Center is to consult with governmental entities regarding best practices for the procurement and financing of Qualifying Capital Projects. The Center will ensure value for taxpayer dollars by establishing a Cooperative to solicit a bench of expert professional service providers ranging from real estate advisors, P3 financial advisors, P3 technical advisors, and P3 legal advisors to facilitate engagements with Cooperative members. Governmental entities that are members of the CAP

Center Cooperative, including county, city, and state agencies, can access this bench of advisors to provide best practices and assistance in all aspects of planning, procurement, financing, as well as negotiations of contracts, and ultimately construction of public and private facilities and infrastructure, within the Capitol Complex as defined by Government Code §443.0071(b).

- **Commercial Parking and Special Events –** This division administers temporary leasing of TFC facilities in the Austin area for after-hours and limited day-time parking, film/television/photography productions, special events, and tailgating to maximize revenues deposited to the state treasury. Administer contract with a private parking management vendor to collect paid parking fees for after-hours and daytime use and special events. Optimize the strategic and efficient use of TFC parking facilities outside of the Austin area for after-hours parking revenue.

  TFC has been effective in managing appropriate after-hours commercial use of TFC-owned parking facilities, optimizing the use of over 21,000 parking spaces in nineteen garages and twenty-five lots on TFC-managed inventory. In Fiscal Year 2023, more than $1,330,000 in parking revenue for the state General Revenue Fund was generated from the commercial use of after-hours and weekends parking space use in the Capitol Complex, North Austin Complex, and Downtown State Garage N. Additionally, in Fiscal Year 2023 more than $772,000 was generated from the temporary lease of facilities for film productions, special events, and the temporary lease of garages and lots. TFC experienced an increase in revenue this biennium as parking rates have increased in the downtown Austin area and TFC has adjusted pricing to remain consistent with fair market value rates. TFC has modified several parking program offerings (tailgating and day-time parking permits) due to the closure of multiple surface parking lots in the Capitol Complex for construction of Phase II.

  TFC's Tailgate Reservation System allows renewal reservations of tailgating spaces in advance of the football season. The system has been in place for several years, having replaced the process of overnight camping to save a tailgating space, thus improving customer service while at the same time reducing disruption to the daily operations of surrounding state facilities and maintaining an appropriate level of security in the area. Information on tailgating including contact information, maps, waitlists, policy, and required downloadable forms are updated and posted prior to each football season on TFC's website. Portable toilets are made available for public use on or near all parking facilities used for tailgating and other large scale special events approved in the Capitol Complex, for the convenience of the public.

A.2.1 **FACILITIES DESIGN AND CONSTRUCTION**: Ensure Facilities Are Designed & Built Timely/Cost Effective/High Quality.

TFC's task involves actively supervising a range of construction projects that have received approval and funding from the legislature and other state agencies. The primary objective is to ensure these projects progress according to the established schedule and stay within the allocated budget. Notably, the responsibilities encompass taking charge of the construction of new state office buildings and the associated infrastructure in both the Capitol Complex and the North Austin Complex.

TFC conducts comprehensive facility and space planning, assessment, design, and construction, while optimizing the use of state-owned building assets. At the same time, TFC systematically works to reduce the backlog of maintenance and renewal items at state-owned facilities on TFC's statewide inventory by continuously defining, monitoring, and addressing current conditions and future needs through prioritized requests and timely implementation of authorized projects funded to TFC. TFC maximizes the strategic and efficient use of state-owned facilities and reduce long-term dependence on the use of lease space through timely completion of authorized construction projects for new state office buildings in the Capitol Complex, the North Austin Complex, and the Flex Office Space Program and other locations as authorized by the legislature.

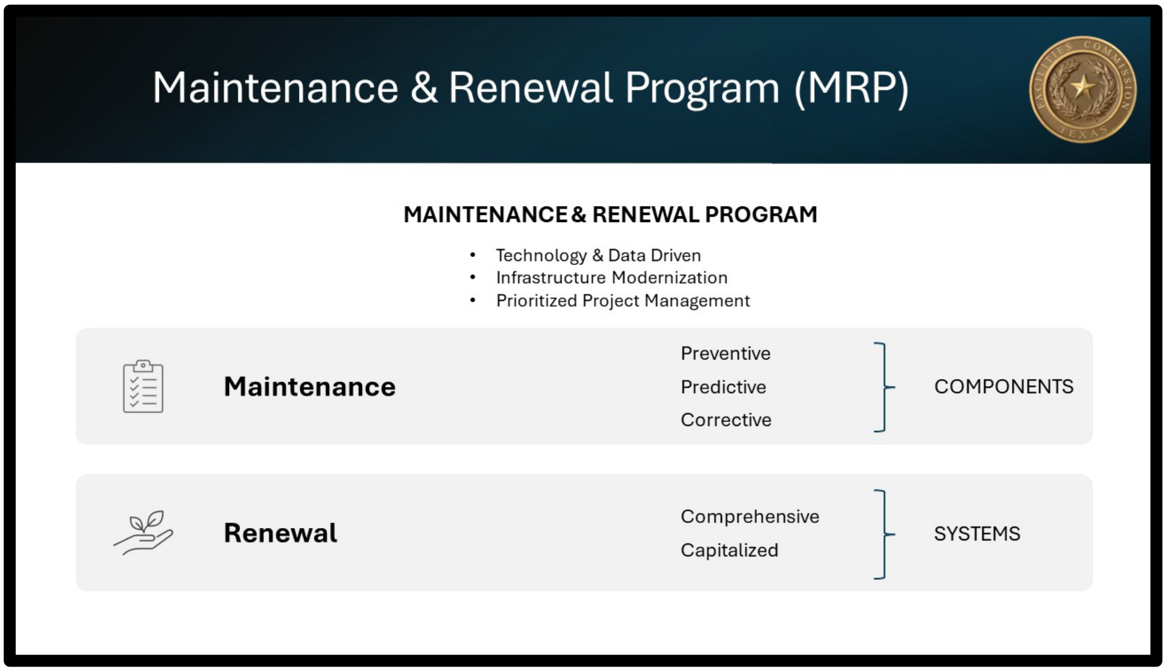
Funding: Funding for facilities design and construction has been allocated as follows:

- $483.3 million by the 86th Texas Legislature
- $12.7 million by the 87th Texas Legislature
    - This amount does not include supplemental appropriations for deferred maintenance and the Permian Basin project)
- $273.8 million by the 88th Texas Legislature

Divisions within the A.2.1 Goal:

- **Maintenance and Renewal Program (MRP) –** Manage and maintain a data repository of condition, status and deficiencies for all State real property assets, and a system of ranking and prioritization to provide accurate high-level reporting. Guide strategic maintenance and renewal planning, provide support for funding requests, and ensure efficient and best use of appropriated maintenance funding. Manage the execution of approved projects including procurement and performance of preventative maintenance, predictive maintenance, corrective maintenance, professional services supporting capitalized maintenance and renewal projects, and construction through to final completion. Complete projects as authorized by appropriation of $90 million by the 85th Texas Legislature, $120 million by the 86th Texas Legislature, $76 million by the 87th Texas Legislature and $111 million by the 88th Texas Legislature.

The Facilities, Design, and Construction Division has adopted a new analytical approach and data driven methodology to address and request funding for comprehensive and capitalized building systems renewal. This change to year's past, and now obsolete, deferred maintenance management will ensure infrastructure funding appropriated to the Texas Facilities Commission is allocated and expended more effectively and timely improving the agency's ability to meet its statutory requirement to maintain state-owned facilities in a secure and cost-efficient manner.



This reorganization of programming can assist in meeting a recommendation by the Texas Comptroller of Public Accounts. In a fiscal Note report of September 2021, the Comptroller concluded in an effort for Texas to enjoy the highest credit rating provided by major credit agencies, "…taking care of long-term obligations is essential for the state's good rating."

Projects funded for the 2018-2019 Biennium were strategically grouped into ten packages, five of which were completed in FY 2022 and five others completed at the end of FY 2023.

Projects funded for the 2020-2021 Biennium are strategically grouped into ten packages. Two of the ten projects are completed as of Spring 2024. The remaining eight are in the construction stage with five to be completed by the end of FY 2024, three to be completed by end of FY 2025.

Projects funded for the 2022-2023 Biennium were strategically grouped into three packages. Procurement and contract execution for professional services for the three projects were completed during FY 2023.

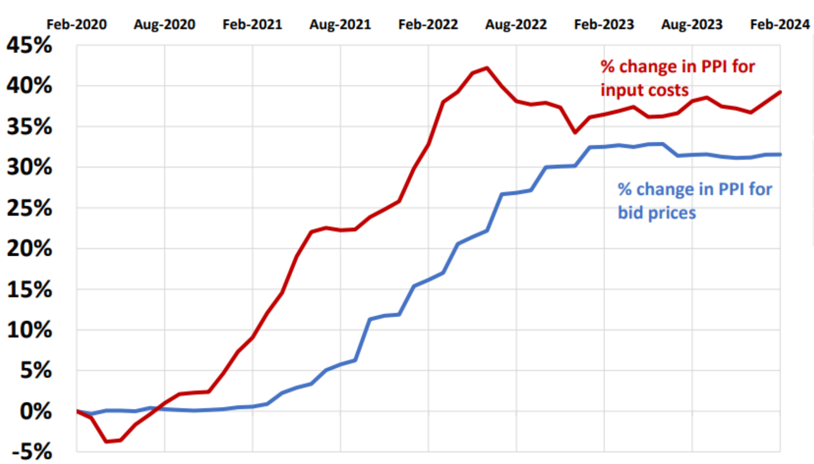
Projects funded for the 2024-2025 Biennium were strategically grouped into four packages towards the MRP:

- Package 1 infused MRP funding into an ongoing 2020 DM project with completed design drawings for the related construction services at the DSHS campus. Procurement and contract execution for those construction services were completed in the Spring of 2024. Construction for that work is anticipated to be completed in the fall of 2025.
- Package 2 infused MRP funding into an ongoing Statewide Deferred Maintenance project to allow for the design and construction of additional bid packages deemed necessary within the TFC 22-23 DM list of deficiencies. Contract amendments for the AE professional services were completed in the Spring of 2024. Construction for the related packages to be completed by summer of 2026.
- Package 3 for the MRP funding is to address HVAC deficiencies at the Texas School for the Blind and Visually Impaired. Feasibility studies and design service contracts were completed in the Spring of 2024. Construction work for that HVAC scope to be completed by the end of calendar year 2025.
- Package 4 for the MRP funding is the major renovation (design overhaul) and fit-out (transform it into a customized office space) to multiple floors at the William B. Travis building. The AE and CMR procurement and contract execution for those services will be completed by Spring of 2024. The construction work is anticipated to be completed by Spring of 2026.

Input costs have risen faster than bid prices since early 2020

Cumulative change in producer price index (PPI) for **inputs** and **bid prices** for nonresidential construction, Feb. 2020–Feb. 2024

AGC THE CONSTRUCTION ASSOCIATION



% change to Feb. 2024 in PPI:	PPI for inputs:	Bid price PPI:
Feb. 2020	39%	32%
Feb. 2023	2.0%	-0.7%
Jan. 2024	0.9%	0.01%

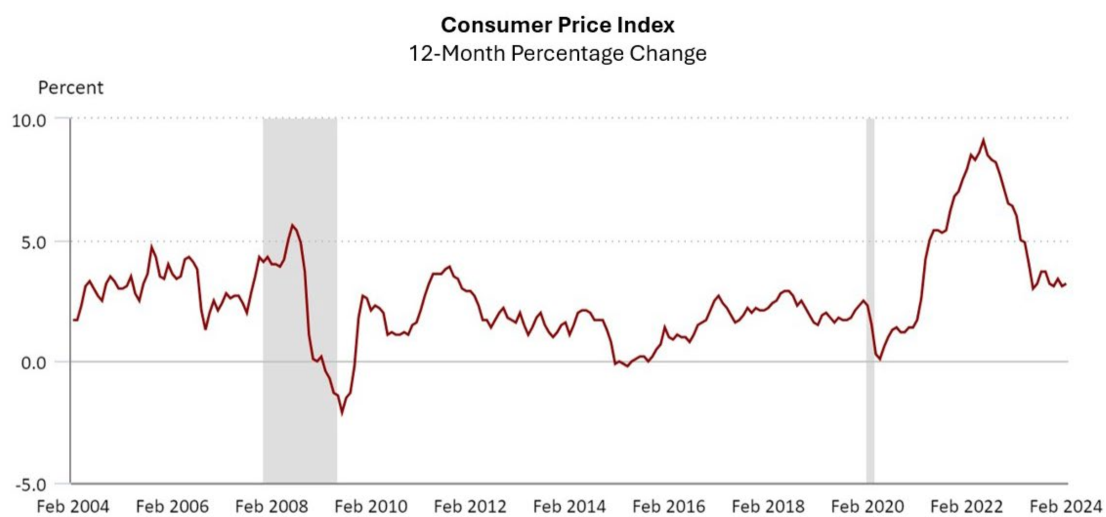
7 | Source: Bureau of Labor Statistics, www.bls.gov/ppi

- **New Construction –** Manage building construction projects authorized and funded to TFC, as well as those authorized and funded to certain other state agencies, to ensure completion on time and within budget. More specifically, complete design and construction of two additional new state office buildings with associated parking in the Capitol Complex as authorized by appropriation of $483.3 million by the 86th Texas Legislature (Phase II).

  As of the spring of 2024, contracts for services including project management, architecture, engineering, construction management, third party testing, and commissioning have been executed for the Phase II Capitol Complex Project. The mass excavation for the Lavaca building is complete and foundations and concrete structure are beginning to rise from the bottom. The excavation for the Congress building and the Mall is nearly complete, and foundations will soon follow. Completion of the Phase II Capitol Complex Project is anticipated for Spring of 2027.

  As of spring of 2024, the land for the Flex Office Space Program has been acquired and is located along State Highway 130 in Pflugerville, Texas. Procurement of design-build services is in the final stages of development and regulatory review. Posting of this purchase is scheduled for mid-April 2024. Commission approval and execution of the contract is anticipated for June of 2024. Design and construction schedules will be contingent on contract negotiations. Express means of development through design-build delivery is anticipated with a potential project duration of three years.

  As of the spring of 2024, the construction of the Permian Basin Behavioral Health Clinic has begun, the construction documents completed, and a guaranteed maximum price negotiated with the construction manager. Substantial Completion of the project is anticipated to be achieved by the end of 2025.



Source: U.S. Bureau of Labor Statistics.

The design and construction documents for the new Main Building for Texas Department of Motor Vehicles is 95% complete and procurement of construction services will be complete by Summer of 2024. Substantial completion of construction is anticipated for the end of FY 2026. The new DPS Training Academy Expansion is in the final planning stages and the prime professional services and construction management services will be procured by Summer of 2024. Through the collaborative efforts of an external project management firm, the prime design professional and the construction manager, the schedule for the project will be expedited utilizing fast track implementation methods.

The new State Records Center for the Texas State Library and Archives Commission is in the final planning stages and procurement of design-build-land services will be completed by the fall of 2024. This project will also utilize an external project management firm to collaboratively manage the project on an expedited schedule.

Design and construction services for the new Guadalupe Regional Medical Center Medical Office Center have been procured as of April of 2024. The project schedule will be expedited through fast tracking methodology, early, long-lead procurement and work package authorizations allowing construction to begin prior to 100% completion of construction documents.

- **The Texas Border Infrastructure and Wall (TBI)** – On June 1, 2021, the Governor issued a Disaster Declaration for 34 Texas counties near or along the U.S. southern border to combat the ongoing influx of unlawful immigrants. The Governor is authorizing the use of all necessary and available state and local resources to protect landowners in these counties from trespassers and the damage they cause to private property.

  On June 16, 2021, the Governor directed the Texas Facilities Commission (TFC) to hire a program manager to oversee construction of the Texas Border Wall. TFC proceeded to acquire staff augmentation in the form of an Owner's Designated Representative and procure Program Management services to launch the program for the Texas Border Infrastructure and Wall (TBI). TFC has worked closely with the Program Manager to identify State owned lands and willing private landowners to facilitate construction of the TBI along an alignment that supports the Department of Public Safety law enforcement activities.

  On June 16, 2021, Governor Greg Abbott, Lieutenant Governor Dan Patrick, Speaker Dade Phelan, the Chair of the Senate Committee on Finance, Senator Jane Nelson, and the Chair of the House Committee on Appropriations, Representative Greg Bonnen, authorized the transfer of $250 million as a down payment to launch the construction of the border wall and hire a program manager and contractors.

  Subsequently, an additional $900MM from the 87th legislative session and $650MM in the 88th regular legislative session has been authorized for this use and an additional $55,000,000 has been received in donations for the purpose of constructing the Texas Border Infrastructure and

Wall. Extra funding is forthcoming as the result of an appropriation for TBI from the 88th 4th called special session. An amount from that session has yet to be directed to TFC for the TBI Program.

TFC is on track to deliver 100+ miles of permanent infrastructure in DPS designated priority areas, by September 2026, this is based on the additional funding from the 88th 4th called session. Major construction activities are currently occurring simultaneously at eleven different locations along the border. TFC's TBI program is delivering permanent infrastructure as the enduring component of operation Lone Star. The infrastructure is specified to meet the requirements of the U.S. Customs and Border Protection's Tactical Infrastructure Design Standards, Version 5. Specifications include a 30-foot-tall steel bollard barrier, patrol road, maintenance road, lighting, technology infrastructure, motorized and manual gates, drainage crossings and vegetation-controlled enforcement zone.

Since the start of the program in June of 2021, TFC has acquired over 69 land agreements for perpetual easements supporting a total alignment length of 54.1 miles. TFC's Program Manager continues to pursue additional easements aggressively to obtain TFC's goal of 100 miles of installed border infrastructure by Fall of 2026. TFC has procured the services of five Design-Build firms to implement infrastructure on 51 miles of the 54.1 miles of easements acquired at a combined value of $1.4 billion. As of March of 2024, over 26 miles of steel bollard barrier have been installed.

Additional funding was appropriated for TBI by the 88th 4th called special session (Senate Bill 3). The bill signed by Governor Greg Abbott on December 18, 2023, has an effective date of March 5, 2024. The appropriation to the trusteed programs within the office of the Governor, in the amount of $1,540,000,000.00 is for the purpose of providing funding for border security operations, including to provide grants to local governments and local law enforcement agencies to alleviate costs associated with an increased demand on local prosecutorial, judicial, and correctional resources, and the construction, operation, and maintenance of border barrier infrastructure.

Alignment of Statewide Objectives with TFC Goals and Action Items:

- **Accountable to tax and fee payers of Texas –** Maintenance and renewal projects are developed using a zero-based budget model every biennium, with funding requested in the agency's capital budget. Requested funding is based on a comprehensive evaluation of conditions at each facility on TFC's inventory and ranked in clearly defined priorities relative to their category of urgency and protection of the state's investment in these physical assets. Accountability for project completion includes the development of quarterly status reports that are provided to the Commissioners at each Commission meeting. Quality professional architectural and engineering services for all maintenance renewal and new construction projects, from assessment, feasibility, planning, design, and documentation through construction and warranty management, is ensured through ongoing and rigorous review of design work product, construction observation/inspection, and diligent contract administration to ensure compliance with contractual requirements and state-mandated regulations such as: accessibility, fire protection, storm water pollution prevention, and historical preservation requirements. TFC maintains a documented set of architectural and engineering design guidelines and owner's project requirements to ensure work product meets the expectations and level of quality established for state-owned facilities. All Commission contracts comply with enhanced statutory contracting and reporting requirements of Senate Bill 20, enacted by the 84th Texas Legislature. All staff involved in procurement or contract management on behalf of the agency must either be Certified Texas Procurement Managers or Certified Texas Contract Managers and must also sign an Annual Non-Disclosure and Conflict of Interest Certification. As required by statute, specifications of all construction documents used by TFC incorporate the State of Texas Uniform General Conditions for Construction Contracts to ensure fair and adequate protection of the state during the construction process, including appropriate bonding and insurance coverage. Accountability for agency operations include the monthly submittal and/or presentation of project, program, and budget status reports and information at open Commission meetings.

- **Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core function –** Maintenance and renewal and new construction projects are designed to minimize the ongoing maintenance and operational expenses that will be required in the future and to maximize energy efficiency. On new construction, requirements for energy and water conservation established by the State Energy Conservation Office (SECO) are met or exceeded on all Commission-managed projects. Additionally, during the planning phase, alternate energy and water conservation measures are evaluated for use on each project. Life-cycle cost analysis is utilized when evaluating alternate conservation measures, as well as the quality, durability, and resilience of construction to balance benefits against first cost. Objectives include lowering the requirement for future maintenance. Efficiencies in space utilization result from detailed and careful review of each agency's space standards to ensure optimal space use and cost efficiency. The Center for Alternative Finance and Procurement's statutory mission is to ensure value for taxpayer dollars by establishing best practices and providing assistance in all aspects of planning, procurement, financing, as well as negotiations of contracts and ultimately construction of public and private facilities and infrastructure, within the Capitol Complex as defined by Government Code, §443.0071(b).

- **Effective in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continuously improve** – Completion of maintenance and renewal projects ensures that state-owned facilities are safe, functional, and efficient. Upon completion of maintenance renewal projects, TFC updates the real property asset data repository to continuously implement the most effective strategy towards reducing the backlog of deferred maintenance items. The completion of currently funded maintenance and renewal projects and continued robust funding authorizations for this strategy is successfully lowering the backlog of deficiencies and reducing the continuous compounding effect of costs that result from postponing critical maintenance needs. Completion of new construction projects in 2027 will allow the state to retire leases for annual lease cost avoidance. All maintenance/renewal and new construction projects are tracked for compliance with TFC's key performance measure of project completion on time and within budget. TFC has been effective in managing appropriate after-hours commercial use of state-owned parking facilities, optimizing the use of 18,315 parking spaces in eighteen garages and twenty-five lots on TFC-managed inventory to generate revenues that are deposited to the state treasury. In Fiscal Year 2021, more than $194,000 in parking revenue for the state General Revenue Fund was generated from the commercial use of after-hours and weekends parking space use in the Capitol Complex and Hobby Complex. Additionally, in Fiscal Year 2021 more than $140,000 was generated from the temporary lease of facilities for film and movie productions, special events, and the temporary lease of garages. TFC experienced a significant decrease in revenue this biennium due to the closure of multiple surface parking lots in the Capitol Complex for construction of Phase I and the cancelation of special events during the COVID-19 pandemic, thus resulting in low after-hours parking demand.

- **Attentive to providing excellent customer service –** Maintenance renewal projects are performed in fully occupied buildings, and during project implementation great care is taken to minimize disruption to tenant agencies and to closely coordinate any necessary system or equipment outages to maintain continuity of tenant agency operations to the greatest degree practicable. TFC worked closely with statutory stakeholders and other interested and affected parties in the development and approval of its biennial updates to the 2016 Capitol Complex Master Plan to ensure thorough analysis of and responsiveness to the needs of all participants. TFC also worked closely with Texas School for the Deaf (TSD) and stakeholders including students and their families, state and local elected officials, and area residents in the development of a master plan to address facility needs at the campus. This plan was completed in January 2017 and updated in both 2018 and 2020. TFC uses extensive space-use questionnaire documents to ensure thorough analysis of and responsiveness to each tenant agency's space needs and works closely with agency staff to identify and locate suitable property, including client agency staff on evaluation panels to assist with the assessment of proposals for lease space. TFC's Tailgate Reservation System allows renewal reservations of tailgating spaces in advance of the football season. The system replaced the process of overnight camping to save a tailgating space, thus improving customer service while at the same time reducing disruption to the daily operations of surrounding state facilities and maintaining an appropriate level of security in the area. Information on tailgating including contact information, maps, waitlists, policy, and required downloadable forms are posted on TFC's website. Portable toilets are made available for public use on or near all parking facilities used for tailgating and other large scale special events approved in the Capitol Complex, for the convenience of the public.

- **Transparent such that agency actions can be understood by any Texan –** All Commission meetings are now live streamed in accordance with the recommendations from the Governor's Office. All solicitations relating to deferred maintenance and new construction projects are posted on TFC's agenda, which is published on the agency's website, and are also listed on the Electronic State Business Daily (the "ESBD") website maintained by the Comptroller. TFC's website also provides a forecast of upcoming major architectural and construction. All solicitations fully comply with applicable procurement statutes and best practices. All architectural and engineering professional service awards over $500,000, all construction contract awards over $1 million, all service contracts over $500,000, and all original lease agreements and renewals over $750,000 are approved in open Commission meetings, with agendas and minutes posted on TFC's website. Additionally, all contracts over $5 million are submitted to the state Procurement Oversight & Delegation. TFC produces a biennial Master Facilities Plan Report which is a compilation of reports required under Chapters 2165 and 2166 of the Texas Government Code. This document informs state leadership, interested parties, and the public of the status and costs of state-owned and leased real property on TFC's inventories; current utilization statistics; relevant real estate market information; projected facility needs; and provides strategies to ensure the efficient utilization and operation of state assets. Statutorily required reports, such as the Master Facilities Plan Report and Capitol Complex Master Plan, are posted on TFC's website. All Requests for Proposals for lease space are posted on the ESBD and the Texas Register websites as well as advertised in a local newspaper. All active leases are summarized in a report located on TFC's website and are updated monthly.

GOAL B: PROPERTY & FACILITIES MANAGEMENT & OPERATIONS

Protect & Cost Effectively Manage/Operate/Maintain State Facilities

B.1.1. **CUSTODIAL**: Provide Cost-Effective/Efficient Custodial Services for State Facilities

TFC's custodial objective is to provide detailed cleaning, recycling, and trash collection/disposal services by contracted custodial vendors and/or Commission staff for state-owned and managed facilities on TFC's inventory, including TSD and TSBVI. In addition, TFC furnishes effective pest control services with minimum disturbance to tenant agencies and with special emphasis on utilizing Integrated Pest Management practices to target specific pests in the least toxic manner. Finally, TFC custodial delivers services in response to agency requests or identified pest control issues and preventative treatments in areas requiring more consistent care.

As TFC completes its various large construction projects, such as Capitol Complex Phase I, Capitol Complex Phase II, and the North Austin Complex, TFC will see an increase in custodial services in direct relation to an increase in square footage. In addition, the rising cost of custodial services since 2020 has caused a cost increase to service contracts entered into by TFC for its facilities.

Funding: Funding for custodial has been allocated as follows:

- $12.6 million by the 86th Texas Legislature
- $13.9 million by the 87th Texas Legislature
- $22.4 million by the 88th Texas Legislature

B.2.1. **FACILITIES OPERATION**: Provide a Comprehensive Program to Protect State's Investment in Facilities

Operational Goal and Action Plan: Effectively and cost-efficiently operate state facilities. Provide quality facility operations and integrated property management and maintenance services to multiple state-owned buildings and campuses. Provide a clean, safe, and functional work environment for state agencies through implementation of industry best-practices. Protect the state's investment in facilities by effectively addressing maintenance needs and ensuring the reliability of building and mechanical systems; information technology infrastructure, systems, and equipment; and building control network (BCN) operations.

Funding: Funding for facilities operation has been allocated as follows:

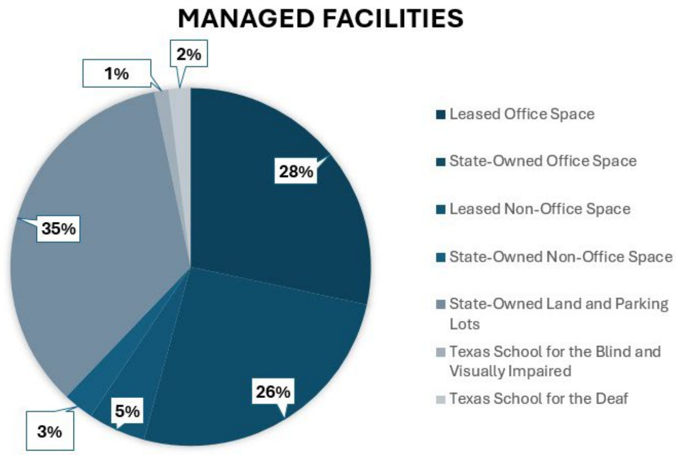
- $189.0 million by the 86th Texas Legislature
- $70.6 million by the 87th Texas Legislature
- $215.6 million by the 88th Texas Legislature

Action Items to Achieve Goal:

- **Property Management and Tenant Services –** Provide facility management services for TFC's inventory of state-owned office space, warehouses, laboratories, parking garages, parking lots, and other spaces essential to state business throughout Texas. Serve as liaison between tenant agencies on facility projects and all Commission programs. Perform maintenance work orders in Commission-managed facilities. Maintain the TFC Tenant Manual to provide tenant agencies with rules and guidelines for day-to-day operations and activities within Commission-managed facilities.

State Owned and Managed Portfolio

Type	# of Assets	SQ. Footage	# of Cities
Office	42	7,258,888	6
Warehouse/Storage	9	504,152	3
Miscellaneous	12	434,643	1
TSBVI	34	347,623	1
TSD	46	533,209	1
Parking Garages	22	6,370,195	2
Parking Lots	26	3,018,980	7
Subtotal	191	18,467,690	8
Land	1	2,400	1
GRAND TOTAL	192	18,470,090	8



- **Building Operations and Maintenance –** Implement timely and cost-effective preventative and corrective maintenance programs to safeguard public investment in constructed assets. Provide maintenance, repair, and building automation controls to buildings, building systems (heating, ventilation, and air conditioning; elevators; mechanical, electrical, and plumbing systems; building and energy management automation systems; fire controls and suppression; central plant operations; access control and security systems; and painting, carpentry, and general maintenance), parking garages, and ancillary facilities owned and/or managed by TFC including the Texas School for the Deaf (TSD) and Texas School for the Blind and Visually Impaired (TSBVI). Ensure continuous operation of vital building systems. Minimize equipment and system outages to maintain a functional, safe, and comfortable environment for tenant agencies and their visitors. Maximize the life-cycle usefulness and energy efficiency of building systems and equipment through the quality performance of predictive, preventative, and corrective maintenance activities performed in a timely manner. Efficiently manage, operate, and monitor five central plants that provide chilled water and steam to groups of buildings in Austin and 14 physical plants for buildings not supported by the central plants. Ensure staff coverage on a 24-hour, 7-day work schedule to monitor plant and building automation system (BAS) operations and critical building systems, as well as provide emergency maintenance response. Administer preventative and predictive maintenance service to prolong the lifecycle of various building systems and equipment through regularly scheduled and proactive maintenance measures. Conduct periodic inspections to uncover conditions leading to equipment failure or harmful depreciation and to identify necessary corrective actions. Predictive maintenance activities encompass thermographic surveys, vibration and power quality analyses of electrical and mechanical equipment, and drone-assisted thermographic inspections of building envelopes and roofs. Preventative maintenance activities performed on a scheduled basis include changing of filters; examination, lubrication, and replacement of parts; minor adjustments; and repairs of equipment and systems. Corrective maintenance and repair activities are performed as needed and, according to priority structures that consider urgency, criticality, and age. Work with private contractors when specialized trades are required or when workload demands exceed staffing capacity.

- **Ground Maintenance –** TFC provides horticultural maintenance and care of all outdoor state-owned property on the TFC inventory, including TSD and TSBVI, utilizing agency staff in conjunction with contract labor. TFC performs routine ground maintenance services for more than 135 acres of landscaping and over 243 acres of pavement, parking lots, and garages. Additionally, TFC arranges landscape maintenance services as needed, including mowing, power washing, weed removal, tree trimming, cleaning, care of sport fields, etc. Finally, TFC provides cleanup for various state properties, lots, and garages after University of Texas football and basketball home games as well as a large variety of events conducted in the Capitol Complex.

- **Securing Facilities:** TFC's Risk Management Program oversees monitoring and protecting important infrastructure controlled by the state against destruction, intrusion, and improper use. Risk Management has developed a Security Master Plan that supports the mission, strategies, and core goals of the agency. The Master Plan serves as a strategic roadmap for the agency, integrating security seamlessly into each primary goal. The plan ensures that the agency is well-prepared to meet the dynamic challenges of facility management in a manner that is secure, efficient, and sustainable. The plan will focus on cutting-edge technologies, industry best practices, and a balanced approach between effective electronic safety and security standards. Risk Management Office staff members serve on the Texas Emergency Management Council (TEMAC), where they work with representatives from 38 other state agencies to give the Texas Division of Emergency Management (TDEM) Chief impartial, strategic, timely, precise, and actionable advice. TFC continues to undertake criminal background checks on all new personnel as well as individuals requesting frequent access to state-owned facilities and systems in collaboration with DPS to protect personnel, sensitive information, and the state's critical infrastructure.

Other Considerations Relevant to the Goal or Action Items:

- **House Bill 4541 (86R, Authorization to sell or dispose of real property not located in the Capitol Complex)** – The Waco State Office Building, completed in 1914, houses approximately 171 State Employees (2022). It has been historically underfunded and has outlasted its usefulness because of a lack of preventative, corrective, and renewal appropriations. Numerous Maintenance Renewal Program (MRP) projects are required to improve the occupant experience and keep the building safe and operational. The existing annual budget for all services (including maintenance, custodial, and guard services) would be adequate to continue supporting the building in its current condition over the next biennium. Elevator operations were a concern, but TFC has begun a refurbishment that will significantly improve reliability and performance. TFC is now considering exercising its authority relating to certain real property owned by the state as defined in H.B. 4541. TFC is also reviewing two other properties that may require disposition: Elias Ramirez State Office Building (ERB) in Houston, Texas, built in 1945, and E.O. Thompson (THO), adjacent to the Capitol Complex, in Austin, Texas, built in 1939.
- **Staffing** – Facilities Management and Operations (FMO) had historically carried high staff vacancy rates due to insufficient salaries, lack of aggressive recruitment, a challenging application process, and a culture that failed to promote staff retention and growth. Although FMO division has achieved significant salary increases over the last several years, non-competitive salaries continue to impair TFC's recruitment and retention of qualified and experienced skilled trades staff, resulting in undesirable turnover and vacancy rates. This impacts TFC's ability to maintain the staffing needed on a 24-hour, 7-day schedule to ensure continuity of operations of vital building systems. This reduced staffing level also adversely impacts customer service levels. FMO has reduced vacancy rates by addressing these challenges, but rates remain at about double the state and national averages. 97% of FMO employees work in Austin, which has experienced significant increases in the cost of living. This, combined with inflation, has diluted, or offset much of the progress that has been made. FMO will need to continue to aggressively increase salaries to attract and retain qualified staff.
- **Maintenance backlog** – The backlog of maintenance renewal items continues to require significant allocation of resources for emergency or stop-gap measures (which must often be repeated) to maintain operation of critical building systems. More resources will be required to expand the capital replacement scope to reduce the need for short-term efforts and expenditures. This will make it possible to allocate more resources to longer-term, more comprehensive planned maintenance and repair activities, increasing efficiency and providing better value to the state.
- **Maintenance logistics** – FMO is leading TFC's implementation of a new Computerized Maintenance Management System (CMMS). This system will enable TFC to better manage service requests, preventative and predictive maintenance, reporting, assets, inventory, and anticipate, budget, and schedule for equipment end-of-life replacement. FMO continues to utilize a hybrid mix of staff subject matter experts (SMEs) and outside vendors with excellent results. Although there is still room for internal growth, there are specific areas where FMO and its customers benefit from the abilities and efficiencies leveraged by private industry. FMO will continue aggressive efforts to identify opportunities in which the use of vendors offers a service improvement or cost reduction over internal fulfillment. This model facilitates scalability.

- **Hiring processes** – The "Work In Texas" job application site continues to be a major obstacle to recruitment and the job application process. Many of FMO's staff (specifically within the custodial, grounds, and maintenance programs) are not highly computer-literate, although even individuals with computer skills struggle with the process. While TFC has been accepting paper applications as a solution for those without computer or internet access, the competitive employment environment means applicants are less likely to tolerate an idiosyncratic application process and unintuitive interface.

B.2.2. **LEASE PAYMENTS**: Make Lease Payments on Facilities Financed by the Public Finance Authority

Funding: Funding for lease payments has been allocated as follows:

- $90.8 million by the 86th Texas Legislature
- $171.7 million by the 87th Texas Legislature
- $181.4 million by the 88th Texas Legislature

B.2.3. **UTILITIES**: Make Utility Payments for Specified State Facilities

TFC's utilities objective is to conserve water and energy usage. By reducing consumption and cost of water and energy at state-owned facilities through conservation and innovation, while strategically and geographically centralizing utility infrastructure for chilled water for the Capitol Complex through a phased plan that will efficiently produce the chilled and hot water required for current and future state-owned facilities, TFC seeks to produce cost-efficient and highly effective results.

Funding: Funding for utilities has been allocated as follows:

- $36.7 million by the 86th Texas Legislature
- $36.7 million by the 87th Texas Legislature
- $37.2 million by the 88th Texas Legislature

Action Items to Achieve Goal:

- **Capitol Complex Utility Infrastructure** – With completion achieved of the first phase of the centralization plan that constructed the "West Plant" to serve the Phase 1 buildings, TFC continues Phase 2 of the plan to expand the equipment in the Phase 1 plant to serve Phase 2 of the Capitol Complex. This includes the chilled water distribution system to serve the 360,000 square foot new Lavaca building and the 165,000 square foot new Congress building. Phase 2 is scheduled for completion in the Spring of 2027. TFC Energy Management continues efforts to commission the operation of Capitol Complex Central Utility Plant at the Sam Houston building to improve efficiencies and reliability of the chilled water distribution system serving 13 buildings south of 15th Street, including the historic Texas State Capitol Building and Capitol Extension.

- **Energy Management** – Reduce energy and water consumption and achieve increased energy efficiency through ongoing, effective education of Commission and tenant agency staff about their role in energy conservation activities; the assessment and installation of equipment that is more energy efficient; modification of existing building mechanical systems with digital building automation and energy management systems; and specification of energy efficient equipment in the replacement of antiquated systems, in conjunction with both building maintenance activities and the implementation of maintenance and renewal projects. Conduct retroactive commissioning efforts to achieve continual improvement in energy and water efficiency and reduce maintenance costs. Use best efforts to obtain the most favorable utility rates possible. Utilize statutory authority to develop and implement Energy Savings Performance Contracts whenever feasible. Review energy and other utility usage for facilities in TFC's inventory of state-owned property to identify anomalies and abnormal usage and generate an assessment for corrective action. Assess emerging alternative energy solutions and utilize energy enhancement rebate programs, low-cost loans, grants, and tools such as energy savings performance contracts to implement energy efficiency projects. Provide measurement and verification data for energy-related upgrades to ensure performance measures are being met.
- **Centralized Utility Payments** – Manage and process review and payment of bills for electric, water, wastewater, and gas services from several utility providers for over 300 accounts in more than 110 state-owned and managed facilities on TFC's inventory and for other state agencies in Austin, as well as the five state-owned buildings on TFC's inventory in El Paso, Fort Worth, Houston, and Waco.

Alignment of Statewide Objectives with TFC Goals and Action Items:

- **Accountable to tax and fee payers of Texas** – Accountability for project completion includes the monthly submittal of project status reports to the Texas Facilities Commission Board. Quality professional architectural and engineering services for all maintenance, renewal, and new construction projects, from assessment, feasibility, planning, design, and documentation through construction and warranty management, is ensured through ongoing and rigorous review of design work product, construction observation/inspection, and diligent contract administration to ensure compliance with contractual requirements and state-mandated regulations. TFC maintains a documented set of architectural and engineering design guidelines and Owners Project Requirements to ensure work product meets the expectations and level of quality established for state-owned facilities. All Commission contracts comply with enhanced statutory contracting and reporting requirements. As required by statute, specifications of all construction documents used by TFC incorporate the State of Texas Uniform General Conditions for Construction Contracts to ensure fair and adequate protection of the state during the construction process, including appropriate bonding and insurance coverage. Statutory quarterly reporting on utility consumption, building performance, and status of goal-oriented objectives is provided to SECO. Accountability for agency operations includes the monthly submittal and/or presentation of project, program, and budget status reports and information at open Commission meetings.

- **Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions –** Building on the groundwork laid by the first phase of the Capitol Complex Utility Infrastructure, Phase 2 will continue implementation of energy and operational efficiencies by expanding the West Plant to serve the two new Phase 2 buildings with chilled water. The two strategically located physical plants for the Complex avoid costly duplication of first cost and future maintenance efforts when compared to installing discreet plants in each new building. The reduction of chillers and associated pumps, valves, and controls greatly reduces the cost to operate, maintain, and replace these systems. Significant cost avoidance will also be realized as new buildings are constructed in the Complex. By centralizing these utilities in two pant locations, new buildings will not need to incur the cost in both space and funds for physical plants, cooling towers, and redundancy for these systems. The Phase 1 West Plant contains enough space to house the chilling capacity for the projected growth of the Complex north of 15th Street. Provisions will also be made for creating a loop within the underground parking garage with future connections to additional existing state office buildings and future phases of the Capitol Complex Master Plan. In addition to the routing of chilled water lines, the garage will incorporate state-owned communications cabling infrastructure and the capacity for future installation of other utilities. Centralizing the processing for over 300 utility accounts in one agency achieves economies of scale that maximize efficiency and cost savings through volume purchasing and centralized account management, billing review, and payment. Commissioning activities performed on the existing Capitol Complex Central Utility Plant will also address the correction and improved efficient operation of existing chilled and hot water lines serving 13 buildings in the Complex, including the Texas State Capitol Building and Capitol Extension, thereby mitigating the risk of failures in these systems.
- **Effective in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continuously improve** – Energy-reduction initiatives implemented by TFC are prioritized based on payback, rate of return, cost, and availability of funding. In July 2016, TFC awarded the first energy conservation performance contract for utility/energy related improvements to various facilities. TFC has already completed that project plus another three subsequent energy performance contracts and are currently working on two more. By mid-2025, using state energy conservation loans (LoanSTAR Loans) and energy performance contracting method TFC will completely replace almost all the lighting in all its facilities to more energy efficient LED type. These six projects cover around seven million square feet of facilities and are not limited to just lighting upgrades. As part of these six projects, TFC has looked at the mechanical systems upgrade where feasible, water conservation measures, building controls upgrades, power quality improvements, and commissioning of building HVAC

systems. TFC will realize a combined energy and water savings of over $2,000,000 per year as result of this multi-year multi-phase energy performance contracting initiative. Also, this work is financed using energy savings to pay back the loans and no direct funding has been requested or used. After completing its sixth project in mid-2025, TFC plans to start over again; studying and improving operations of all facilities to continue its energy-saving goal.

- **Attentive to providing excellent customer service** – TFC takes great care to ensure that plant operations and the implementation of energy efficiency projects and measures are performed in a manner that ensures continuity of operations of vital building systems and maintains a functional and comfortable work environment for tenant agencies and their visitors.
- **Transparent such that agency actions can be understood by any Texan** – All solicitations relating to new construction and energy-efficiency projects are posted on TFC's agenda, which is published on the agency's website, and are also listed on the ESBD website maintained by the Comptroller. TFC's website provides a link to the Capitol Complex development program with updates on progress, upcoming and on-going impactful activities and instructions on navigating around the construction area. All design and construction solicitations fully comply with applicable procurement statutes and best practices. All architectural and engineering professional service awards over $500,000, all service contract awards over $500,000, and all construction contract awards over $1 million are approved in open Commission meetings, with agendas and minutes posted on TFC's website. Additionally, all contracts over $5 million are submitted to the state Contract Advisory Team Review and Delegation.

- **Other Considerations Relevant to the Goal or Action Items:**

    - Phase III of the Capitol Complex development will focus on additional expansion of cooling generation capacity and associated distribution to additional buildings. In the future, as buildings are added to the Capitol Complex, their construction costs will include connections to the utility distribution system and any increased mechanical production capacity at the central plant.

GOAL C: SURPLUS PROPERTY

Provide Support Services to State Agencies for Surplus Property

C.1.1. STATE SURPLUS PROPERTY MANAGEMENT: Provide Timely and Cost-Effective Disposal of State *Surplus Property.*

The TFC state surplus property management program (SSPMP) facilitates the sale and transfer of state surplus and salvage property for agencies that fall under the requirements of Texas Government Code 2175. The program reports violations of state law or rule, such as fraud, waste, and abuse to the Legislative Budget Board. Further, the program disposes of state surplus and salvage personal property from state agencies, such as office furniture, office equipment, heavy equipment, tools, and vehicles.

SSPMP manages the reallocation and/or disposal of state surplus property to optimize revenue and benefit for participating government agencies, certain nonprofit organizations, certain small businesses including veteran-owned small businesses, and the taxpayer. The program maintains and manages a comprehensive data repository, containing vital information on the condition, status, and deficiencies of all State-owned real property assets. This repository serves as a crucial resource for strategic deferred maintenance planning, funding requests, and optimizing the allocation of deferred maintenance funding.

Funding: Funding for state surplus property management has been allocated as follows:

- $1.3 million by the 86th Texas Legislature
- $1.5 million by the 87th Texas Legislature
- $2.0 million by the 88th Texas Legislature

Action Items to Achieve Goal:

- **Accountable to tax and fee payers of Texas** –Texas Government Code 2175 requires TFC to administer the disposition of surplus and salvage property for the State of Texas. All surplus and salvage property, regardless of type or value, is required to be reported to TFC for disposition. Various delegations of authority apply, but even these are subject to the oversight of TFC. Agencies disposing of property are generally authorized to claim and expend up to 25% of the receipts from the sale of their surplus property, less the program's fee, for similar property within a statutory timeframe. The remaining proceeds, 75% or more, are returned to the credit of the state's general revenue fund, except for the Texas Department of Transportation (TxDOT), which is authorized by statute to retain 100% of the net proceeds from the sale of their surplus property (mainly vehicles and equipment). In addition, the statute allows political subdivisions of the state and certain types of assistance organizations to receive state surplus property through a direct transfer with oversight by TFC. All state surplus property that is obtained by an assistance organization or political subdivision is intended for use in the state for the benefit of Texas residents. TFC conducts routine compliance activities for the purpose of confirming the correct utilization of the acquired state property. Accountability for agency operations includes the submittal and/or presentation of project, program, and budget status reports and information at open Commission meetings.

- **Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions** – The State Surplus Property Program operates on a full cost-recovery basis. State agencies can obtain low value property from the Austin storefront for no cost if the property originated from another state agency, providing immediate access to useful items such as office furniture, supplies, small electronics, and other equipment. The program assists in transfers between state agencies at no cost. Through the redistribution of surplus property, state agencies avoid the high cost of new items, maximizing the benefit of the state's original investment in these items. Additionally, the program provides a centralized and efficient system for the disposal and oversight of state surplus and salvage property thereby maximizing sales proceeds and removing the need for each agency to fund and administer a surplus program.
- **Effective in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continuously improve** – TFC has been successful in meeting prior goals as established in performance measures and anticipates similar success this biennium, considering variables beyond the TFC's control such as the volume of assets being sent to surplus by state and federal agencies. Through the net dollar sale of approximately $8 million in state surplus property in Fiscal Year 2023, approximately $6.5 million was returned to the state treasury. During Fiscal Year 2023, TFC transferred over 4,598 items, valued at approximately $66,941, to 138 state agencies, representing a sizeable cost savings to the acquiring agencies and the state.
- **Attentive to providing excellent customer service** – TFC facilitates timely coordination with state agencies to ensure cost effectiveness and the best monetary return for property sold or otherwise disposed. State Surplus Property tries to strike a balance between holding enough inventory and not selling it at fire sale prices, and the cost of managing and storing inventory. Efforts continue to be made to educate state agencies, other political subdivisions and the general public about the State Surplus Property Program. Program staff presented or exhibited information at 20 virtual or in-person events during the Fiscal Year to groups such as the Texas Veterans Commission, Texas Municipal League, Texas Association of Counties, U.S. Small Business Administration, Texas Association of School Business Officials, Education Service Center Region 1, Emergency Management Association of Texas, State Association of Fire and Emergency Districts and TEEX Municipal Fire School.
- **Transparent such that agency actions can be understood by any Texan –** TFC publishes information about public sales locations and available vehicle inventory on the TFC website. The public is invited to purchase property at one of TFC's retail storefront locations, by live auctions (when necessary), or by internet auctions. Information on state surplus property available for

transfer to state agencies, other political subdivisions, and approved assistance organizations is also available on the TFC website. This information includes program services and requirements, information regarding assistance organization eligibility, applications, and other forms, contact information, and detailed property listings (with descriptions and photographs) that are updated daily. The state program now maintains an email list of state agency contacts and interested buyers and donees and send periodic email updates regarding inventory and program information.

- **Other Considerations Relevant to the Goal or Action Items:**
  - Current imitations in the statutorily authorized purchaser's fee retained by the Texas Facilities Commission Surplus Property Program make it difficult to sufficiently recover the rising costs associated with the sale, transfer, and disposal of the State's assets; stretch limited staff resources and the program's ability to attract, hire, and retain adequate staffing; limits the program's ability to perform key functions such as property pickups and drop offs, facilitating transfers, and disposal oversight. Additionally, the Program's ability to fully monitor compliance is hindered, and ultimately the financial gain received by the state treasury and by client agencies and organizations is reduced due to these impediments.
  - Limits on the ability to charge fees for all services provided to state agencies (i.e., property pick-ups and drop-offs, long-term storage, modular furniture reconfigurations, facilitation, and oversight of transfers), has limited effectiveness of these programs, stretched staffing resources, hindered the ability to fully monitor compliance, and ultimately reduced the financial gain received by the state treasury and by client agencies and organizations.
  - Space constraints at the Austin warehouse facility increases wait time for surplus property removal from state agencies, slows down the disposal process, and ultimately impedes or reduces the financial gain received by the state treasury and by client agencies and organizations.

C.1.2. **FEDERAL SURPLUS PROPERTY MANAGEMENT**: Provide Timely and Cost-Effective Disposal of Federal Surplus Property

The TFC federal surplus property management program (FSPMP) is statutorily tasked with administering the donation of federal surplus personal property in the State of Texas by certifying organizations that are eligible under federal regulations to receive and use federal surplus property, including state agencies, counties, municipalities, fire/emergency management departments, public and private schools, certain nonprofit organizations, 8a certified small businesses, and veteran-owned small businesses. FSPMP may dispose of, through sale, "voluntarily abandoned" and "lost and found" property from airports across Texas. FSPMP is charged with administering the federal exchange sale program in the State of Texas by procuring and selling federal assets to the public.

Funding: Funding for federal surplus property management has been allocated as follows:

- $3.2 million by the 86th Texas Legislature

- $3.0 million by the 87th Texas Legislature
- $4.5 million by the 88th Texas Legislature

Action Items to Achieve Goal:

- **Accountable to tax and fee payers of Texas** – Federal Surplus Property Program: The majority of this property is obtained at no cost to the state and TFC receives no general appropriations from the Texas Legislature to fund the program, which is wholly dependent on a "handling fee" assessed to program participants to sustain the operation on a full cost-recovery basis. Handling fees are based on a variety of factors (i.e., the original value and condition of the item) but are significantly lower than the cost of comparable items on the open market. The fees defray the costs of locating, inspecting, marketing, and listing property; administrative processing; freight; operating regional distribution centers; maintaining required federal records; and performing compliance reviews to ensure appropriate utilization of transferred property in accordance with federal regulations. Accountability for agency operations includes the submittal and/or presentation of project, program, and budget status reports and information at open Commission meetings as well as reviews by the General Services Administration, the federal agency that oversees program operations.
- **Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions** – The Federal Surplus Property Program operates at no cost to the taxpayer and ensures maximum return on the taxpayer's investment by facilitating the donation and reuse of surplus property to qualified organizations in Texas and the sale of federal exchange property.
- **Effective in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continuously improve** – In Fiscal Year 2023, the federal surplus program donated approximately $69 million (original government acquisition cost) of federal surplus property to 295 eligible participants in Texas and received total handling fees of approximately $27 million. The fair market value of federal surplus property donated during Fiscal Year 2023 was approximately $16 million. Previously, TFC also utilized the federal surplus program to acquire approximately 1,700 metal surplus panels that were used for the Texas Border Infrastructure and Wall. TFC applied and qualified through the federal surplus program to receive the donated panels at no cost.
- **Attentive to providing excellent customer service** – TFC provides a link between federal agencies that generate surplus property and eligible organizations in Texas that use donated property for a wide variety of public programs. Federal surplus property is obtained from locations across the United States and distributed through three districts throughout the state. TFC has established open lines of communication with its customers by maintaining and regularly updating a contact list of over 34,000 email addresses and encouraging feedback through surveys. Surplus staff sent out thirty-six (36) email broadcasts to Federal Surplus

Program donees, state surplus customers, and/or state agency property managers to inform them of program updates and available property. The program has continued utilizing the TFC webpage to provide sales notices and update information to agency property managers and the general public. Meetings continue to be conducted on an as needed basis, with other state agency personnel to answer questions and discuss their surplus property needs. Our efforts to educate agencies on the proper method of disposal continue to result in a significant increase in property flowing into the warehouse.

- **Transparent such that agency actions can be understood by any Texan –** TFC also publishes information about federal surplus property donation locations and available inventory on the agency's website. Per federal regulations, only eligible organizations can obtain federal surplus property through TFC. The federal program now maintains an email list of state agency contacts and interested buyers and donees and send periodic email updates regarding inventory and program information. The Federal Surplus website features warehouse hours, locations, and contact information. The program's mission, participation requirements, property information, and current service charges are all outlined on the website. Viewers can also see examples of utilized surplus property, program related notices, and can view and sign up to receive emailed newsletters.

GOAL D: INDIRECT ADMINISTRATION

D.1.1. CENTRAL ADMINISTRATION:

TFC builds, supports, maintains, and manages over 28 million square feet of state-owned and leased facilities that house over 62,000 state employees in over 100 state agencies, all working in the service of the citizens of Texas.

TFC oversees a varied property portfolio of office space, storage, warehouses, parking garages, and grounds of buildings across 283 cities and towns in Texas. Our team provides and contracts for the design and construction, property management, landscaping and custodial services, recycling and waste management services, building climate and energy automation, and the fire and security services required to keep State agencies working for our constituents.

Our goal is to serve with excellence by providing high-quality work environments that are functional, energy-efficient, transparent, and cost-effective to operate.

Funding: Funding for central administration has been allocated as follows:

- $7.1 million by the 86th Texas Legislature
- $7.9 million by the 87th Texas Legislature
- $14.6 million by the 88th Texas Legislature

Action Items to Achieve Goal:

- All TFC Commission meetings are now live streamed in accordance with the recommendations from the Governor's Office. All solicitations relating to deferred maintenance and new construction projects are posted on TFC's agenda, which is published on the agency's website, and are also listed on the Electronic State Business Daily (the "ESBD") website maintained by the Comptroller. The TFC website also provides a forecast of upcoming major architectural and construction projects as well as a summary of active construction and deferred maintenance projects, searchable by Senate District, House District, State Agency, City, and Fiscal Year. All solicitations fully comply with applicable procurement statutes and best practices. All architectural and engineering professional service awards over $500,000, all construction contract awards over $1 million, all service contracts over $500,000, and all original lease agreements and renewals over $750,000 are approved in open Commission meetings, with agendas and minutes posted on TFC's website. Additionally, all contracts over $5 million are submitted to the state Contract Advisory Team Review and Delegation. TFC produces a biennial Master Facilities Plan Report which is a compilation of reports required under Chapters 2165 and 2166 of the Texas Government Code. This document informs state leadership, interested parties, and the general public of the status and costs of state-owned and leased real property on TFC's inventories; current utilization statistics; relevant real estate market information; projected facility needs; and provides strategies to ensure the efficient utilization and operation of state assets. Statutorily required reports, such as the Master Facilities Plan Report and Capitol Complex Master Plan, are posted on TFC's website. All Requests for Proposals for lease space are posted on the ESBD and the Texas Register websites as well as advertised in a local newspaper. All active leases are summarized in a report located on TFC's website and are updated monthly.

- **Childcare Program** – For nearly 35 years, the State of Texas has maintained a state employee childcare program and facility. The program's initial goal was to provide affordable childcare services to state employees by utilizing available space in state-owned buildings. From its inception until 2001, the program was overseen and administered by the Childcare Development Board (Board), while the General Services Commission (the predecessor to the Texas Facilities Commission) was tasked with providing a facility for the program. Since 2001, when the Board was legislatively repealed, the Texas Facilities Commission (TFC) began overseeing the facility and program administration.

  Beginning in June 2015, TFC has contracted with the University of Texas at Austin's Child Development Center (UT) to operate the childcare program for the state at the Barbara Jordan Building in the Capitol Complex. The UT program is for prekindergarten children and accepts children between 6 weeks (about 1 and a half months) of age to 6 years. As of January 2024, there are 95 children of state employees enrolled in the program with another 183 children on the waitlist – the vast majority of which are infants. UT also provides childcare for its employees at the Jordan location with 93 children enrolled. UT is the fourth childcare provider contracted by the state for the program.

  TFC continues to adhere to its statutory charge to provide the childcare program.

D.1.2. **INFORMATION RESOURCES**: Impact of Technology on Current TFC Operations

Technology Development Plan – As part of its continuous improvement process, the Division of Information Resources (IT) has developed a Technology Development Plan that builds on the foundation established in prior plans. It brings to light critical issues facing information technology, such as security, mobility, and collaborative governance:

1. Protect the state's investment in facilities by effectively addressing maintenance needs and ensuring the reliability of building networks and mechanical systems; information technology infrastructure, systems, and equipment; and building control network (BCN) operations.
2. Implement next-generation technology to improve efficiencies of scale and ensure continuous operation of vital building systems and BCN operations. Develop a multi-biennial

plan to replace disparate building controls systems to reduce TFC's application footprint, provide more efficient support and improve work efficiencies. Minimize equipment and system outages to maintain a functional, safe, and comfortable environment for tenant agencies and their visitors.

3. Routinely inspect equipment to prevent, identify, and/or correct conditions to prevent breakdown or harmful depreciation and to ensure continuous operation of vital building systems. Identify and assign critical system labels to in the IRDR application portfolio and develop incident response plans for critical applications/systems to Ensure staff can provide coverage on a 24-hour, 7-day work schedule to monitor plant operations and critical building systems and Building Controls Network (BCN) and Building Automation Systems (BAS) operations. Administer preventative maintenance service to prolong the life cycle of various building systems and equipment through regularly scheduled and proactive maintenance measures. Conduct periodic inspections to uncover conditions leading to equipment failure or harmful depreciation and to identify necessary corrective actions.
4. Non-competitive salaries impair TFC's recruitment and retention of qualified and experienced IT staff, and difficulty in maintaining staffing to ensure continuity of operations of vital building systems. IT is moving into a more remote work schedule and most new applicants are not willing to work a hybrid schedule. TFC seeks creative ideas to allow IT personnel to work 100% remote if they are performing the required tasks effectively remotely. It will have to reevaluate salaries and consider market adjustments and inflation so TFC can stay competitive in retaining the best talent.

Collaboration and Resource Sharing

TFC is a participant in the Data Center Services (DCS) project and has an on-going dialogue with the Department of Information Resources (DIR) and the vendor on how to utilize the shared data center and disaster recovery services toward helping TFC build a more secure, agile, and cost-effective infrastructure for the delivery of agency IT services. The consolidated data center will give TFC equal access to advanced technologies and will maximize TFC resources by leveraging economies of scale. Most importantly, by coordinating and sharing resources at the statewide level, TFC can focus more of its technology resources on agency-specific applications that support its unique missions.

TFC management and staff recognize the need to utilize, to the extent possible, collaboration and resource sharing with the private sector and other state agencies to ensure effective use of current technology assets. Collaboration offers TFC the opportunity to access skills, technologies, and products that would otherwise be out of reach due to cost. TFC will explore these partnerships in the next biennium; the responsibility to deploy innovative, value-added solutions to meet state agency core missions will require the ability to share resources for the common good of the state.

Security

The implementation and monitoring of enterprise IT security effectively reduces the impact of security threats and helps ensure the availability and reliability of TFC's resources. As technology becomes more integrated and more distributed, however, the risk of exposure to security threats increases and the investment in security must also increase to effectively protect TFC's data and technology resources. In addition, more rigorous government regulatory compliance requirements demand increased security resources to protect sensitive electronic information. According to industry predictions, the top five security threats will be: mobile devices, social media, hackers, more sophisticated viruses, and accidental loss of storage devices.

Examples of necessary security infrastructure efforts and approaches include:

- implement intrusion detection system for enterprise services
- mask sensitive data in enterprise databases and systems
- implement advanced security (two-factor authentication) for administrator access to systems
- extend advanced security to program areas administrator access
- streamline processes for encryption
- continue to increase authentication and logging capabilities.

TFC continues to implement a comprehensive security program to leverage and manage all its critical information and communications technology assets. TFC routinely conducts periodic assessments of technology security through a penetration test conducted by DIR. As part of this effort, DIR identifies risks in network and application security and TFC responds by remediating the risks.

TFC actively seeks opportunities to develop a comprehensive security program that protects its information and communications technology assets and infrastructure. TFC developed a set of security policies based on documented risks and in compliance with DIR's administrative rule. TFC, working with "Team for Texas" and DIR, has developed, tested, and implemented a Disaster Recovery Plan to reflect the agency's transformed environment to the Austin Data Center.

<u>Mobile Strategy</u>

Mobile devices are dramatically changing how technology is used in state government. Services must be developed and implemented with the understanding that many, if not most users will expect to access services, resources, and data via some type of mobile device. The complexity of developing services and systems to work with the multitude of devices is only one aspect of the challenge of developing a workable mobile strategy. Another significant challenge is implementing appropriate controls to secure data while making it highly accessible. Examples of services related to a mobile strategy include:

- access to applications supporting functional areas
- access to restricted and secure enterprise administrative systems
- printing from mobile devices
- providing mobile versions of web-based applications.

<u>Cloud Services</u>

Cloud computing is a term used for computing resources that are located remotely and delivered over a network, often the Internet. These resources can include storage, applications, or computer processing power. The services can be provided internally or by a commercial vendor. Cloud computing can provide cost savings because of economies of scale and centralized management, while providing flexibility because resources can be increased or decreased dynamically. Slow adoption of cloud computing using an outside vendor is related to security concerns, actual security incidents, and an uncertainty related to availability and reliability. Identifying the appropriate use of cloud services for TFC will require an evaluation of vendors, services, and the development of policies and guidelines to govern use. Examples of cloud-based services useful to TFC include:

- identification of a product to be used for storage of non-sensitive data and integration of this product into our infrastructure
- integration of external cloud computing processing resources to support business functions
- internal and external resources for advanced collaboration services such as instant messaging, video conferencing, and online meetings.

Technology Planning

With limited resources for technology projects, TFC approaches technology planning from an agency-wide perspective to ensure that technology projects and purchases are driven by business needs. Business needs from all areas of TFC are communicated, discussed, and prioritized at the monthly meeting by the core team of the IT strategic planning group to foster coordination and sharing of information technologies. Projects with a technology component are subject to an internal approval process, including a business justification and cost-benefit analysis. The core team representatives from all program areas communicate with the information resources manager on technology projects which are prioritized from a TFC-wide perspective.

New and improved information technology procured through strategic outsourcing to private sector partners and implemented with TFC oversight can provide a cost-effective option for resilient, reliable, and secure systems. The rapid advancement of computing technology in recent years has prompted the software industry to rise to the occasion and create better solutions, bringing about greater benefits to the community of consumers.

Integration of commercial solutions with State of Texas systems often requires custom applications and enhancements that are more cost efficient to be performed and maintained by TFC staff. When the business units purchase commercial software, they may face certain problems with installing the software and adapting it to that division’s goals and objectives. When packaged, commercial solutions do not provide the business value needed. TFC uses custom applications and enhancements to meet its unique software requirements.

Plan Progress:

TFC Technological Advances

TFC has integrated technology into all aspects of its operations. Integration will continue to be in direct support of the goals of TFC. In addressing TFC's information resource objectives, the following common goals were identified:

- update the aging information technology infrastructure
- improve the ability for analysis and reporting to provide the necessary business intelligence for establishing commission policy
- develop and continuously analyze TFC's portfolio for process improvement where new systems can be implemented and will address existing gaps and reduce total cost of operation.

Most recently, in cooperation with accounting, budget, and internal procurement, the agency has migrated the internal purchasing functions to CAPPS, which will provide better administrative reporting and access.

TFC is migrating agency applications to web-based applications not only to improve access to services, but also to help streamline and improve agency business processes. While the most visible example of electronic services is seen on the TFC portal, virtually all agency applications have been converted to web-based applications and the information and services are delivered online. These web-based applications allow customers to transact business with the agency from any location at their convenience.

TFC recognizes the need for information and services to be usable by all of its customers. TFC information is now increasingly distributed through electronic means over the Internet. Customers can access information and services at their own convenience. TFC is making it easier for clients to get information by designing an easy-to-navigate website. TFC will continue to assess and evaluate its website to make sure it is ordered around functional areas rather than TFC organizational structures. It will continue to enhance the search and browse capabilities to help users locate what they need. TFC will continue to follow and implement DIR rules relating to the development and monitoring of its website to provide access to individuals with disabilities.

<u>Automation—TFC Initiatives</u>

TFC has several initiatives currently in progress or planned over the next biennium that will enhance its ability to serve the public and client agencies as well as to deliver reliable and secure workplace solutions.

Successful expansion of TFC's cloud computing platform may require the additional purchase of licenses for data sources that are external to the agency. This platform is expected to be used internally only; however, some functions may leverage data created by external agencies or vendors. Additionally, any expansion of TFC personnel may require the acquisition of additional licenses and servers through the State Data Center.

TFC continues to proactively enhance, standardize, and control all aspects of its internal technical resources to support lines of business and streamline internal support activities.

Funding: Funding for information resources has been allocated as follows:

- $3.4 million by the 86th Texas Legislature
- $2.8 million by the 87th Texas Legislature
- $4.7 million by the 88th Texas Legislature

GOAL E: SALARY ADJUSTMENTS

E.1.1. SALARY ADJUSTMENTS:

The enactment of Senate Bill 30 (88R) provides a 5.0 percent increase in monthly salary with a minimum increase of $250 per month for certain state positions beginning July 1, 2023, and ending Aug. 31, 2023, and appropriates any related employee benefit costs associated with the salary increase required by the General Appropriations Act (GAA), Article IX, Sections 17.03 and 17.06. House Bill 1 (88R), the General Appropriations Act (GAA), extends the SB 30 increase from Sept. 1, 2023, through Aug. 31, 2024 (i.e., through appropriation year [AY] 2024), and provides for an additional 5.0 percent increase in annual salary with a minimum annual increase of $3,000 for AY 2025.

Funding: Funding for salary adjustments has been allocated as follows:

- $0 by the 86th Texas Legislature
- $0 by the 87th Texas Legislature
- $4.2 million by the 88th Texas Legislature

Outlook: The State Auditor's Office (SAO) conducted a study of the salaries and assigned salary groups for 66 executive officer positions at selected state agencies. These positions were exempt from the State's Position Classification Plan. Most of the executive officer positions were assigned to salary groups with competitive salary ranges. However, TFC was identified as an agency with executive officer positions that are assigned to salary groups with pay ranges that may limit the ability to offer market-competitive salaries. Reassigning executive officer positions to higher salary groups would help to maintain market-competitive salary ranges and would incur no cost for the agencies.

In addition, SAO studied pay compression within agencies. Pay compression may occur when the pay of a subordinate employee approaches, matches, or exceeds the pay of a direct supervisor, including an agency's executive officer. In these cases, differences in pay may be disproportionate to differences in responsibilities, which could create internal inequity. TFC was named as one of nine state agencies with a pay compression dynamic.

REDUNDANCIES AND IMPEDIMENTS

Redundancy and Impediment #1	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	Appropriations Transfer: GAA, Art. IX, Sec. 14.01(e)(2)
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	Presently, many state agencies have limited or complete flexibility to transfer funds into an "indirect administration" type function. This type of flexibility supersedes the restrictions of GAA Article IX, §14.01. TFC seeks similar "limited" authority. No additional appropriations are requested.
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	A new TFC Rider to provide limited transfer authority for indirect administrative costs.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Balances agency funding for improved operation without the need for additional appropriations.
Redundancy and Impediment #2	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	Equal Employment Opportunity Policy, Gov't Code § 2152.109, modified by Gov't Code § 2052.003(d)

DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	A report is not necessary to accomplish the statute's objectives that contain the reporting requirement. Information is reported under other areas of the Labor Code and reported by the Comptroller of Public Accounts ("CPA").
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Both Gov't Code § 2152.109 and Gov't Code § 2052.003 should be repealed; Labor Code § 21.452 should be amended to provide that the Texas Workforce Commission ("TWC") develop and promulgate an equal employment opportunity policy that all state agencies must adopt; and Labor Code § 21.552 should be amended to require that equal employment opportunity information be compiled and reported to the TWC by the CPA from the data submitted through the standardized reporting of human resource information that all state agencies submit.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Eliminates duplicated work efforts.
Redundancy and Impediment #3	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	State Capitol Building: Safe Place for Runaway Youth, Gov't Code § 2165.254
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	TFC is not the appropriate authority to create or administer a plan related to runaway youth; TFC does not maintain or control the Capitol Building.

PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Transfer this duty to State Preservation Board, the state entity that is the custodian of the Capitol Building.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	TFC cannot accomplish it.
Redundancy and Impediment #4	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	Parking Lots and Garages, Report on Lease of Space in State-Owned, Gov't Code § 2165.2035(e)
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	This report is redundant with other statutory reporting requirements. Gov't Code§ 2165.2046 requires that TFC report on the effectiveness of parking programs developed by TFC under Gov't Code Ch. 2165, Subchapter E. Subsection (e) of Gov't Code § 2165.2035 should be repealed as the information is reported in more detail pursuant to Gov't Code § 2165.2046.
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Eliminate reporting requirements as reported elsewhere. Subsection (e) was repealed and amended by two separate bills during the 83rd Texas Legislature. (The amending bill, SB 211, controls over the repealing bill, SB 59.) Accordingly, the reporting requirement still stands.

DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Eliminates duplicated work efforts.
Redundancy and Impediment #5	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	Space Allocation Plan, Gov't Code § 2165.1061(b)
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	This is a report filed with TFC. The due date set by statute does not work with the timelines TFC uses.
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	The report due date should be changed to "no later than the Commission's specified date."
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	TFC cannot accomplish it.
Redundancy and Impediment #6	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	Small Contractor Participation Assistance Program, Gov't Code § 2166.259

DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	Primary program elements are outside TFC's core facility-related functions and scope of expertise. Requires a system for the centralized purchase of insurance; a public outreach plan; a technical assistance plan; and a financing assistance plan to provide administrative and other assistance to small contractors in obtaining necessary financing arrangements necessary to participate in public.
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Statutory transfer of operational and programmatic oversight of the required insurance, financing assistance, and outreach program elements to an agency or agencies with specific subject-matter expertise in these areas.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	While TFC provides technical information relating to plans and specifications for all construction projects managed by the agency, full implementation of program requirements would be better accomplished by this transfer of non-facility related functions.
Redundancy and Impediment #7	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	GAA & Gov't Code § 2175.182-184
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	TFC lacks authority for the State Surplus Program to recover the costs associated with pricing, advertising, facilitating the transfer of, and tracking compliance for property transferred under Gov't Code §§ 2175.182–184.

PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Add a section to allow TFC to charge agencies a fee or modify Gov't Code § 2175.191(a) to include costs associated with the sale, including costs associated with processes described in Gov't Code §§ 2175.182–184. Or modify the method of finance for a portion of the FTEs allocated from appropriated receipts to funded positions.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Allows TFC to adequately staff the program to ensure program is fulfilling its statutory responsibilities beyond selling property. Current staffing levels and associated funding do not allow TFC to proactively monitor compliance, advertising, or pricing, leaving open the possibility of fraud, abuse, waste, or theft.
Redundancy and Impediment #8	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	Gov't Code § 2175.188
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	This guidance establishes the purchaser's fee collected by the Surplus Property Program to recover costs associated with the sale of state assets. The fee has not been revised since its creation by the 77th Legislature, eff Jan. 1, 2002, and does not adequately cover the rising costs associated with the sale, transfer, and disposal of the State's assets stretch limited staff resources and the program's ability to attract, hire, and retain adequate staffing to support program operations; limits the program's ability to perform key functions such as property pickups and drop offs, facilitating transfers, and disposal oversight. Additionally, the Program's ability to fully monitor compliance is hindered, and ultimately the financial gain received by the state treasury and by client agencies and organizations is reduced due to these impediments.

PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Modify Gov't Code § 2175.188 (b) (2) by changing from "at least two percent but not more than 12 percent of the proceeds" to, "at least two percent but not more than 20 percent of the proceeds.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Allows TFC to adequately fund the program to ensure program is fulfilling its statutory responsibilities beyond selling property. Current staffing levels and associated funding do not allow TFC to proactively monitor compliance, advertising, or pricing, leaving open the possibility of fraud, abuse, waste, or theft.
Redundancy and Impediment #9	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	TGC § 2175.064 TGC § 2175.065
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	TGC § 2175 lacks an overall enforcement mechanism for State Surplus Property Program. TGC § 2175.064 states that TFC shall cooperate with the State Auditor's Office ("SAO") in analyzing surplus and salvage property and TGC § 2175.065 permits TFC to report to the Legislative Budget Board ("LBB") only violations by those agencies who are delegated authority by TFC to dispose of property. This authority is rarely delegated and so TFC has no overall mechanism to enforce TGC § 2175.
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Amend TGC § 2175 to require TFC to report violations by any agency to LBB, SAO, or other appropriate oversight authority.

DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Strengthens the ability of the State Surplus Property program to increase funds returned to other agencies and to the State Treasury from the disposition of surplus property; sustain the cost- recovery basis of this statutory function; and decrease the potential for fraud, waste, theft, and abuse involving state-owned property items.
Redundancy and Impediment #10	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	TGC § 2175.181
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	Current language could be interpreted to mean the state surplus process only applies to agencies that TFC delegates authority to under Section 2175.241, thereby negating the overall applicability of TGC § 2175.
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Amend TGC § 2175.181 (a) to provide that, unless exempted by statute, this subchapter applies to all state agency personal property that has been designated as surplus or salvage.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Clarifies that TGC § 2175 applies to all state agencies for the disposition of state agency surplus and salvage property, including agencies that TFC delegates authority to under Section 2175.241.

Redundancy and Impediment #11	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	TGC § 2175.302
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	This exemption allows certain agencies funded by the state to opt-out of contributing property to the State Surplus Program (SSP) based on outdated logic that no longer applies. Eleemosynary institution is a term that applied to state hospitals and state schools when they relied on donations to support clients and this exemption allowed these agencies to profit from the sale of property that had been purchased using charitable contributions. These programs are now operated with state and federal funds and should be subject to the same laws as other state agencies for the disposition of state surplus and salvage property. State schools and hospitals routinely obtain property from SSP through free transfers, yet most do not utilize SSP services for disposal. They conduct private sales with the proceeds being retained by the school or hospital.
PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Repeal TGC § 2175.302.

DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	Applies the statute consistently across agencies for disposal of surplus and salvage property purchased with state and federal funds; ends the current practice of certain agencies taking property from the SSP program, while contributing nothing for the benefit of other state agencies and the State Treasury, or to sustain the cost-recovery basis of the program. Eliminates the redundancy of dedicating eleemosynary staff and resources to duplicating functions already provided by SSP, such as setting up public sales or soliciting bids for auction services contracts.
Redundancy and Impediment #12	
SERVICE, STATUTE, RULE, OR REGULATION (PROVIDE SPECIFIC CITATION IF APPLICABLE)	Public Private Partnerships(“P3”), Gov’t Code Chapter 2267
DESCRIBE WHY THE SERVICE, STATUTE, RULE, OR REGULATION IS RESULTING IN INEFFICIENT OR INEFFECTIVE AGENCY OPERATIONS	The statutory requirement for the Partnership Advisory Committee to convene so early in the procurement process (before an RFP and before the proper due diligence on the potential partnership) is a detriment. This process disallows the opportunity to present quantitative and qualitative benefits to the state (i.e., business case). Additionally, statute requires the project to have a "public purpose" instead of "public benefit", which allows excess land to be leveraged for the benefit of the state. Finally, the framework for the Center for Alternative Procurement and Finance as a financial, technical, and legal resource for state and local government entities exploring P3s needs a streamlined funding and cost reimbursement mechanism so that the costs can be reimbursed as part of the project financing and be viewed as cost-neutral to the state.

PROVIDE AGENCY RECOMMENDATION FOR MODIFICATION OR ELIMINATION	Streamline the timing of the approval process (Partnership Advisory Committee) to allow for proper investigation and analysis of potential early-stage projects. Allow for approval of projects that deliver a measurable public benefit to the state. Allow the Center to receive funding for the facilitation of projects that utilize the resources and expertise of the Center and its advisory bench.
DESCRIBE THE ESTIMATED COST SAVINGS OR OTHER BENEFIT ASSOCIATED WITH RECOMMENDED CHANGE	It provides an alternative to traditional financing that can monetize state assets underperforming (or non-performing). Reduce costs by both effectively allocating risk and reducing or eliminating ad valorem taxes paid by agencies as part of their leased portfolio.

PART 2: SUPPLEMENTAL ELEMENTS

SCHEDULE A: BUDGET STRUCTURE

GOALS, OBJECTIVES AND OUTCOME MEASURES, STRATEGIES AND OUTPUT, EFFICIENCY AND EXPLANATORY MEASURES

GOAL 1 – FACILITIES CONSTRUCTION AND LEASING	
The Commission will provide office space for state agencies through construction and leasing services and manage public buildings, grounds, property, and construction services. (Texas Government Code Chapters 2165, 2166, and 2167.)	
OBJECTIVE 1.1.	To obtain and maintain a space on the basis of obtaining the best value basis for the state in both owned and leased space, and to increase the ratio of owned space compared to leased space by 2022 when practicable.
Outcome Measure	Dollar savings achieved through the efficient use of state-owned space.
Strategy 1.1.1. Leasing	
Provide quality-leased space for state agencies at the best value for the state.	
Output Measure	Total number of leases awarded, negotiated, or renewed at or below market rate.
Efficiency Measures	• Average lease processing time (days).
Explanatory Measures	• Total square footage of office and warehouse space leased.
Strategy 1.1.2. Facilities Planning	
Ensure that the state optimizes the use of leased, purchased, and constructed office space by providing planning and space management services to state agencies.	
Explanatory Measure	• Total square footage owned.
OBJECTIVE 1.2.	To complete 90% of the construction, renovation, or repair of state office buildings in accordance with required specifications and within established budgets and schedules.
Outcome Measure	Percent of completed construction projects on schedule and within budget.
Efficiency Measures	• Percent occupancy of state-owned space.
Strategy 1.2.1. Facilities Design and Construction	
Provide a comprehensive program to ensure that state facilities are designed and built timely, cost-effectively, and are of the highest quality.	
Efficiency Measures	• Percent of change in project construction costs due to change in scope. • Percent of change in project construction costs due to errors and omission in

GOAL 2 – PROPERTY AND FACILITIES MANAGEMENT AND OPERATIONS	
The Commission will protect, and cost effectively manage, operate, and maintain state-owned facilities and grounds. (Texas Government Code, Chapter 2165)	
OBJECTIVE 2.1.	To provide and maintain a clean and healthy environment in state facilities.
Strategy 2.1.1. Custodial	
Provide cost-effective and efficient custodial services for state facilities.	
Efficiency Measures	Cost per Square Foot of Contracted Custodial Services in Facilities Located Within Travis County and Surrounding Counties.
OBJECTIVE 2.2.	To complete 100% of the funded maintenance and renewal projects by the end of each fiscal biennium.
Strategy 2.2.1. Facilities Operation	
Provide a comprehensive program to protect the state's investment in facilities by eliminating maintenance and renewal needs, providing grounds maintenance and minor construction services, improving the reliability of mechanical systems, and promoting efficient energy consumption and recycling.	
Output Measure	Total quantity of paper recycled (in tons).
Efficiency Measures	• Cost per acre of grounds care statewide. • Cost per square foot of all management, maintenance, and operations in facilities located within Travis County and surrounding counties. • Cost Per square foot of all management, maintenance, and operations in facilities located outside Travis County and surrounding counties. • Percent of maintenance and renewal projects completed.
Strategy 2.2.2. Lease Payments	
Make lease payments on facilities financed through the Texas Public Finance Authority.	
Output Measure	Square footage of building space financed through Texas Public Finance Authority (lease payments).
Strategy 2.2.3. Utilities	
Make utility payments for specified state facilities.	
Efficiency Measure	Utility cost per square foot.
GOAL 3 – SURPLUS PROPERTY	
The Commission will provide support to state agencies for surplus property needs. (Texas Government Code, Chapter 2175)	
OBJECTIVE 3.1.	To effectively screen, receive, and convey state and federal surplus property each year for the benefit of eligible Texas donees for federal surplus property and other state

Outcome Measure	Fair market value of federal surplus property distributed.
Strategy 3.1.1. Surplus Property Management	
To provide timely, appropriate, and cost-effective opportunities for disposal of state and federal surplus property to maximize the value received by the state.	
Output Measure	Total net dollar sales of state surplus and salvage property sold.
Explanatory Measures	• Number of donees who received federal surplus property.
GOAL 4 – HISTORICALLY UNDERUTILIZED BUSINESSES (HUB)	
The Commission will establish and implement policies governing purchasing and public works contracting that promotes the inclusion of HUBs. (Texas Government Code, Chapter 2161)	
OBJECTIVE 4.1.	To meet or exceed statewide HUB goals established in the 2009 State of Texas Disparity Study by facilitating participation of these small businesses in agency procurement and contracting processes.
Outcome Measure	Percent of the total dollar value of purchasing and public works contracts and subcontracts awarded to HUBs.
Strategy 4.1.1. HUB Plan	
Review, assess, and implement improvements to the agency plan for increasing the use of historically underutilized businesses, including service-disabled veterans, through purchasing and public works contracts and subcontracts.	
Output Measure	• Number of HUBs contacted for bid proposals. • Number of new HUBs contacted for bid proposals.

SCHEDULE B: PERFORMANCE MEASURE DEFINITIONS

LIST OF MEASURE DEFINITIONS

OUTCOME MEASURE 1.1.1. Dollar savings achieved through efficient use of state-owned space.	
Definition	Dollar savings resulting from new construction and/or reconfiguration and better use of state-owned space and by increased utilization of state-owned facilities and thereby providing for greater opportunities to move state agencies from leased space to state-owned space.
Purpose	Measure captures the net financial benefit realized by new construction and/or reconfiguring state-owned space and by increased utilization of state-owned facilities and thereby providing for greater opportunities to move state agencies from leased space to state-owned space.
Data Source	Space Utilization and Leasing Databases.
Methodology	Measure is calculated by subtracting construction, reconfiguration, and relocation costs from the amount of lease payments avoided.
Data Limitations	Number of leases expiring within each fiscal year of the biennium, availability of state-owned space, and current inventory and occupancy of state-owned space.
Calculation Method	Non-Cumulative.

New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

OUTCOME MEASURE 1.2.1. Percent of completed construction projects on schedule and within budget.	
Definition	Completed projects are defined as those projects that are "Substantially Complete" during the reporting period and follow the standard definition of Substantial Completion as established in the Uniform General Conditions (UGC). This date is determined and certified on the required AIA (American Institute of Architects) Document G704-2000 Certificate of Substantial Completion by the Contractor, Architect/ Engineer and Owner when the Work is complete.
Purpose	To quantify the number of construction projects completed on time and within budget.
Data Source	FDC construction files

Methodology	For each completed project during the reporting period, each day of weather delay or administrative delay is subtracted from total elapsed project days. The resulting total number of days is divided by project plan days. If the result is less than or equal to 1.05, the project will be on schedule. If over 1.05, the project was late. The total number of construction projects completed on time and within budget is divided by the total number of projects completed. Scope changes by user agencies, weather delays, and administrative delays, which are delays by cities to issue permits and delays for environmental remediation such as asbestos that was not discovered until actual construction began are excluded.
Data Limitations	None.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	Yes.

EFFICIENCY MEASURE 1.1.1.1. Average lease processing time (days).	
Definition	The average number of days for all Invitations for Bid awarded year-to-date, from the time a request for lease space is received until notice of award is executed.
Purpose	To measure efficiency of TFC leasing service.
Data Source	Lease activity report.
Methodology	Calculation of the average number of days it takes to award Leasing contracts, beginning with the date a request for lease space is received until the notice of award is executed. Delays beyond TFC's control are not included in the timeframe.
Data Limitations	N/A.
Calculation Method	Non-Cumulative.
New Measure	No.

Desired Performance	Lower than target.
Key Measure	No.

EXPLANATORY MEASURE 1.1.1.1. Total square footage of office and warehouse space leased.	
Definition	The simple arithmetic total of square footage of office and warehouse space under active lease by TFC.
Purpose	This measure quantifies the square footage of office and warehouse space leased by TFC.
Data Source	Leasing program database
Methodology	The sum of total square feet included in all active leases.
Data Limitations	Subject to state agency needs. TFC leases space based on the actual needs of client agencies and the total square footage of leased space is the result of external state agency needs.
Calculation Method	Non-Cumulative.
New Measure	No.

Desired Performance	Lower than target.
Key Measure	Yes.

EXPLANATORY MEASURE 1.1.1.2. Cost per square foot leased.	
Definition	The result of the total annual rents paid, divided by the total amount of space leased, in net square feet.
Purpose	To provide information on the costs associated with leased space.
Data Source	Lease activity report.
Methodology	Calculation of the total rents paid divided by the total amount of space leased, in net square feet.
Data Limitations	Fluctuation of the leasing market across the state.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Lower than target.
Key Measure	No.

OUTPUT MEASURE 1.1.1.1. Number of leases awarded, negotiated, or renewed at or below market rate.	
Definition	The total number of leases awarded, negotiated, or renewed at or below market rate. Leases awarded, negotiated, renewed are defined as state lease contracts that are obtained through various procurement methods and that require a Lease Action Memo that is signed by the Executive Director. Relevant, industry-standard reports and publications are used to determine market rates.
Purpose	Identifies strategic successes within the workload for the leasing services function.
Data Source	Leasing portfolio management system.
Methodology	The total number of state lease contracts for the reporting period is calculated from the lease activity report derived from the leasing portfolio management system. Only those state lease contracts with a Lease Action Memo signed by the Executive Director as of the last day of the reporting period are included in the calculation. Relevant, industry-standard reports and publications are used to determine market rates.
Data Limitations	TFC leases space based on the actual requirements of client agencies and the total number of state lease contracts is the result of external state agency needs. Further, pricing of lease contracts is dependent on state agency needs i.e., location and length of lease

Calculation Method	Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

EXPLANATORY MEASURE 1.1.2.1. Total square footage owned.	
Definition	The simple arithmetic total of net usable office space in the TFC inventory (statewide).
Purpose	To quantify the amount of office space owned for comparison purposes with other measures.

Data Source	Space Utilization Database.
Methodology	Total of all usable square feet included in the TFC inventory of state buildings.
Data Limitations	N/A.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

EXPLANATORY MEASURE 1.1.2.2. Income from state-owned parking lots and garages in Austin.	
Definition	The total income collected from renting spaces in state-owned parking lots and garages located in Austin, Texas.
Purpose	To maximize the use of state-owned parking lots and garages by providing the state with a non-tax revenue source.

Data Source	Recorded receipts received by vendors and/or individuals.
Methodology	Total revenue from rental receipts from vendors and/or individuals minus contractor expenses allowed in statute. The agency's accounting department records the receipts by payer name and deposits them into the state treasury under comptroller revenue object code 3747, Rental Other.
Data Limitations	Limited availability of state-owned parking spaces and fluctuations of the commercial parking market rates in Austin, Texas.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

EFFICIENCY MEASURE 1.1.1.1. Percent occupancy of state-owned space.	
Definition	The percentage of assigned code-compliant, usable square footage of state-owned space occupied by state agencies.
Purpose	This measure evaluates the efficiency of TFC's performance in utilizing available code-compliant, state-owned space.
Data Source	Leasing portfolio management system.
Methodology	The total amount of all occupied, code-compliant, usable square footage of state- owned space assigned to TFC divided by the total amount of code-compliant, usable square footage of state-owned space assigned to TFC.
Data Limitations	Subject to the availability of state-owned space as an alternative to leased space, and to state agency needs. TFC leases space based on the actual requirements of client agencies and the total leased square footage is the result of external state agency needs.
Calculation Method	Non-Cumulative.
New Measure	No.

Desired Performance	Higher than target.
Key Measure	No.

EFFICIENCY MEASURE 1.2.1.1. Percent of change in project construction costs due to change in scope	
Definition	The dollar volume of change orders resulting from changes in the scope of the project divided by the initial contract amount on active construction projects.
Purpose	This measure will identify the total changes to project costs resulting from scope changes.
Data Source	FDC project information forms and project status reports.
Methodology	Total of all change orders divided by the total of all initial contract amounts on active construction projects.
Data Limitations	N/A.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Lower than target.
Key Measure	No.

EFFICIENCY MEASURE 1.2.1.2. Percent change in project construction costs due to errors and omissions in design	
Definition	The dollar volume of change orders resulting from errors and omissions in design divided by the initial contract amount on active construction projects.
Purpose	This measure will identify the total changes to project costs resulting from errors and omissions in design.
Data Source	FDC project information forms and project status reports.
Methodology	Total of all change orders divided by the total of all initial contract amounts on active construction projects.
Data Limitations	N/A.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Lower than target.
Key Measure	No.

EFFICIENCY MEASURE 1.2.1.3. Percent of change in project construction costs due to unforeseen conditions.	
Definition	The dollar volume of change orders resulting from unforeseen conditions divided by the initial contract amount on active construction projects.
Purpose	This measure will identify the total changes to project costs resulting from unforeseen conditions.
Data Source	FDC project information forms and project status reports.

Methodology	Total of all change orders divided by the total of all initial contract amounts on active construction projects.
Data Limitations	N/A.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Lower than target.
Key Measure	No.

EFFICIENCY MEASURE 2.1.1.1 Cost per Square Foot of Contracted Custodial Services in Facilities Located Within Travis County and Surrounding Counties.	
Definition	Cost per square foot of all contracted custodial and cleaning services in TFC-Managed facilities funded by General Revenue appropriations and located within Travis County and surrounding counties.
Purpose	This measure captures the cost per cleanable square foot paid to custodial contractors.
Data Source	Fiscal's accounting system Budget Revenue Reports, Property Management's Computerized Maintenance Management System (CMMS), and the most current listing of cleanable square footage as of the beginning of each fiscal year provided by the Planning & Space Management division.
Methodology	Quarterly costs of contracted custodial services divided by square footage of cleanable space in facilities serviced primarily by those contractors.

Data Limitations	TFC is converting to a new CMMS in FY25 which may impact availability of certain data.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Lower than target.
Key Measure	Yes.

EFFICIENCY MEASURE 2.2.1.2 Cost per Square Foot of Contracted Custodial Services in Facilities Located Outside Travis County and Surrounding Counties.	
Definition	Cost per square foot of all contracted custodial and cleaning services in TFC-Managed facilities funded by General Revenue appropriations and located outside Travis County and surrounding counties.
Purpose	The measure captures the cost per cleanable square foot paid to custodial contractors.

Data Source	Fiscal's accounting system Budget/Revenue Reports, Property Management's Computerized Maintenance Management System (CMMS), and the most current listing of gross square footage as of the beginning of each fiscal year provided by the Planning & Space Management division.
Methodology	Quarterly costs of contracted custodial services divided by square footage of cleanable space in facilities serviced primarily by those contractors.
Data Limitations	TFC is converting to a new CMMS in FY25 which may impact availability of certain data.
Calculation Method	Cumulative.
New Measure	No.
Desired Performance	Lower than target.
Key Measure	Yes.

EFFICIENCY MEASURE 2.2.1.3. Cost Per Square Foot of All Management, Maintenance, and Operations in Facilities Located Outside Travis County and Surrounding Counties.	
Definition	Cost per square foot of all management, maintenance, guard services, and operations in TFC-managed facilities funded by General Revenue appropriations and located outside Travis County and surrounding counties. The measure excludes the cost for custodial, grounds and utilities.
Purpose	This measure captures the cost per square foot of the identified activities.
Data Source	Listing of the total gross square footage as of the beginning of each fiscal year of the facilities, garages, and lots provided by the Planning & Space Management division and Property Management's Computerized Maintenance Management System.
Methodology	Average cost per square foot of maintenance and operations funded by General Revenue appropriations divided by the applicable area.
Data Limitations	None.
Calculation Method	Cumulative.
New Measure	No.

Desired Performance	Lower than target.
Key Measure	No.

EFFICIENCY MEASURE 2.2.1.5. Percent of maintenance and renewal projects completed.	
Definition	The calculation of the percentage of the maintenance and renewal projects in the Master Facilities Plan that were targeted for completion during the current biennium (based on appropriated funding) that are actually completed during the reporting period.
Purpose	This measure sets a benchmark to use in calculating progress made toward completion of the maintenance and renewal projects targeted for completion during the biennium.
Data Source	Maintenance and renewal Excel spreadsheet for the current biennium provided by the Fiscal Department.
Methodology	The percentage is calculated by dividing the number of the maintenance and renewal projects completed by the number of maintenance and renewal projects targeted for completion based on appropriated funding.
Data Limitations	N/A

Calculation Method	Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

EFFICIENCY MEASURE 2.2.1.6. Average Number of Days to Resolve Maintenance Requests.	
Definition	Average number of days to complete maintenance requests in all facilities regardless of funding source (excluding tenant-paid additions or alterations and regularly scheduled, predictive, and preventative maintenance) statewide.
Purpose	This measure captures how quickly corrective requests are being resolved.
Data Source	Computerized Maintenance Management System (CMMS).

Methodology	Average number of workdays to complete, corrective maintenance requests, beginning with the 'Date Issued' until the 'Date Completed'.
Data Limitations	Results are subject to outlier effect. TFC in converting to a new CMMS in FY25 which may impact availability of certain data.
Calculation Method	Non-Cumulative.
New Measure	Yes.
Desired Performance	Lower than target.
Key Measure	Yes.

EFFICIENCY MEASURE 2.2.1.7. Average Number of Days to Respond to Maintenance Requests.	
Definition	Average number of days to respond to maintenance requests in all facilities regardless of funding source (excluding tenant-paid additions or alterations and regularly scheduled, predictive, and preventative maintenance) statewide.

Purpose	This measure captures how quickly corrective requests are being responded to.
Data Source	Computerized Maintenance Management System.
Methodology	Average number of workdays to respond to corrective maintenance requests, beginning with the ‘Date Requested’ until the ‘Date Issued’.
Data Limitations	Computerized Maintenance Management System.
Calculation Method	Non-Cumulative.
New Measure	Yes.
Desired Performance	Lower than target.
Key Measure	Yes.

EFFICIENCY MEASURE 2.2.1.8. Percent of Maintenance and Renewal Funding Under Contract.	
Definition	The percentage of current-biennia maintenance and renewal appropriations encumbered to a contract.
Purpose	To evaluate the progress and status of preconstruction activities including planning, procuring, assessing, and designing maintenance and renewal projects.
Data Source	Maintenance and renewal Excel spreadsheet for the current biennium provided by the Fiscal Department.
Methodology	Divide the total dollar amount of maintenance and renewal appropriations for the current biennium encumbered to a contract by the total dollar amount of maintenance and renewal appropriations for that biennium.
Data Limitations	N/A
Calculation Method	Non-Cumulative.
New Measure	Yes.
Desired Performance	Higher than target.

Key Measure	Yes.

OUTPUT MEASURE 2.2.2.1. Square footage of building space financed through TPFA.	
Definition	Usable area of TFC managed projects financed by the TPFA (statewide).
Purpose	Reports the volume of TPFA bond financed buildings.
Data Source	TFC Space Utilization Database.
Methodology	Total square footage taken directly from the “Buildings Funded by TPFA” database.
Data Limitations	Subject to projects approved by the Legislature.
Calculation Method	Non-cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

OUTCOME MEASURE 3.1.1. Fair market dollar value of federal surplus property distributed.	
Definition	The total fair market dollar (defined as 23.34% of original cost) value of federal surplus property distributed to eligible recipients (donees).

Purpose	This measure captures the value of federal surplus property that is actually distributed to customers, which reflects on the effectiveness of the program
Data Source	TFC – Federal Surplus Property Activity Report, which is developed from receiving, donation, and invoice reports from each FSP district.
Methodology	Sum of the fair market dollar value of all federal surplus property actually distributed to recipients for the reporting period.
Data Limitations	Availability of Federal Surplus Property is subject to external factors.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

EXPLATORY MEASURE 3.1.1.1. Number of donees who received federal surplus property.	
Definition	Number of eligible donees that actually participated and received property during the reporting period.
Purpose	The measure shows the total number of donees that received property during the reporting quarter. This is important because the greater the distribution and visibility or surplus property throughout the state and the greater the savings to the taxpayers of Texas.
Data Source	Donee status report.

Methodology	The measure is calculated by running the AssetWorks Property Donation Report for the reporting quarter. The “Accounts” on the last page of the report is the number of donees that received property during the reporting quarter.
Data Limitations	Participation in program is voluntary.
Calculation Method	Non-Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

EXPLANATORY MEASURE 3.1.1.2. Number of agencies participating in the State Surplus Property Program.	
Definition	Manual count of state agencies located in Austin that participate in the State Surplus Property Program.
Purpose	Increasing the number of agencies participating in the State Surplus Property Program helps ensure that the State receives the best value for disposal of surplus property.

Data Source	State Surplus spreadsheet.
Methodology	Manual count of the number of agencies participating in the State Surplus Property Program. Each agency is only counted once, regardless of the number of state surplus property transactions.
Data Limitations	Agencies are not required to participate in the State Surplus program.
Calculation Method	Non-cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

OUTPUT MEASURE 3.1.1.1. Total net dollar sales of state surplus and salvage property sold.	
Definition	The total net dollar sales of state surplus and salvage property sold during the reporting period through live public auctions, Internet sales, and the agency's storefront.
Purpose	The sale of state surplus property through live public auctions, Internet sales, and the agency's storefront ensures surplus property is properly sold and that the state receives the maximum return on the sale.
Data Source	The data collection for state surplus property is entered into the State Property Accounting (SPA) with the Comptroller of Public Accounts by each agency. Agencies enter property into this system and enter a code for disposal.

Methodology	Adding total sales dollars for all live auction sales less auctioneers’ fees, Internet sales and the agency’s storefront sales methods to dispose of the state surplus property.
Data Limitations	Agencies coding properly and agencies may choose to participate (non-mandatory).
Calculation Method	Cumulative.
New Measure	No.
Desired Performance	Higher than target.
Key Measure	No.

SCHEDULE C: HISTORICALLY UNDERUTILIZED BUSINESS PLAN (HUB)

Mission Statement

The mission of the Historically Underutilized Businesses (HUB) program at TFC is to provide training and educational assistance to HUBs and to help them improve their ability to effectively compete in doing business with the State of Texas. TFC is dedicated to fostering an environment that will advance the participation of HUB in the agency's competitive procurement of goods and services.

HUB Policy

TFC adopted Title 34, Texas Administrative Code, Part 1, Chapter 20, Subchapter D, Division 1 (34 TAC (1)20D (1)). Additional guidance is provided in the TFC's Operating Policies and Procedures.

HUB Definition

A HUB is defined by the Texas Government Code, Chapter 2161, and 34 TAC §20.282 as a business formed for the purpose of making a profit, provided the following criteria are met:

- The principal place of the business must be in Texas.
- The proprietor of the business must be a resident of the State of Texas.
- At least 51% of the assets and at least 51% of all classes of the shares of stock or other equitable securities in the business must be owned by one or more persons whose business enterprises have been historically underutilized (economically disadvantaged), because of their identification as members of at least one of the following groups: *African American, Hispanic American, Asian Pacific American, Native American, American women, and disabled-service veterans.*
- The individuals mentioned above must demonstrate active participation in the control, operation, and management of the business.
- The business must be involved directly in the manufacture or distribution of the contracted supplies or materials, or otherwise warehouse and ship the supplies or materials.
- The business must be classified as a small business consistent with the U.S. Small Business Administration's size standards and based on the North American Industry Classification System code.

HUB Program Staff

Currently, TFC has 5 FTEs – a director, three coordinators, and one assistant coordinator – whose focus is solely on the HUB program responsibilities. The HUB director communicates with the executive director; serves as a resource to other TFC management and program staff; and reports and responds to oversight entities as required. HUB staff are involved in standard HUB-related activities, ranging from maintaining and monitoring HUB data, vendor outreach to vendor and staff education on program requirements. In addition to HUB program staff, other TFC staff involved in procurement and contracting are required to implement state and agency HUB-related guidance, as identified in operating policies and procedures posted agency-wide.

HUB Performance, Goals, Objectives, and Strategies

In 2009, the State of Texas performed a disparity study, which resulted in development of statewide HUB goals in six categories of procurements. TFC has adopted these goals as its minimum performance standard and develops annual agency goals based on past performance and future procurement projections. The following are the operational goals, objectives, and strategies that the TFC employs in working to meet its HUB-related mission and the goals identified.

Agency-Specific HUB Goals and TFC's Performance

Category	Goals for FYs 2023-2024	Performance		Goals for FYs 2025-2029
		2023	2024**	
Heavy Construction Contracts*	11.2%	0%	0%	11.2%
Building Construction	21.1%	15.93%	10.55%	21.1%
Special Trade	32.7%	39.66%	10.92%	32.9%
Professional Services Contracts	23.6%	43.93%	22.11%	23.7%
Other Services Contracts	24.6%	17.99%	28.91%	26%
Commodity Contracts	21.1%	22.96%	20.98%	21.1%

* Please note TFC is not slated for any projects that would fall in the Heavy Construction procurement category. Professional Services projects that are part of a construction project are rolled up and placed under the Building Construction Category.

**TFC is currently in the DRAFT period of reporting HUB data and the official HUB report will be posted on the Comptroller webpage on May 15, 2024.

Outreach to HUB Vendors

***GOAL 1*:** Increase the number of HUBs participation on prime and subcontracting opportunities through early identification of procurement needs, market research, and HUB engagement.

Objective 1.1 Proactively identify contracting and procurement needs in prime and subcontracting opportunities and create a plan of action to ensure proactive HUB engagement.

Strategy 1.1.A*.* Advise vendors, business associations, and others of the agency's procurement processes and opportunities.

Strategy 1.1.B. Assist disabled-service veteran and minority- and women-owned businesses in acquiring HUB certification.

Strategy 1.1.C. Facilitate mentor-protégé agreements to foster long-term relationships between contractors and HUBs.

Objective 2.1. Develop education resource training program, implementation strategy, and metrics for on-going success for early and effective engagement with HUBs at all levels.

Strategy 2.1.A. Encourage prime stakeholders and resources partners to collaborate to host essential training on best practices to assist HUBs to understand the competitive procurement process and post award HUB compliance the State of Texas requires.

Strategy 2.1.B. Coordinate education sessions for HUBs through online avenues and classroom training settings.

Objective 3.1. Building trust and opportunity through community engagement.

Strategy 3.1.A. Continued collaborations with local and statewide minority associations, chambers, business development centers and trade organizations.

Strategy 3.1. Host, coordinate, and attend business conferences to provide information on upcoming procurements opportunities and training.

Strategy 3.1.C. Conduct outreach activities that foster and improve relationships among HUB vendors, prime contractors, and purchasers.

Outreach to Purchasers and Key Decision Makers

GOAL 2: Increase the utilization of HUB-certified vendors through internal outreach and procurement practices and policies that maximize HUB utilization.

Objective 2.1. Encourage directors, purchasers, project managers, and other personnel responsible for procurement of goods and services to maximize use of HUBs.

Strategy 2.1.A. Educate agency staff on HUB statutes and rules through online avenues, teleconferencing, and classroom training.

Strategy 2.1.B. Review existing policies and procedures and amend as necessary to encourage HUB utilization.

Strategy 2.1.C. Report HUB utilization data throughout the fiscal year so that each office can keep abreast of ongoing performance.

SCHEDULE D: STATEWIDE CAPITAL PLANNING

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

Capital Expenditure Plan (MP1) Summary Report (Fiscal Years 2025-2029) as Reported in FY 2024

Project Name	Building Number	Building Name	Condition	Priority	GSF	EBG	Acres	CIP	Deferred Maintenance	Total Cost	Start Date	End Date
Deferred Maintenance 2024-25 Appropriated	Var.	Var.		1	12,100,000				$110,893,226	$110,893,226	Nov-'23	Aug-'28
Deferred Maintenance 2026-27 LAR	Var.	Var.		2	12,100,000				$121,399,509	$121,399,509	Feb-'26	Dec-'30
CapCom New Construction Phase I Appropriated	NA	Var.		3	1,026,000					$11,994,804	Apr-'20	Mar-'27
CapCom New Construction Phase II Appropriated	NA	TBD		4	525,000					$648,281,241	Apr-'20	Mar-'27
Texas School for the Deaf Phase III Appropriated	TBD	TBD		5	46,000					$56,533,279	Apr-'24	Aug-'28
Permian Basin Behavioral Health Center Appropriated	NA	TBD		6	223,753					$107,854,531	Jan-'23	Mar-'26
Flex Office Space Appropriated	NA	TBD		7	100,000					$29,409,587	Jul-'24	Dec-'27
Guadalupe Regional Medical Center MOB Appropriated	NA	TBD		8	27,000					$9,970,416	Apr-'24	Aug-'26
OBO DPS, (New) DPS Training Academy Appropriated	NA	TBD		9	1,190,948					$381,499,500	Jul-'24	Aug-'28
OBO TSLAC, (New) State Records Center Appropriated	NA	NSRC		10	190,000					$210,300,000	Oct-'24	Aug-'28
OBO TJJD, (New) Two 100 Bed Facilities Appropriated	NA	TBD		11	207,000					$200,000,000	Jan-'25	Jan-'29
OBO TxDMV, (New) TxDMV Camp Hubbard Renewal App	NA	TBD		12	142,000					$137,428,044	Jul-'24	Aug-'27
Total										$2,025,564,137		

Totals by Project Type

Project Type	Number of Projects	GSF	EBG	Acres	Total Cost
Addition					
New Construction	10	3,677,701			$1,793,271,402
Repair and Renovation	2	12,100,000			$232,292,735
Land Acquisition					
Infrastructure					
Information Resources					
Leased Space					
Unspecified					
Total	12	15,777,701			$2,025,564,137

Summary of Planned Expenditures by Year

Project Type	2025	2026	2027	2028	2029	Balance	Total Cost
Addition							
New Construction	$415,603,566	$712,957,567	$481,164,973	$160,015,885	$23,529,412	0	$1,793,271,402
Repair and Renovation	$29,518,523	$59,037,047	$64,555,206	$46,073,002	$22,072,638	$11,036,319	$232,292,735
Land Acquisition							
Infrastructure							
Information Resources							
Leased Space							
Unspecified							
Total	$445,122,090	$771,994,613	$545,720,179	$206,088,886	$45,602,050	$11,036,319	$2,025,564,137

Totals by Funding Sources

Funding Source	Number of Projects	Total Cost
Ancillary Enterprise Fund		
Ancillary Enterprise Revenues		
Available University Fund		
Designated Tuition		
Energy Savings		
Federal Funds		
Federal Grants		
General Revenue	9	$1,227,860,048
Gifts/Donations		
Higher Education Assistance Fund Proceeds		
Housing Revenue		
Lease Purchase other than MLFP		
Legislative Appropriations		
Master Lease Purchase Program		
Other		
Other Local Funds		
Other Revenue Bonds		
Performance Contracting Energy Conservation		
Permanent University Fund		
Private Development		
Private Development Funds		
Revenue Financing System Bonds	3	$797,704,089
Student Fees		
Tuition Revenue Bond Proceeds		
Unexpended Plant Funds		
Unknown Funding Source		
Unspecified		
Total		$2,025,564,137

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	Maintenance and Renewal Appropriated — Priority: # 1
Building Number:	Var
Location:	Statewide
Description:	Funding for the Deferred Maintenance (DM) Program is a major exceptional item request for TFC as remediation of an extensive backlog of repairs and renovations for all state-owned office buildings maintained by the agency continues to be a top priority. This funding request focuses on projects necessary to reduce the risk to continuity of operations and/or health and life safety concerns. As funds are appropriated, TFC will continue to update information and make needed adjustments to implement the most effective strategy for reducing the backlog of DM projects. The data used in determining the cost for this request was initially obtained through a comprehensive facility condition assessment with additional information from past and on-going DM project assessments. The data is updated yearly to reflect cost escalation and every biennium to reflect work completed and new items identified through input from TFC's personnel and architectural and engineering evaluations. The 88th Legislature appropriated approximately $111M for TFC's use on deferred maintenance and workspace renewal that predictably will begin to stem the trend of degradation of TFC's facility portfolio. (Additional unspent dollar amounts appropriated for FY 2016 to FY 2021 are included in this project.) The list of deficiencies contains only those items determined to be top priority based on the metrics established in the assessments. A delay in addressing the backlog of deferred maintenance deficiencies will result in an exponential increase in the criticality of those items that remain.
Type:	Repair and Renovation
Total Cost:	$ 110,893,226.00
Start Date:	Nov-'23
End Date:	Aug-'28
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	$ 110,893,226.00
Useful Life:	25 Years

Square Footage

Gross Square Footage (GSF):	12,100,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Legislative appropriation of General Revenue approved by LBB
Potential Consequences of Postponing the Project:	Delay in addressing the DM backlog will result in an exponential increase in the criticality of and cost of those items that remain unaddressed. Postponing these repairs also presents significant potential risks to Health/Life Safety and Continuity of Operations. Postponing renewal of building interiors, finishes and modernization of workspaces impacts recruitment for state employment and discourages employees from in office attendance. In some cases, renewal will also address risks such as trip hazards in floor covering and compliance issues with Texas Accessibility Standards.
Revenue/Cost Savings:	Not calculable.
Other Financing Methods Considered:	

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash		GR	$18,482,204	$36,964,409	$36,964,409	$18,482,204		
		Total	$18,482,204	$36,964,409	$36,964,409	$18,482,204		

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	Maintenance and Renewal Appropriated	Priority: # 1
Building Number:	Var	
Location:	Statewide	
Description:	Funding for the Deferred Maintenance (DM) Program is a major exceptional item request for TFC as remediation of an extensive backlog of repairs and renovations for all state-owned office buildings maintained by the agency continues to be a top priority. This funding request focuses on projects necessary to reduce the risk to continuity of operations and/or health and life safety concerns. As funds are appropriated, TFC will continue to update information and make needed adjustments to implement the most effective strategy for reducing the backlog of DM projects. The data used in determining the cost for this request was initially obtained through a comprehensive facility condition assessment with additional information from past and on-going DM project assessments. The data is updated yearly to reflect cost escalation and every biennium to reflect work completed and new items identified through input from TFC's personnel and architectural and engineering evaluations. The 88th Legislature appropriated approximately $111M for TFC's use on deferred maintenance and workspace renewal that predictably will begin to stem the trend of degradation of TFC's facility portfolio. (Additional unspent dollar amounts appropriated for FY 2016 to FY 2021 are included in this project.) The list of deficiencies contains only those items determined to be top priority based on the metrics established in the assessments. A delay in addressing the backlog of deferred maintenance deficiencies will result in an exponential increase in the criticality of those items that remain.	

Type:	Repair and Renovation
Total Cost:	$ 110,893,226.00
Start Date:	Nov-'23
End Date:	Aug-'28
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	$ 110,893,226.00
Useful Life:	25 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	12,100,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Legislative appropriation of General Revenue approved by LBB
Potential Consequences of Postponing the Project:	Delay in addressing the DM backlog will result in an exponential increase in the criticality of and cost of those items that remain unaddressed. Postponing these repairs also presents significant potential risks to Health/Life Safety and Continuity of Operations. Postponing renewal of building interiors, finishes and modernization of workspaces impacts recruitment for state employment and discourages employees from in office attendance. In some cases, renewal will also address risks such as trip hazards in floor covering and compliance issues with Texas Accessibility Standards.
Revenue/Cost Savings:	Not calculable.
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:

End Date:

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash		GR	$18,482,204	$36,964,409	$36,964,409	$18,482,204		
		Total	$18,482,204	$36,964,409	$36,964,409	$18,482,204		

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 | Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	CapCom New Construction Phase 1 Appropriated	Priority: # 3
Building Number:	Var.	
Location:	Capitol Complex	
Description:	TFC is required by statute to give preference to housing state agencies in state-owned facilities but is unable to do so because there is no available space in TFC's building inventory. As a result, the State leases more than 1.2 million gross square feet (gsf) in Austin at an annual cost of over $17.8 million with rates expected to increase significantly. As required by statute, TFC has prepared a Capitol Complex Master Plan which defines how to reduce leases in favor of owned facilities. The 84th Legislature appropriated $581,223,536 to fund design and construction of the Phase 1 buildings of the Master Plan for the Capitol Complex. Phase I includes a 605,000 gsf building on one full block at Congress Ave and MLK Blvd, a 421,000 gsf building on Congress Ave on the half block west of the LBJ building, Five levels of underground parking under Congress Ave from 16th St. to MLK Blvd. and a landscaped mall on Congress Ave, from 16th St. to MLK Blvd. The project is complete and there remains $11,994,804 in funding authority for additional ancillary improvements or to be used for the Phase 2 project.	

Type:	New Construction
Total Cost:	$ 11,994,804.00
Start Date:	Sep-'16
End Date:	Aug-'25
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	1,026,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Legislative appropriation of Revenue Bonds approved by LBB, TPFA and BRB and issued through TPFA.
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	$17.8M per year
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:	5/1/2016
End Date:	5/1/2036

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures					
			Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Bonds	Current Appropriations	ORB	$11,994,804					
		Total	$11,994,804					

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures					
		Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Appropriated General Revenue	100%	$34,873,412	$34,873,412	$34,873,412	$34,873,412		$34,873,412
	Total	$34,873,412	$34,873,412	$34,873,412	$34,873,412		$34,873,412

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	CapCom New Construction Phase 2 Appropriated	Priority: # 4
Building Number:	NA	
Location:	Capitol Complex	
Description:	TFC is required by statute to give preference to housing state agencies in state-owned facilities but is unable to do so because there is no available space in TFC's building inventory. As a result, the State leases more than 1.2 million gross square feet (gsf) in Austin at an annual cost of over $17.8 million with rates expected to increase significantly. As required by statute, TFC has prepared a Capitol Complex Master Plan which defines how to reduce leases in favor of owned facilities. The 84th Legislature appropriated $581,223,536 to fund design and construction of the Phase 1 buildings of the Master Plan for the Capitol Complex and the 86th Legislature appropriated $313,563,673 to fund the Phase 2 buildings to include: 1) 360,000 gsf building on 15th St., between Lavaca St. and Colorado St., and underground and structured parking that will provide 1,650 spaces. (Structured parking is included in the proposed cost but not included in the gross square footage data); 2) 165,000 gsf building on 15th St., between Colorado St. and Congress Ave., and underground and structured parking that will provide 900 spaces. (Structured parking is included in the proposed cost but not included in the gross square footage data.) The 88th Legislature appropriated an additional $397,436,327 to address unanticipated construction market escalation and to ensure sufficient contingencies available to complete the project. A remaining unexpended balance of $648,281,241 is projected for expenditure through the completion of the project in March of 2027.	

Type:	New Construction
Total Cost:	$ 648,281,241.00
Start Date:	Apr-'20
End Date:	Mar-'27
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	525,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Legislative appropriation of Revenue Bonds approved by LBB, TPFA and BRB and issued through TPFA.
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	$18M per year
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:	5/1/2018
End Date:	5/1/2038

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures: Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/2029	9/1/2029 and Beyond
Bonds	Current Appropriations	ORB	$162,070,310	$324,140,621	$162,070,310			
		Total	$162,070,310	$324,140,621	$162,070,310			

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures: Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/2029	9/1/2029 and Beyond
Appropriated General Revenue	100%				$42,660,000	$42,660,000	$837,273,600
	Total				$42,660,000		$879,933,600

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	Texas School for the Deaf Phase 3 Appropriated — Priority: # 5
Building Number:	TBD
Location:	Texas School for the Deaf Campus, Austin, Texas
Description:	The project includes approximately 36,000 SF of new housing building, 4 new classrooms of approximately 4,000 SF, expansion of Kleberg Building to provide approximately 6,000 SF of classrooms, and reconfiguration of the Elizabeth Gate entrance. The scope of work includes A/E professional services and contractor manager-at-risk services to plan, design, and construction of the above-mentioned work.
Type:	New Construction
Total Cost:	$ 56,533,279.00
Start Date:	Apr-'24
End Date:	Aug-'28
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Square Footage

Gross Square Footage (GSF):	46,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash	Interagency Contract	GR	$9,422,213	$18,844,426	$18,844,426	$9,422,213		
		Total	$9,422,213	$18,844,426	$18,844,426	$9,422,213		

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	Permian Basin Behavioral Health Center	Priority: # 6
Building Number:	NA	
Location:	Midland, Texas	
Description:	A new, comprehensive, behavioral health facility, BH Campus, to serve the entire Permian Basin region. The BH Campus will include inpatient and outpatient psychiatric care facilities for adults and adolescents, along with a crisis stabilization unit, professional offices, and counseling/therapeutic spaces appropriate for all ages. Land acquisition, design and construction of site improvements and new buildings to provide a 200-bed behavioral health center located in the Permian Basin region of Texas for an estimated budget cost of $220M ($126,700,000 in General Revenue and $93,300,000 in hospital district donations). The remaining unexpended funds of $107,854,531 are projected to be expended for completion of the project in March of 2026.	

Type:	New Construction
Total Cost:	$ 107,854,531.00
Start Date:	Jan-'23
End Date:	Mar-'26
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	223,753
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Legislative Appropriation of General Revenue
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash		GR	$64,712,719	$43,141,812				
		Total	$64,712,719	$43,141,812				

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	Flex Office Space Appropriated	Priority: # 7
Building Number:	NA	
Location:	Pflugerville, Texas	
Description:	Land acquisition, design and construction of site improvements and a new building to provide approximately 75,000 to 100,000 square feet of state owned "flex" office space. A strategically located generic office building constructed on competitively priced property will provide short term, revolving, temporary facilities for multiple tenants and objectives including: 1) available space inventory for agencies to utilize during negotiations for lease acquisitions / renewals; and 2) accommodation of temporary office relocations to facilitate the efficient completion of disruptive deferred maintenance and/or office renovations, for an estimated budget cost of $40,000,000. The Facilities Commission shall notify the Legislative Budget Board and the Library and Archives Commission of the feasibility and cost of acquiring sufficient land for the construction of archival storage prior to any purchase of land for this purpose. Land has been purchased and the remaining unexpended balance of $29,409,587 is projected to be expended for completion of the project in December of 2027.	

Type:	New Construction
Total Cost:	$ 29,409,587.00
Start Date:	Jul-'24
End Date:	Dec-'27
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	100,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Legislative Appropriation of General Revenue
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures					
			Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash		GR	$4,901,598	$9,803,196	$9,803,196	$4,901,598		
		Total	$4,901,598	$9,803,196	$9,803,196	$4,901,598		

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures					
		Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 | Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	Guadalupe Regional Medical Center MOB Appropriated	Priority: # 8
Building Number:	NA	
Location:	Seguin, Texas	
Description:	Design and Construction of new approximate 27,000 gross square foot Medical Office Building in Seguin, Texas for the Guadalupe Regional Medical Center (Sec IX 17.20).	

Type:	New Construction
Total Cost:	$ 9,970,416.00
Start Date:	Apr-'24
End Date:	Aug-'26
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	60 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	27,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Legislative Appropriation of General Revenue
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash		GR	$5,982,250	$3,988,166				
		Total	$5,982,250	$3,988,166				

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	OBO DPS Training Academy Appropriated	Priority: # 9
Building Number:	NA	
Location:	Florence, Texas	
Description:	The scope of this project is the expansion and Improvement of the Department of Public Safety Training Academy in Florence, Texas to include classrooms, dormitories, commercial kitchen, dining hall, indoor and outdoor fitness training facilities, administrative offices, firing range improvements, utility infrastructure, parking and site improvements. Funding of $381,499, 500 in General Revenue was appropriated to DPS by the 88th Legislature. TFC has entered into an interagency contract with DPS for $361,499,500 to complete the project. The land purchase is complete.	

Type:	New Construction
Total Cost:	$381,499,500
Start Date:	Jul-'24
End Date:	Aug-'28
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	1,190,948
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Interagency Contract with DPS with Legislative Appropriations from the 88th Legislature.
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures					
			Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash	Interagency Contract	GR	$63,583,250	$127,166,500	$127,166,500	$63,583,250		
		Total	$63,583,250	$127,166,500	$127,166,500	$63,583,250		

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures					
		Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 — Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	OBO TSLAC New State Records Center Appropriated	Priority: # 10
Building Number:	NA	
Location:	TBD	
Description:	This project includes land acquisition, design and construction of an approximately 190,000 square foot class A office warehouse facility for the Texas State Library and Archives Commission (TSLAC). This building will provide configurable warehouse space to meet highly specific operational requirements including office space, storage for state archives and multi-agency state records (multi-deck and tall shelving), space for a processing lab and a non-aqueous fire suppression system. The 88th Legislature appropriated $210M in General Revenue to the Texas State Library and Archives Commission to construct this replacement facility for the existing records center in Austin, Texas. The building shall be constructed of tilt-wall concrete or other appropriate structural system as determined as best for the project with a single ply roofing system. The number of stories and final square footage is to be determined by the project budget and pre-design requirements and functional space program.	

Type:	New Construction
Total Cost:	$ 210,300,000.00
Start Date:	Oct-'24
End Date:	Aug-'28
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Square Footage

Gross Square Footage (GSF):	190,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Interagency Contract with TSLAC with Appropriation by the 88th Legislature
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures					
			Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
Cash	Interagency Contract	GR	$35,050,000	$70,100,000	$70,100,000	$35,050,000		
		Total	$35,050,000	$70,100,000	$70,100,000	$35,050,000		

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures					
		Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/202	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	OBO TJJD, Two 100 Bed Facilities Appropriated	Priority: # 11
Building Number:	NA	
Location:	TBD	
Description:	Acquire land, design and construct two new 100 bed juvenile detention facilities. Newly constructed facilities will provide a safe, secure, modern environment that is conducive to educating youth about lasting behavioral change, thus guiding them to becoming productive citizens in their public lives. The facilities will also support services for youth with acute mental health needs.	

Type:	New Construction
Total Cost:	$ 200,000,000.00
Start Date:	Jan-'25
End Date:	Jan-'29
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Page 1 of 3

Square Footage

Gross Square Footage (GSF):	207,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Interagency Contract with TJJD with Appropriation by the 88th Legislature
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Page 2 of 3

Financing/Lease Period

Start Date:	
End Date:	

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures					
			Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/2029	9/1/2029 and Beyond
Cash	Interagency Contract	GR	$23,529,412	$47,058,824	$58,823,529	$47,058,824	$23,529,412	
		Total	$23,529,412	$47,058,824	$58,823,529	$47,058,824	$23,529,412	

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures					
		Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/2029	9/1/2029 and Beyond
NA							
	Total						

Integrated Campus Planning System

Texas Higher Education Coordinating Board

5/31/2024 Texas Facilities Commission (303)

MP1 (Capital Expenditure Plan) 34463

Project Information

Name:	OBO TxDMV, TxDMV Camp Hubbard Renewal Appropriated	Priority: # 12
Building Number:	TBD	
Location:	Camp Hubbard Campus, Austin, Texas	
Description:	This project will replace Building 5 on the Camp Hubbard Campus and provide a new, modern 142,000 square foot headquarters for the Texas Department of Motor Vehicles (TxDMV). Design was completed under a previous appropriation and the 88th Legislature appropriated $143M to TxDMV to complete the construction with associated professional and technical services for project management, testing. construction administration, etc. The remaining unexpended funds of $137,428,044 are projected to be expended for completion of the project in December of 2026.	

Type:	New Construction
Total Cost:	$ 137,428,044.00
Start Date:	Jul-'24
End Date:	Dec-'26
Subject Area Cip Code:	
Deferred Maintenance to be Addressed ($):	
Useful Life:	80 Years

Square Footage

Gross Square Footage (GSF):	142,000
Net Assignable Square Footage (NASF):	
Education and General Square Footage (E&G):	
Acre in Land Acquisition:	

Project Details

Legislative Authority:	Interagency Contract with TxDMV with Appropriation by the 88th Legislature
Potential Consequences of Postponing the Project:	
Revenue/Cost Savings:	
Other Financing Methods Considered:	

Financing/Lease Period

Start Date:	7/31/2024
End Date:	7/31/2044

Financing/Lease Period

Cash or Bonds	Type	Source	Expenditures					
			Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/2029	9/1/2029 and Beyond
Bonds	Current Appropriations	ORB	$34,357,011	$68,714,022	$34,357,011			
		Total	$34,357,011	$68,714,022	$34,357,011			

Debt Repayment Information

Repayment Source	Portion from General Revenue	Expenditures					
		Through 8/31/2025	Through 8/31/2026	Through 8/31/2027	Through 8/31/2028	Through 8/31/2029	9/1/2029 and Beyond
General Revenue	100%				$8,580,000	$8,580,000	$170,713,400
	Total				$8,580,000	$179,293,400	

SCHEDULE E: HEALTH AND HUMAN SERVICES STRATEGIC PLANNING

Senate Bill 956, Eighty-eighth Legislature, Regular Session, 2023, repealed the coordinated strategic plan for health and human services. Health and human services agencies are no longer required to submit the coordinated strategic plan.

SCHEDULE F: AGENCY WORKFORCE PLAN

TEXAS FACILITIES COMMISSION WORKFORCE PLAN FISCAL YEARS 2025-2029

AGENCY OVERVIEW

The Texas Facilities Commission supports state government through strategic planning, asset management, design, construction, maintenance, operation, and leasing of state facilities. The primary strategic goals and objectives of the agency are to maximize the strategic and effective use of state-owned facilities and reduce long-term dependence on lease space; provide a functional, safe, and clean work environment for state agencies through implementation of best practices in building operations and implement timely and cost-effective preventative and remedial maintenance programs to safeguard public investment in constructed assets; reduce energy consumption and achieve increased energy efficiency; and manage the reallocation, sale, and/or disposal of surplus and salvage state property and operate the federal surplus property program to the benefit of the state treasury, state agencies, eligible assistance organizations, and Texas residents.

CURRENT WORKFORCE PROFILE

Gender and age - TFC currently has a legislative appropriations cap of 587 full-time equivalent (“FTE”) positions for Fiscal Year 2024 and Fiscal Year 2025. As of March 2024, TFC employed 420 agency staff FTEs and 111 contract FTEs. TFC’s current workforce is approximately 68.8% male and 31.2% female. Approximately 75.7% of the agency’s employees are age 40 and over, while only 10% are under age 30. The average age of Commission employees is 49 years, and the median age is 49.5 years. With only about 24.3% of TFC’s workforce under the age of 40, the agency must aggressively plan to ensure continuity of the institutional knowledge and experience represented by its employees who are eligible to retire before the end of Fiscal Year 2027.

Equal Employment Opportunity Job Categories - TFC employs a highly credentialed and well-educated workforce. Of the Equal Employment Opportunity (“EEO”) job categories, the combined categories of Service/Maintenance, Skilled Craft and Technicians represent 48.8% of TFC’s total workforce. The Professional category represents 16.7% of TFC’s total workforce.

WORKFORCE DIVERSITY

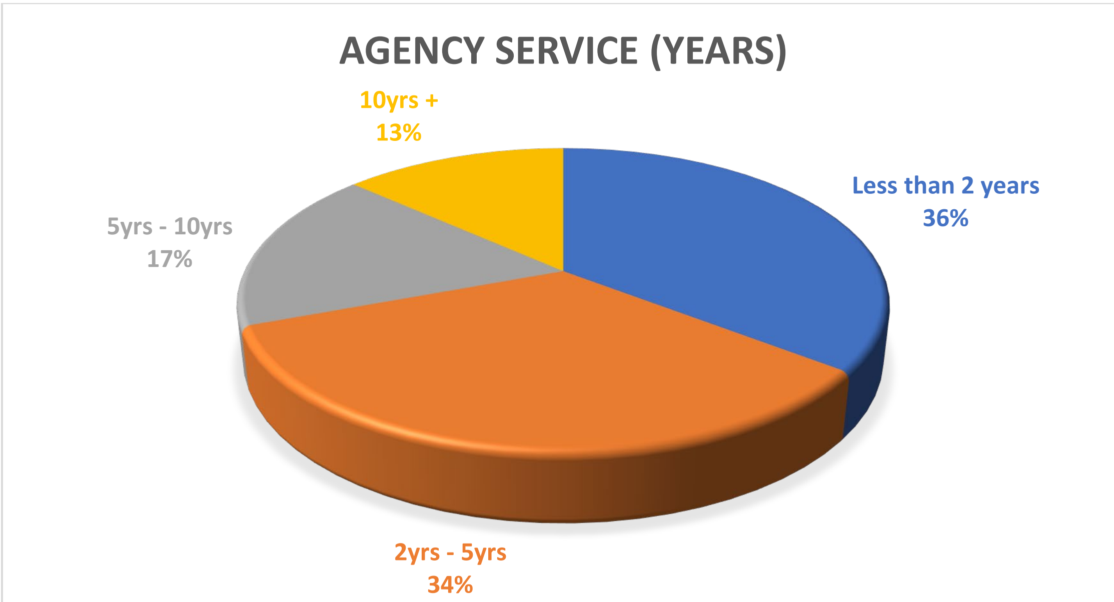
TFC is committed to providing equal opportunities for employment. Employment decisions are made without regard to race, religion, color, national origin, sex (including gender identity, sexual orientation, and pregnancy), age, veteran status, genetic information, or disability. The agency makes every effort to recruit, select, and retain a qualified workforce that is representative of the state’s civilian labor force and TFC will continue to work diligently to meet the equal employment goals of the State of Texas.

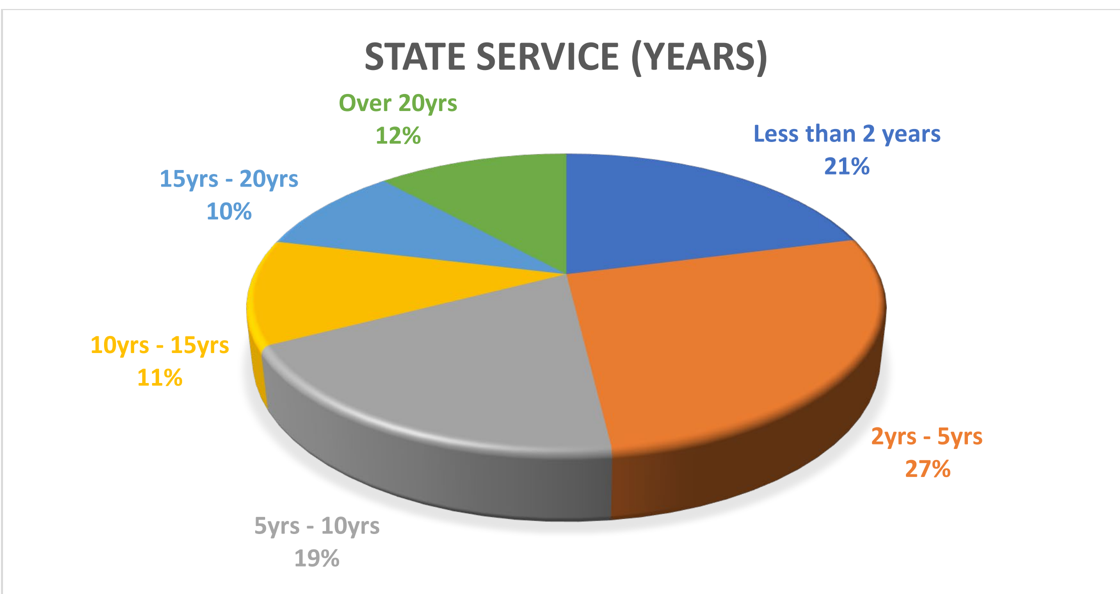
As of March 2024, the agency workforce is comprised of 42.4% Caucasian Americans, 13.3% African Americans, 38.1% Hispanic Americans, and 3.3% Asian Americans, .2% American Indian, 2.6% Multi. The following table provides a comparison of the agency's labor force from 2024 with the state's agencies workforce in 2022*.

EEO Job Category	African American		Hispanic American		Female	
	State*	TFC	State*	TFC	State*	TFC
Officials/Administrators	12.9%	1.7%	16.2%	3.8%	57.2%	3.8%
Administrative Support	18.3%	3.8%	33.7%	6.4%	81.6%	11%
Service Maintenance	22.6%	3.6%	37.2%	17.6%	44.9%	9.3%
Professional	11.5%	2.1%	17.8%	4.3%	58.5%	6%
Skilled Craft	9.4%	0%	26%	0%	10.6%	0%
Technical	17.6%	2.1%	28.2%	6%	58.3%	1.2%
**Source: Equal Employment Opportunity and Minority Hiring Practices Report Fiscal Year 2020. Texas Workforce Commission.*						

Table 1. EEO Utilization Rates as of Fiscal Year 2024 for TFC percentages

Tenure - As of March 2024, approximately 70% of Commission employees have 5 years or less of agency service, while 17% have been with the agency 5 – 10 years. Only 13% of Commission employees have more than 10 years of service with the agency.



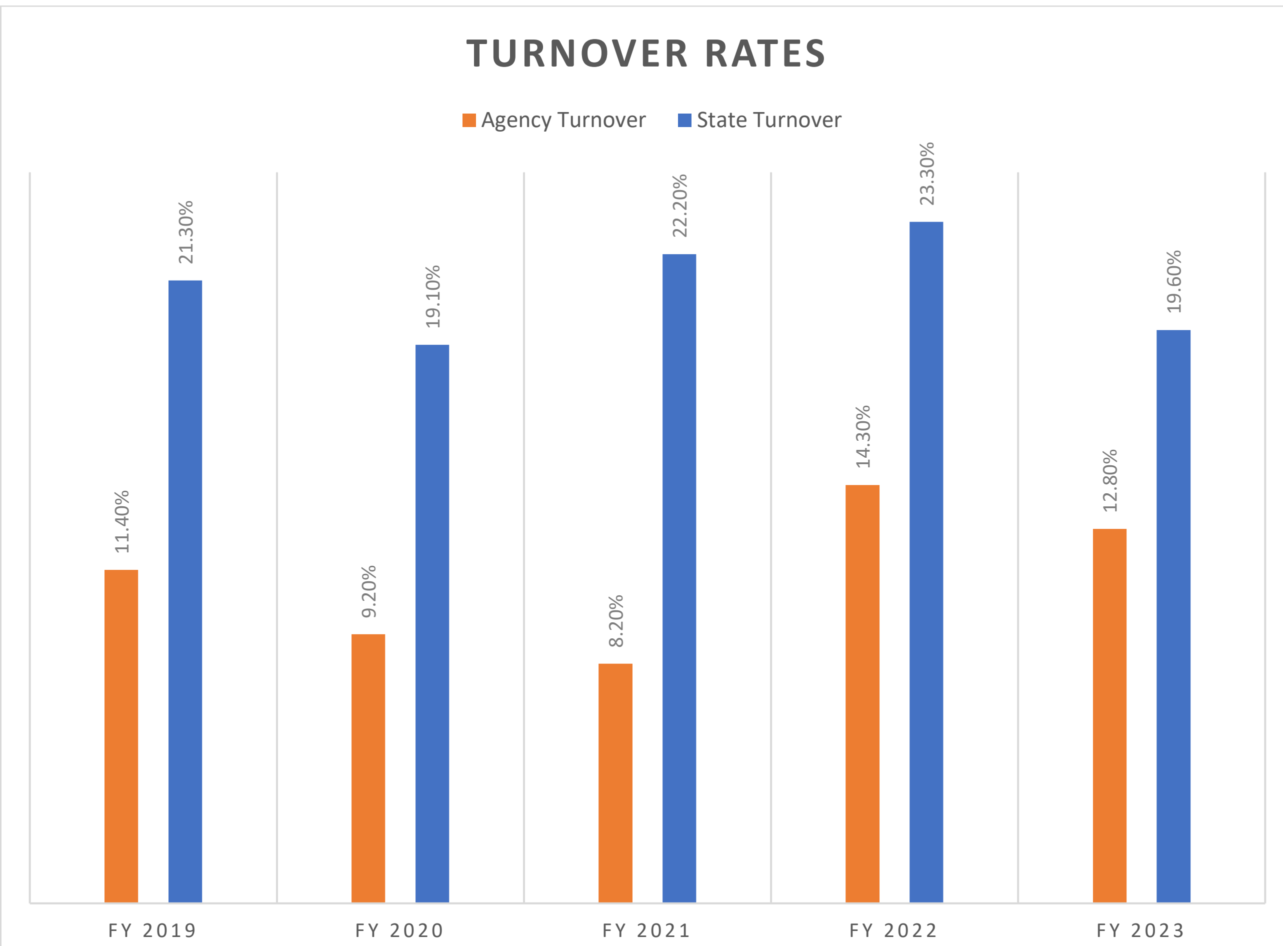


EMPLOYEE TURNOVER

Employee turnover is an area of concern for any organization, including TFC. The loss of institutional knowledge and experience impacts the agency's ability to function at maximum efficiency. High staff turnover not only has an adverse effect on the operational program in which it occurs, it also puts added strain on human resources and payroll staff.

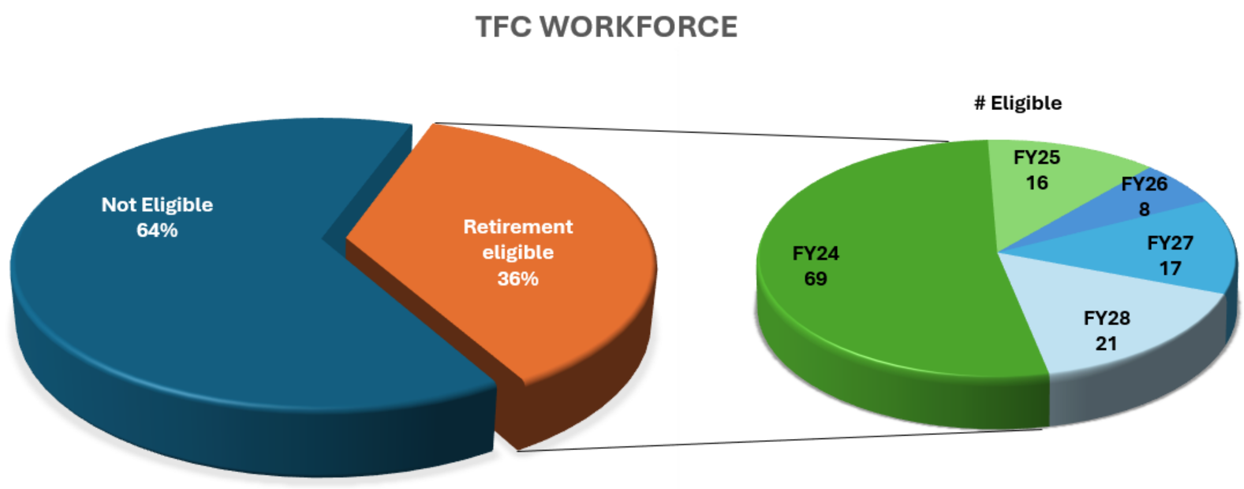
From Fiscal Year 2019 through Fiscal Year 2023, TFC's employee turnover rate was below that of the total turnover rate for statewide government agencies. TFC's turnover rate improved from FY19 to FY21 going from 11.4% to 8.2%, respectively, which was an improvement of 3.8% overall. Because of the COVID pandemic on our workforce, TFC's turnover rate jumped a staggering 6.1% from FY2021 causing our turnover rate to increase to 14.3% in FY2022. However, due to our efforts to retain our existing staff and recruitment efforts, TFC's turnover rate fell to 12.8% in FY2023.

STATEWIDE AND AGENCY EMPLOYEE TURNOVER RATES



RETIREMENT ELIGIBILITY

Approximately 36.2 percent of the agency's current workforce is already or will become eligible to retire between Fiscal Year 2024 and Fiscal Year 2029.



CURRENT AND FUTURE WORKFORCE CHALLENGES

Labor market and trends - The Texas Workforce Commission ("TWC") reported that the Texas labor market continues to grow, adding 218,278 jobs from February 2023 to February 2024. The seasonally adjusted unemployment rate held at 3.9% in February 2024 which was in line with the nation's average of 3.9% during this same time frame. TWC's projected 2020 to 2030 employment growth rate for the capital area is 22.58% for overall construction trades. These projections, combined with the relatively low unemployment rate, means TFC is competing directly with the private sector for available skilled trade workers to fill critical vacancies in program areas that perform the core functions of the agency.

Anticipated changes to the existing workforce - Changes to TFC's critical functions are not anticipated during the Fiscal Years 2025-2029 strategic planning period. However, new technology will change the way in which TFC works and, as a result, certain job functions may require greater computer proficiency. With the anticipated addition of new buildings to the state's portfolio, existing staffing levels will need to increase to provide adequate support and services to these new buildings.

Future workforce skills needed - With the adoption of new technology, additional skills may be required to complement the current makeup of TFC's workforce. These skills may include more advanced computer-related skills and expertise, including knowledge of advanced facility technology and automation systems, database management, specialized analytical and technical training skills, and the ability to effectively manage change.

Gap analysis - As stated previously, employee turnover is an area of concern for any organization, including TFC. The loss of institutional knowledge and experience impacts the agency's ability to function at maximum efficiency. While TFC has generally experienced lower turnover rates than state government overall, staff turnover not only has an adverse effect on the operational program in which it occurs, it also puts added strain on human resources and payroll staff. With approximately 36.2% of TFC workforce being eligible to retire through calendar year 2029, the agency foresees the potential for a significant loss of key personnel and institutional knowledge. The largest percentages of Commission employees who will become eligible to retire in the next six years are in the professional, service maintenance, and skilled craft categories. This potential loss of experienced managers and technical specialists becomes critical for the agency as it attempts to maintain a level of skilled employees. It is imperative for the agency to ensure that this organizational knowledge and expertise is not lost but is transferred at a steady pace. This is being addressed through increased emphasis on cross training and professional development at all levels of the organization as well as on the documentation of internal policies and operational procedures.

STRATEGIC INITIATIVES

Attracting and retaining the right employees - TFC will continue to identify and implement employment practices that promote and support a well-trained, knowledgeable, and highly motivated workforce. Recruiting and selecting the best employees who can contribute to the agency's goals and objectives is crucial to the agency's success. Standardizing hiring procedures that incorporate industry best practices and training managers and supervisors on the hiring process will allow TFC to attract and select the best qualified applicants. Retaining quality employees in today's competitive labor market poses yet another challenge. TFC is committed to rewarding exceptional performance, providing meaningful career development opportunities, and examining existing compensation rates to aid in the agency's retention efforts. The use of defined career paths and career-ladder promotions will allow current employees the opportunity to be rewarded for their performance and to advance within their chosen field, as the budget allows. Vacancies, when they exist, will be examined to determine whether hiring at an entry or journey-level is appropriate to the overall success of the organization. Utilizing these established career paths will encourage a culture of positive reinforcement for exceptional job performance. TFC strives to maintain a qualified and diverse workforce that is committed to customer service and that possesses the skills needed to successfully carry out the mission and core functions of the agency. The Survey of Employee Engagement will continue to be utilized as a source of employee feedback. The agency will also continue to assess employee training needs and ensure that all employees receive continuous training and professional development opportunities that are relevant to TFC's day-to-day operations. The agency will ensure available resources and opportunities are distributed fairly and equitably throughout the workforce. However, successful implementation of training and professional development plans is subject to the availability of adequate funding. Compensation analyses will be conducted at least annually for the skilled trades and information technology job classes to benchmark agency compensation rates with that of the market. Managers will be equipped with relevant data to make informed hiring decisions and proposed salary adjustments for existing employees, as the budget allows.

Planning for change - Turnover and attrition may result in a significant loss of institutional and technical knowledge. Many of the pending retirements over the next six years are either managers or staff with senior-level technical expertise. To aid in mitigating this potential loss, guidelines for succession planning will be developed for use by the agency's programs to prepare for the anticipated and unanticipated departures of key employees. Agency programs will be responsible for identifying mission-critical positions and determining the key success factors for these positions, thereby building a library of results-based job profiles documenting critical functions. Critical and core competencies are continually reviewed and updated for all posted job vacancies and position descriptions. In addition, TFC continues to systematically document business processes and procedures and to cross-train employees to ensure that organizational knowledge and expertise is transferred at a steady pace. An operational succession plan will align the management of the agency's talent pool with the vision of the agency, ensuring that employees have developmental opportunities to hone their leadership skills and guaranteeing that TFC has the leadership plan in place for future success. These measures to address current and future workforce challenges and to enhance work performance by improving employee knowledge and technical skill will allow Commission employees to continue to provide excellent service to the agency's many customers.

SCHEDULE G: WORKFORCE DEVELOPMENT SYSTEM STRATEGIC PLAN

NOT APPLICABLE TO THE TEXAS FACILITIES COMMISSION

SCHEDULE H: REPORT ON CUSTOMER SERVICE

INTRODUCTION

TFC was originally established in 1919 as the State Board of Control by the 36^{th} Legislature's enactment of Senate Bill 147. The State Purchasing and General Services Commission replaced the State Board of Control in September 1979. The agency's name was changed again in 1991 to the General Services Commission. The General Services Commission was abolished in 2001 by the 77^{th} Legislature through enactment of Senate Bill 311, thus creating the Texas Building and Procurement Commission. Pursuant to House Bill 3560 of the 80^{th} Legislature, TFC's statewide procurement duties were transferred to the Comptroller of Public Accounts and TFC was renamed the Texas Facilities Commission on September 1, 2007.

TFC oversees the building maintenance and construction activities of state-owned office buildings and facilities, leasing procurement, office space lease management services for other state agencies, and the state and federal surplus property programs. TFC's primary customers are other state agencies, including the Office of the Governor and the State Legislature. TFC identified approximately 144 agencies it supports, including agencies housed in leased and state-owned facilities statewide, as well as out-of-state leases. TFC identified approximately 63,415 state employee customers the agency serves annually which includes both staffs for the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf. TFC's various services include:

- Facilities Maintenance
- Custodial Services
- Grounds Maintenance
- Minor Construction
- Building Services and Maintenance
- Facilities Design and Construction
- Space Planning
- Construction
- Leasing Services
- Support Services
- State and Federal Surplus Property
- Recycling

TFC strives to provide the highest quality of service to all its customers. It continues to revise and improve its ability to track and monitor customer feedback to address specific needs within the scope of the agency's mission. Revisions include but are not limited to making the online customer service survey program-specific, implementing a 24 business hours response time policy, and training staff to become aware of the customer service survey and its results. TFC's objective is to strive for perfection but accept excellence — which means exceeding the expectations of the TFC customers.

INVENTORY OF EXTERNAL CUSTOMERS BY STRATEGY

The customer service functions outlined in this report are based on the strategies included in the Fiscal Year 2022-2023 General Appropriations Act ("GAA") S.B. 1, 87th Leg for the Texas Facilities Commission. The following table outlines the external customers served by each strategy.

TABLE 1.1 GAA STRATEGIES AND EXTERNAL CUSTOMERS

Strategy	External Customers
Leasing: Provide quality leased space for state agencies at the best value.	Customers include both the lessors providing the lease space (public and private) and the state agencies and their employees housed in the lease space around the State.
Facilities Planning: Ensure the State optimizes use of leased/purchased/ constructed office space.	Customers include both the lessors providing the lease space (public and private) and the state agencies and their employees housed in the lease space around the State.
Facilities Design and Construction: Ensure facilities are designed and built timely/cost-effectively/highest quality.	Customers include the state agencies, architects and engineers, contractors, and subcontractors involved in building design and construction projects as well as the state employees ultimately housed in or utilizing the new facilities.
Custodial: Provide cost-effective/efficient custodial services for state facilities.	Customers include the state agencies and their employees located in the Capitol Complex, Hobby Building, Park 35 Facilities, and the North Austin Complex, as well as outlying facilities located in Corpus Christi, El Paso, Fort Worth, Houston, Tyler, and Waco. *
	Customers include the state agencies and their employees located in the Capitol Complex, Hobby Building, Park 35 Facilities, and the North Austin Complex, as well as

Facilities Operation: Provide a comprehensive program to protect the State's investment in facilities.	outlying facilities located in Corpus Christi, El Paso, Fort Worth, Houston, Tyler, and Waco. *
Lease Payments: Make lease payments on facilities financed by the Texas Public Finance Authority.	Texas Public Finance Authority
Surplus Property Management: Provide timely/appropriate/cost-effective disposal of surplus property.	Customers include state agencies, political subdivisions, assistance organizations and nonprofits, and the public.
Central Administration; Information Resources; and Other Support Services	Customers include TFC's staff, vendors, and all other customers served by TFC's various programs.

INFORMATION GATHERING METHODOLOGY

TFC has a customer service page on the agency's website that gives customers perpetual access to provide feedback through specific surveys that address the various services TFC provides. Each directorate tracks the number of survey responses and satisfaction rates and is responsible for providing agency replies to comments and complaints in their specific service area. The agency uses two primary methods of soliciting feedback: the online customer service survey and the customer service hotline.

TFC's website allows customers to provide feedback by responding to survey questions specific to the division that the customer has interacted with. The survey asks five to six division-specific questions and five general customer service questions that incorporate the statutorily required customer service quality elements. There is also a section at the end of the survey to provide comments; providing customer contact information is optional. Table 1.2 provides the customer service questions per strategy. Only the strategy-specific questions are listed in Table 1.2 below. All strategies contain the following general customer service questions:

- TFC staff is knowledgeable and helpful.
- TFC staff is courteous and professional.
- When I called, wrote, or emailed, I received a response in a reasonable and timely manner.
- Complaints were handled in a reasonable and timely manner.

- Overall, I am satisfied with my experience.

Customers are asked to respond with the following choices:

- Strongly Agree;
- Agree.
- Disagree;
- Strongly Disagree; or
- Not Applicable.

If a customer comments or makes an inquiry on the online system, an email is automatically generated to the customer service representative (“CSR”). The customer has the option of using a drop-down list to specify the division that is the subject of the comment. The customer also has the option to specify whether a response to the comment from the agency is requested.

If the customer has indicated that a response is requested, the CSR reviews the comment and either (i) forwards the comment to the division specified by the customer for a response, (ii) forwards the comment to a more appropriate division for response, (iii) responds directly to the customer, or (iv) determines that no response is necessary.

If the customer has indicated that no response is requested, the CSR reviews the comment and determines whether to forward the comment to the appropriate division. TFC’s customer service system is set at a default response time of 24 business hours. Once the 24 business hours have passed without a response, the system automatically sends customer service emails to the designated division staff until a response is submitted. The response is emailed to the CSR for review and approval. If approved, the response is emailed directly to the customer. TFC’s main phone line also serves as a customer service hotline that is answered by the agency receptionist during business hours, 8:00 am to 5:00 pm, Monday through Friday. The customer service hotline also holds a voice messaging mailbox that allows the customer to leave a message after business hours or if the CSR is temporarily unavailable. Every customer service inquiry received by telephone is entered into the website customer service system for tracking.

TFC also gathers information through evaluation methods that involve the use of focus groups and site visits. The following highlight these specific customer service methods:

- Building managers host tenant council meetings to obtain direct feedback from agencies located in state-owned buildings.
- TFC’s lease officers conduct monthly site visits to the state’s leased space to ensure that the tenant agency’s program needs are being met as well as to assure that the leased space is following the lease provisions.

CUSTOMER SURVEY RESULTS

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 13

Building Maintenance	SA	A	D	SD	NA
1) I found the process of filing a maintenance request easy and efficient.	6	1	0	0	6
2) The maintenance request was handled promptly.	6	1	0	1	5
3) I am satisfied with methods used by TFC staff to cause minimal disruptions to my work during the maintenance process.	6	1	0	0	6
4) The maintenance process was completed in a timely manner.	5	2	0	1	5
5) Upon completion, the results were to my satisfaction.	7	0	0	0	6
6) TFC staff is knowledgeable and helpful.	3	2	0	0	8
7) TFC staff is courteous and professional.	7	0	0	0	6
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	5	2	0	0	6
9) Complaints were handled in a reasonable and timely manner.	6	1	0	1	5
10) Overall, I am satisfied with my experience.	6	1	0	1	5

Legend: SA - Strongly Agree, A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 7

Building Management	SA	A	D	SD	NA
1) I found Building Management easily accessible and readily available.	3	2	0	0	2
2) Building Management is responsive to my requests.	3	2	0	0	2
3) Building Management handled my requests promptly.	3	2	0	0	2
4) Building Management provided follow-up to my requests.	3	2	0	1	1
5) I found Tenant Council meetings to be informative and productive.	1	2	0	0	4
6) TFC staff is knowledgeable and helpful.	2	2	0	1	2
7) TFC staff is courteous and professional.	2	2	0	1	2
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	2	2	0	0	3
9) Complaints were handled in a reasonable and timely manner.	1	2	0	0	4
10) Overall, I am satisfied with my experience.	2	2	1	0	2

Legend: SA - Strongly Agree , A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 4

Custodial Operations	SA	A	D	SD	NA
1) The public areas of the facility are clean and orderly.	0	2	0	1	1
2) The restrooms are clean and well-stocked.	0	1	0	2	1
3) My office area is cleaned and the trash removed nightly.	0	0	1	1	2
4) The parking garage is kept clean and the trash removed regularly.	0	1	0	0	3
5) The grounds surrounding my office building are well maintained and free of litter.	0	1	0	0	3
6) TFC staff is knowledgeable and helpful.	0	1	0	0	3
7) TFC staff is courteous and professional.	0	1	0	0	3
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	0	0	0	2	2
9) Complaints were handled in a reasonable and timely manner.	0	0	0	2	2
10) Overall, I am satisfied with my experience.	0	0	1	1	2

Legend: SA - Strongly Agree , A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 2

Facilities Design & Construction	SA	A	D	SD	NA
1) I am satisfied with the timeliness of the project.	0	1	0	0	1
2) I am satisfied with the quality of the design and materials.	0	1	0	0	1
3) I am satisfied with the design and functionality of the space.	0	1	0	0	1
4) During the construction phase, the Project Manager answered my questions or concerns in a prompt and timely manner.	1	0	0	0	1
5) After completion of the construction project, the process of transitioning into the new office space was organized and efficient.	0	1	0	0	1
6) TFC staff is knowledgeable and helpful.	1	0	0	0	1
7) TFC staff is courteous and professional.	1	0	0	0	1
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	0	1	0	0	1
9) Complaints were handled in a reasonable and timely manner.	0	1	0	0	1
10) Overall, I am satisfied with my experience.	0	1	0	0	1

Legend: SA - Strongly Agree , A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 1

Leasing Survey	**SA**	**A**	**D**	**SD**	**NA**
1) I am satisfied with the timeliness of the lease commencement.	1	0	0	0	0
2) I am satisfied that the leased space meets the agency requirements.	0	1	0	0	0
3) The leasing staff answered any questions or concerns that I had during lease negotiations in a prompt and timely manner.	1	0	0	0	0
4) The leasing staff answered any questions or concerns that I had upon lease commencement in a prompt and timely manner.	0	1	0	0	0
5) After weekend events, the parking garage is clean and the trash removed. *This applies only to large-scale events such as University of Texas football games.*	1	0	0	0	0
6) TFC staff is knowledgeable and helpful.	0	1	0	0	0
7) TFC staff is courteous and professional.	0	1	0	0	0
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	0	1	0	0	0
9) Complaints were handled in a reasonable and timely manner.	0	1	0	0	0
10) Overall, I am satisfied with my experience.	0	1	0	0	0

Legend: SA - Strongly Agree , A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 1

Surplus Survey	SA	A	D	SD	NA
1) I found the Surplus Property facility to be clean and orderly.	0	0	0	1	0
2) I found the inventory at the Surplus Property facility to be both organized and accessible.	0	0	0	1	0
3) I found the inventory at the State Surplus Property facility reasonably priced and tagged appropriately. Applicable to State Surplus only.	0	0	0	1	0
4) I found the Surplus Property website easy to use.	0	0	0	1	0
5) I found the inventory on the Surplus Property website to be well organized.	0	0	0	1	0
6) When I interact with TFC staff, they are knowledgeable and helpful.	0	0	0	1	0
7) When I interact with TFC staff, they are courteous and professional.	0	0	0	1	0
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	0	0	0	1	0
9) My requests for assistance were handled in a prompt and timely manner.	0	0	0	1	0
10) Overall, I am satisfied with my experience.	0	0	0	1	0

Legend: SA - Strongly Agree , A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 2

Agency Administration	SA	A	D	SD	NA
1) I found the TFC website easy to use.	0	1	0	0	1
2) The TFC website provided me with the information that I needed.	0	1	0	0	1
3) I found it easy to review job openings and apply for employment with TFC.	0	1	0	0	1
4) My phone call was routed to the correct person or appropriate program area.	0	0	0	1	1
5) Brochures and other printed material provided thorough and accurate information.	0	0	1	0	1
6) TFC staff is knowledgeable and helpful.	0	0	1	0	1
7) TFC staff is courteous and professional.	0	0	1	0	1
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	0	0	1	0	1
9) My requests for assistance were handled in a prompt and timely manner.	0	1	0	0	1
10) Overall, I am satisfied with my experience.	0	0	0	1	1

Legend: SA - Strongly Agree , A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

Time Period: 9/1/2022 thru 4/1/2024

Number of respondents: 3

TFC Procurement	SA	A	D	SD	NA
1) I found the TFC Procurement website easy to use.	1	1	0	0	1
2) The TFC Procurement website provided me with the information that I needed.	1	0	0	0	2
3) The TFC Procurement employee was knowledgeable and helpful in answering my questions.	1	0	0	0	2
4) My phone call was routed to the correct person or appropriate program area.	0	0	0	0	3
5) Brochures and other printed material provided thorough and accurate information.	0	0	0	0	3
6) The TFC Procurement employee resolved problems or unforeseen issues to my satisfaction.	1	0	0	0	2
7) The TFC Procurement employee was courteous and professional.	1	0	0	0	2
8) When I called, wrote, or emailed, I received a response in a reasonable and timely manner.	1	0	0	0	2
9) My requests for assistance were handled in a prompt and timely manner.	1	0	0	0	2
10) Overall, I am satisfied with my experience.	1	0	0	0	2

Legend: SA - Strongly Agree , A - Agree , D - Disagree , SD - Strongly Disagree , NA - Not Applicable

SCHEDULE I: CERTIFICATION OF COMPLIANCE WITH CYBERSECURITY TRAINING

C E R T I F I C A T E

TEXAS FACILITIES COMMISSION

Pursuant to Texas Government Code, Section 2056.002(b)(12), this is to certify that the agency has complied with the cybersecurity training required pursuant to the Texas Government Code, Sections 2054.5191 and 2054.5192.

Chief Executive Officer or Presiding Judge	**Board or Commission Chair**
Signature	Signature
Mike Novak	Brian Bailey
Printed Name	Printed Name
Executive Director	Chair
Title	Title
4/4/2024	4/4/2024
Date	Date

SCHEDULE J: REPORT ON PROJECTS AND ACQUISITIONS FINANCED BY CERTAIN FUND SOURCES

NOT APPLICABLE TO THE TEXAS FACILITIES COMMISSION

END OF REPORT