2006 Session

Budget Bill - SB29 (Introduced)

Central Capital Outlay

Item C-194.10 (Not set out)

	First Year - FY2005	Second Year - FY2006
Maintenance Reserve: Deferred Maintenance Study (17127)	**$300,000**	**$0**
Fund Sources:		
General	$300,000	$0

A.1. Out of the amounts for Maintenance Reserve shall be paid $300,000 the first year for the costs of an audit of the Commonwealth's deferred maintenance needs.

2. The Auditor of Public Accounts shall perform an audit to determine the amount of deferred maintenance costs in the Commonwealth. The Auditor shall conduct the audit in phases with a preliminary report of the audit scope to be presented to the Chairmen of the Senate Finance and House Appropriation Committees in May of 2004, an interim progress report to the General Assembly by December of 2004, and the final report by December 2005. The first phase of the audit shall give consideration to including not only large agencies and institutions with facilities, but agencies and institutions that have public safety and health facilities.

3. To assist the Auditor of Public Accounts, the following agencies and institutions shall designate and assign at least one individual from each entity to assist in the audit: Department of General Services, the Department of Corrections, the Virginia Community College System, George Mason University, Department of Transportation and the State Council of Higher Education for Virginia. These individuals should have sufficient experience and knowledge to assist the Auditor of Public Accounts in developing procedures for collecting information and assisting agency and institutional personnel with advice and guidance in implementing, collecting and summarizing information for this audit. These individuals shall work with agencies and institutions to ensure that they are properly accumulating information.

4. The Auditor of Public Accounts shall oversee the collection, analysis, and prioritization of the data needed to audit deferred maintenance costs. All state agencies and institutions shall work with and assist the Auditor of Public Accounts to collect this data in relation to their agency.

5. As part of this audit, the Auditor of Public Accounts shall establish procedures and acquire software to develop and implement a Capital Outlay Deferred Maintenance System throughout all state agencies and institutions to gather information on the maintenance needs of all Commonwealth owned buildings. In addition to acquiring the software, the Auditor of Public Accounts will acquire the necessary training for the state agencies and institutions.

B. In conjunction with the audit of deferred maintenance costs required by paragraph A of this item, the Auditor of Pubic Accounts shall 1) evaluate the funding options and best management practices used by the federal, state or local government to address the backlog of and ongoing need for major maintenance projects for state buildings, and 2) recommend options to address the on-going need for major maintenance of state buildings which may include a) cash, b) debt, and c) setting aside funds in anticipation of future maintenance needs. The auditor shall report his findings and recommendations to the Governor and the General Assembly no later than January 1, 2005.

C. A study committee consisting of representatives from the Department of Planning and Budget, Department of

Accounts, State Council of Higher Education in Virginia, the Auditor of Public Accounts, House Appropriations and Senate Finance Committees, and the Offices of the Secretaries of Administration and Finance shall develop procedures to implement the recommendations relating to budgeting and funding from the Auditor of Public Accounts' Interim Report on Deferred Maintenance in the Commonwealth issued December 2004. The recommendations shall be in alignment with the real estate initiative objectives set out in Executive Order 75. The study committee shall report its recommendations to the Governor and the General Assembly by September 1, 2005. Representatives from the Office of the Secretary of Administration will ensure coordination with the Governor's real estate initiative.

D.1. In connection with the audit of deferred maintenance authorized in this Item, institutions of higher education and other agencies of the Commonwealth shall perform facility condition assessments of their facilities as quickly and as comprehensively as is feasibly possible. By July 1, 2005, the Directors of the Departments of General Services and Planning and Budget shall issue criteria defining facilities for which condition assessments are not necessary.

E. Upon completion of the pilot phase of implementation of the Facility Inventory and Condition Assessment System as required by Item 194.10 of this Act, on or about May 1, 2006 the Auditor of Public Accounts shall transfer responsibility for the system and oversight for implementation of the system at the remaining agencies in the Commonwealth to the Department of General Services. The Auditor of Public Accounts shall notify the Chairmen of the Senate Finance and House Appropriations Committees of the transfer of the Facility Inventory and Condition Assessment System to the Department of General Services. No later than October 1, 2005 the Director of the Department of General Services shall report to the Governor and the Chairmen of the House Appropriation and Senate Finance Committees an estimate of the additional resources and personnel requirements, if any.