



# DEPARTMENT OF ADMINISTRATION

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INTERIM BUDGET COMMITTEE  
SECTION F

June 20, 2024



# Case for Change: Key Paradigm Shifts to Change Space

To move Montana forward, there are four key shifts that are necessary to realize the full opportunities presented to successfully adapt spaces that align with recent change and the modern needs of its workforce and citizens.

## KEY PARADIGM SHIFTS FOR MONTANA

### CREATE A SAFE AND HEALTHY ENVIRONMENT



*The state will build and sustain a positive, healthy in-person work culture.*

This requires action to address building condition safety, mental well-being, and desire for connection.

### DEVELOP A VARIETY OF WORKSPACES



*The state will create the right space for the varied workstyles and types of work.*

This requires action to rearrange spaces and create the right mix of offices, workstations, and meeting rooms to meet modern ways of working.

### STRATEGICALLY RIGHT-SIZE SPACE



*The state will focus and invest in strategic locations on the Capitol Complex and downtown Helena.*

This requires action to determine the right buildings for the population and the spaces no longer required in the State's footprint to enable a right-sized and strategically located real estate portfolio.

### MODERNIZE SPACES



*The state will create spaces that are appealing, up-to-date, and fit the needs of workers and the public.*

This requires action to determine the top priority spaces for renovation and those which are past useful life.



# Where We Started | Key Objectives and Milestones

The Montana Remote Office and Workplace Study (ROWS) project goals were to address key challenges related to the workforce and workplace.

## 1 Enable and Optimize Telework

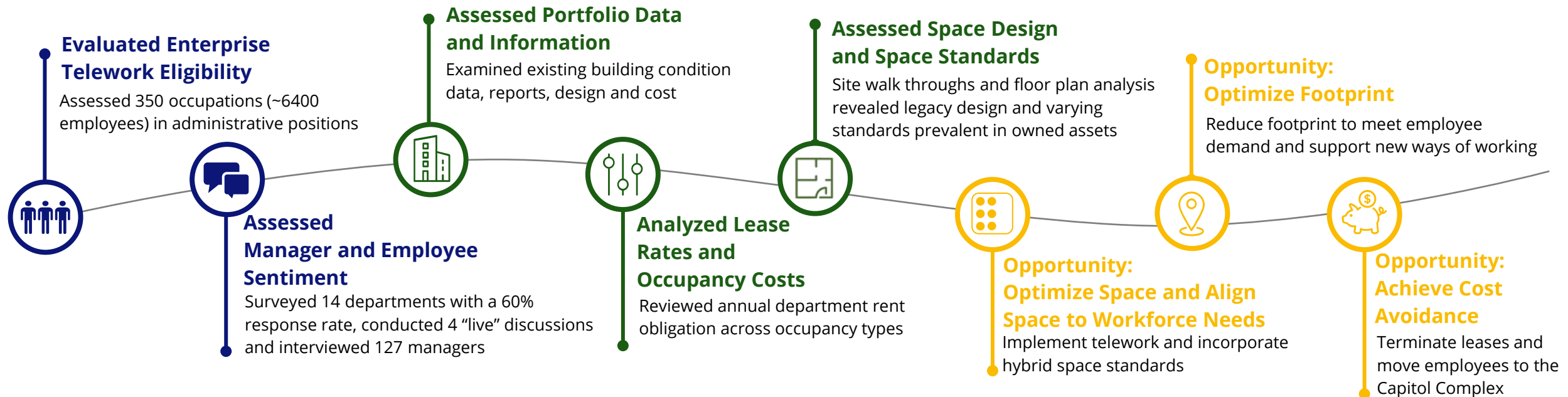
Assess telework eligibility, update policies, provide training materials, and communicate changes to the workforce

## 2 Enhance Operational Efficiency

Right size the portfolio and align space design to support the telework implementation

## 3 Develop and Action Plan for Implementation

Provide an actionable decision-making framework based on key opportunities





# Setting the Standards for Telework

The privilege of teleworking provides a wealth of benefits to leaders and to the workforce at-large, but it is important for everyone to understand its parameters and implications.

## Telework vs. Remote

**Teleworkers** will be expected to work part-time in the office according to their **function, assigned schedule,** and **individual telework agreements.** These employees may not have assigned workspaces, but they will have the ability to use a workspace that fits the need of their respective work responsibilities and organizational requirements to maximize work efficiency.

**Remote workers** are only expected to return to the office for specific needs, such as project kick-offs and team-building exercises, and will **not have assigned workspaces.**

## Determining Telework Eligibility: What Are the Options?

### In-Person Only

- 100% of time at central workplace
- Assigned workspace
- Central workplace required to perform job functions

### Flexible Telework Eligible

#### *Low*

- Up to 20% of time at alternative workplace
- Minimal schedule flexibility/same days and times

#### *Medium*

- Up to 60% of time at alternative workplace
- Some schedule flexibility/ may change days or times

#### *High*

- Up to 80% of time at alternative workplace
- High schedule flexibility/ days and times change based on needs

*Workspace options may vary*

### Remote Eligible

- 100% of time at alternative workplace
- No assigned workspace
- Job functions are not workplace dependent

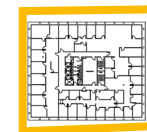
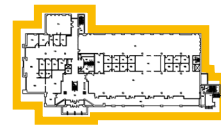


# Factors for Prioritization Decisions

Comparing key metrics across Capitol Complex buildings will provide guidance on funding allocation and aid in determining renovation prioritization.

### Inputs:

- FY Funding
- Lease Expiration SF
- Departments in Expiring Leases
- Annual Priorities



Building <sup>3</sup>	Mitchell	Cogswell	Metcalf	Scott Hart	Walt Sullivan	DPHHS
Anchor Department	DOA	DPHHS	DEQ	DOJ	DLI	DPHHS
GSF	128,834 ●	108,041	94,054	74,034	51,243	48,682 ●
USF	96,626 ●	73,185 <sup>1</sup>	70,541	55,526	38,432	36,512 ●
Current Occupancy	457 ●	264	261	262	167	136 ●
Current Utilization	211 ●	277 ●	270	212	230	268
Hybrid Occupancy <sup>4</sup>	509 ●	385	371	292	202	192 ●
<b>Utilization Opportunity<sup>2</sup></b>	<b>11% ●</b>	<b>46% ●</b>	<b>42%</b>	<b>12%</b>	<b>21%</b>	<b>41%</b>
Building Condition	Poor	Poor	Fair	Poor	Poor	Poor
Renewal Cost	\$14.7M	\$16.4M ●	\$4.9M ●	\$16.2M	\$5.3M	\$6.3M
Renovation Cost	\$37.4M ●	\$31.4M	\$27.3M	\$21.5M	\$14.9M	\$14.1M ●
Renovation Cost/Future FTE	\$73,593	\$89,129	\$65,780 ●	\$86,242	\$69,029	\$91,038 ●

Key prioritization factor ● Ranks Best in Category ● Ranks Worst in Category

1. Excludes current lab space.

2. Key prioritization factor. Opportunity to achieve greatest increase in space efficiency.

3. See appendix for information on FWP and MDT HQ.

4. Hybrid occupancy is based on proposed space standards with a hybrid utilization of 190 USF/FTE.

# ROWS Milestones Achieved

March – May 2024



Item	Milestones Achieved	Status
1	• Advance FIB Design to Schematic Design Drawings/Finalize 1 <sup>st</sup> Fl Concept	
2	• Complete moves for State HR, DOA Banking, DOR CCD, and DOR PAD	
3	• Schedule moves for DOA A&E, DOA SFSD, and DLI ERD	
4	• Initiate Fit/Feasibility design for 2550 Prospect and 301 S. Park	
5	• Complete design for Mitchell 2 <sup>nd</sup> Floor East Wing and submit for construction permit	

Item	Milestones Achieved	Status
6	• Award and kickoff ROWS GCCM Contract – Dick Anderson Construction (DAC) was the selected contractor	
7	• Submit application for Walt Sullivan Buyout to the Federal Government	
8	• Complete the renovation at 1227 11 <sup>th</sup> Avenue to enable first round of ROWS moves	
9	• Issue and close the IWMS RFP and initiate scoping conversations with the selected Vendor	
10	• Initiate cost analyses for Mitchell, Walt Sullivan, and Cogswell Buildings	

# ROWS Work in Progress

May - July 2024



Item	Milestones Identified	Status
1	<ul style="list-style-type: none"> <li>Install Metcalf Furniture Showcase for July opening</li> </ul>	<input type="checkbox"/>
2	<ul style="list-style-type: none"> <li>Initiate construction in Mitchell 2<sup>nd</sup> Floor East Wing</li> </ul>	<input type="checkbox"/>
3	<ul style="list-style-type: none"> <li>Advance design progress in the Owned portfolio at Metcalf and Mitchell 4 (LAD)</li> </ul>	<input type="checkbox"/>
4	<ul style="list-style-type: none"> <li>Advance design progress in the Leased portfolio at FIB, 2550 Prospect, and 301 S. Park</li> </ul>	<input type="checkbox"/>
5	<ul style="list-style-type: none"> <li>Respond to Federal Government's Walt Sullivan Equity Buyout assessment</li> </ul>	<input type="checkbox"/>

Item	Milestones Identified	Status
6	<ul style="list-style-type: none"> <li>Complete moves for DOA A&amp;E, DOA SFSD, and DLI ERD</li> </ul>	<input type="checkbox"/>
7	<ul style="list-style-type: none"> <li>Start demo/abatement of Mitchell 4<sup>th</sup> Floor West Wing (LAD)</li> </ul>	<input type="checkbox"/>
8	<ul style="list-style-type: none"> <li>Complete cost analyses for Mitchell, Walt Sullivan, and Cogswell Buildings</li> </ul>	<input type="checkbox"/>
9	<ul style="list-style-type: none"> <li>Make final contract award to IWMS Vendor and kickoff implementation</li> </ul>	<input type="checkbox"/>
10	<ul style="list-style-type: none"> <li>Make final award for move management RFP</li> </ul>	<input type="checkbox"/>