STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 07/23)

Fiscal Year	Business Unit Number	Department
FY 2025-26	4440	Department of State Hospitals
Hyperion Budget Request Name		**Relevant Program or Subprogram**
4440-008-BCP-2024-GB		4400 – Administration, 4410 – State Hospitals

Budget Request Title
Statewide Project Management

Budget Request Summary
The Department of State Hospitals (DSH) requests position authority for 12.0 positions in fiscal year (FY) 2025-26 and ongoing to address the sustained increase in workload with the number of design and construction projects managed by Facility Planning, Construction & Management (FPCM) section. The proposed civil staff increase is cost neutral, as the positions will replace contracted project managers and shift contract expenditures to personnel services. These positions will exercise oversight and authority for all DSH information technology (IT) Infrastructure, Capital Outlay (CO) and Deferred Maintenance/Special Repair projects (DM/SR).

Requires Legislation (submit required legislation with the BCP) ☐ Trailer Bill Language ☐ Budget Bill Language ☒ N/A	**Code Section(s) to be Added/Amended/Repealed**	
Does this BCP contain information technology (IT) components? ☐ Yes ☒ No *If yes, departmental Chief Information Officer must sign*	**Department CIO**	**Date**

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.

Project No. Project Approval Document:

Approval Date: Total Project Cost:

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No

Prepared By	**Date**	**Reviewed By**	**Date**
Robert Horsley, Chief Operating Officer	01/10/2025	Sean Hammer, Administrative Deputy Director	01/10/2025
Department Director	**Date**	**Agency Secretary**	**Date**
Stephanie Clendenin	01/10/2025	Mark Ghaly, MD, MPH	01/10/2025

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

Principal Program Budget Analyst	**Date submitted to the Legislature**
Joseph Donaldson	01/10/2025

A. Problem Statement

FPCM coordinates all DSH-Sacramento facility projects, Statewide projects, CO and DM/SR projects for the five state hospitals which comprises more than 6.6 million square feet of space on 2,600 acres of land. FPCM is currently responsible for 100+ active projects including Technology Services Division (TSD) IT infrastructure, Energy Savings Company (ESCO) efficiency upgrade, solar photovoltaic, and Electric Vehicle (EV) charger projects that are recent additions to FPCM's portfolio.

At present, FPCM has 8.0 Associate Construction Analysts (ACA) supervised by a Direct Construction Supervisor II (DCS II), who are managing 118 active construction and infrastructure projects at the five state hospitals; all of which are in various phases of development and construction. This workload requires the augmentation of contracted Construction Managers (CM) to assist FPCM staff in providing the necessary project deliverables including preparing reports, programmatic updates, proactively monitoring expenditures, resource needs, and project statuses for compliance within the authorized scope, schedule, and budget The current project management (PM) workload is such that each FPCM ACA is managing an average of 15 projects each. Caseload industry standards based on research at various California state departments (including California Department of Corrections and Rehabilitation, Department of General Services (DGS) and CalVet) show that, on average, CMs manage no more than 3-5 projects each. In addition to the already extensive project portfolio, FPCM expects continued growth in the number of projects as the result of DSH's aging infrastructure that drives a continued need for CO and DM/SR projects and the large volume and scope of new TSD infrastructure projects that require construction management support from FPCM staff as subject matter experts.

Among the IT infrastructure projects for TSD that require FPCM construction management support are the Pharmacy and Medical Room Modernizations, the Unified Hospital Communications (UHC) system and the Personal Duress Alarm System (PDAS) improvements, and Intermediate Distribution Frame (IDF) and network upgrades, new wireless access point installations. This new demand for critical IT improvements adds approximately 30 new projects to FPCM's project management portfolio.

The ACA position is the primary point of contact with the Department of General Services (DGS) ensuring the cost, scope, and schedule for all assigned projects are being adhered to, reviewing documents, and providing the guidance and oversight necessary to effectively support the ongoing PM needs across the department. For projects that the department has delegated authority for, the ACAs provide direct project management oversight with full responsibility for construction activities with contracted vendors. The level of support required to successfully coordinate and manage multiple projects to completion far exceeds what the ACAs can accomplish as stand-alone employees. Extensive project coordination and documentation is necessary to ensure deliverables to internal and external stakeholders are met. As the point of contact for all project information, decisions, hospital coordination, and status updates, the ACAs cannot meet these demands without adequate and qualified support staff, a role FPCM's three existing Associate Governmental Program Analysts (AGPA) currently fulfill in a limited capacity.

The department is proposing to redirect the contracted dollars to support 12.0 civil service positions to successfully manage all DSH projects.

Current DSH Project Portfolio

Active Projects (DSH)	**ASH**	**CSH**	**MSH**	**NSH**	**PSH**	**SAC**	**Total**
Projects	8	10	15	9	9	4	55
IT Projects	5	5	7	6	6	1	30
Total	**13**	**15**	**22**	**15**	**15**	**5**	**85**
Active Projects (DGS)	**ASH**	**CSH**	**MSH**	**NSH**	**PSH**	**SAC**	**Total**
Projects	6	3	8	4	12	0	33
IT Projects	0	0	0	0	0	0	0
Total	**6**	**3**	**8**	**4**	**12**	**0**	**33**
Total DSH/DGS Active Projects	**19**	**18**	**30**	**19**	**27**	**5**	**118**

B. Justification

The proposed, permanent, full-time staff increase of 6.0 ACAs, 4.0 AGPAs and 2.0 Direct Construction Supervisor I (DCS I) will replace the FPCM service contract for CMs and create a sustainable team to ensure adequate oversight and upward mobility. This will provide one additional ACA per DSH location, including Sacramento. This will provide additional support for the added ACAs and oversight through the DCS I's. The current CM service contract is for six CM positions, but it is not adequate to provide the level of involvement and oversight needed for the increasing quantity of projects. The additional staff will allow FPCM to reduce or eliminate design and construction delays and increase turnaround times with new and active projects, including TSD IT infrastructure projects, increased project continuity, thereby improving DSH operations and services. , .

If denied, the lack of project management resources will result in the delay of critical repair and construction projects, which leads to increased costs. FPCM will not be able to effectively provide the necessary management and oversight for DSH projects that are already funded and in the process of being completed. Positions dedicated solely to project management are needed to meet existing and increasing workload demands and to avoid a lapse in service and construction support for the hospitals.

A lack of adequate levels of PM staff will cause a delay in project start-up and will also contribute to delays and cost overruns in currently active projects. An increase in overall project costs due to compromised quality assurance levels will result in a decrease in support fundable projects, and ultimately result in decreased level-of-care services to DSH patients. These circumstances will lead to an increase in regulatory non-compliance and increased audit/survey findings that may result in fines and possible loss of licensure or certifications.

The current ACAs allowed DSH to increase projects managed internally from seven in 2021 to 83 projects in 2024, while reducing the average design and some construction delays previously experienced. DSH also received delegated authority from DGS to manage 24 projects per Public Contract Code (PCC) 10108.5, adding to the overall total and complexity of DSH managed projects.

FPCM currently utilizes a CM contract, administered through the Architectural and Engineering (A/E) firm, JC Chang and Associates (JCCA). This contract provides six CMs who are assigned to various hospital and TSD IT infrastructure projects. This request will provide a permanent and cost-effective staffing solution to ensure a continuum of guidance and PM oversight required at the five state hospitals. With civil service staff DSH

will provide the opportunity for expertise with knowledge transference and retention to develop civil service staff over time rather than invest time and resources for training contracted PMs, who are less familiar with the public sector and DSH operations.

C. Departmentwide and Statewide Considerations

The ACA position serves as a technical expert and project manager with responsibility for the most difficult, complex, and sensitive projects. AGPAs will assist in the administrative functions of DSH's CO and support funded DM/SR projects. DCS I's will provide supervision, inspection and coordination of work performed by DSH in connection with construction projects. By fulfilling these essential functions, these additional positions will be invaluable contributors to the department's goal to treat patients in a safe environment and ensure the department's vision of caring today for a safe and healthy tomorrow is realized through material improvements to the environment of care.

The requested positions provide DSH the resources needed to plan more appropriately, budget, and manage hospital projects in alignment with the five-year CO plan and the department's long-term plans for a coordinated enterprise-wide approach to facility improvements. DSH continues to carry a project backlog and endure frequent emergency repairs mainly due to an aging infrastructure with an expansive inventory of buildings and land. Failure to properly maintain facilities may increase the risk to patient and staff safety and security, but more importantly, to proactively improve and modernize the patient care and treatment environment fulfills the department's vision.

D. Outcomes and Accountability

The new ACAs will provide caseload relief and assume the PM responsibilities for a large volume of projects, while the AGPAs will provide ongoing administrative support to all members of FPCM as Project Coordinators (PC) for hospital projects enterprise wide.

Serving as PMs for CO, TSD IT Infrastructure, and support funded DM/SR projects, the ACAs will be responsible for:

- Studies and Budget Package development
- Preliminary Plan development, review, and critique
- Working Drawing development, review, and critique
- Management all project planning, design, and construction activities
- Ensure complete documentation for duration of project
- Primary project point of contact for DSH
- Problem solving for unforeseen conditions
- Regulatory compliance
- Due diligence
- Project scheduling and phasing
- Hospital site coordination
- Facility notification of construction activities
- Stakeholder updates and progress reports
- Safety and security considerations
- Resource allocation and logistics

Serving as PCs, the AGPAs will provide direct support for the numerous construction projects and design initiatives, which will allow the ACAs to manage a larger volume of projects. Responsibilities include but are not limited to:

- Analyzing Public Works contracts
- Providing document control, briefing documents, meeting minutes, and agenda development
- Assistance with writing, editing, and/or reviewing Capital Outlay Concept Papers (COCP), Capital Outlay Budget Change Proposals (COBCP), Fiscal Impact Work sheets, and 3-page estimates
- Monitoring, tracking, and documenting project schedules, change orders, submittals, inspections, Requests for Information (RFI), and invoices.
- Establish and maintain project workflows in the Procore construction management software while liaising with ACA's for other associated project requirements and deliverables.
- Ensure the accurate development and timely approval of all project authorization, funding, extensions, or reversion documentation.
- Assist in the development of DSH's Annual Five-Year Infrastructure Report
  Coordinate with the Financial Services Branch for project funding and extension/reversion documentation.

Serving as first level supervisors, the DCS I's will provide supervision, inspection and coordination of work performed for construction projects.

- Reviews plans, specifications and estimate
- Assigns and checks work by instructing PCs and PMs.
- Assists in the preparation of purchase requests and contracts
- Makes decisions relating to construction methods
- Approves suitability of construction equipment and quality of materials and workmanship; performs construction calculations; prepares and maintains daily diaries, cost accounts, progress reports, and progress payment estimates
- Prepares correspondence and reports
- Keeps management apprised of construction needs.

Total Position Authority Requested

Classification	ASH	CSH	MSH	NSH	PSH	SAC	Total
Associate Construction Analyst	1.0	1.0	1.0	1.0	1.0	1.0	6.0
Associate Governmental Program Analyst	0.0	1.0	1.0	0.0	1.0	1.0	4.0
Direct Construction Supervisor I	0.0	0.0	0.0	0.0	0.0	2.0	2.0
Total Project Management Team	**1.0**	**2.0**	**2.0**	**1.0**	**2.0**	**4.0**	**12.0**

Projected Outcomes

Workload Measure	**CY**	**BY**	**BY+1**	**BY+2**	**BY+3**	**BY+4**
Projects Managed by FPCM[1]	118	130	155	180	205	230
PM/CM/PC Positions[2]	16	21	21	21	21	21
Projects Managed per Position	7.4	6.2	7.4	8.6	9.7	11

[1] Portfolio will increase as funding becomes available for projects currently part of DSH's Deferred Maintenance list.

[2] CY positions include contracted full time equivalent (FTE)personnel.

E. Implementation Plan

DSH will immediately begin recruitment efforts to fill all 12.0 positions so that the volume, frequency, and effectiveness of existing project manage functions will not degrade due to the increased demand. Contracted CM positions will be phased out as the proposed civil service positions are filled.

F. Supplemental Information (If Applicable)

Attachment A: BCP Fiscal Detail Sheet

Attachment B: Workload Analysis

Attachment A: BCP Fiscal Detail Sheet

BCP Title: Statewide Project Management

BR Name: 4440-008-BCP-2025-GB

Budget Request Summary

Personal Services

Personal Services	Current Year	Budget Year	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.0	12.0	12.0	12.0	12.0	12.0
Total Positions	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Fund Summary

Fund Source

Fund Source	Current Year	Budget Year	BY+1	BY+2	BY+3	BY+4
Total State Operations Expenditures	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Program Summary

Program Funding

Program Funding	Current Year	Budget Year	BY+1	BY+2	BY+3	BY+4
Total All Programs	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Personal Services Details

Positions	Current Year	Budget Year	BY+1	BY+2	BY+3	BY+4
4036 – Direct Constrn Supvr I	0.0	2.0	2.0	2.0	2.0	2.0
4106 – Assoc Constrn Analyst	0.0	6.0	6.0	6.0	6.0	6.0
5393 – Assoc Govtl Program Analyst	0.0	4.0	4.0	4.0	4.0	4.0
Total Positions	**0.0**	**12.0**	**12.0**	**12.0**	**12.0**	**12.0**

Attachment B: Workload Analysis

Associate Construction Analyst (4106) (6.0)				
Workload Tasks	***Hours Required To Accomplish***	***Frequency of Task (Monthly)***	**Months**	***Total Hours Projected (Annually)***
Provide project construction management and oversight which includes monitoring/managing the scope, schedule, budget, and requisite quality specific to the project at the five hospital locations. Monitor review and provide comments for design submissions for compliance with DSH requirements and design proposal. Manage resolution of DSH stakeholders and other design reviewers' comments and concerns.	4.5	Daily	12	7,128
Prepare and review various briefing documents/executive summaries and conduct research and development.	0.3	Daily	12	475
Attend various meetings throughout the year related to project management, updating DSH-Sacramento staff.	2.0	Daily	12	3,168
TOTAL HOURS PROJECTED ANNUALLY				**10,771**
TOTAL HOURS PROJECTED ANNUALLY: 1,776 (hours/1,776 = PYs)				
TOTAL POSITIONS NEEDED				**6.1**

Associate Governmental Program Analyst (5393) (4.0)				
Workload Tasks	***Hours Required To Accomplish***	***Frequency of Task (Monthly)***	**Months**	***Total Hours Projected (Annually)***
Analyzes Public Works contracts, practices document control, develops briefing documents, project schedules, monitor/track project change orders, and assists with project fund management, establishes and maintains project workflows in Procore and liaising with ACAs for associated project needs.	4	Daily	12	4,160
Assist in the writing, editing, and reviewing Capital Outlay Concept Papers (COCP)/Capital Outlay Budget Change Proposals (COBCP), Fiscal Impact Work sheets, 3-page estimates. Assist in the development of DSH's Annual Five-Year Infrastructure Report, ensures the accurate development and timely approval of all project funding and extension/reversion documentation.	0.25	Daily	12	260
Attend planning, design, and construction meetings.	1.0	Daily	12	1,056
Additional responsibilities include preparing reports, programmatic updates, proactively monitoring expenditures, resources, and project statuses for compliance within the authorized scope, schedule, and budget.	2.0	Daily	12	2,112
TOTAL HOURS PROJECTED ANNUALLY				**7,588**
TOTAL HOURS PROJECTED ANNUALLY: 1,776 (hours/1,776 = PYs)				
TOTAL POSITIONS NEEDED				**4.3**

Direct Construction Supervisor I (4036) (2.0)				
Workload Tasks	***Hours Required To Accomplish***	***Frequency of Task (Monthly)***	**Months**	***Total Hours Projected (Annually)***
Supervises, directs and evaluates subordinate staff by monitoring and establishing performance expectations and requirements, completing timely performance evaluations, providing training opportunities, hires and maintains adequate staff. Makes decisions relating to construction methods; coordinates the placement and number of employees hired for various projects.	5.0	Daily	12	2,640
Reviews plans, specifications and estimates to determine feasibility for accomplishment, ensures effective and consistent status of projects are clearly communicated to internal customers. Manages processes to ensure funding, accounting and work plan schedules for construction and inspection projects are recorded timely and accurately. Travels as needed to work sites to inspect the site visually and physically in order to initially define scope by completing a planned activity list to estimate cost and work task durations or approve project completion.	0.3	Daily	12	158
Completes necessary administrative responsibilities including, but not limited to, developing and monitoring information on operational program plans, preparation of monthly, quarterly, and annual reports, and gathering DGS documentation as needed for various facility, contract and project needs.	2.0	Daily	12	1,056
TOTAL HOURS PROJECTED ANNUALLY				**3,854**
TOTAL HOURS PROJECTED ANNUALLY: 1,776 (hours/1,776 = PYs)				
TOTAL POSITIONS NEEDED				**2.2**