

# **THE KENNEDY CENTER**

THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS



## **Congressional Committee Report July 1996**

**Prepared by**

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## **FORWARD**

**Purpose:** This document is intended to provide the committee with preliminary findings and analysis of progress made during the past nine (9) months in the reformation of the operation, and current conditions with recommended objectives for the remainder of the fiscal year and implementation concerns.

**Transition:** On or about October 1, 1994, the Kennedy Center Board of Trustees assumed control of facility operations. Although legislation provided for a full year of transition from NPS operations, the Kennedy Center elected to assume control at the earliest practical date. During this initial year of the primary emphasis was placed on infrastructure issues: securing personnel administration, accounts payable, payroll, and accounting services from GSA; securing interim procurement support from NPS and GSA; establishing a federal personnel management capability (Sandy Bissell); recruiting a Contracting Officer (Valerie Veatch) and Valerie's setting-up a contracting office and establishing procurement controls; and developing budget submission and justification procedures (Shelley Fiest).

Significant operational requirements were also addressed: interim security services were obtained from NPS, the Director of Security (Dan Horne) was hired, a security contractor was selected, a security survey was made (Bernie Karim), under Dan's direction a fire safety consult (Willie Grimes) conducted periodic surveys of the facility, new parking policies (Bill Becker and others) were formulated, and site circulation was improved. The facility operations staff continued to operate under the organization and routines established by the NPS for the operation of the Kennedy Center as a presidential memorial. The former deputy NPS general manager (Bill Kirby) became the acting Director of Facilities and did a commendable job in coordinating and assisting others in the start-up operations. A Buildings Operations and Construction Committee, BOCC, consisting of staff office and department heads met weekly under Bill Becker's chairmanship to coordinate implementation issues, to establish procedures and policies, and to monitor progress.

**The Assignments:** In July 1995, Mr. McCormick, Interim Facility Director a contract consultant was assigned the responsibility of coordinating the formulation of the Center's Operation & Maintenance budgets and overseeing the O & M budget through FY1996 budget execution and FY1997 and FY1998 formulation. In September 1995, Mr. McCormick was assigned responsibility for the management of the facility department, in conjunction with Mr. Kirkman, Project Executive of the Facility Division, facilities operations and construction of the capital renewal programs.



## **1. SUMMARY**

During the first year, little progress was made in integrating the facilities department into the main stream of Kennedy Center activities by adapting its operational profile to the requirements of a performing arts center (as opposed to a Presidential Memorial), and in addressing the administrative and staffing needs of the department. Moreover, a preliminary assessment of facility operations by WJE/Trammel Crow identified serious operational deficiencies. The mandate is to address these issues and develop a management plan for implementing a new facility department which will operate the facility at the highest performance standards. The following is a brief overview of the results of the first 9 months of this second year of operations:

### **Initial Priorities**

**First Priority:** Contract interim operational support for the facility management and project management office. On November 1, 1995 the Corp of Engineers provided an on site project manager, Bill Taylor, to relieve Mr. Kirkman, the Project Executive of the day-to-day project-related workload. In mid-November 1995, WJE/Technical Facilities Management (TFM), commenced to provide technical support in analyzing operational conditions and developing a reorganizational management plan.

**Second Priority:** Stabilize the undisciplined and non-responsive organization and establish immediate and effective management control.

**Third Priority:** To establish effective and timely response to safety issues and to prevent operational failures and improve the physical appearance of the facility

**Fourth Priority:** Evaluate, document and address long standing personnel administration issues with the 42 Federal FT employees.

**Fifth Priority:** Establish budget procedures and guidelines in accordance with GSA standards.

**Sixth Priority:** Establish communication with internal customers within the Kennedy Center and develop feed-back mechanisms.

**Seventh Priority:** Develop tracking systems to monitor operations and establish performance metrics.

**Eighth Priority:** Evaluate operational efficiency opportunities and implement.

**Ninth Priority:** Revitalize and develop the staff through performance awards, skills assessments, and training, mentoring, and participatory management techniques.



## **Initial Personnel Realignment**

**Personnel Redeployment:** On December 1, 1995 the Chief of Maintenance was temporarily reassigned to the Project Management Office to provide liaison between the construction program and facility operations. On December 4, 1995 the facility management staff was temporary reorganized and more effective performance has been clearly demonstrated. These actions did however, resulted in employee relation and union relation problems but were mediated to the satisfactions of both parties.

**Personnel Administration:** The condition of the department was nearly dysfunctional and chaotic and with the departure of the Park Service, the long-time (13 years) Chief of Maintenance retired, two of the best shop foremen's (electrical & central control) transferred and only two vacancies were filled. Since the transition, we have lost one employee from the grounds and central repair departments and from the reorganization efforts; we have lost one HVAC Technician and one Locksmith to other agencies.

The time and attendance records were inaccurate and required extensive efforts from Debra Hall, from the HR Department to rectify the situation. . There were no personnel evaluation factors and no personnel evaluations had been performed prior to my assignment.

Time carding procedures were reestablished and the use of over time was curtailed. The Human Resources Office (Debby Hall) was instrumental with completing personnel evaluations for the first time and time/ attendance records were reconciled with payroll records. Critical personnel issues were addressed with "Warning" letters and beneficial results were realized within 30 days. The Health Unit was reassigned from Facilities to the Office of Security, and Dan Horne and Sandy Bissell tackled the difficult task of addressing poor personnel supervision administration practices.

**Personnel Capabilities:** The initial skills set analysis confirmed that of the 30 wage-grade Federal employees roughly 1/3 are unqualified, 1/3 below average, and 1/3 meeting the task-with a couple standouts.

**General Administration:** Discovering a non-functioning department office with no office systems and no secretarial support, the reorganization had a rocky start and experienced a number of breakdowns until administrative procedures, correspondence controls, and computer systems were established. Thanks to the successful recruitment efforts of the Human Resources Department a qualified divisional secretary was auditioned for two months and hired this past Monday. The hiring of a management control officer and a facility manager would further improve administrative performance, and free the Director of Operations to attend to over arching executive issues and maintain more effective internal and external communication. Mr. Kirkman moved into the Facility Division offices in mid-October of 1995 and discovered a dysfunctional division office: an office with no correspondence or telephone procedures; no filing system, no systematic record keeping, no retrievable historical data, too few computers, and inadequate office supplies. The divisional secretary was on detail and the only immediate help was a data processing clerk who, with no prior experience, made a valiant effort during a cross-training detail. She was succeeded by a procurement clerk on detail from the NPS. During this period there were breakdowns; phone calls missed or not returned and untimely replies,



missed dead lines and apology letters as we dug out from a seemingly overwhelming workload. Now with the recruitment efforts of the Human Resources Department (Sandy Bissell/Debby Hall), we have a highly capable divisional secretary. The MIS department has provided requisite computers, software, communication support, and training. Shortly, the department computers will be linked with the Kennedy Center network for even greater efficiencies. While this was a difficult undertaking it produced some immediate short term benefits. The former divisional secretary, under Valerie Veatch's tutelage is now a procurement clerk in the Contracting Office in job series which she enjoys. The data processing clerk received some useful cross-training and better understands the needs of the department.

In addition to the objectives with determining the current facility management conditions and efforts with implementing a new infrastructure, these challenges were greatly impacted by the Continuing Resolution, month long Federal Government shut-down and one of the worst winters (snow) in forty years which physically shut-down the center on several occasions, ever in the history of the center.

**Employee Relations:** The morale of the Federal wage grade employees is low in some areas of the department but this will improve once the consultants (TFM) complete the FY96 Facility Management Plan which is due 1<sup>st</sup> Qtr FY97 and the new program can be implemented. There are numerous areas yet to be addressed with the employees, concerning Permissive Attitude, Generous Appraisals and the use of overtime to complete task that normally should be conducted during normal shift schedules.

### **Preliminary Budget Initiatives**

**Budget Execution:** The initial budgets were coordinated through the Buildings Operations and Construction Committee (BOCC) and while this approach fostered the communication and understanding essential to the success of the first start-up year, it did not provide an adequate mechanism for centralized compilation, analysis, and control. New budget categories have been established and the GSA accounting system has been partially tailored to the needs of the program managers. Coding conventions for budget categories, organizations, and major function and sub-functions have been set up by GSA. The format for monthly financial management has been established but not all financial management and control issues have been resolved. Audit trails from requisitions are not complete and obligation and expense data is not uniformly available to program managers. Deobligation procedures need improvement and cost accounting codes need to be developed. A mechanism for distributing personnel costs needs development and a real-time Kennedy Center accounting system for appropriated funds is required.

**Budget Preparation:** Preparation of the FY1998 budget submission is now expected to take one month (versus 3 months for FY 1997) and it will be completed one month earlier than last year.

### **Unique Challenge**

**Special Events -** The usual big event of the Kennedy Center is the annual "honors gala" and this year there were two galas. The Galas required extensive coordination efforts and numerous



personnel on overtime and shift supervisors. These Galas are broadcasted on National TV and the President of the United States attends, adding to the complexity of managing these events.

## 2. INITIAL SITUATION

**The Initial Assessment:** In July 1995, WJE and Trammel Crow Company completed a preliminary assessment of the operations of the facility:

**Performance Standards:** There were no standards for measuring performance of the staff and for evaluating the efficiency and effectiveness of the building operations.

**Information Management:** There is no information management system to collect and manage data related to staff performance and building operations.

**Adequacy/Efficiency of Staff:** Preliminary findings suggested that in-house maintenance and operation functions are inadequate and/or inefficient and that the existing staff may not have adequate skills to perform the required tasks.

**Responsibilities:** There were no clear lines of responsibility within the existing facility management structure.

**Work Order System:** There is no consistent work order system in place.

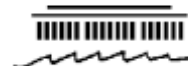
**Outsourced Contracts:** Outsourced contracts provide incomplete services and there were no contracts for the emergency generator, fire pump and the fire alarm system with no in-house personnel qualified to perform the necessary routine maintenance for these systems.

**On-Board Assessment:** Upon assuming budgeting and managerial responsibility and as a result preparing budgets and conducting performance reviews, additional problem areas were identified:

**Management Controls:** The facility management office was found unorganized and dysfunctional and with the recently acquired information management software product was determined inadequate for the size and complexity of the Kennedy Center. There are no requisition control systems and purchase requests were not tracked or numbered. No hard copies were retained for record and if a requisition was lost, another would be submitted in its place with no mechanism to document the error or to prevent duplicate purchases.

**Budget Controls:** There were no systems or records to manage the current operating budget. Management personnel were unable to put together the necessary historical or current year data to support FY1996/FY1997 budgets.

**Employee Performance Standards:** No efforts had been made to develop new job descriptions and performance standards reflecting new Kennedy Center requirements.



**Employee Qualifications:** Initial review of personnel qualifications with shop supervisors indicated limited skill-levels and lack of requisite developmental training. Roughly 1/3 of the employees were considered unqualified to perform their responsibilities, 1/3 were judged only minimally qualified, and one third fully qualified. Other personnel performance problems were revealed and available personnel records were of limited use in evaluating current staff competency.

**Service Contractor Performance:** The existing housekeeping contract was not properly administered and the facility appearance reflected the lack of attention and basic cleaning requirements. The elevator service contract was poorly administered and elevator inspections conducted by GSA for the last four years, had identified problems which have yet to be addressed.

**Routine Maintenance:** It was determined that a back-log of routine maintenance for the HVAC systems were over one year-with major pieces of equipment requiring immediate emergency repairs to prevent operational failure. Drainage systems which were assumed to be inadequate or inoperable were discovered to have received no maintenance and could be corrected. The air diffusers in the Concert Hall which caused acoustic interference for many years were discovered to require only a cleaning to eliminate the disturbance. More recently, during the garage concrete sealing process, it was discovered that the garage exhaust fans have been considered to be dysfunctional for 11 years but with minor repairs they have now been made operational.

**Supervisory Control:** Bi-weekly time sheets and year-to-date controls are inconsistent and there were no management controls for tracking personnel, personal leave and or abuse of leave. Records clearly demonstrated employee leave abuse. Time & attendance records were improperly kept and inaccurate. Employees were arriving late and leaving early (often in car pools) and the Nurses in the health unit were unsupervised and unaccountable for their actions.

In a specific case, Phil Crampton whom has been with the facility since it opened and has had along time attendance problem but was never disciplined. On November 22, 1995, Mr. Crampton was put on suspension for failing to obey leave restrictions and for using up over 128 hours of unauthorized leave. Since taking this action, Mr. Crampton has not missed a single day and has adhered to the required leave request procedures.

**Employee Disciplinary Actions:** There were numerous other employee issues concerning, sleeping on the job, alleged theft and intoxication while on duty, which were also overlooked.

**The Facilities Shops:** As separate organizational entities, four of the five facility shops could not efficiently interact with each other to ensure facility maintenance requirements were addressed. The plumbing didn't work, the light bulbs were out, the grounds were not maintained, and environmental requirements were not met.





### 3. INITIAL REORGANIZATION

**General Administration:** Among my many surprises when Mr. Kirkman moved into the division offices in mid-October was a dysfunctional division office: an office with no correspondence or telephone procedures; no filing system, no systematic record keeping, no retrievable historical data, too few computers, and little in the way of office supplies. The divisional secretary was on detail and the only immediate help was a data processing clerk who, with no prior experience, made a valiant effort during a cross-training detail. She was succeeded by a procurement clerk on detail from the NPS. During this period there were breakdowns: phone calls missed, or not returned, untimely replies, missed dead lines, and apology letters as we dug out from a seemingly overwhelming workload. Now with the recruitment efforts of the Human Resources Department (Sandy Bissell/Debby Hall), we have a highly capable divisional secretary. The MIS department has provided requisite computers, software, communication support, and training. Shortly, the department computers will be linked with the Kennedy Center network for even greater efficiencies. While this was a difficult undertaking it produced some benefits. The former divisional secretary, under Valerie Veatch's tutelage is now a procurement clerk in the Contracting Office in job series which she enjoys. Our data processing clerk received some useful cross-training and better understands the needs of the department.

**Organizational & Functional Changes** - There are four recent reorganizations which will impact your assessment:

**Health Unit:** On March 8, 1996, the health unit was abolished and the nurses fired.

**Theater Operations:** On June 17th, the theater operations department was abolished and its functions assigned to three new units: programming, production (back-of house) and an untitled entity responsible for front-of-house functions

**Facility Services:** On June 17th, the Facility Services Office of the Facilities Department headed by Dave Belliveau was also abolished. The special event support functions have been transferred to the new production department and the receiving & print shop functions transferred to the MIS department and inventory control remains the responsibility of the Facilities Department.

**Visitor Services:** The limited visitor and memorial support functions provided by Facilities (Susan Creger) are planned for a new unit to be headed by Shelley Feist, Director of Congressional Affairs. The functions to be transferred include greeting VIPs, management of flags in the Hall of States and Nations, and responsibility for art works and gifts maintained by the Center.

**Facility Services:** All three remaining non-appropriated (Trust) personnel assigned to this unit have been reassigned; 2 positions (set-ups) to the production department, 1 position (receiving) to the MIS department.

**Visitor Services:** One employee (Susan Creger) will be transferred to the Office of Congressional Liaison.



**Personnel Recruitment** - Three new hires have been approved for the division as follows:

**Divisional Secretary:** On July 8th, some 9 months after my having been given responsibility for the operation, the critical vacancy of divisional secretary was filled. This is the first and only completed recruitment action, and a welcome one.

**Management Control Officer:** Another recruitment action for a management control officer has been approved but is being held, by me, pending your confirmation of the need. (Refer to draft position description).

**Facility Manager:** The final position approved for recruitment is that of Facility Manager, this action also awaits your development of a position description.

## **Facility Personnel**

**Facility Staff Organization:** To improve work productivity and customer service response, a temporary redeployment of personnel was necessary to streamline work loads and shift and vacation coverage. The current facility staff was divided into five (5) different shops, Central Control, Central Repair, Grounds, Electrical Shop and Plumbing Shop. In December 1995, the five shops were consolidated into two shops, Operations and Maintenance.

The two supervisors selected to oversee the temporary redeployment are John Goff, Operations Department and Clint Cleveland, Maintenance Department, which has reduced the number of supervisors from five to two and streamlined communications, accountability and productivity. New controls have been established to track Time cards, attendance auditing. Sign-ins is required of all facility staff.

## **Facility Operations and Maintenance**

**Emergency Generator & Diesel Fire Pump:** The Emergency Generator and Diesel Fire Pump were outsourced due to limited in-house technical skills and reoccurring equipment failures.

**Emergency HVAC Repairs:** Due to deferred preventive maintenance, we developed a \$50,000 scope of work to repair various HVAC equipment that was necessary to prevent major malfunction of heating and cooling equipment.

Additionally, 3 of the 4 central plant pumps were out of commission due to needed repairs, leaving only the one pump for operation and this pump too, had mechanical deficiencies. Each of these system deficiencies is due to a shortage of operating personnel over the last year and without immediate action, the operation of the heating/cooling system will fail and many of these failures could take 3 to 5 times longer to repair and will cost more.



**Elevator Repair Analysis:** Evaluated and prepared an analysis of all outstanding elevator repairs as identified by the proposals submitted by Millar Elevator Service Company during the past 12 to 16 months. On November 16, 1995, a meeting was held with the elevator maintenance contractor, to review the critical repairs, cost and material lead time for each elevator, as outlined in the chart below.

**ELEVATOR REPAIRS**

Scope of Work	Urgency	Cause	Lead Time	Cost
Elevator Cleandown (7 elevators)	Urgent to Critical	Construction	1 - 2 Days	\$8,065
Repair Doors (8 elevators)	Critical	Age	3 Weeks	\$22,800
Repair Doors on elevator 2-E10	Very Critical	Age	2 Weeks	\$15,687
Rebuild Generator Elevator 2-E7	Very Critical	Age	1 Week	\$4,407
Hoist & Governor Cables on 2-E9	Very Critical	Age	3 Weeks	\$3,640
Repair Hoistway Access Switch 2-E9	Urgent	Construction	1 Day	\$560
Selector Cables on 4 elevators	Very Critical	Age	2 Weeks	\$13,384
Missing Emergency Car Phone 4-E7	Very Critical	Abuse	2 Days	Pending
<b>Total Cost:</b>				<b>\$68,543</b>

**Elevator Technician Lawsuit:** Due to an electrical injury involving the elevator technician and a KC electrician, General Council required advisement on electrical and elevator codes and OSHA Safety Standards associated with main line disconnects, as it relates to the issues surrounding the pending lawsuit with the on-site elevator service technician.

**Energy Conservation:** Short term efforts have been implemented by replacing light bulbs with energy efficient technologies that do not require extensive manpower or retrofit cost. New chillers are currently operating under new operational guidelines (provided by TFM) which have improved control of the demand charges and providing stabilized temperatures throughout the facility and have decreased complaints by 75%.

**Fire Alarm Service Contract:** Developed service contract for maintaining the obsolete Edward's fire alarm system. This monthly full service contract is necessary due to the limited availability of parts and complex technical skills needed to maintain the system.



In the near future, when the new fire alarm system is installed, a standard fire alarm service contract will be established.

## **Facility Management Office**

**Facility Incident Reporting:** Evaluated current procedures and developed incident reporting procedures with standardized incident report form for all facility personnel. This procedure will establish consistent communication and proper documentation of all incidents occurring at the facility.

**Elevator Safety Procedures:** Evaluated current elevator emergency response procedures and developed revised safety procedures with standardized elevator incident report form. This program will provide accurate details to incidents as they occur from normal to abusive use of the elevators and all reoccurring maintenance performance issues.

**Requisition Procedures:** Evaluated and streamlined current requisition procedures and established request guidelines with the facility staff in accordance with the Finance and Contracting Office. Established computerized tracking system with requisitions submitted to finance which included a log book to track requisitions.

**Preventive Maintenance Program:** Developed an interim manual preventive maintenance (PM) procedures guideline with necessary forms to establish equipment historical data, tracking schedules and PM work ticket. Due to inadequate personnel and limited operational leadership, the HVAC system PM has not been established to date. The effort is currently being addressed through an Operations Manager form Technical Facility Management's current contract. This on-going effort and future task will ensure the success of the necessary systems to manage and perform predictive maintenance on the facility equipment and reduce operating cost.

**Work Request Program:** Evaluated and established temporary work request system that directs all facility calls to one single location, to a Help-Line number (7-911) which has greatly improved quality control efforts. The development and implementation of a temporary software program, that provides weekly status reports on all work request and a pending report for the department supervisors, until the new integrated facility software system is installed and set-up.

**Winterization Program:** Evaluated current procedures with facility staff to implement the development of a Winterization Manual that will provide the necessary guidelines for proper facility winterization and snow removal contingency plans. Due to deferred maintenance on the snow removal equipment, emergency procurement was established to respond to the heavy snow fall this past winter.



## **Facility Management Technology**

### **Facility Information Management System (FIMS) and Implementation Strategy:**

Evaluated current FIMS software criteria and selected alternate software products. Selection included demonstrations from software manufacturers with appropriate facility personnel. The selected system will effectively optimize the use of the facility, efficiently manage our assets, coordinate the physical workplace with our employees, improve the function of the facility operations and avoid unnecessary costs. The FIMS will consist of nine products that can stand alone or integrate to form a total Facilities Management solution:

- Space Analysis
- Maintenance Manager
- Asset Management
- Materials Handling
- Construction Budgeting
- Win Stack (Floor Space Integration)
- Cable Management
- CAD Integrator
- Lease Management



#### 4. ACCOMPLISHMENTS

The following reflects an overview of current conditions with the facility operations and personnel:

**Daily Facility Meetings:** During the past three months, Mr. McCormick has been chairing the facility supervisors' 8:30 am meeting to review daily activities, up-coming events and coordination efforts between Facility departments.

**Health Unit:** The Center officially closed its Health Unit on May 10, 1996, was due to budgetary constraints and the Center could no longer provide routine health services that were formerly provided by six Occupational Health Nurses. Four of the Nurses are currently receiving severance pay and the other two Nurses were intermittent employees and were not eligible to receive severance pay.

**Employee Assistance Orientation Program:** Through the efforts of Debra Hall, an orientation was completed on June 17, 1996, to ensure that all Appropriated Fund employees are made aware of the Employee Assistance Program. The orientation offered the employees a place to turn for advice, support and help when they have a personal concern or problem.

**Facility Staff Performance:** The reorganization has greatly improved communications and coordination efforts with Special Events and Galas. For example, during the Honors Gala, a five (5) day event that is National televised, we experienced major equipment failure with the fountains and was able to restore them before the next evening event. Then during one of the major event days, we experience a PEPCO brown-out, shutting down all electricity for several hours prior to the event starting. The facility staff responded to restoring the facility systems and operations with no impact on the event.

**Operations Managers:** The temporary operations manager (John Goff) initially responded to the task of this position but has recently (60 days) demonstrated poor technical judgment, unable to meet administrative duties and has become unreliable and undependable. Mr. Goff has used up considerable sick leave and has chosen not to acknowledge that there is a problem. Mr. Goff has received written warning concerning his leave usage. Though Mr. Goff possesses the necessary technical skills for his current position, he has demonstrated unwillingness to deal with challenging situations and manage personnel effectively. At Mr. McCormick's recommendation, Mr. Goff has attended a personnel skill training class.

**Facility Operations:** We have added an Operations Manager from our facility consultant, Technical Facility Management to assist with the day-to-day operations of the facility and to supervise three (3) operating engineers from Complete Building Services (CBS), contract labor for three months. This effort is attempting to address the extensive back-log of preventive maintenance which is due to the shortage of staff and skill sets. Additionally, this Operations Manager will be responsible for the coordination and



collection of facility equipment data and develop the necessary preventive maintenance procedures that will be incorporated into the computerized facility management system.

**Cleaning Contract Analysis:** The housekeeping contract over the past several years has evolved to the point where the work described in the contract was not representative of the work being performed by the contractor and that there was a serious discrepancy between the prices the Center was paying and the market price for comparable services. During negotiations with the incumbent contractor, the contractor was unable to change practices and implement cost savings. Negotiations ceased after the contractor indicated that it would not be interested in a contract for the amount the Center offered. An alternative 8a source was contracted for an interim contract award while a longer term contract could be put in place but the alternative 8a contractor at the last moment, expressed concern about the short term nature of the contract and declined to sign the agreement.

Due to the need to continue housekeeping services an interim contract with a non-8a contractor, began May 13 through September 30, 1996, and will allow time to put a long term contract in place for FY1997. The results of a cleaning contract analysis determined that the new non-8a cleaning contractor is reducing cleaning cost by approximately 20% (\$250,000) annually.

**Work Request Program:** The temporary computerized program established in February 1996, has effectively established the necessary control and reporting mechanisms to monitor the facility activities and response times. During the initial period (two months) the system program efficiency greatly improved and the facility staff has demonstrated great pride in not only completing the request but in a timely manner. For example, the Maintenance department has reduced their initial response times per request from 4 days to 1 day and the HVAC department has gone from 3 hours to ½ hour. The maintenance department response times may appear to be long but if you remove the difficult task that require extensive manpower, the average response time will drop to 1 hour.

Additionally, Shelly Dalton has moved to the Operations Department to provide the necessary support with physically having a person in the Control Area, in accordance with insurance requirements. The 7-911 has been forwarded to the Operation's number (7930) until appropriate operating staff is hired.

**New Cleaning Contract:** Currently into the seventh week of the new cleaning contract and assignment of a new COR, Mr. Clint Cleveland, and initially (30 days) numerous areas of the facility have improved (even with using the same staff from the LIMA contract). The new contractor, Metropolitan, reflects our commitment towards the Center and feel that the transition period will be short and that with further modifications will reflect a "first class" operation that we are striving for.



## 5. KENNEDY CENTER EVENTS

### Facility Events Issues

Mr. McCormick and Mr. Kirkman believe the interim actions will alleviate future problems with unsightly conditions during and after events in the Kennedy Center. The following provides the background of problems the above actions are designed to correct.

**Restaurant Associates (RA):** RA is responsible for immediate event cleaning and to store unneeded furniture somewhere other than in public spaces. Currently, there is potentially \$20,000 of back-charges to RA for elevator door damage that has not been addressed with RA. Additionally, RA is abusing the building marble and wood floors, carpet and walls with their careless setup functions. For example, the type of furniture dollies with hard rubber wheels is damaging the floors. The coffee stains in the carpet from the Cappuccino machines require a special cleaning process, which is not covered under the current cleaning contract.

**Housekeeping:** The housekeeping contractor has no responsibility under the current contract to clean-up after RA special events or to have a supervisor to monitor cleanliness within RA's controlled spaces. The contract does not provide sufficient staff to support RA events.

**Facility Operations Guidelines:** There are no facility guidelines or procedures in place to enforce the use of proper protection in the building. For example, carpet protection during load-ins. This type of problem creates excessive maintenance repairs, cleaning cost and causes the carpet to buckle under the weight of the equipment and supplies being delivered.

**Facilities Management:** There are no facility management supervisor personnel who work evenings and weekends. There are no facility management personnel assigned responsibilities to monitor RA's performance. Moreover RA is not required to notify the Kennedy Center of events inside their controlled space.

**Special Events** - After scheduling an outside event with RA, special events has no further responsibility to monitor RA's performance.

**Space Use Policy** - There is no policy governing functions which may conflict with Memorial visitors.

**Special Events Coordination** - Primarily Special Events coordinates the setup of events but does not provide any support during or after their scheduled events. The events are setup without pre or post-inspections of the space being used in the Center; therefore, the Facility Department is left with the burden of corrective actions and expenses with damage incurred during these events.





## **Facility Events – Interim Actions**

The following reflects the current conditions in dealing with the Event Activities and those directly involved in coordinating these events and what issues need your further review:

**Special Events Coordination Meetings:** On May 24, 1996, Mr. McCormick initiated a weekly meeting to coordinate activities with Special Events, Education and RA with the facility management team to review scheduled events and any potential unreported events in an effort to properly coordinate and or support the event activities.

In addition to the above initiatives which are obviously insufficient to correct the problems with RA's post events clean-up efforts, and Center cleanness the following actions have been implemented:

1. **Cleaning Supervisor:** The day-time cleaning supervisor will attend daily facility management manager meetings to discuss daily activities and coordination efforts with evening and weekend events.
2. **Cleaning Contract Modification:** Modify current evening cleaning procedures to include expanded responsibilities for the night cleaning supervisor, to include but not limited to; monitor events for proper setup procedures, clean-up efforts after events and removal of all event furniture and equipment.
3. **Central Control:** Event activities will be reported back to Central Control for appropriate direction and support of any areas of deficiency or problems caused by the events.
4. **Backcharges:** Establish a backcharge policy and back charge RA and other Events, facility service charges for non-compliance with Event responsibilities. This would only apply to RA, vendors used for setups, deliveries, etc. / not clients, unless warranted.
5. **Weekly Event Meetings:** Continue with weekly facility coordinated meeting with RA, Special Events and housekeeping to review any deficiencies and coordination efforts for upcoming events.
6. **Events Coordination Manager:** Mike McCormick recommends that trustee representative be appointed responsibility to manage the Restaurant Associate's contract (Lease) as the single management representative. These responsibilities should include event coordination, clean-up efforts and periodic inspections after evening and weekend events.



## **Long Term Plan**

The preliminary review of the Special Events and RA functions are left unattended once the events begin and fail to provide supervision after events. You indicated that, historically with other facilities of this type, require a single point of contact to coordinate special events with all parties concerned in the facility and are typically part of the facility staff organization.

**New Cleaning Specifications** - Your Company is currently developing a new cleaning contract specifications and RFP that will include expanded responsibilities for events and modified cleaning work schedules.

**Event Policies** - Develop event policies and guidelines with set-up procedures and post clean-up requirements. These regulations should include when and where events can be held so not to interfere with Memorial functions and elevator usage responsibilities. This may include a dock master at loading dock #2, to monitor elevator usage with sign procedures, etc.

**Facility Reorganization** - Reorganization of the facility operations will establish a consistency with work load, shift schedules and supervisors capable of performing the long term goals and objectives.



## 6. IMMEDIATE OBJECTIVES

For the last quarter of the fiscal year (July, August and September FY 1996) key objectives are focused primarily upon accomplishing the following:

**Galbreath Assessment:** Review preliminary report from Galbreath and finalize initiative by the first week in August 1996. Review recommendations with upper management to discuss long term goals and objectives with Kennedy Center and Operating Committee.

**Inventory Control:** Implement the necessary efforts to begin collecting the inventory data using a bar code system subsequent to the installation of SPAN FM. This effort will be coordinated with all Kennedy Center departments.

**FY1996 Operating Budget:** Closely monitor O&M expenses in a coordinated effort with the Nancy Fleeter to bring appropriated funds inline with the approved budget. This effort will include support from the Contracting Department with all deobligated funds with all current and unanticipated expenditures.

**Facility Information Management System:** Respond to all CBD inquiries concerning the SPAN FM software sole source purchase. Once CBD responses are completed in the next 30 to 45 days, coordinate installation and system set-up efforts with the MIS Department.

**FY1997 and FY1998 Budgets:** Review budget guidelines, goals and objectives with all appropriate departments and supervisors and prepare preliminary budgets formats. Incorporate Galbreath report and prepare detailed backup for each budget category. Draft budgets due August 1, 1996.

**Cleaning Contract:** Finalize cleaning contract scope of work with Galbreath and prepare RFP, review submissions and award new contract by end of FY96.

**Elevator Contract:-** Finalize elevator contract scope of work with Lerch Bates and prepare RFP, review submissions and award new contract by end of FY96.

**Other Service Contracts:** Review current and proposed service and consulting contracts and prepare necessary contract scope and process requisitions accordingly to the Contracting office by August 30, 1996.

**Implementation Support:** Develop scope of work and timeline for necessary consulting support contract with the on-going efforts to build the facility information management system and continue to support with the daily operations of the facility HVAC functions.

**Energy Conservation Procedures:** Identify and implement procedures to monitor and energy consumption and performances. Establish benchmarks and establish policy guidelines for HVAC operations and energy practices and materials.



**Organizational Manual:** Develop manual and implementation schedule by end of fiscal year. Manual will include final Galbreath recommendations, new job descriptions, performance standards, departmental descriptions and functions. Manual will include management control procedures for managing FIMS, requisitions and operating budget.

**Production Department:** Assist Production Department with incorporating theater maintenance requirements into the FIMS and with appropriated responsibilities.



## 7. IMPLEMENTATION CONCERNS (RISK)

**Organizational & Functional Changes:** There are four recent reorganizations which potentially could impact the assessments:

**Health Unit:** On March 8, 1996, the health unit was abolished and the nurses fired.

**Theater Operations:** On June 17th, the theater operations department was abolished and its functions assigned to three new units: programming, production (back-of house) and an untitled entity responsible for front-of-house functions

**Facility Services:** On June 17th, the Facility Services Office of the Facilities Department headed by Dave Belliveau was also abolished. The special event support functions have been transferred to the new production department. The receiving & print shop functions to the MIS department. Inventory control remains the responsibility of Facilities.

**Visitor Services:** The limited visitor and memorial support functions provided by Facilities (Susan Creger) are planned for a new unit to be headed by Shelley Feist, Director of Congressional Affairs. The functions to be transferred include greeting VIPs, management of flags in the Hall of States and Nations, and responsibility for art works and gifts maintained by the Center.

**Union Agreement:** The union agreement which expired on May 31st is now being renegotiated. The outcome of the negotiation will impact the ability of the Kennedy Center to effect the reorganization and revised job classifications you may propose.

**Scope of Implementation:** The reorganization of the former shop structure will require a total change of wage-grade personnel assignments with revision of all position descriptions, personnel actions for all employees, and recruitment of supervisors and employee training. It will also require the development of data, preparation of procedures and manuals, implementation of computer systems and other administrative and personnel management systems.

**Time Table:** The complete implementation of all recommendations may require as much as an additional year beyond FY1996. Further consulting studies will address implementation time frames and establish realistic schedules for phased implementation.

**Managerial Authority to Carry out Implementation:** Over the long term, the "acting" designation (interim Facility Director) position does not promote stability and managerial authority. It is correctly viewed as an interim, transitory assignment by board members, top management, staff, other department heads & managers, employees, and contractors. Since the purpose of my assignment is to serve as an interim, stop-gap manager, until a reorganization plan is adopted; the acting designation is not detrimental. Once a reorganization plan is adopted, a permanent manager should be assigned as Director of Facilities. The longer it takes to make this selection, the more vulnerable the incumbent will be to the deleterious effects of speculation and free-lancing with the attendant loss of management authority and effectiveness. Inevitably the



conclusion will be drawn that the long-term “acting” manager does not have management support for or is judged under-qualified for the permanent assignment.

**Manager Grade Levels and Career Ladders:** To provide for managerial development and progression and to remain competitive both with-in the federal government and the private sector, Mr. McCormick recommends the following grade levels be considered:

**Director of Facilities:** The legislation which transferred facility management responsibility from the National Park Service to the Kennedy Center provided the basis for Senior Executive Service Level IV position to be established for the Director of Facility. If the Director of Facilities, in your reorganization recommendation, is to be the senior executive reporting to the president of the Kennedy Center who is responsible for the capital renewal program, comprehensive facility management and financial management of the \$20 million annual appropriation; then consideration should be given to filling the position at the SES level.

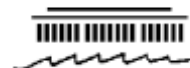
The salary level of this position is approximately \$115K-competitive with equivalent private sector responsibilities for equally demanding programs. Within the federal community, the SES is the first rank for federal executives and requires special performance reviews, executive training, and participation in government-wide

**Facility Manager:** The facility manager should be at the GS 14/15 level. This is a salary range of \$53k to 93K. A GS 15 level is usually a prerequisite for an SES position.

**Subordinate Managers:** The lowest tier, non-wage grade managers should be at the GS 12/13 level or at the GS 13/14 level to provide the first rung of the developmental ladder. Foremen or group work leaders in the wage-grades should be at salary levels which will allow them to eventually compete for the GS managerial positions.

**Current Managers:** The temporary operations manager (John Goff) initially responded to the task of this position but has recently (60 days) demonstrated poor technical judgment, unable to meet administrative duties and has become unreliable and undependable. Mr. Goff has used up considerable sick leave but refuses to acknowledge a problem. Mr. Goff has been received written warning concern is leave usage.

Though Mr. Goff possesses the necessary technical skills for his current position, he has demonstrated inability to deal with difficult and time sensitive situations and manage personnel effectively. Mr. Goff has attended personal skill training classes with no improvement.



**Functional Coverage:** With the recent initial reorganizations, the functional scope of the facility division has devolved to essentially that of the original NPS model for the facility:

1. Appropriated and non-appropriated (Trust) activities are in separate management hierarchies,
2. Support functions are staff functions which are outside the control of the division manager. The division is not responsible for such common commercial facility functions as security, security systems, parking, safety compliance, communication systems, receiving and mail distribution, space management, procurement, accounts payable, space use and assignment, and tenant and vendor management. While there are logical and persuasive reasons for the existing organizational structure, there also advantages in the consolidation of all facility functions which should be examined and discussed.

**Cross-cutting Functions:** The assignment of functional responsibility in the Kennedy Center is, perhaps, best understood as a matrix with several organizations participating and cooperating to accomplish common objectives. Among my specific concerns are these cross-cutting functions:

**Facility Maintenance Programs:** The production department is now responsible for all back-of house activities including maintenance and replacement of technical theater systems and facilities department is responsible for the front of house maintenance.

The Director of Security has proposed a similar arrangement for maintenance of security systems including locks.

1. How can this separation of maintenance responsibilities be made to work?
2. Which organizational units are responsible for developing maintenance procedures, tracking systems, and allocating funds?

**Space Management:** All office space in the Center will eventually be redone. Space and furniture standards will be established.

1. Which organizational units should be responsible for planning, design, construction and coordination of major space moves?

**Minor repairs & replacements:** There exists a backlog of \$13m of minor repair work which will take several years to eliminate.

1. Which organizational units should be responsible for the planning, design, and construction of this work?

**Budget Control:** O&M funds are allocated to several Kennedy Center departments. O&M funds are appropriated on an annual basis and must therefore be carefully monitored to assure no unspent moneys are left at the end of a fiscal year.

1. Which organizational units should be responsible for the preparation of the O&M budgets and for monitoring budget execution?



**Facility Staff Work Schedules** - Evaluation of the 10 hour shift for the operational personnel determined that it is achievable and actually increases the total man-hours over the 8 hour shifts. The only way to achieve this schedule is to shift the HVAC mechanics shift by 4 hours on the Saturday and Sunday morning shifts with only one plumber and one electrician to cover this period. Based on available information, the 6am to 10am period has been fairly non-eventful during the weekend activities and this work schedule will provide more man-hours than the 8 hour schedule.

1. Will this schedule help reduce the need to higher additional personnel?

The chart below demonstrates the total number of day time operational personnel available for each work schedule Monday through Friday: ***Option 1: The operational personnel schedule uses both 8 & 10 hour shifts.***

WORK SCHEDULE	MONDAY Staff / Hours	TUESDAY Staff / Hours	WEDNESDAY Staff / Hours	THURSDAY Staff / Hours	FRIDAY Staff / Hours	Total Staff / Hours
Modified 10 Hrs. - Option 1	3 / 30	6 / 56	7 / 64	7 / 64	6 / 38	29 / 252
8 Hours - Option 2	5 / 40	9 / 72	8 / 64	8 / 64	6 / 42	36 / 288
10 Hours - Option 3	5 / 50	6 / 60	7 / 70	7 / 70	4 / 40	29 / 290





## 8. CONCLUSION

During the first year of transition little progress was made in integrating the facilities department into the main stream of Kennedy Center operations or in addressing the administrative and staffing needs of the department.

**Employee Relations:** As anticipated the morale of the wage grade employees is low in some areas of the department but this will improve once the Management Plan report is complete and the new program can be implemented. There are numerous areas yet to be addressed with the employees, concerning Permissive Attitude, Generous Appraisals and the use of overtime to complete task that normally should be conduct during normal shift schedules.

**Personnel Administration:** The condition of the department was nearly dysfunctional and chaotic and with the departure of the Park Service, the long-time (13 years) Chief of Maintenance retired, two of the best shop foremen's (electrical & central control) transferred and only two vacancies were filled. Since the transition, we have lost one employee from the grounds and central repair departments and from the reorganization efforts; we have lost one HAVC technician and one locksmith. The time and attendance records were inaccurate and required extensive efforts from Debra Hall, from the HR Department to rectify the situation. . There were no personnel evaluation factors and no personnel evaluations had been performed prior to the interim Facility Director assignment.

**Catastrophic Events:** The first priority was the prevention of show stoppers-events which would terminate or prevent a performance.

**Preventative Maintenance:** Prior management seemed paralyzed. Almost no maintenance was done on the HVAC systems. **For example:** Over a dozen elevator repair requests backed up and in most cases where repaired on an emergency basis and repair cost estimates have exceeded \$100,000.

**Employee Capability:** It was Mr. Kirkman's belief, which Mr. McCormick confirmed, that of the 29 wage-grade employees roughly 1/3 are incompetent, 1/3 mediocre, and 1/3 equal to the task-with couple of standouts.

**Bad Luck:** There were several events, now forgotten, which have exacerbated our attempts to straighten out performance; continuing resolution, government shut down, and record breaking snowfall and extreme cold.

**Special Events:** The main single (1) big event of the Kennedy Center is the honors gala and this year there were two (2). The Galas are very demanding and require extensive coordination efforts and numerous personnel resources on overtime and shift supervisors. These Galas are broadcasted on National TV and the President of the United States attends, adding to the difficulty of managing these events.



**Financial Management:** Without adequate financial management information, it has been extremely difficult to access operating expenses, as to what is or is not needed. The challenge has been to manage multiple functions with unreliable data, no systems, and no historical data and more often than most, no support, except from the consultants efforts and a handful of dedicated employees.

**Invisible:** Leadership philosophy of the operation of the Kennedy Center facility should be flawless and invisible-as if by magic the place hummed along with no human intervention. The purpose of the center is maintaining the Memorial and support of the Theaters with safe, reliable and consistent systems and services.