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SUBJECT: Georgia Department of Human Services Real Property Procedures

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1. Introduction

1.1. Definitions

Definition of Real Property (See Policy 1470POL):

“Real Property” means land, including improvements, structures (fixed) and appurtenances thereto, excluding movable machinery, equipment and structures. This includes all such property that is under the custody of, leased or used by the Georgia Department of Human Services (DHS).

1.2. Responsibilities

1.2.1. DHS Office of Facilities and Support Services (OFSS)

The DHS Office of Facilities and Support Services (OFSS) has the primary responsibility for all Department real property issues including, but not limited to, the internal processing of all transactions, maintenance of files and databases, providing building change (additions, subtractions, transfers, renovations,) information to be added or subtracted to or from the State PeopleSoft database or the State Properties Commission Building, Land and Lease Inventory of Property (BLLIP) database, and the processing of correspondence and coordination of related research regarding real property.

1.2.2. State Properties Commission

Per Georgia Code (Section 50-16-30 thru 50-16-47) all real property transactions conducted by DHS must be approved by the State Properties Commission (SPC). This includes transactions that may require additional approvals by the Governor and State Legislature.

Also, as a service to State Agencies, the State Properties Commission will provide the processing for real property transactions. Therefore, DHS will provide the appropriate documents to the State Properties Commission to process all real property transactions.

The State Properties Commission meets as necessary to consider and vote on pending actions. If an item concerning DHS is on the agenda, a representative from DHS should attend the meeting to answer questions.

All real property owned by the State of Georgia is titled to the State. The various Departments have “custody” of the property and have all the privileges, responsibilities and liabilities as if the property were actually titled to them. The State Properties Commission holds all property deeds.

2. Processing of Real Property Transactions

2.1. Transaction Categories

Normally, all property transactions fall into the following broad categories:

- 1) The State disposes of property or any control of property – this must be authorized by the passage of a law (Legislature and Governor).
- 2) The State acquires property – this must be approved by the State Properties Commission.
- 3) Transfer of the custody of property from one State Agency to another – this must be approved by the State Properties Commission and executed by an “Executive Order” issued by the Governor.
- 4) Temporary actions including any of the above scenarios for up to three (3) years – these must be approved by State Properties Commission.
- 5) Razing of a permanent structure – this must be approved by the Governor and executed by an “Executive Order” issued by the Governor.

Some transactions, such as an Easement or a real property swap, may involve a combination of the above-mentioned categories. A real property swap may require an “Intergovernmental Agreement.” This is a document approved by both (or all) principals involved, detailing all specifics and conditions of the swap including monetary issues. The preparation and execution of an “Intergovernmental Agreement” should involve DHS Legal Services Office who may request input from the State Attorney General’s Office as appropriate. The State Properties Commission will be contacted by OFSS at any time during a transaction process when a question or unusual circumstance arises.

It should be noted that each transaction is different and depending on the circumstances of the transaction, some steps may be waived or additional steps may be required. Money received by the State from any Real Property Transaction goes to the State Treasury and not to the individual State Agency.

2.2. Notifications

As soon as the OFSS becomes aware of a real property transaction request, they will informally (by telephone and/or e-mail) notify the State Properties Commission accordingly.

All real property transactions must originate in or be approved by the DHS Division or Office utilizing the property. The DHS Division or Office will be notified, in writing and through e-mail, when the real property transaction is final. Also, the appropriate DHS Division or Office will be consulted at other times during the process as appropriate.

2.3. Sale of Property, Granting of an Easement or any other action that gives an entity other than the State of Georgia any control, title or use of the property

This type transaction requires approval by the Legislature and Governor through specific legislation. In order to process a transaction of this type, the State Properties Commission needs the following from DHS:

- 1) A new survey/plat prepared by a Georgia Registered Land Surveyor (check with State Properties on each different type of situation);
- 2) A letter from the DHS Commissioner explaining the circumstances of the request; and
- 3) A DHS Board Resolution declaring the Property “Surplus to the needs of the Department.”

Once this information is received, the State Properties Commission will take the following steps to liquidate the property:

- 1) A property appraisal will be conducted. (DHS will be billed for these services by the State Properties Commission or may pay for this directly);
- 2) The property will be first offered to other State Agencies;
- 3) If no State Agency accepts the offer, the State Properties Commission will put property on the open market by competitive bid;
- 4) Legislative authorization must be requested and received; and
- 5) The State Properties Commission will work with the State Attorney General’s Office to prepare the necessary documents for closing and transfer of title.

Note: Any costs associated with the disposition of the property including attorney fees (this includes contract attorneys) will be billed to DHS. Also, until the actual title change, the property is the sole responsibility of DHS including maintenance, security and any civil liability. Expenses are paid by the last DHS division/office to occupy the facility whether or not they still occupy the facility.

If the primary benefit of property disposition is to be to the party other than the State, the State Properties Commission may impose a charge for the property. This type transaction may originate in various ways:

- 1) An entity public or private may request, through DHS, The State Properties Commission, State Legislator etc., to purchase the property;
- 2) DHS may no longer have use for the property and requests that it be disposed of; or
- 3) The Legislature/Governor may pass a law requiring or requesting the action. In this scenario, approval has been granted by Legislature/Governor and an additional approval is not required. The same process applies if the transaction involves an easement or other action, which may give any control or use of the property to anyone other than the state.

2.4. Acquisition of Property

This type of transaction requires the approval of the State Properties Commission. If DHS has need of property but does not have a specific parcel of property to purchase, the OFSS will provide a request to the State Properties Commission to assist in the location of an acceptable parcel. This request should include:

- 1) The proposed use of the property;
- 2) The location parameters of the desired property;
- 3) The required size of the proposed property; and
- 4) Any other pertinent information concerning the property or its proposed use.

The State Properties Commission will then take the following steps:

- 1) The State Properties Commission will check with other State Agencies for available property; or
- 2) The State Properties Commission or DHS may check with Local Governments, (cities/county) in the area since they will often donate property to the State (a facility built by the State normally provides jobs and commerce to the Local Government), or
- 3) The State Properties Commission will pursue or grant DHS permission to pursue the location of acceptable property by the most appropriate means.

Once a specific parcel of property has been identified, the State Properties Commission will need the following from DHS to process the transaction:

- 1) If DHS is to pay for the property, two (2) appraisals of which one must be completed by a “Member American Institute of Real Estate Appraisers.” DHS must pay for both appraisals. If only a small parcel of land is required and the cost of the appraisal will be more than the property, DHS may request a waiver of the second appraisal.
- 2) If the property is to be donated to DHS, no appraisal is required.
- 3) If the property is five (5) acres or more, the following is required:
 - a. GEPA Study (Georgia Environmental Protection Act);
 - b. Phase 1 Environmental Survey;
 - c. A new survey/plat prepared by a Georgia Registered Land Surveyor;
 - d. A letter from the DHS Commissioner stating the need for the property and the source of the funds to purchase the property; and
 - e. A DHS Board resolution (copy is acceptable) stating the intent.

If the above request is approved by the State Properties Commission, they will take the following actions:

- 1) Work with the Attorney General’s Office to finalize the transaction. Steps may include title search, preparation of deed, transfer of funds, closing etc.
- 2) When closing is complete, the Attorney General’s Office will provide the Deed to The State Properties Commission who will notify DHS.

2.5. Transfer of Property from one State Agency to another

This type transaction requires approval by the State Properties Commission and is executed by an “Executive Order” issued by the Governor. In order to process a transaction of this type, the State Properties Commission will need the following from DHS:

- 1) A survey/plat prepared by a Georgia Registered Land Surveyor or a document which clearly locates and defines the subject property;
- 2) A letter from the DHS Commissioner explaining the circumstances of the request; and
- 3) A DHS Board resolution (copy is acceptable) stating the intent.

Once this information is received and approved by the State Properties Commission, they will work with the Governor’s Office to obtain an “Executive Order” authorizing the transfer.

2.6. Temporary Actions

The State Properties Commission has the authority to grant temporary use of State Property for a period not to exceed three (3) years. When requesting a temporary action, DHS should provide the same information in the request as noted in sections 2.3 and 2.4 for a similar permanent action.

Note: This type request is often used to grant an action where the requesting party does not wish to wait on Legislative approval. An example would be a utility company wishing to place a permanent water line. If they were granted the temporary easement and constructed the water line and were not granted the permanent easement, the utility company would be required to abandon the water line with no compensation by the State.

2.7. Razing of a Building or Permanent Structure

This type transaction requires approval by the Governor and is executed by an “Executive Order” issued by the Governor. In order to process a request of this type, The State Properties Commission will need the following:

- 1) A description and clearly defined location of the building, including a building name if applicable;
- 2) A letter from the DHS Commissioner explaining the circumstances of the request; and
- 3) A DHS Board resolution (copy is acceptable) stating the intent.

Once this information is received and approved by the staff of the State Properties Commission, they will obtain an Executive Order from the Governor and notify DHS to proceed with the razing of the building.

Note: DHS must fund all costs for the actual razing of the building or structure. Executive Orders to raze a building are not time limited.

3. Naming or Renaming of a Building, Facility, Structure, Cemetery, etc.

This is not a real property transaction, per se, since it does not require external approval. However, this action is processed by OFSS and requires a DHS Board resolution.

The following steps are necessary to implement the naming or renaming of a building, facility, structure, cemetery, etc.:

- 1) All requests for naming or renaming must originate in or be approved by the DHS Division or Office utilizing the property.
- 2) An approved DHS Board resolution is needed which includes:
 - a. A description of the action to take place, including a clear identification of the building or structure;
 - b. The current name (if any) and the proposed name of the building;
 - c. The justification for the naming or name change; and
 - d. If the new name is to be that of a person, a brief biography of the individual may be included.
- 3) Once the DHS Board approves or disapproves the requested action, the DHS Division or Office will be notified in writing and/or via e-mail.

Note: As a courtesy, OFSS will notify the State Properties Commission of all building, facility, etc., name changes.

4. Use of DHS Facilities by Outside Groups

4.1. References

O.C.G.A - Sections 49-1-1 and 49-2-1

4.2. Applicability

This procedure applies to either State-owned and controlled facilities or State-leased and controlled facilities under the management of DHS. This procedure does not apply to the use of DHS facilities by agencies of the Executive, Legislative, or Judicial branches of State Government performing government functions. For example, the use of DHS facilities by a subcommittee of either house of the General Assembly for a public hearing is not governed by this procedure.

4.3. Approvals

No private group of persons, and no association or corporation, may use the facilities of a DHS organization except in accordance with this procedure and upon the written approval by the local superintendent, director, manager, or chief administrative officer of the applicable DHS facility and the completion of an application requesting such use. (See [Appendix 1](#).)

4.2. Government Agencies

Any government agency may use DHS facilities in accordance with this procedure.

4.3. Private Organizations

A private organization may request to use DHS facilities in accordance with this procedure only for non-profit activities on behalf of DHS clients or the local community in general. For purposes of this procedure, such activities are defined as: charitable activities and meetings of non-profit DHS client or program advocacy or educational groups related to and concerning DHS services or the community.

Any private organization which, after being granted access to DHS facilities, violates the provisions of stated above, shall be ineligible for further access to DHS facilities for a period of one year.

4.4. Restrictions

Except as provided in DHS Personnel Policy 107, or as otherwise provided by law, no organization or person may use DHS facilities for the purpose of soliciting memberships, for the sale of goods or services for profit, for political meetings or political fund raisers, for activities concerning DHS employment matters (see Personnel Policy 107), or for any other purpose other than those specified above.

4.5. Designation of Available Space

Each local superintendent, director, manager, or chief administrative officer of a DHS facility may designate those facilities or parts of facilities under their management that are available for use by outside organizations and shall in writing designate space and time limitations on the availability of those facilities. For example, the superintendent, director, manager or chief administrative officer may designate that specified facilities are available only on certain days of the week and only during certain hours of those days. In determining whether and to what extent facilities will be made available for use, the function of the DHS organization and its mission shall be the primary consideration.

A superintendent, director, manager, or chief administrative officer of a DHS facility may designate that none of the organization's facilities are available for use by outside groups. This decision is solely at their discretion. Any designation of available space for use is subject to change by the local superintendent, director, manager, or chief administrative officer of the facility, without notice, upon a determination that the interests of the organization so require.

Local policies adopted by a superintendent, director, manager, or chief administrative officer hereunder shall be made available in writing, upon request, to any individual and shall be filed with the Director of the appropriate DHS Division or Office, as required.

4.6. Fees

DHS may charge organizations fees for the use of these facilities to cover the partial reimbursement for the cost of maintenance and upkeep of the facility and equipment. The amount of such fees may be set by the superintendent, director, manager, or chief administrative officer of the facility.

4.7. Application for Usage

Use of facilities designated under Section 4.5 may be reserved only upon application to the superintendent, director, manager, or chief administrative officer at least seven (7) calendar days prior to the proposed use date. Approval will be on a first come basis, except that preference will be accorded to government agencies.

Applications shall be made in writing on a form provided by the DHS organization; the form is attached hereto as [Appendix 1](#).

The superintendent, director, manager, or chief administrative officer will notify each applicant in writing and/or by e-mail of whether its application is approved or denied within three (3) business days after the receipt of the application. The superintendent, director, manager, or chief administrative officer shall not approve any application where there is reason to believe that the proposed use presents a threat to the orderly functioning of the organization or the well being of its clients, or where the proposed use of the facility is not otherwise in accordance with Sections 4.3 and 4.4, above. The superintendent, director, manager, or chief administrative officer shall not in any case, however, base the denial of the application on their personal approval or disapproval of the viewpoint of the applicant.

The superintendent, director, manager, or chief administrative officer shall maintain files of each application received, the approval or denial thereof, and any related documentation.

4.8. Application Form

The application form for usage of a DHS facility may be found as [Appendix 1](#) of these procedures.

5. Preparation and Processing of DHS Board Resolutions

5.1. Responsibilities

All property transactions covered in these procedures require the passage of a resolution by the Board of Human Services. Resolutions are prepared and processed by the OFSS Director's Office, unless otherwise noted.

5.2. Processing of a DHS Board Resolution

The OFSS Director's Office will produce a draft resolution to execute a property transaction for the department. When the body of the draft resolution and attachments (if any) are complete, the document will be sent to the DHS Legal Services Office for review and approval.

When the DHS Legal Services Office has approved the resolution and attachments, the OFSS Director's Office will develop a summary page which includes the Purpose, Background and Recommended Motion for the DHS Board Meeting. The OFSS Director will then notify the Commissioner's Office that the resolution is ready and request that the resolution be placed on the agenda for action by the Board at the next meeting.

The Director's Office will provide an original and two (2) copies of the complete resolution, attachments, and summary page and an electronic copy in PDF format to the DHS Commissioners Office at least seven (7) business days prior to the next scheduled meeting of the Board. Therefore, all of the previous steps in this process must be completed in a timely manner in order to meet this deadline.

5.3. DHS Board Meeting

The DHS Board Chairperson opens the meeting and follows the agenda using Robert's Rules of Order. When it is time for the Action Items on the agenda, the Chairperson will ask a Board Member to introduce the resolution for action by the board.

The Board Member then reads aloud the Purpose, Background and Recommended Motion of the Resolution. The Chairperson will then ask for a "second" of the motion. Once a "second" has been made, the Chairperson asks whether there is any discussion regarding the motion.

At this point, the OFSS Director and any other appropriate staff must be available and present in the meeting to answer questions by the Board. After any discussion, the Board votes on the Motion by Parliamentary Procedure.

If approved, the original copy of the resolution is signed by the Board Chairman and Secretary. A copy of the signed approved resolution will be provided to the OFSS Director. The OFSS Director will then provide a copy of the resolution to the State Properties Commission for processing.

If the Resolution is not approved, this will be noted in the official minutes of the Board Meeting.

5.4. Notifications

In either case, the OFSS Director will notify the requesting division or office that brought the original request to OFSS of the status of the resolution in writing and/or by e-mail before the close of business on the day of the Board meeting.

6. Coordination with Asset Unit/Asset Management and Building Valuation

6.1. Responsibilities

The Property Services Unit within the Office of Facilities and Support Services is responsible for working in coordination with the Asset Unit of OFSS in identifying, and inputting into the asset management ledger in PeopleSoft, any bond-funded construction projects when said projects' values meet the GAAP requirements of added life-expectancy and added value to a DHS owned building.

6.2. Procedures for Building Valuation of Construction Projects

All DHS bond-funded construction projects are placed on a spreadsheet with the dollar amounts of each project listed and the number of buildings that are impacted by the project. An initial determination is made as to whether or not each construction project meets the GAAP threshold to have a secondary Asset ID needed in PeopleSoft. This determination is currently made if the amount of the construction project is \$100,000 dollars or more at a single building.

Once the project is complete, and a final payment notification is sent by the DHS Office of Financial Services (OFS) to OFSS, the Property Services Unit then notifies the Asset Unit that a project that has met the threshold is now complete and a second asset ID is needed for that building. The Asset Unit then enters a second ID into PeopleSoft and notifies the Section Manager and OFS that this has been done and the log is updated.

7. Other Duties of Property Services Unit

In addition to the processing of real property transactions, the Property Services Unit is responsible for the following:

Updating of real property procedures as necessary – The electronic file copy must be updated and all hard copies updated to reflect the changes.

Maintenance of real property files – This is a hard copy file that contains originals or copies of all documents, correspondence, notes, etc., of all real property transactions. This file is maintained indefinitely.

Maintenance of Real Property Database/Log – This is permanent Excel spreadsheet tracks the activity of all real property transactions. It is kept in the following directory on the OFSS Shared Drive – “S:/Resolutions/log.” This file is password protected to prevent mistaken data entry.

The Property Services Unit is responsible for all research on real property issues as Directed by the OFSS Director and/or the DHS Leadership Team.

The Property Services Unit is DHS’s direct liaison with the State Properties Commission. Also, the Property Services Unit is the liaison with DHR Legal Services on all real property issues.

The Property Services Unit is responsible for the preparation of all correspondence concerning real property Issues.

The Property Services Unit is responsible for updating the annual inventory of all DHS buildings, land and leases on the State Properties Commission Building, Land and Lease Inventory of Property (BLLIP) database.

The Property Services Unit is responsible for notifying the OFSS Asset Unit to add a new building to the State PeopleSoft inventory once a building has been added to the SPC inventory in BLLIP. If input access is not readily available for input onto the SPC system, the Property Services Unit should go ahead and notify the Asset Unit to add the building to the PeopleSoft inventory immediately. Likewise, the Property Services Unit is responsible for notifying the Asset Unit when to subtract or when to take a building off of the State PeopleSoft Inventory.

8. Proponent

Proponent Division/Office:	Office of Facilities and Support Services
Contact:	Director
Telephone Number :	(404) 656-4427