



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
DEPUTY CHIEF OF STAFF, G-8  
700 ARMY PENTAGON  
WASHINGTON DC 20310-0700  
HSA-JCSG-D-05-461

DCN 5642

DAPR-ZB

25 July 2005

MEMORANDUM FOR BRAC COMMISSION STAFF

Subject: OSD BRAC Clearinghouse Tasker 0604C - DFAS-Cleveland Lease Cost \$15.73

1. Reference E-Mail from Marilyn Wasleski, BRAC Commission Staffer, 19 July 2005.
2. Issues/Questions and Responses:

I have received information (see attached document) that shows the GSA costs at the DFAS site in Cleveland is much lower than what is in the BRAC data provided. I would like to know why your data shows the operating costs at \$29.21 sq. ft. while GSA is stating that that is not the correct costs for the DFAS site in that building at the time of data collection. GSA is stated that the cost is \$15.73 sq. ft. Where did the \$29.21 figure come from? It appears to me that someone may have provided an incorrect data point. I heard a similar point on the costs in Kansas City; however, I have not yet received an update figure at that site. Would you please verify from your end that the site provided a cost figure that was comparable to the data provided by the other sites? Maybe the wrong figure was provided because of a misunderstanding.

Response:

Operating costs are based on the annual facilities costs. Twice a year, March and September, detailed costs are identified by the financial management specialist servicing each site. These costs include base operations, rents/leases, utilities, security, and maintenance/repairs thus reflect the total facilities-related costs necessary to operate a site.

DFAS Denver and DFAS Columbus are located on DoD-owned property; therefore, no rent is charged. DFAS reimburses the military host for support through an Interservice Support Agreement (ISA). These sites also acquire services through DFAS-managed contracts/agreements. The ISA costs are added to the DFAS acquired services to determine the total annual facilities-related costs. Total cost divided by the assigned square footage provides the fully burdened cost per square foot at the sites.

DFAS Cleveland, DFAS Indianapolis, and DFAS Kansas City are located in General Services Administration (GSA) federally-owned properties. DFAS leases space in the buildings. The GSA cost (rent) is comprised of a shell rate (represents a fair market value for the site), GSA operating costs which includes maintenance and repair, plus other charges for joint-use space, parking, antenna, etc. The rate quoted by GSA is only a portion of the monthly rent billed to DFAS. DFAS also incurs operating cost at these

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portion of the monthly rent billed to DFAS. DFAS also incurs operating cost at these facilities, which are not included in the GSA rent. Additional operating costs at the GSA sites include: communications, overtime utilities, security, and tenant-specific maintenance/repairs. GSA rent does not include Department of Homeland Security (DHS) charges. DHS security rates are charged under a separate billing but are considered a component of the facilities related costs. The DHS rates and DFAS specific operating costs are added to the GSA rent/operating costs to determine the total annual facilities-related costs. Total cost divided by the rentable square footage provides the fully burdened cost per square foot at the sites. Additional information is provided in Enclosure 1.

The following table provides the cost per square foot data by site for the month of June 2005:

DFAS Sites	GSA Shell Rate (Base)	GSA Operating Cost	Other GSA Costs	Adjustments/ (Rebates)	Amortized Tenant Improvements	Total GSA Cost
Cleveland	\$14.30	\$5.02	\$2.77	\$0.00	\$0.00	\$22.09
Columbus	NA	NA	NA	NA	NA	NA
Denver	NA	NA	NA	NA	NA	NA
Indianapolis	\$7.48	\$4.17	\$0.77	(\$5.22)	\$0.00	\$7.20
Kansas City	\$3.84	\$5.68	\$1.32	\$0.00	\$2.99	\$13.83

DFAS Sites	Total GSA Cost	DHS Cost	DFAS Operating Cost/ISA (Mar 2005)	Total Sq. Ft. Cost
Cleveland	\$22.09	\$2.07	\$6.90	\$31.06
Columbus	NA	NA	\$9.64	\$9.64
Denver	NA	NA	\$13.87	\$13.87
Indianapolis	\$7.20	\$1.62	\$0.53	\$9.35
Kansas City	\$13.83	\$1.05	\$3.78	\$18.66

3. Coordination: N/A

Enclosure  
As stated



CARLA K. COULSON  
COL, GS

Deputy, Headquarters and  
Support Activities JCSG



June-01

June-00

June-99

June-98

Client Billing

Record	Rentable SF	Monthly Cost	Annual Cost/SF	Rentable SF	Monthly Cost	Annual Cost/SF	Rentable SF	Monthly Cost	Annual Cost/SF
OH0016340	460,049	\$724,255.00	\$18.89	455,740	\$598,205.00	\$15.75	455,740	\$616,790.00	\$16.24
OH0016643	69,000	\$172,499.00	\$30.00	38,325	\$32,274.00	\$10.11	38,325	\$51,298.00	\$16.06
OH0052862				40,772	\$14,416.00	\$4.24	40,772	\$14,392.00	\$4.23
OH0075870									
OH0016518	40,772	\$23,334.00	\$6.87						

Record	Rentable SF	Monthly Cost	Annual Cost/SF	Rentable SF	Monthly Cost	Annual Cost/SF	Rentable SF	Monthly Cost	Annual Cost/SF
IN0070380									
IN0058265									
IN0061551									
IN0015324									
IN0015342	1,255,501	\$1,060,691.00	\$10.14	1,223,658	\$1,074,921.00	\$10.54	945,720	\$798,979.00	\$10.14
IN0015189	168	\$94.00	\$6.71	124	\$97.00	\$9.39			

Record	Rentable SF	Monthly Cost	Annual Cost/SF	Rentable SF	Monthly Cost	Annual Cost/SF	Rentable SF	Monthly Cost	Annual Cost/SF
MO0017732	166,722	\$164,465.00	\$11.84	157,757	\$168,741.00	\$12.84	155,433	\$168,866.00	\$13.04
MO0017706	100,580	\$113,030.00	\$13.49	99,119	\$124,871.00	\$15.12	97,059	\$103,921.00	\$12.85
MO0061412									
MO0017711	22,807	\$24,038.00	\$12.65	382	\$474.00	\$14.89			
MO0017733	383	\$442.00	\$13.85	5,314	\$6,394.00	\$14.44	5,301	\$6,287.00	\$14.23
MO0017734	8,323	\$9,367.00	\$13.51	79,923	\$103,616.00	\$15.56	79,720	\$59,585.00	\$8.97
MO0017735	72,184	\$87,446.00	\$14.54				1,017	\$795.00	\$9.38
MO0057973									
MO0067844									
MO0071116									
MO0073510									
MO0061412									
MO0054252									
MO0059826				7,798	\$1,288.00	\$1.98	6,864	\$3,881.00	\$6.80

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MO0071116									
MO0073510									
MO0061412									
MO0054252									
MO0059826				7,798	\$1,288.00	\$1.98	6,864	\$3,881.00	\$6.80

June-02

June-03

June-04

June-05

Client Billing

Record	Rentable SF	Monthly Cost	Annual Cost/SF
OH0016340	438,302	\$616,313.00	\$16.87
OH0016643			
OH0052862	38,325	\$53,371.00	\$16.71
OH0075870			
OH0016518	40,772	\$16,573.00	\$4.88

Rentable SF	Monthly Cost	Annual Cost/SF
438,302	\$648,206.00	\$17.75
38,325	\$55,977.00	\$17.53
40,772	\$16,770.00	\$4.94

Rentable SF	Monthly Cost	Annual Cost/SF
387,643	\$342,951.00	\$10.62
36,029	\$59,661.00	\$19.87
4,868	\$8,753.19	\$21.58
40,772	\$16,974.00	\$5.00

Rentable SF	Monthly Cost	Annual Cost/SF
387,643	\$713,644.93	\$22.09
36,029	\$64,992.67	\$21.65
4,868	\$8,753.19	\$21.58
40,772	\$15,954.90	\$4.70

Record	Rentable SF	Monthly Cost	Annual Cost/SF
IN0070380			
IN0058265	164,789	\$178,028.00	\$12.96
IN0061551	3,434	\$4,391.00	\$15.34
IN0015324	4,225	\$4,017.00	\$11.41
IN0015342	944,009	\$725,938.00	\$9.23
IN0015189			

Rentable SF	Monthly Cost	Annual Cost/SF
1,072,651	\$978,536.00	\$10.95
164,647	\$195,285.00	\$9.86
3,431	\$4,097.00	\$14.33

Rentable SF	Monthly Cost	Annual Cost/SF
1,071,651	\$780,335.00	\$8.74

Rentable SF	Monthly Cost	Annual Cost/SF
1,071,651	\$642,788.75	\$7.20

Record	Rentable SF	Monthly Cost	Annual Cost/SF
MO0017732	136,538	\$152,563.00	\$13.41
MO0017706	91,263	\$95,641.00	\$12.58
MO0061412	5,159	\$5,338.00	\$12.42
MO0017711			
MO0017733			
MO0017734	4,999	\$5,918.00	\$14.21
MO0017735	86,520	\$62,147.00	\$8.62
MO0057973	1,035	\$397.00	\$4.60
MO0067844			
MO0071116			
MO0073510			
MO0061412	5,159	\$5,338.00	\$12.42
MO0054252			
MO0059826			

Rentable SF	Monthly Cost	Annual Cost/SF
130,783	\$151,606.00	\$13.91
91,626	\$98,503.00	\$12.90
5,163	\$5,493.00	\$12.77
4,922	\$5,972.00	\$14.56
85,117	\$63,021.00	\$8.88
1,018	\$401.00	\$4.73
495	\$466.00	\$11.30
5,163	\$5,493.00	\$12.77

Rentable SF	Monthly Cost	Annual Cost/SF
95,755	\$129,013.00	\$16.17
91,627	\$97,361.00	\$12.75
5,163	\$5,427.00	\$12.61
77,074	\$59,918.00	\$9.33
1,018	\$433.00	\$5.10
495	\$485.00	\$11.76
3,927	\$3,819.00	\$11.67
8,044	\$6,254.00	\$9.33
5,163	\$5,427.00	\$12.61

Rentable SF	Monthly Cost	Annual Cost/SF
95,466	\$110,155.08	\$13.85
92,638	\$90,389.09	\$11.71
5,163	\$4,977.74	\$11.57
77,074	\$64,807.09	\$10.09
1,018	\$440.44	\$5.19
495	\$444.42	\$10.77
3,927	\$3,499.03	\$10.69
8,044	\$6,702.52	\$10.00
5,163	\$4,977.74	\$11.57