

## CASE STUDY



# Making the Case for Facility Funding with Defensible Data at Orlando Health

## The Client

Orlando Health is one of Florida's most comprehensive private, not-for-profit healthcare networks, and is based in Orlando, Florida. As Central Florida's 5th largest employer, Orlando Health has over 16,000 Physicians, Faculty, and Residents. Comprised of nine facilities, Orlando Health has five leading community hospitals, three nationally-recognized specialty hospitals and one world-class cancer center.

In early 2011, the Orlando Health facilities engineering team began working with VFA to assess facilities and implement and deploy the VFA.facility<sup>®</sup> capital planning and management solution for the entire real estate portfolio covering nearly two million square feet of assets.

## The Challenge

Orlando Health began its community-based service in 1918 and through decades of success, expansion, and acquisition, its real estate portfolio has grown significantly and encompasses a variety of facility types and ages. With such an expansive and continually growing portfolio, the facilities management and engineering teams were faced with the need for more in-depth knowledge about their facility assets. An internal audit of the portfolio revealed that the team had little to no empirical data on the condition of the assets and systems, and limited up-to-date drawings to reflect building build-outs and modifications. Without such information, the teams had no sound foundation for strategic decision-making. Continuing to rely on subjective in-house knowledge of the assets and systems would not provide consistent and standardized condition information necessary for successful facilities capital planning and management. Orlando Health needed a structured approach to assessments and a consistent means to centrally manage condition data, deferred maintenance requirements and capital renewals.

Additionally, Orlando Health lacked an established process for defining and validating budget requests for annual renewal replacement costs. Annual budget requests were presented to a capital review and allocation board comprised of numerous senior management and finance executives. Requests were presented on a case-by-case basis and lacked a holistic view of the request as it related to the entire asset and portfolio. The facilities and engineering team found that without system and renewal-based evidence, each request for funding either failed or was at best, partially funded based on whatever influence the team could exert on the board. It became apparent that in order to successfully obtain annual funding for deferred maintenance

*"Due to the current fiscal environment, facility managers must be able to make better decisions on how capital dollars are spent."*

*Don Paschal  
Director, Corporate Engineering  
Orlando Health*

*“Our new holistic approach will hopefully result in our ability to put into place a Capital Asset Renewal and Replacement Plan”*

*Don Paschal*

and renewal projects, Orlando Health needed a solution to not only gather empirical data, but also to manage the data and report on funding needs for the entire portfolio. With it, they could provide sound and irrefutable evidence to validate funding requests.

## The Solution

In search of a solution, the Orlando Health facilities and engineering teams conducted an extensive evaluation of the top facility assessment and commercial off-the-shelf (COTS) software firms. VFA, provider of facilities capital planning and management solutions, was selected not only for assessment expertise and robust software functionality, but also for more than a decade of experience, knowledge and proficiency in the healthcare industry.

In early 2011, VFA conducted Facility Condition Assessments (FCAs), gathering the empirical data to establish the necessary foundation for validating capital investments. VFA.facility capital planning and management software was also deployed to provide a central repository for all facility condition data moving forward. The Orlando Health teams established a phased approach to evaluate the portfolio, with the first phase focused on a significant number of key assets – 16 Corporate, Hospital, and Ambulatory Care buildings totaling over 870,000 square feet – in order to obtain better insight into the overall condition of the portfolio. Phase two took place in June 2012, expanding FCA data gathering and adding Lifecycle Assessments (LCAs) to assess major building systems in newer hospitals such as Dr. P. Phillips Hospital (560,000 square feet) and Winnie Palmer Hospital for Women and Babies (406,600 square feet). In Phase three, life-cycle assessments will be conducted for six parking decks of varying ages throughout Orlando Health’s facilities. All data collected throughout each phase is entered into VFA.facility and used by the facilities and engineering teams for capital planning and budgeting.

### About VFA, Inc.

VFA helps organizations strategically manage their facility portfolios with Capital Planning and Management Solutions (CPMS™) that combine software, assessment services and business process consulting. Organizations in corporate, education, government, and healthcare markets employ VFA solutions to manage almost four billion square feet of real estate.

Contact us to learn how VFA can help your organization to optimize its facilities investment.

**In the U.S.:** (800) 693-3132

**In Canada:** (888) 685-3757

**In the UK:** +44 (0) 118 900 1695

*On the Web:* [www.vfa.com](http://www.vfa.com)

*Email:* [info@vfa.com](mailto:info@vfa.com)

## The Results

With accurate, current condition data and VFA.facility, Orlando Health now has a holistic, multi-year view of the condition needs across the entire portfolio. They have the empirical data and tools needed to make better decisions regarding capital investments, produce reports that validate and defend their case for funding allocation requests, and establish and justify an annual Capital Asset Renewal and Replacement Plan for approval by the Orlando Health capital review and allocation board. The holistic view also enables them to respond to future changes, tracking completed capital improvements and condition updates in VFA.facility and reporting on the impact. The facilities and engineering teams no longer have to rely solely on internal knowledge and hope for funding allocation. They now have the data and tools to effectively plan for the future.