

REPORTING FLOOR SPACE MEASUREMENTS

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1. GENERAL

1.01 This practice describes procedures to be followed in reporting floor space measurements of buildings, both leased and company-owned. Floor space is maintained in TREMS database. For detailed instructions on reporting floor space, please refer to the the latest TREMS manual.

1.02 Floor space records are are used for following two main reasons.

A. Space Planning: Floor space records are used by the local real estate group for properly utilizing and managing their total floor space.

B. FCC Reporting & Other Use: Floor space records are also used by the Finance group for their annual reporting to FCC utilizing Cost Allocation Methods (CAM). Under CAM floor space is broken down in to five cost groups- Central Office; Distribution Services; Network Operations; Customer Operations & Other Corporate Operations. Floor space records are also sometimes used by other departments for their special studies.

2. DEFINITIONS

TYPES OF FLOOR SPACE

2.01 Gross Area

The gross area of a building comprises all area measured from the inside finished surfaces of the exterior enclosing walls, including basements, penthouses and mezzanine floors, but excluding attic or other similar space which has not been designed for use. It does not include the area of carports (i.e., the open space covered by the roof over such areas). The gross area in basements should include the area of cable vaults, etc., which may be associated with the operation of the building and extend beyond the foundation walls of the building and which are roofed over. In determining the gross area, no deductions should be made for partitions, inside walls, columns, elevator or other internal shafts, stairways, inside fire towers, and smokestacks. Roof area (whether usable or not), entrances projecting beyond the building line, outside fire escapes, outside basement stairways, light courts, basement window pits and areas

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outside the building walls (such as open porches, arcades, balconies, etc.) should not be considered as part of the gross area of a building. In partially occupied new buildings, the total gross area should be the sum of the gross area of each floor that is partially or wholly occupied plus the gross area of the basement. In some leased buildings, the landlord might have considered the outside wall dimensions as basis of gross square feet. Therefore, in these locations, the gross square feet shown on the lease agreement may not be the same as calculated above.

2.02 Assignable Area

Assignable area comprises floor space intended for occupancy including space used for auditoriums, assembly rooms, lounges, restaurants, cafeterias, conference rooms, and recreation rooms. This area should be determined by measuring the area within the inside finished surfaces of the exterior walls or permanent partitions enclosing such areas with no deductions for columns, walls, pilasters, or temporary partitions wholly within the area. Interior or supplementary corridors located within assignable area, individual lavatories, and mezzanine floors or interior balconies designed for occupancy should be considered as assignable areas.

2.03 Assigned Area

Assigned area comprises assignable area which has been assigned or reserved for a specific use.

2.04 Vacant Area or Unassigned Area

Vacant or unassigned area comprises assignable area which is available for use, but which has not been assigned or reserved for specific use.

2.05 Nonassignable Area

Nonassignable area comprises floor space used in connection with operating and servicing the building and is not intended for occupancy. This area includes: entrance, main corridor and hall spaces; stairway, fire tower, light, vent, power and other vertical shafts; all toilet rooms except those associated with private offices; and all other space considered necessary for the

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operation of the building. Space considered necessary for the operation of the building includes space occupied by the heating plant and associated fuel rooms, building mechanical and electrical machinery rooms, building supply storerooms, service sink closets, janitor's quarters and telephone equipment closet rooms.

Note: For FCC reporting purpose unassigned and nonassignable areas will be prorated to other assigned areas. This will be done automatically by TREMS only in a special annual report submitted to the corporate books. TREMS data base will be unaffected. Assigned areas are reported in five cost pool utilizing CAM method described in paragraph 1.02 B.

3. RESPONSIBILITY:

- 3.01 It is the responsibility of each state and general headquarters real estate organization to keep accurate floor space records of both leased and company-owned locations. These records should include: 1) the basic floor space drawing showing the outside walls and columns, 2) a duplicate copy of the floor space drawing depicting who occupies the floor space, 3) as well as maintaining the floor space assignment data base.
- 3.02 Assigned areas should be reported with appropriate responsibility codes at district level or above who occupies the space or is reserved for.
- 3.03 Unassigned and non-assignable areas should be reported with real estate district RC, if the local real estate group would like to track these areas for planning purpose. Otherwise Rc fields for these areas can be left blank.
- 3.03 It is the responsibility of the floor space planners to notify the individuals responsible for the floor space records whenever the planners are involved in any projects that will affect these records.

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4. REPORTING CHANGES IN FLOOR SPACE

4.01 When there is a change in the occupation of floor space, the floor space planner responsible for the movement or rearrangement should inform the individual responsible for maintaining floor space records. This can be done with an Electronic Message or a simple letter shown in Exhibit 1.

5. UPDATING THE FLOOR SPACE ASSIGNMENT DATA BASE

5.01 Upon notification of an approved floor space change, the real estate group responsible for maintaining the floor space assignment data base will make the necessary changes to the data base or to an equivalent data base that feeds into the floor space assignment data base. The floor space assignment data base is a part of a mechanized system entitled Total Real Estate Management System (TREMS). The TREMS Reference Manual provides directions on updating the floor space assignment data base, as well as information on how to run reports. The TREMS Reference Manual is available through the GHQ real estate organization by contacting the HQ TREMS Coordinator; 500 N. Broadway, Room 500; St. Louis, Missouri 63102; 314-235-4426.

6. OBTAINING A LIST OF RESPONSIBILITY CODES CHANGES FROM COMPTROLLERS

6.01 The real estate organization may find it helpful to keep apprised of responsibility code changes by receiving a "From-To" responsibility code list that is published by Comptrollers as responsibility codes are changed. The Comptrollers Responsibility Code Coordinators can be found in the appendix of Operating Practice 50, Functional Accounting System Codes.

7. RECORD OF FLOOR SPACE IN BUILDINGS

7.01 The basic record of floor space in each building shall consist of floor plan drawings showing the

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outside walls. These floor space drawings should be prepared on an SW-6015, Floor Space Inventory - Floor Plan, (see Exhibit 2) or by utilizing a mechanized floor space drawing system that produces the equivalent of the SW-6015.

- 7.02 The district manager in charge of the floor space assignment data base is responsible for the maintenance of the basic records of floor space in all buildings.
- 7.03 The use of the floor space and square footage occupied by each responsibility code shall be shown on the floor space drawings used for the basic record. Responsibility codes will generally be reported on a level no higher than district.

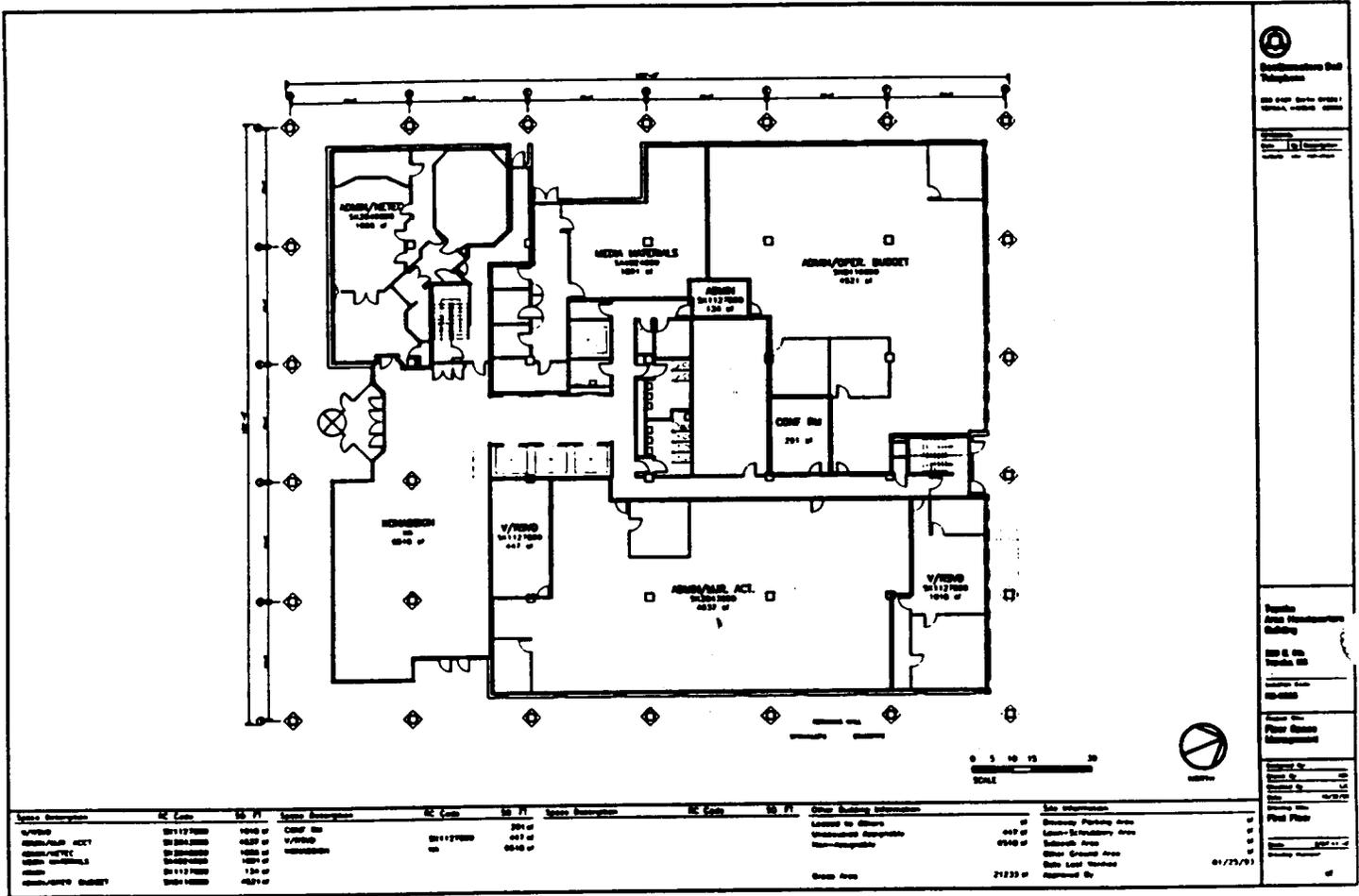
8. VERIFICATION OF FLOOR SPACE RECORDS, BUILDING ASSETS AND LAND

- 8.01 The floor space drawings should be verified at the same time as the building asset is being verified. Verification of land and building assets should be performed in accordance with guidelines stated in Operating Practice No. 106, Plant Asset Verification. TREMS database has provided a field to track asset verification date and status. Please refer to TREMS manual for further information.

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Exhibit 2
FORM SW-6015, FLOOR SPACE INVENTORY



Actual Size 11" x 17"

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