



2008 Update: U. S. Department of Health and Human Services  
Real Property Asset Management Plan

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2008 Update: U. S. Department of Health and Human Services  
Real Property Asset Management Plan

## **MESSAGE FROM THE SENIOR REAL PROPERTY OFFICER**

This Department of Health and Human Services (HHS) update of our Real Property Asset Management Plan for FY 2008 reflects the progress the agency has made over the past year in adopting the Federal Real Property Council's (FRPC) ten guiding principles applicable to federal real property asset management and inculcating those principles into the culture of the real property managers within the agency.

The Department is the United States government's principal agency for protecting the health of all Americans, especially those who are least able to help themselves, by providing effective health and human services and by fostering strong, sustained advances in the sciences underlying medicine, public health, and social services. The issuance of Executive Order 13327, and the addition of Federal Real Property Asset Management to the President's Management Agenda in February 2004, reinforced the HHS real property strategic goals and framework for managing our real property portfolio of assets around three guiding principles: fostering mission success through occupant productivity and efficiency; efficient portfolio management; and appropriate stewardship of HHS owned, leased or otherwise managed properties. HHS Operating and Staff Divisions (OPDIVs) are working collaboratively with the Office for Facilities Management and Policy (OFMP) to achieve the strategic goals through implementation of aggressive and challenging real property management improvement initiatives. Through the creation of a "Tiger Team" of facility and real property professionals, OFMP has directly involved the OPDIVs in developing measurable ways to demonstrate the value of our data in making good property decisions.

Our plan is much more than a scorecard deliverable. It is a strategy and roadmap to what we intend to achieve in Real Property Asset Management. It is a "living" document that we will update as the world around us changes. I am extremely proud of the progress we've made in improved facilities management since the formation of OFMP. I'm thankful to have been a part of it and I look forward to much more as HHS progresses on its Real Property Asset Management Plan Implementation.

Howard D. Kelsey /S/  
Deputy Assistant Secretary for Facilities Management and Policy

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## Section 1 Introduction

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This is the Department of Health and Human Services (HHS) Real Property Asset Management Plan (RAMP), as required by Executive Order 13327, *Federal Real Property Asset Management*. The RAMP provides implementing guidance for the HHS Real Property Management Program (RPMP) and the Department's Automated Real Property Inventory System (ARIS).

The RAMP provides a roadmap for HHS to promote efficient and economical use of the federal real property resources that are required to support the Department's missions and strategic goals. It addresses the Department's strategy for implementing these goals through real property management improvement initiatives and strategic planning. The plan also documents how HHS ensures maximum use of its portfolio and identifies who is accountable for maintaining excellence in real property management.

The Department embraces the Federal Real Property Council's (FRPC) ten guiding principles applicable to federal real property asset management and has aligned HHS-specific asset management objectives and requirements with those principles that include:

<b>Objective</b>	<b>Section</b>
Support agency missions and strategic goals	Section 2.1
Use public and commercial benchmarks and best practices	Section 3, 4
Employ life-cycle cost-benefit analysis	Sections 3; 3.4; 4.6
Promote full and appropriate utilization	Sections 3; 3.2; 4.4; 4.8.1; 5.1.1
Dispose of unneeded assets	Section 5
Provide appropriate levels of investment	Section 2.3
Accurately inventory and describe all assets	Section 4.1
Employ balanced performance measures	Section 4.4
Advance customer satisfaction	Sections 3.3.2; 3.3.4
Provide for safe, secure, and healthy workplaces	Sections 2.1.1; 3

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This plan addresses the Council’s template for agency asset management plans, which includes:

<b>Council’s Template</b>	<b>Section</b>
Integrated Guiding Principles	Section 1; 2.2; 2.3; 3
Agency-Specific Owner’s Objectives	Section 3.3.2; 4.8.2; 5.3.2
Periodic Evaluation of All Assets	Section 3.3.4; 4.4
Prioritized Operations and Maintenance & Capital Plans	Section 3.1; 3.1.1; 4.6
Identified Resource Requirements to Support Plans	Section 4.4; 4.5; 4.6; 4.7
“Building Block” Asset Management Building Blocks in Agency Portfolio Context	Section 2.4; 4.3
Continuous Monitoring and Feedback Mechanism	Section 3.3
Consideration of Socio-Economic-Environmental Responsibilities	Section 4.5.1
Adequate Human Capital Support of Asset Management Organization	Section 2.2
Common Government-wide Terminology	Section 4.1

In practice, these principles serve to support three primary purposes:

1. Efficient portfolio management,
2. Fostering mission success through occupant productivity and efficiency, and
3. Appropriate stewardship of HHS owned, leased or otherwise managed properties.

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*NIH Biomedical Research Laboratory Building 33*

The section numbers following each of the Council's principles and template items in the previous tables, provide a cross reference to the Department's RAMP. With the RAMP as the foundation, HHS has implemented a cohesive, systematic and comprehensive approach for ensuring the appropriate management of the Department's extensive owned, leased and otherwise managed real property holdings. HHS real property will be tracked in accordance with the Federal Real Property Council's mandatory inventory data elements ([Attachment 1](#)). In this regard, real property is defined as land, buildings, structures, utilities systems, and

improvements and appurtenances thereto, permanently annexed to land that is owned, leased or otherwise managed by HHS. "Asset," "constructed asset," and "facility" are often used interchangeably and generally refer to buildings, structures, and other capital improvements to land (including roads and utilities).

Section 1 – *Introduction* provides an introduction and describes the approach and content of this plan.

Section 2 - *Support of Agency Missions and Strategic Goals* addresses the mission of HHS and its real property support in implementing its missions and strategic goals, its human capital and organizational structure, decision-making framework, and owner's objectives.

Section 3 – *Acquisition of Real Property Assets* describes how HHS plans for and acquires real property assets, develops its capital plan, identifies its prioritized acquisition list for each fiscal year, measures the effectiveness of its acquisition results and identifies key initiatives to improve financial management and acquisition performance.

Section 4 – *Operations of Real Property Assets* describes how HHS operates its real property assets, addresses its inventory system, Operations and Maintenance Plans, Asset Management Building Blocks or "Building Block" Plans and periodic evaluation of assets. Additionally, operational measures are described, as are key initiatives that are underway to improve operational performance.

Section 5 – *Disposal of Unneeded Real Property* describes how HHS disposes of unneeded real property assets, measures the effectiveness of its redeployment actions and identifies key initiatives to improve the pace of disposition as well as its ability to dispose of difficult, environmentally challenged properties.

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## Section 2      **Support of Agency Missions and Strategy Goals**

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Investment, operational, and disposal decisions with regard to agency real property assets need to be integrated with and supportive of core mission activities to effectively manage and optimize real property assets. To facilitate integrating real property asset management decisions with the agency mission requires two elements – a clear understanding of the agency’s mission that drives the allocation and use of all available resources (human capital, physical capital, financial capital and technology/information capital) and an effective decision-making framework.

This section discusses the HHS mission, human capital, and decision-making framework.

### ***2.1 Agency Mission***

The Department of Health and Human Services is the United States government's principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to help themselves. HHS enhances the lives of all Americans, whether it is through conducting biomedical research, preventing the outbreak of infectious disease, assuring food and drug safety, administering the Medicare and Medicaid programs, providing financial assistance to low-income families, and a myriad of other important health and human service programs. The Department’s employees – our human capital – are a key to accomplishing essential health and human service programs. Mission accomplishment requires that we align both our human capital and our real property assets with the Department’s strategic direction.

HHS is comprised of the following Operating Divisions (OPDIVs): Office of the Secretary (OS); Administration for Children and Families (ACF); Administration on Aging (AoA); Agency for Healthcare Research and Quality (AHRQ); Centers for Disease Control and Prevention (CDC); Centers for Medicare and Medicaid Services (CMS); Food and Drug Administration (FDA); Health Resources and Services Administration (HRSA); Indian Health Service (IHS); National Institutes of Health (NIH); and Substance Abuse and Mental Health Services Administration (SAMHSA).



*IHS Pawnee Health Center*

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HHS includes more than 300 programs, covering a wide spectrum of activities and over 66,000 employees. Some highlights include:

- Health and social science research.
- Preventing disease, including immunization services.
- Assuring food and drug safety.
- Medicare (health insurance for elderly and disabled Americans) and Medicaid (health insurance for low-income people).
- Health information technology.
- Financial assistance and services for low-income families.
- Improving maternal and infant health.
- Head Start (pre-school education and services).
- Faith-based and community initiatives.
- Preventing child abuse and domestic violence.
- Substance abuse treatment and prevention.
- Services for older Americans, including home-delivered meals.
- Comprehensive health services for Native Americans.
- Medical preparedness for emergencies, including potential terrorism.

See [Attachment 2](#) for The HHS Organization Chart and Regional Map.

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*FDA Jefferson Lab Complex*

HHS ensures that its real property asset management is integrated with and enables its mission work through a culture known as “One HHS,” by involving mission managers in capital investment decisions, and through an agency-wide recognition of the importance of the agency primary mission, through a Departmental Capital Investment Board comprised of Land-holding Operating Division leaders and HHS Assistant Secretaries for Resources and Technology; Planning and Evaluation, and

Legislation, and chaired by the Deputy Assistant Secretary for Facilities Management and Policy, the HHS Senior Real Property Officer. This understanding pervades decision-making at every level.

The Department has established twenty “One HHS” Department-wide mission objectives:

1. Accelerate Personalized Healthcare
2. Recruit, Develop, Retain, and Strategically Manage a World-Class HHS Workforce
3. Modernize Medicaid
4. Continue our Leadership Role and Success in Competitive Sourcing
5. Turn Adversity to Advantage for the New Orleans Health System
6. Improve Financial Performance
7. Promote Health Information Technology
8. Expand Electronic Government
9. Continue to Improve Medicare
10. Improve Budget and Performance Integration
11. Harness the Power of Transparent Healthcare
12. Implement the Real Property Asset Management Program and Strategically Manage our Real Property
13. Emphasize Prevention and Healthy Living

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14. Broaden Health Insurance and Long-Term Care Coverage
15. Prepare for an Influenza Pandemic
16. Promote Quality, Relevance & Performance of Research and Development Activities
17. Enhance Emergency Response and Renew the Commissioned Corps
18. Improve the Service of Management Functions and Administrative Operations for the Support of the Department's Mission
19. Emphasize Faith Based and Community Solutions
20. Eliminate Improper Payments

### **2.1.1 Real Property Organization Mission**

The Health and Human Services Office for Facilities Management and Policy (OFMP) provides Department-wide leadership and direction in master planning, facilities planning and design, construction, leasing, operations and maintenance, space utilization, and management programs (environmental management, historic preservation, energy management, and occupational safety and health) for over 4,100 assets. These properties and facilities support the missions of more than 300 HHS programs that cover a wide spectrum of activities and over 66,000 employees. Under provisions of the Public Health Service Act (Title 42 U.S.C. §§201, *et seq.*), four of the OPDIVs - Centers for Disease Control and Prevention (CDC), Food and Drug Administration (FDA), Indian Health Service (IHS) and National Institutes of Health (NIH) have land-holding authority and own, lease or otherwise manage over 3,800 out of the entire HHS portfolio of assets. Functional statements and organizational charts for OFMP and the land-holding OPDIVs' facilities programs are attached (see [Attachment 3](#)).

OFMP provides technical assistance to the HHS Operating Divisions by evaluating the effectiveness of their facilities programs and policies and fostering creativity and innovation in the administration of these functions. OFMP serves as the HHS representative to other federal and non-federal agencies with regard to facility management. The OFMP vision is that HHS facilities and management programs are delivered at peak effectiveness and through leadership, oversight, policy guidance, and training OFMP leads the Department to provide best value to the taxpayer in its functional areas. OFMP will continually strive to deliver products and services better, faster, cheaper, safer and greener using consistent, efficient, and effective business processes that are applied across the Department. Using more consistent business processes will help us best apply our limited resources to meet the demands of a dynamic environment and share technical work across geographic boundaries.

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All of OFMP's strategic goals address prudent asset management. These goals are as follows:

- Establish policies; guidelines; operating procedures; and lines of financial authority, delegation, and accountability; and provide Departmental oversight and integration for Operating Division/OFMP related activities to assure that HHS functions as “one Department” in the facilities area.
- Improve the Capital Planning/Program integration process.
- Reduce the cost of leasing and real property management.
- Reduce the cost of acquisition and ownership.
- Improve safety, security, maintainability, life cycle cost, health, and environmental impact by facilitating sustainable design and other best practices.
- Improve the physical environment and reduce operating cost of the Hubert H. Humphrey Building (HHS Headquarters) and the Central Employment Area.
- Lead facilities innovation and promote continuous improvement.

HHS will most effectively succeed in reaching its real property management goals in collaboration with the many stakeholders we report to, work for, and work with. Legislative authorities provide direction and resources. The larger family of federal agencies shares our mission of implementing federal policies, as determined by the above authorities, while non-federal groups and individuals participate with us as joint stewards of our Nation's resources. Stakeholder groups must be fully considered and we must take advantage of resources available from higher executive authorities, the Office of Management and Budget, peer agencies/departments, civilian agencies such as the Department of Homeland Security and the Environmental Protection Agency; Presidential Councils such as the Advisory Council for Historic Preservation and the Federal Real Property Council, Federal Facilities Council; as well as non-federal stakeholders including State and local governments, tribal authorities, non-federal sponsors, and interest groups.



*Indian Health Services facility, Piñon, AZ*

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## ***2.2 Human Capital and Organization Infrastructure***

The HHS *Strategic Human Capital (HC) Management Plan* states that people are the most significant resource available to leadership in an organization. The foundation of HHS and the key to its future success is its workforce. Without an effective workforce, the important mission-related work of the Department could not be accomplished. The Department's ability to accomplish its mission is directly dependent on a workforce that capitalizes on its strengths and aligns itself with the Department's mission and strategic goals. In a world of turbulent change, success depends on the HHS workforce's ability to learn and adapt at rapid speed. The overall challenge for HHS is to develop and utilize its human capital in a strategic manner. The Department must build a fully integrated human capital management approach that bridges the gap between where HHS is today and where HHS needs to be. Therefore, we must attract, develop, and retain a world-class workforce. We must identify, develop, maintain and strengthen the technical competencies, knowledge management and leadership required to provide effective service to the Department. The Department's *Strategic Human Capital Management Plan* provides the comprehensive approach that will move HHS forward toward that future vision.

The purpose of the HC Plan is to create and implement a human capital strategy that guides HHS in managing its workforce to achieve Department strategic goals. It draws together and coordinates efforts that cover the entire range of human capital activities. The HC Plan has direct linkage with the Department's 5-year Strategic Plan through Objective 8.2 - "Improve the strategic management of human capital." The success of the HC Plan requires the collective and continued commitment of senior Department leadership, managers, employees, employee representatives, and other stakeholders. Through this Department-wide cooperative effort, HHS will be able to unleash the full power, productivity and imagination of a world-class workforce.

The HHS real property management workforce includes contract and civilian employees that contribute to real property asset management that supports the overall agency mission. HHS understands the importance of having a competent workforce with the appropriate real property skills and training to support HHS's core competencies, goals, and mission. HHS supports continuous learning to strengthen these real property core competencies and to keep aware of and import applicable industry trends, benchmarks, and best practices. The support provided by real property management professionals within the Department (spread throughout the OPDIVs) is essential to accomplishing health and human service programs in deliberate alignment with the Department's mission and strategic direction.

HHS adopted a Real Property Human Capital Management Plan on June 26, 2006. This document can be found at <http://www.hhs.gov/asam/ofmp/RPHCMgmtPlan.pdf>. The HHS Real Property Human Capital Management Plan is a Departmental level document that covers appropriate Departmental activities such as: cross OPDIV assignments, core competencies, critical skills, continuous learning and retention.

Functional areas necessary to ensure appropriate management of the Department's current and planned real property assets include: Facility Management Leadership and Administration; Facilities Planning; Facility Delivery; Facilities Engineering; Facility Operations and Maintenance; and Facility Programs and Regulatory Compliance (OPDIV Facility Policy and

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Design Guidelines may be included in this functional area). These functional areas may not necessarily align with an OPDIV's facility organizational structures or staffing patterns; however these functional areas are aligned with the life cycle of a facility that must be planned, delivered, operated, maintained and disposed.

Each OPDIV's facilities program is organized to meet their particular need and this plan provides guidance on how the OPDIV may align their workforce with the functional areas and help identify gaps and critical vacancies. The following is a list of positions that are suggested to staff the functional areas where applicable.<sup>1</sup>

1. Facilities Planning: Senior Architect Discipline Expert, Budget Officer, Budget Analyst, Senior Civil/Structural Engineer Discipline Expert, Senior Mechanical Engineer Discipline Expert, Senior Electrical Engineer Discipline Expert, Contracting Officer, Senior Environmental Engineer Discipline Expert, Environmental Engineer, Environmentalist, Senior Landscape Architect Discipline Expert, Master Planner, Planner and Transportation Planner or Engineer.
2. Facility Delivery: Architect, Civil/Structural Engineer, Construction Manager, Contracting Officer, Contract Specialist, Cost Estimator, Electrical Engineer, Environmental Engineer, Fire Protection Engineer, Interior Designer, Landscape Architect, Mechanical Engineer, Realty Contracting Officer, Realty Specialist, Program Manager and Project Officer.
3. Facility Operations and Maintenance: Building Manager, Facilities Management Specialists, Senior Facilities Technical Specialists, Facilities Technical Specialists, Chief Engineers, Shop Foreman, Carpenter/Dry Wall Mechanic, Electrician, Plumber, HVAC Mechanic, Pipe fitter, Welder, Sheet Metal Mechanic, Machinist, Painter, Elevator Mechanic, Multi-Craft, General Maintenance and Repair Worker, Grounds/Landscape Maintenance Worker, Mechanical Engineers, Electrical Engineers, General Engineers, Realty Contracting Officer, Realty Specialist, Water Treatment or Sewage Treatment Plant Operator, Space Planner, Energy and Water Conservation Expert, and Stationary Engineer or Boiler Operator.
4. Facility Programs and Regulatory Compliance: Senior Architect Discipline Expert, Senior Civil/Structural Engineer Discipline Expert, Senior Electrical Engineer Discipline Expert, Senior Environmental Engineer Discipline Expert, Environmentalist, Senior Fire Protection Engineer Discipline Expert, Senior Mechanical Engineer Discipline Expert Federal Preservation Officer/Coordinator, Architectural Historian, Historian, Archaeologist, Senior Interior Designer Discipline Expert, Senior Landscape Architect Discipline Expert, Master Planner, Industrial Hygienist, Safety and Health Professional and Senior or Certified Safety Professional.

### ***2.3 Real Property Asset Management Decision Making***

Real property asset management decisions within HHS are made at both a Departmental and OPDIV level. The Department employs a capital facilities programming and project review

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<sup>1</sup> All positions listed may not be applicable to every OPDIV. Positions should be based on each OPDIV's real property portfolio and infrastructure.

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process that allows for strategic management of HHS real property assets and informed advice to the Assistant Secretary for Administration and Management (ASAM), the Assistant Secretary for Resources and Technology (ASRT), and, through recommendations of the HHS Capital Investment Review Board (HHS Board), as well as the Secretary on significant OPDIV capital facility investment issues.

The HHS Facilities Program Manual contains overall Departmental policy and guidance for HHS personnel. The manual is intended to promote excellence in management and good stewardship of HHS facilities from budget formulation to facility remediation and disposal. It emphasizes all aspects of real property management and addresses major federal initiatives and national concerns such as protecting the environment; sustainable design; historic preservation; accessibility for persons with disabilities; and value engineering. The HHS



*NIH Family Lodge*

Facilities Program Manual aligns the HHS facilities program with the HHS mission. The two volumes of this manual can be found at <http://www.hhs.gov/asam/ofmp/vol1.html> and <http://www.hhs.gov/asam/ofmp/FPMvol2.html>.

In addition to aligning facilities management guidance with agency mission, the HHS Facilities Program Manual specifically links real property inventory information (see Section 4.1, herein) to both the Capital Improvement and Operations and Maintenance budget decision-making process. A key inventory element is "Condition Index" (CI). The goal of HHS is to achieve a reasonable, consistent condition index over time across its portfolio of assets, to invest in its portfolio to sustain assets to a 50-year life cycle and to operate assets on a cost-per-square foot basis that mirrors industry standards. Condition Index, along with other inventory elements of operating cost, utilization rates and mission dependency of a facility, provide the data necessary to gauge operations and sustainment trends and to drive Capital Improvement and Operations and Maintenance investment strategies. Emphasis is placed on improving the CI of mission-critical facilities ahead of less critical facilities. Investments in sustainment-type projects are adjusted, up or down, to track to a 50-year life cycle curve.

### **2.3.1 HHS Facility Project Review Process**

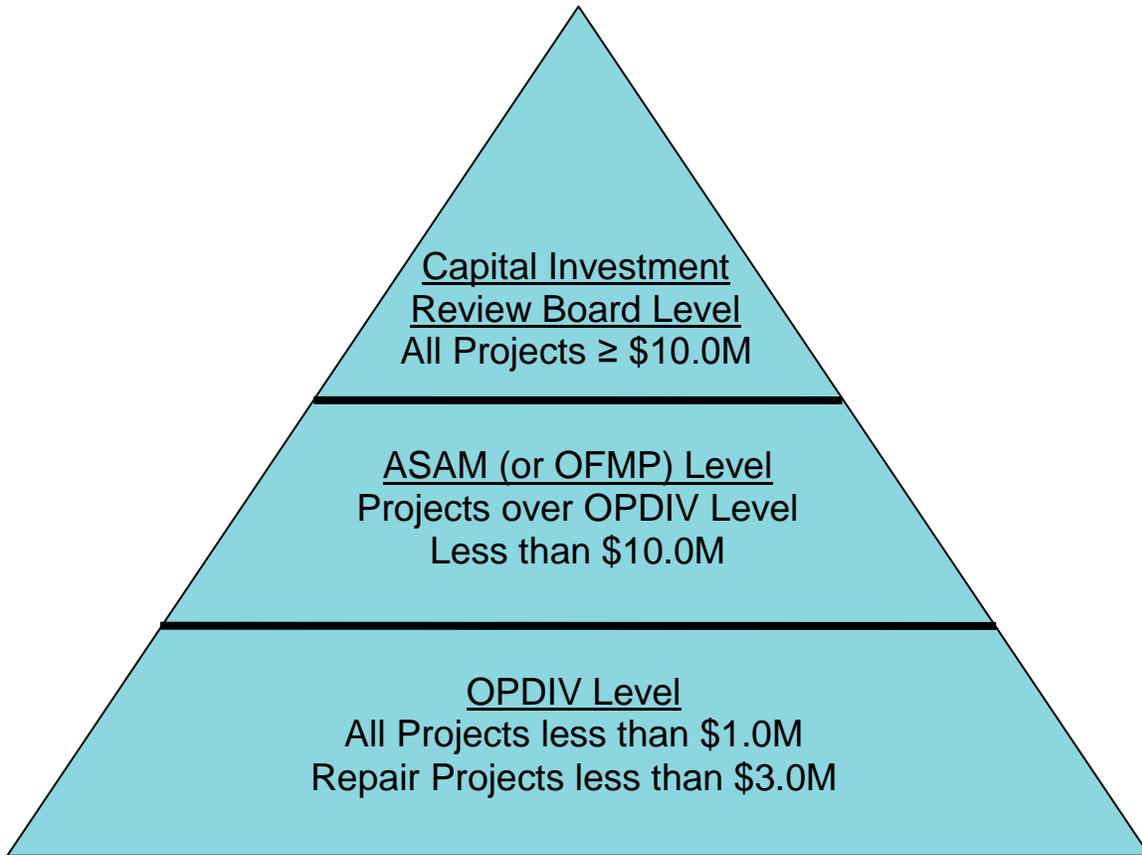
(Refer to Section 3.1.4 and 3.1.5 herein for a discussion on the HHS direct leasing program.)

The Department's facility project review process is a three-tiered structure (*i.e.*, pyramidal) supporting the Department's fiscal year budget formulation process that distinguishes HHS approval authorities based on the full cost of each project, considering all sources of funds.

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Exceptions to these established project funding level approval authorities are contained in specific project-type review authorities given to the HHS Board.

### FUNDING AUTHORITIES



The facility project review process is as follows:

**2.3.1.1. Land-holding OPDIVs** - The Commissioner of the Food and Drug Administration (FDA), and the Directors of the Centers for Disease Control and Prevention (CDC), Indian Health Service (IHS), and National Institutes of Health (NIH) are responsible for approval of construction and improvement projects under \$1M and all repair projects under \$3M, that are not otherwise within the purview of the HHS Capital Investment Review Board (“the Board”). They are also responsible for submission of projects in the HHS annual budget. Each OPDIV is organized differently in response to its specific mission and stakeholders. Facilities programs may be centralized (CDC, FDA and NIH) or decentralized (IHS); and some programs may be delegated to the Tribes pursuant to a self governance compact under Public Law 93-638. The Department requires that each OPDIV, in accordance with the OMB A-11 Capital Programming Guide, establish an internal process with their stakeholders for identifying projects, developing and evaluating the business case for each project, and prioritizing projects

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for inclusion in their facilities plan. Projects below the thresholds of \$1M for construction and improvements and \$3M for repairs are not submitted to the Department for review as individual projects. These projects are typically funded from the lump sum appropriations for Repair and Improvements (R&I) or Maintenance and Improvements (M&I). As an example of an internal process, at NIH the Facilities Working Group (FWG) was chartered to advise the NIH Steering Committee, the NIH Institutes and the NIH Director on matters pertaining to the planning, acquisition, development, and use of land and facilities. The FWG prioritizes the projects and submits them to the NIH Director for approval and the approved NIH list is sent to the Department for the HHS Capital Investment Review Board's action. All projects not approved by the Board are returned to the appropriate OPDIV. (See Section 2.3.1.3, HHS Board.)

**2.3.1.2. ASAM** - The Deputy Assistant Secretary of the Office for Facilities Management and Policy (DAS/OFMP), ASAM, approves all HHS OPDIV facility construction and improvement projects between \$1M and \$10M and all repair projects between \$3M and \$10M that are not within the purview of the HHS Board. As part of the OPDIV annual budget submission to the Department, each OPDIV submits their Annual Facilities Plan for Buildings and Facilities that identifies projects requiring ASAM or Board approval, as well as the draft Facility Project Approval Agreements (FPAA) for those identified projects. OFMP reviews each project for consistency with the Department's overall facilities program requirements and policy. For instance, the FRPC performance measures are included on the FPAA. The level of pre-project planning completed to date is defined using the Construction Industry Institute's Project Definition Rating Index (see also Section 3.1.1, herein); and an acquisition plan and sustainability checklist are included in the initial submission. In addition, planning and programming documents or other documentation are submitted on an as needed basis to clarify the description and justification for the project. OFMP clears the FPAA for approval only when all components of the project are well defined and there is clear articulation that the project meets the overall mission of the OPDIV and Department. Disapproved projects are returned to the submitting OPDIV with comments. Projects requiring Board review are forwarded with an OFMP recommendation. Once the Board approves a project, OFMP clears the FPAA for submittal as an original signed document. The Department requires that an FPAA be approved by September 30th for projects funded to start in the new fiscal year (October 1st). Out-of-cycle projects (whether necessitated by an emergency, new mission, or changed requirements) are dealt with on a case-by-case basis using the same process.

**2.3.1.3. HHS Board** - The Board is a key body to provide initial facility program integration with the agency strategic plan. It reviews all other proposed facility projects including:

- OPDIV investments of \$10M or more and all land acquisitions;
- Department-wide investments that affect multiple organizations;
- Investments that have a significant impact on a single OPDIV;

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- OPDIV investments that the Office of the Secretary determines to have significant risks; high development, operating or maintenance costs; or have high public visibility;
- Major repair and improvement (alteration and renovation) projects more than \$10M; and
- Other project types as may be designated by the Board.

The HHS Board was established on June 9, 2003, in accordance with Part 7 and Part 8 of OMB Circular A-11. (Part 7 of OMB Circular A-11 states that agencies must establish and maintain a capital programming process that links mission needs and capital assets in an effective and efficient manner.) The Board conducts its review of proposed capital investment projects using a programming process that documents and defines how the agency selects capital investments for inclusion in the agency's capital investment portfolio for funding each year and how capital investment projects, once initiated, will be controlled to achieve intended cost, schedule and performance outcome. The Board also reviews Operations and Maintenance funding and major leasing activities to be able to balance capital investments, considering plant condition, reliability, operating cost, and life cycle cost.

The HHS Board makes recommendations for strategic management of HHS real property assets and advises the Assistant Secretary for Administration and Management (ASAM) and the Secretary on major facility issues. The Board is a cross functional executive review committee and provides advice and makes recommendations to the Secretary, the ASAM and the ASRT on a range of issues, to include: 1) the development of facility capital investment guidelines; 2) the development of guidelines to implement an investment review process that provides strategic planning for and oversight and guidance of facility investments; and 3) regular monitoring and proper management of these investments, once funded. One of the outputs of the investment review process is a regular update of the HHS investment portfolio or plan that supports HHS strategic objectives. The Board reviews proposed capital projects and recommends inclusion of those meeting HHS mission requirements in the Department's annual budget formulation process.

The Board consists of all OPDIV Heads with land-holding and acquisition authority and OS Staff Division (STAFFDIV) Heads with oversight responsibilities that directly involve implementing facilities functions. At present Board members include:

- Deputy Assistant Secretary, Office for Facilities Management and Policy (OFMP, ASAM) (Board Chair and HHS Senior Real Property Officer)
- Assistant Secretary for Resources and Technology (ASRT), or designee
- Assistant Secretary for Legislation (ASL), or designee
- Assistant Secretary for Planning and Evaluation (ASPE), or designee

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- CDC Director, or designee
- FDA Commissioner, or designee
- IHS Director, or designee
- NIH Director, or designee, and
- Up to three at-large appointments (no term limitation), who are recommended by the ASAM and ASRT and approved by the Secretary.

### **2.3.2 HHS Form 300 (Facility Project Approval Agreement)**

The HHS Form 300 (commonly known as the Facility Project Approval Agreement or FPAA) has been accepted by the Office of Management and Budget for facilities project documentation. All projects approved by ASAM and the Secretary (through the HHS Board) require a binding written approval agreement between designated officials of the sponsoring OPDIV and ASAM. The FPAA documents the project's scope and description, basis of need, funding source(s), total cost from all sources (including Furniture, Fixtures, and Equipment (FF&E)) and project schedule milestones (*i.e.*, planning, design, construction, activation and operational phases). The agreement represents a commitment by the OPDIV to the scope, budget and schedule for that project.

HHS utilizes Earned Value Management on all construction projects consistent with Circular A-11, Part 7, *Planning, Budgeting, Acquisition and Management of Capital Assets*. The methodology utilized on all construction projects follows the "Schedule Variance" approach defined in Appendix Four of the Supplement to Part 7 – Capital Programming Guide. The construction contractor provides a baseline plan for each construction project reflecting a work breakdown structure, schedule of values and planned timeline. Each progress payment reflects an update of actual work in place ("earned value") compared to the baseline. As part of the contractual relationship with the construction contractor, each Operating Division retains responsibility for ensuring that progress payments are consistent with the earned value of the project. In evaluating a request for payment from a contractor, the OPDIV certifies that the current invoice and its detailed schedule of values reflect actual work to date. When a Tribe contracts for design and/or construction of facilities under P.L. 93-638, an advance payment schedule is negotiated between the Tribe and IHS. The Tribe accepts responsibility under P.L. 93-638 for ensuring that payments to subcontractor(s) do not exceed the earned value of work in place.

Each Operating Division is required to update the OFMP on the status of scope, budget and schedule of projects beyond the Operating Division's approval authority. Each project is tracked quarterly and measured annually against the approved FPAA for deviations in scope, budget and/or schedule. This is a performance measure for each OPDIV under the Department's management objectives. Revisions and changes to the scope, budget and schedule after the original FPAA approval must be addressed in a change to the Facility Project Approval Agreement. Those revisions or changes not within OPDIV approval authority require submittal of a revised FPAA through OFMP. The OPDIV shall submit the revised FPAA to OFMP as soon as the revision or change is identified. OPDIVs are encouraged to advise OFMP of the

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revision verbally, then immediately follow up with the documentation. The revision summarizes the changes to the scope, budget and/or schedule only and the basis for those changes. It does not reiterate information on the original FPAA. OMFP follows the same review process for the revision as outlined above for the original FPAA submittal before clearing the FPAA for approval. While the FPAA process recognizes that there will be changes, HHS performance management objectives require adherence to the “as submitted and approved” budget, scope and schedule as the standard against which actual performance is measured.

### 2.3.3 Additional Actions to Improve Real Property Asset Management Decision Making

OS, through the leadership of the HHS Senior Real Property Officer, is improving real property asset management decision-making by: requiring OPDIVs to provide Construction Program status through quarterly status reports indicating performance against budget, scope, and schedule metrics; issuing HHS policy on use of Operating Funds for facilities construction; requiring OPDIVs to issue their internal budget guidelines consistent with HHS pre-budget guidance; considering applicable FRPC and HHS metrics in facility planning, budget development and priority-setting tied to OPDIV/HHS budget process; and requiring that disposal proposals be approved by the Board.

In the summer of 2007, HHS created a “Tiger Team” composed of real property and facility representatives from all of the OPDIVs. The Tiger Team has been instrumental in assisting the Senior Real Property Officer in developing a long term strategy for improving real property asset management.

### 2.4 Owner’s Objectives

HHS has established a set of qualitative and quantitative owner’s objectives specific to its portfolio. These owner’s objectives are the foundation for developing a portfolio or asset level strategy. Qualitative and quantitative owner’s objectives are expressed in HHS’s long-term outcome goals and performance targets discussed in Section 4 of this RAMP. Owner’s objectives for HHS include:

- Assets must support the agency’s current federal mission need;
- Agency assets must be economically sustainable;
- The assets must meet serviceability standards and customer needs;



*FDA San Juan, Puerto Rico*

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- Physical condition will be maintained to reflect market standards;
- Target reinvestment to performing assets;
- Asset Management Building Blocks at the constructed asset level must be updated annually.

The specifics and timelines of the HHS asset level strategy can be found in the HHS Real Property Asset Management 3-year Rolling Timeline ([Attachment 4](#)), which contains the agency's goals, measurable actions, and strategies necessary to achieve the goals for improving its real property asset management.

### ***2.5 HHS Facilities Program Roles and Responsibilities***

At the Departmental-level, the Assistant Secretary for Administration and Management (ASAM), Office of the Secretary, has been delegated real property management oversight authority and provides direction to all HHS OPDIV real property activities. The Assistant Secretary for Resources and Technology (ASRT) is the Department's Chief Financial Officer (CFO) and directs the formulation and presentation of the Department's annual budget request to Congress.

The Office for Facilities Management and Policy, within ASAM, is responsible for reporting to OMB and the Federal Real Property Council on facilities activities and performance. The OFMP Deputy Assistant Secretary is the HHS Senior Real Property Officer. He or she provides Department-wide leadership and direction for real property management programs. Additional information regarding Departmental/OPDIV real property roles and responsibilities are noted below.

#### **2.5.1 Defining Asset Management Roles**

Three major roles affect the functions of managing the HHS portfolio of assets. These roles are:

1. HHS Senior Real Property Officer (SRPO)
2. HHS Office for Facilities Management and Policy (OFMP)
3. HHS Operating Divisions – Facility Programs (OPDIVs)

The roles that make up the HHS Real Property Asset Management Program each have distinctive functions required to ensure effective management of the HHS portfolio. In an effort to improve alignment between the Department (SRPO and OFMP) and the OPDIVs, the roles for each entity have been defined based on the established roles of the SRPO. The result is a set of defined expectations for each entity in managing the HHS portfolio and how they interrelate.

#### ***HHS Senior Real Property Officer (SRPO)***

Established by Executive Order 13327, the heads of all executive branch departments and agencies are to designate among their senior management officials, a Senior Real Property Officer. Pursuant to this order, the Deputy Assistant Secretary, Office for Facilities Management

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and Policy (DAS/OFMP) was designated the Senior Real Property Officer (SRPO) for the Department of Health and Human Services (HHS).

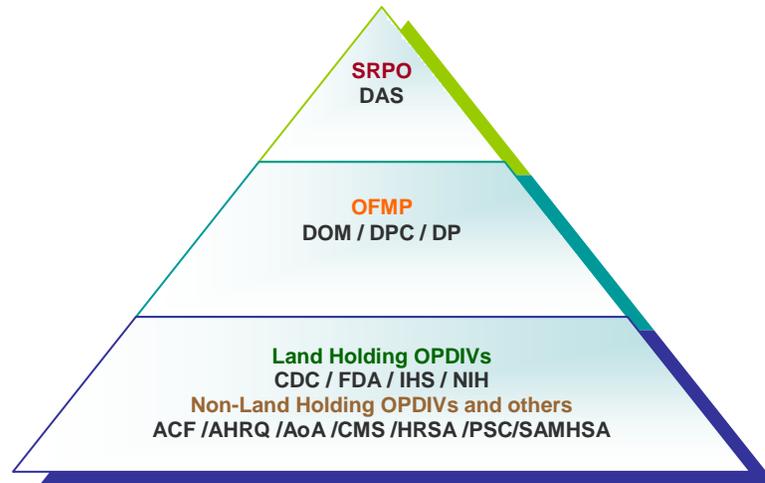
The delegation of the responsibility of SRPO to the Deputy Assistant Secretary of the Office for Facilities Management and Policy within HHS provides for a single point of authority, visibility, and control at the Departmental level to manage the HHS portfolio of real property assets while providing a needed level of management autonomy at the OPDIV level required by the diverse missions of each OPDIV. Support for the leadership role of the SRPO is provided by the OFMP through oversight and policy implementation and the HHS OPDIVs through specific real property asset management actions. These relationships are fostered through day-to-day interactions and regular meetings with OPDIV stakeholders to effect a consensus-based performing organization.

Pursuant to Executive Order 13327, the SRPO is responsible to develop and implement an agency asset management planning process that meets the form, content and other requirements established by the Federal Real Property Council (FRPC). The established responsibilities of the HHS SRPO can be defined in ten roles. The ten roles are summarized as:

1. Asset Identification and Classification
2. Operational and Financial Management
3. Life Cycle Costing
4. Legislative Authority and Policy Management
5. Goal Setting and Progress Measurement
6. Historic Property Management
7. Environmental Management
8. Asset Management Milestones and Performance Targets
9. Monitoring
10. Right Sizing the Portfolio.

Although the majority of real property actions, as they pertain to specific day-to-day management, are accomplished at the OPDIV level, the SRPO, as a visible single point of authority and control at the Department level to manage the HHS portfolio of real property assets, is responsible for ensuring that OPDIVs are in compliance with the HHS policies and all other federal real property requirements whether through law, executive order or otherwise stipulated. As such, the SRPO is also responsible for providing an adequate workforce within OFMP to lead and direct the OPDIVs in functional areas of expertise in effectively and efficiently managing the portion of the HHS portfolio of assets for which they are accountable. Section 2.5.2, below, further defines the relationship of these SRPO roles to the supporting responsibilities of the OFMP and OPDIVs (see pyramid, below).

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***HHS Office for Facilities Management and Policy (OFMP)***

The OFMP vision is that HHS facilities and management programs be delivered at peak effectiveness and through leadership, oversight, policy guidance, and training. OFMP oversees the Department-wide portfolio to provide the best value to the taxpayer in its functional areas. The Office for Facilities Management and Policy serves as a focal point to:

- Monitor the progress of OPDIVs in satisfying HHS Performance Targets and other external and internal targets as defined by the performance scorecard process;
- Assist the SRPO to ensure that OPDIVs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or otherwise stipulated;
- Ensure cohesiveness between the Department and the Operating Divisions to accomplish real property asset management objectives (by individually and collectively meeting with OPDIV Facility Directors two to four times a year and establishing workgroups for specific facility initiatives); foster department-wide dialogue and the sharing of best practices to create policies addressing issues of concern based on day-to-day oversight and interaction;
- Provide department-wide leadership and direction in master planning, facilities planning and design, construction, leasing, operations and maintenance, space utilization, and management programs (environmental management, historic preservation, energy management, and occupational safety and health);

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- Facilitate more informed decision-making leading to improved asset management by providing technical assistance to HHS OPDIVs to evaluate the effectiveness of their facilities programs in implementing Department policies, goals and initiatives;
- Represent HHS to other federal and non-federal agencies and to report to OMB and to the Federal Real Property Council (FRPC) on facilities activities and performance.

***HHS Operating Divisions***

HHS is comprised of the following Operating Divisions:

- Administration for Children and Families (ACF);
- Administration on Aging (AoA);
- Agency for Healthcare Research and Quality (AHRQ);
- Centers for Disease Control and Prevention (CDC);
- Centers for Medicare and Medicaid Services (CMS);
- Food and Drug Administration (FDA);
- Health Resources and Services Administration (HRSA);
- Indian Health Service (IHS);
- National Institutes of Health (NIH);
- Substance Abuse and Mental Health Services Administration (SAMHSA).

In addition to these OPDIVs, the Program Support Center (PSC) was created in 1995 to provide a wide range of administrative support within HHS, thereby allowing the Operating Divisions to concentrate on their core functional and operational objectives. For brevity throughout the RAMP, the term OPDIV shall also apply to PSC for any initiative or timeline requirements related to leases for which PSC is responsible.

These HHS organizations with real property management responsibility perform, to varying degrees, day-to-day prioritization and execution of the facilities asset management program, including master planning; facilities planning and design, construction, leasing, operations and maintenance, space utilization; and management programs (environmental management, historic preservation, energy management, and occupational safety and health). The OPDIVs execute the policies developed in conjunction with OFMP and all other federal real property requirements whether through law, executive order or otherwise stipulated.

Under provisions of the Public Health Service Act (Title 42 U.S.C §§201, *et seq.*, four of the OPDIVs (CDC, FDA, IHS and NIH), have land-holding authority and own, lease or otherwise manage more than 90% of the entire HHS portfolio of assets. In some cases, land held in trust

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by the Bureau of Indian Affairs (BIA) has been transferred to IHS for the sole purpose of supporting health care programs serving Native Americans (P.L. 83-568). The OPDIVs develop and implement the internal procedures necessary to comply with:

- Department policy and guidance including all statutory and regulatory requirements, as directed and overseen by the SRPO and the OFMP;
- HHS Performance Targets and other external and internal targets as defined by the performance scorecard process.

### **2.5.2 Responsibilities**

This section further delineates the specific responsibilities of the HHS SRPO, OFMP and OPDIVs as they relate to EO 13327, and as described in Section 2.5.1, above. The information represents a summary of responsibilities at an overview level.

For each SRPO role, corresponding reporting requirements are noted. The reports provide the means by which the SRPO can review, analyze, and measure the performance of OFMP and the various OPDIVs as they relate to the management of the HHS portfolio of assets and facility programs.

#### ***Role 1 – Asset Identification and Classification***

**Senior Real Property Officer (SRPO)** –The SRPO is responsible for identifying and categorizing all real property owned, leased or otherwise managed.

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for establishing:

- Department-wide management of the real property database (ARIS) by consolidating OPDIV data (see Section 4.2, herein);
- Policy on the procedures and criteria to accurately identify and categorize assets in accordance with FRPC requirements;
- Validation processes to support the functions of all real property asset management data activities;
- A process to audit a statistical sample of ARIS data to provide quality control oversight of information residing in the system. OFMP reports potential inaccuracies to the responsible OPDIV for specific verification of accuracy and follow-up to ensure compliance.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Accurately identifying and categorizing all assets that are owned, leased and managed by the responsible OPDIV in accordance with OFMP policies;

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- Verifying and certifying that the data entered into the real property system is accurate;
- Providing real property data for upload into ARIS, as needed, to ensure the data is accurate for analysis. The OPDIV ensures the real property data has been successfully uploaded into ARIS.

**Reports** – The following reporting requirements are associated with the SRPO Role 1 responsibilities:

- OFMP annually uploads the ARIS database to the GSA Federal Real Property Profile (FRPP) database;
- OPDIVs upload their real property inventory data to the Department’s real property system, ARIS;
- OPDIVs compile and provide a Certification Report – The report certifies that the OPDIV has performed data verification processes to validate the accuracy of the data in the ARIS system. Any changes affecting the FRPC and HHS-specific performance measures in the OPDIV ARIS database are documented as part of the certification report.

***Role 2 – Operational and Financial Management***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for prioritizing actions to be taken to improve the operational and financial management of the HHS real property inventory.

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Requesting in its annual budget sufficient funds to provide for the right resources to effectively manage the Headquarters and HHS facilities program and the HHS portfolio of assets;
- Providing technical assistance and direction to the Capital Investment Review Board (CIRB) on OPDIV budget submissions to advise on major facility capital investment issues including sustainment and improvement;
- Providing an adequate workforce at the Department level to lead and direct the facilities program in functional areas of expertise;
- Providing timely and appropriate budget guidance to the OPDIVs;
- Providing financial guidance to the OPDIVs;
- Monitoring the progress of OPDIVs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process relating to operational and financial management;

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- Assisting the SRPO to ensure that OPDIVs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or as otherwise stipulated relating to operational and financial management.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Identifying in their annual budgets sufficient funds to provide for the right resources to effectively manage the OPDIVs' facilities programs and the OPDIVs' portfolio of assets;
- Using the FRPC performance measures and the Performance Assessment Tool in making decisions and in developing budget priorities;
- Providing an adequate workforce to perform functional responsibilities;
- Identifying gaps and critical vacancies in the facility program;
- Maintaining a human capital management program;
- Monitoring the progress of their real property programs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process relating to operational and financial management;
- Ensuring that their real property programs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or as otherwise stipulated relating to operational and financial management.

**Reports** – The following reporting requirements are associated with the SRPO Role 2 responsibilities:

- OPDIV submission of annual budget to the Department, Office of the Assistant Secretary for Resources and Technology (ASRT) with all project documentation to OFMP as required by the pre-budget guidance and technical instructions;
- OPDIV CIRB presentations;
- OPDIV Annual Facility Plan with accompanying CI Tables (Improvement/Sustainment);
- Consolidated Corrective Action Plan - OPDIV Report – that identifies specific OPDIV actions to improve FRPC performance measures when goals are not met;
- Consolidated Corrective Action Plan - SRPO Report – that identifies specific Department actions to improve FRPC performance measures when goals are not met;

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- Post Occupancy Evaluation Reports;<sup>2</sup>
- External PMA Scorecard;
- Internal HHS OPDIV Scorecards.

***Role 3 – Life Cycle Costs***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for making life-cycle cost estimates associated with the prioritized actions.

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Verifying the implementation of the Department Policy for Life Cycle Costing and as applicable to OMB A-11;
- Monitoring the progress of OPDIVs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process relating to life cycle costs;
- Assisting the SRPO to ensure that OPDIVs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or as otherwise stipulated relating to life cycle costs.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Implementing the Department Policy for Life Cycle Costing Analysis (LCAA);
- Monitoring the progress of their real property programs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process relating to life cycle costs;
- Ensuring that their real property programs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or as otherwise stipulated relating to life cycle costs.

**Reports** – The following reporting requirements are associated with the SRPO Role 3 responsibilities:

- OPDIVs provide the required LCCA documentation, as required by policy, with the HHS Form 300 FPAA submission and provide a summarized narrative as to the results of the analysis in the justification section of the required approval documentation;

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<sup>2</sup> Post Occupancy Evaluations (POE) are an assessment of a facility once it is operational to capture lessons learned and how well programmatic goals were met. A POE is typically not done until a facility has been operational at least 12 months. More detailed information on POE requirements is captured in the HHS Facility Program Manual, Volume 1, Section 5-2 (and can be accessed at: <http://www.hhs.gov/asam/ofmp/vol1.html>.)

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- External PMA Scorecard;
- Internal HHS OPDIV Scorecards.

***Role 4 – Legislative Authority***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for identifying legislative authorities that are required to address these priorities (See Role 2).

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Modifying and providing guidance and executing policy, as required to implement legislative authorities;
- Maintaining up-to-date real property legislative requirements as they pertain to the Department’s mission and the management of the HHS portfolio of assets;
- Representing the Department:
  - During implementation of new legislation as it relates to real property asset management;
  - In responding to new, proposed legislation;
  - By proposing new legislation relating to real property asset management.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Implementing legislative policy, new and modified, as directed by OFMP;
- Identifying to SRPO impediments to meeting goals which require legislative actions;
- Identifying OPDIV specific legislative actions to SRPO relating to real property.

**Reports** – There are no specific required reporting requirements associated with SRPO Role 4.

***Role 5 – Goal Setting and Progress Measurement***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for identifying and pursuing goals, with appropriate deadlines, consistent with and supportive of the HHS asset management plan and for measuring progress against such goals.

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Providing Department wide benchmarking through analysis of the Real Property Asset Management Program and developing workplace measures that will lead to improved asset management;

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- Providing ARIS analysis to the OPDIVs to facilitate more informed decision-making;
- Advising when goals related to the Department and specific OPDIV scorecards, Proud to Be, RAMP and 3-Year Timeline have been met;
- Advising when goals related to the Department and specific OPDIV scorecards, Proud to Be, RAMP and 3-Year Timeline have been added, removed, and/or updated;
- Maintaining and updating the Department's 3-Year Timeline;
- Complying with Departmental tribal consultation policies;
- Monitoring the progress of OPDIVs in satisfying HHS Performance Targets<sup>3</sup> and other external/internal targets, as defined by the performance scorecard process relating to goal setting and progress measurement;
- Assisting the SRPO to ensure that OPDIVs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or as otherwise stipulated relating to goal setting and progress measurement.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Complying with SRPO identified and directed actions;
- Incorporating real property inventory analysis into their day-to-day decision-making;
- Identifying OPDIV level milestones, as appropriate or as requested by OFMP, for inclusion into the annual update of the Department's 3-Year Timeline;
- Accurately identifying OPDIV level disposal actions, major repair/renovation/modernization projects, and capital construction projects for inclusion into, and for updating the Department's 3-Year Timeline;
- Analyzing and measuring OPDIV specific progress internally against Department and OPDIV specific goals to continually improve asset management and OPDIV facility programs;
- Complying with Departmental and OPDIV tribal consultation policies;
- Monitoring the progress of their real property programs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process as it relates to goal setting and progress measurement;

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<sup>3</sup> The HHS Performance Targets & Framework is more fully explained in Section 2.3 of the HHS 2008 3-year Rolling Timeline (see Attachment 4 to this 2008 RAMP update).

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- Ensure that their real property programs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or otherwise stipulated as it relates to goal setting and progress measurement.

**Reports** – The following reporting requirements are associated with the SRPO Role 5 responsibilities:

- Quarterly project status report of HHS level approved projects measuring scope, schedule and budget;
- Regular ARIS Certification reports including updates of changes in status of data and elements in the Department 3-Year Timeline;
- Consolidated Corrective Action Plan - OPDIV Report – that identifies specific OPDIV actions to improve FRPC performance measures when goals are not met;
- Consolidated Corrective Action Plan - SRPO Report – that identifies specific Department actions to improve FRPC performance measures when goals are not met.

***Role 6 – Historic Property Management***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for incorporating planning and management requirements for historic property under Executive Order 13287, of March 3, 2003.

**OFMP** – OFMP has the role of policy, oversight, and direction and is responsible for:

- Designating Department Federal Preservation Officer;
- Providing guidance on National Historic Preservation Act (NHPA), EO 13287, and Department policy;
- Providing Departmental oversight of implementation and compliance with the NHPA and EO 13287.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Designating an OPDIV Historic Preservation Coordinator;
- Implementing internal procedures to comply with NHPA and EO 13287;
- Periodically evaluating OPDIV assets to identify their historic status (see Section 4.1.1, herein for a more full discussion).

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**Reports** – The following reporting requirements are associated with the SRPO Role 6 responsibilities:

- Preserve America Historic Preservation Report.

***Role 7 – Environmental Management***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for implementing the sustainable practices, environmental management systems, and requirements of Executive Order 13423 of January 24, 2007, that directly apply to the HHS facilities programs.

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Providing guidance on EO 13423 as it applies to the HHS facilities programs;
- Providing Departmental oversight of implementation and compliance with EO 13423 as it applies to the HHS facilities programs.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Complying with EO 13423 as it applies to the OPDIV facilities programs.

**Reports** – The following reporting requirements are associated with the SRPO Role 7 responsibilities:

- OMB Environmental Scorecard;
- OMB Energy Scorecard.

***Role 8 – Asset Management Milestones and Performance Targets***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for developing, implementing and reporting:

- Asset management milestones;
- Performance targets.

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Analyzing real property asset data for the HHS portfolio of assets and providing guidance to OPDIVs that are related to the findings of the analysis;
- Evaluating targets to determine appropriateness and re-baseline as needed to improve real property asset management;

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- Developing standard assumptions through the use of HHS workgroups to be applied by the OPDIVs when calculating and analyzing data as it relates to FRPC requirements;
- Disseminating milestones and goals to OPDIVs;
- Monitoring the progress of OPDIVs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process that are related to asset management milestones and performance targets;
- Assisting the SRPO to ensure that OPDIVs are in compliance with HHS policies and all other federal real property requirements, whether through law, executive order or as otherwise stipulated relating to asset management milestones and performance targets.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible to:

- Incorporate and utilize standard assumptions into their OPDIV facility programs to be used in calculating and analyzing data as it relates to FRPC requirements;
- Disseminate milestones and goals to OPDIV facility personnel;
- Monitor the progress of their real property programs in satisfying HHS Performance Targets and other external/internal targets, as defined by the performance scorecard process as it relates to asset management milestones and performance targets;
- Ensure that their real property programs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or otherwise stipulated as it relates to asset management milestones and performance targets.

**Reports** – The following reporting requirements are associated with the SRPO Role 8 responsibilities:

- Real Property Asset Management Annual Report;
- External PMA Scorecard;
- Internal HHS OPDIV Scorecards.

***Role 9 – Monitoring***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for monitoring the real property assets of the agency so that agency assets are managed in a manner that is consistent with, and supportive of:

- The goals and objectives set forth in HHS’ overall strategic plan;

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- The real property asset management principles developed by the Federal Real Property Council;
- The HHS Real Property Asset Management Plan (RAMP).

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Developing an internal, OPDIV level, PMA scorecard;
- Updating the internal, OPDIV level PMA scorecard milestones to be consistent with Department level PMA milestones and HHS strategic plan;
- Providing oversight of construction programs and activities throughout the Department;
- Monitoring the progress of OPDIVs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process relating to all aspects of real property management;
- Assisting the SRPO to ensure that OPDIVs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or otherwise stipulated as it relates to all aspects of real property management.

**OPDIV** – OPDIVs have the role of day-to-day management of the HHS portfolio of assets and are responsible for:

- Complying with internal, OPDIV level PMA scorecard requirements;
- Providing oversight of construction programs and activities at the OPDIV level;
- Providing informational data on construction programs and activities to the Department as required by HHS policy;
- Monitoring the progress of their real property programs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process relating to all aspects of real property management;
- Ensuring that their real property programs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or as otherwise stipulated relating to all aspects of real property management.

**Reports** – The following reporting requirements are associated with the SRPO Role 9 responsibilities:

- External PMA Scorecard;
- Internal HHS OPDIV Scorecards;
- OPDIV Value Engineering Report;

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- OPDIV Bid Reports for Construction Contracts;
- Post Occupancy Evaluation Report.

***Role 10 – Right Sizing the Portfolio***

**Senior Real Property Officer (SRPO)** – The SRPO is responsible for ensuring that the HHS portfolio is being right sized (right number, in the right condition, at the right cost).

**OFMP** – OFMP has the role of policy, oversight and direction, and is responsible for:

- Establishing sufficient staffing to perform its function;
- Presenting OPDIV Master Plans to the CIRB for review and approval;
- Providing technical assistance to the CIRB in the review/analysis of budget, project and master planning activities;
- Analyzing HHS portfolio ARIS data relating to the Performance Assessment Tool process;
- Providing analysis of HHS portfolio ARIS data to OPDIV to improve real property asset management;
- Ensuring HHS OPDIV compliance with lease requirements;
- Monitoring the progress of OPDIVs in satisfying HHS Performance Targets and other external/internal targets as defined by the performance scorecard process relating to right sizing the portfolio;
- Assisting the SRPO to ensure that OPDIVs are in compliance with HHS policies and all other federal real property requirements whether through law, executive order or as otherwise stipulated relating to right sizing the portfolio.

**OPDIV** – OPDIVs with the role of day-to-day management of the HHS portfolio of assets are responsible for:

- Developing master plans;
- Performing space management in compliance with Department policies;
- Providing technical assistance to the CIRB in the review/analysis of budget, project and master planning activities;
- Utilizing the OPDIV real property inventory and Performance Assessment Tool process in day-to-day decision making and in accordance with FRPC guidance;
- Complying with lease regulations and policies, including lease utilization rates;

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- Preparing Facility Condition Reports to improve asset management;
- Implementing pre-project planning processes based on OFMP guidance;
- Utilizing OFMP OPDIV data analyses provided in pre-budget guidance and through other venues to improve day-to-day decision making in right sizing the OPDIV portfolio;
- Monitoring the progress of their real property programs in satisfying HHS Performance Targets and other external/internal targets, as defined by the performance scorecard process that are related to right sizing the portfolio;
- Ensuring that their real property programs are in compliance with HHS policies and all other federal real property requirements, whether through law, executive order or as otherwise stipulated relating to right sizing the portfolio.

**Reports** – The following reporting requirements are associated with the SRPO Role 10 responsibilities:

- HHS Form 300 Facility Project Approval Agreement (FPAA);
- Project Delivery Rating Index (PDRI);
- Acquisition Strategy Analysis;
- Sustainability Checklist;
- Performance Assessment Tool;
- Program of Requirements (POR) for prospectus level leases;
- Occupancy agreement for leases;
- OMB Exhibit 54;
- GSA Excess Real Property Report;
- External PMA Scorecard;
- Internal HHS OPDIV Scorecards.

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## **Section 3      Planning and Acquisition of Real Property**

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Federal capital investment planning and decision-making has undergone profound changes during the last decade as a result of the Government Performance and Results Act (GPRA); the Clinger-Cohen Act (1996); the Federal Acquisition Streamlining Act (1994); OMB's *Capital Programming Guide* (Supplement to Part 7 of OMB Circular A-11); Executive Order 13327, Federal Real Property Asset Management; and other federal initiatives. In response, HHS developed a comprehensive capital asset planning process and management strategy. A structure was developed that facilitates a comprehensive system-wide integrated capital investment planning process (see section 2.3.2 HHS Facility Project Review Process). The fundamental goal of this process is to ensure that all major capital investment proposals, including high-risk and/or mission-critical projects, are based on sound business and economic principles; promote the "One-HHS" vision by linking diverse but complimentary objectives; align with the overall HHS strategic goals and objectives; address the Secretary's priorities by emphasizing program objectives in support of internal goals; and support the President's Management Agenda.

The mission requirements of HHS drive its planning and acquisition of real property assets. During the planning phase, the Department's mission requirements are incorporated into the agency's capital asset plans. When a real property asset requirement is received or developed, HHS first looks to use existing Government-owned assets before seeking to add square footage to the federal inventory. If there are no suitable existing solutions, HHS has three alternatives: build a new federal asset; buy an existing asset; or lease a new asset from the private sector. The merits of each alternative are analyzed to insure that the needed real property asset is acquired in the most cost effective fashion, as well as in time to meet agency needs.

To determine the most appropriate acquisition method, HHS considers such things as: how many assets are needed; how quickly is the asset needed; how long will the asset be needed, how specialized is the asset; and how complicated will the build-out be? This effort is included in the HHS Pre-project Planning activity, in which HHS employs a disciplined approach to early (pre-design) decision-making in order to avoid costly changes after the start of detailed design or construction. HHS has adopted the industry best practice for Pre-project Planning developed by the Construction Industry Institute. Pre-project Planning is a process for developing sufficient strategic information from which HHS can evaluate risk and decide to commit resources to maximize the success of a project. The process has four key components: *Organizing for Pre-Project Planning*; *Select Project Alternatives*; *Develop a Project Definition Package*; and *Decide Whether to Proceed with the Project*. Acquisition methodologies are assessed early on in project development and the most appropriate is selected for the planned acquisition. The process does not dictate the method of acquisition and, in fact, encourages analysis of all alternatives addressing cost, time, technology, site characteristics, economics, etc. A thorough analysis will include consideration of existing renovation versus construction versus leasing. Once the best alternative(s) is identified, then a detailed definition package of the project scope, design, controls, and execution is prepared. The Project Definition Rating Index (PDRI), as developed by the Construction Industry Institute, is used as a tool to determine whether the project definition package is adequately defined to make a decision to move forward with a project.

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HHS has customized the PDRI tool to more accurately reflect the specific parameters appropriate for each of its projects. The process also yields the most critical actions necessary at each planning review to reduce project risk. Each of these factors is important for determining logistically feasible alternatives and comparing the life-cycle cost of those alternatives. The recommendation for satisfying a mission need through construction, purchase, or leasing is based on the results of critical analysis. The first level of analysis includes adherence to OMB Circular A-11, Part 7 requirements for life cycle costing, alternatives evaluation and justification, and is documented on the HHS Form 300. The second level of analysis is internal OPDIV budget and requirements reviews. The third level of analysis is the HHS Review and Approval process through the Office of the Deputy Assistant Secretary for Facilities Management and Policy and/or the HHS Capital Investment Review Board. Lastly, projects that survive the first three levels are submitted to the Secretary's Budget Council to assess programmatic tradeoffs and make the final recommendation to the Secretary for inclusion in the HHS FY Budget Submission.

### ***Benchmarking***

Investment protocols and standards have been developed to provide guidelines for each major phase/milestone in the life-cycle of a capital asset. All capital assets are monitored and evaluated against a set of performance measures (including those that are underutilized and/or vacant) and capital goals to maximize highest return on the dollar to the taxpayer.

As the owner of substantial infrastructure, HHS has the responsibility to measure the utility, productivity and value of those investments. Asset performance measurement is a fundamental component of the following:

- accountability to the taxpayers;
- a determination of best practice role models;
- recognition and incentive for good asset management; and
- justification for past and future investment.

At the highest level, asset performance is measured against HHS's primary asset related goals:

- Establish policies; guidelines; operating procedures; and lines of financial authority, delegation, and accountability; and provide Departmental oversight and integration for Operating Division/OFMP-related activities to assure that HHS functions as "one Department" in the facilities area.
- Improve the Capital Planning/Program integration process.
- Reduce the cost of leasing and real property management.
- Reduce the cost of acquisition and ownership.
- Improve safety, security, maintainability, life cycle cost, health, and environmental impact by facilitating sustainable design and other best practices.
- Improve the physical environment and reduce operating cost of the HHH Building and the Central Employment Area.
- Lead facilities innovation and promote continuous improvement.

HHS has implemented the government-wide real property management standards promulgated by the Federal Real Property Council (FRPC). The current first tier measures include:

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Condition Index, Annual Facility Operating Costs, Facility Utilization Index, and Mission Dependency measures. These measures also incorporate industry and commercial benchmarks where available and appropriate.

HHS is fully committed to continue to use appropriate industry and commercial benchmarks to gauge the condition and performance of facilities and expects additional benchmarks will be identified by the FRPC and other agencies in their asset management plans. HHS will review existing information for usefulness and ensure future data gathering efforts support program goals.

In addition, the development and deployment of the Automated Real Property Inventory System (ARIS), facility management software assists HHS in achieving a major milestone in transitioning from the traditional single asset management style to corporately managing our vast portfolio of holdings. The information and data captured by ARIS enables OFMP to better understand the agency's assets, as well as to determine where any problems lie by providing increased visibility of asset performance on an across the board organizational level. Only through this corporate portfolio perspective can HHS begin to achieve its overall capital asset business strategy of value management.

### **3.1 Capital Plans for Major Projects**

Each land-holding OPDIV, as part of the annual budget cycle develops a prioritized capital plan. The Annual Facilities Plans for FY2009 are included in [Attachment 5](#)

The Annual Facilities Plans contain those projects that are recommended for implementation in the Budget year minus 3 years to the budget year plus 5 years forward. For example, the 2007 plan includes the years 2004 through 2012. Projects in the plan include construction, repair-by-



*IHS Piñon, AZ*

replacement, major repairs (over \$3M) and major improvements (over \$1M). Lump sum amounts may be shown for Repairs and Improvements (R&I) and Maintenance and Improvements (M&I) in out years. The budget call guidance in the Spring asks each OPDIV to include in their Annual Facilities Plan for Buildings and Facilities all projects requiring ASAM or Board approval. Projects below the thresholds of \$1M for construction and improvements and \$3M for repairs, for which the OPDIVs have approval authority, may be included in the Annual Facilities Plan at the OPDIVs' discretion. These projects are typically funded from the lump sum

appropriations for Repair & Improvement (R&I) or Maintenance & Improvement (M&I). The Department requires that each OPDIV have an internal process with their stakeholders for identifying projects, developing and evaluating the business case for each project, and prioritizing projects for inclusion in their facilities plan. HHS requires each OPDIV to program their requests and approves individual projects and lump sum program amounts in concert with

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balancing programmatic priorities and understanding the impacts of approving or deferring the facility work.

HHS requires capital projects \$10M or more, as defined in the HHS Facilities Program Manual, to be submitted to the Capital Investment Review Board. These projects must be designed and constructed with funds specifically identified, by project name, for that purpose in the HHS Buildings and Facilities (B&F) budget process documents, a congressional reprogramming action, an actual line item appropriation or an OMB approved apportionment. Capital projects under \$10M that add useable program space must be submitted to ASAM (OFMP) for review and approval. These projects must be identified, by project name, for that purpose in the HHS B&F budget process documents, a congressional reprogramming action, actual line item appropriation or OMB approved apportionment. Capital projects between \$1M and \$10M for improvements and between \$3M and \$10M for repairs that do not add useable program space must be submitted to ASAM (OFMP) for review and approval. These projects are identified by project name in the OPDIV Annual Facilities Plan. However, they may not have an actual line item appropriation or a specific apportionment from OMB. These projects are typically funded from the lump sum R&I or M&I.

### **3.1.1 Construction Major Projects**

The construction program addresses program requirements that serve a federal need that cannot be readily met with existing agency assets or assets available in the private sector. The prioritization of these projects is done in close coordination with the OPDIV with the specific requirement. OFMP routinely meets with the facilities staff from each OPDIV to discuss ongoing projects, pending new requirements and/or mission initiatives. OFMP collaborates with the OPDIV Facilities Directors to identify common initiatives and approaches to facilities management through quarterly meetings. Each OPDIV is a voting representative on the Capital Investment Review Board and, as such, assists the Department in the overall validation and prioritization of the Departmental Building and Facilities program at the annual Board meeting in June of each year. Beginning with the FY 2005 budget preparation process, HHS required all projects \$10M or more and land acquisitions be submitted to the Board for review and concurrence. Each OPDIV formally presents their prioritized plan before the Board. The Board then defines action items and provides a recommendation to the Secretary's Budget Council. From the Board's recommendation and the Secretary's Budget Council, the final Secretary's decision is issued, which becomes the basis for the Department's prioritized Capital Plan in the budget submission to OMB.

In preparing their presentation to the Board, each OPDIV is required to develop a draft Facility Project Approval Agreement (FPAA). The FPAA is the project justification, and is submitted as part of the HHS budget formulation process. The draft FPAA's are submitted for review to OFMP no later than June 1 each year in preparation for the annual Board meeting in late June. Prior to the budget submission to OMB, an FPAA consistent with the decisions of the Secretary's Budget Council is signed by the OPDIV Board Member, Project Director, and Project Manager. HHS signs off signifying HQ and Board approval and acceptance of the OPDIV's commitment to execute the project within the defined requirements, scope, budget and schedule as presented or modified during the review process. As signatories to the FPAA, the OPDIV Board Member, OPDIV Project Director, and OPDIV Project Manager are held accountable for delivering the approved project within the defined scope, budget and schedule.

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Projects are measured annually against the approved FPAA for deviations in scope, budget and/or schedule. This is a performance measure for each OPDIV under the Department's management objectives. The measure is reflected in the internal scorecard HHS provides each OPDIV under Real Property Asset Management and in the performance plan of the OPDIV Director. This performance measure flows down to the signatories on each respective FPAA and has a direct impact on each person's annual performance rating.

New requirements for projects that occur outside the normal budget formulation process are submitted for review as soon as the requirement has been identified. These out-of-cycle projects may be necessary because of an emergency, new mission, or changed requirements. Funding comes from reprogramming or lump sum R&I or M&I, as appropriate for the type of project. OFMP works with the OPDIV to facilitate approval of the project in a timely manner. Planning and program documents are not submitted with the FPAA. However, as part of the review process, OFMP may require the OPDIVs to submit these documents.

HHS has identified thorough pre-project planning as a key to successful project accomplishment. Pre-project planning is a process for developing strategic information with which an OPDIV can address risk and decide to commit resources to maximize the chance of a successful project. Pre-project planning starts with the identification of requirements and continues through the



*CDC Building 21, Headquarters and Emergency  
Operations Facility*

schematics phase of the project. The pre-project planning phase establishes the project requirements and concept, and provides the basis for the project budget and approval. HHS has adopted pre-project planning as a best practice, and requires the use of the Construction Industry Institute's (CII) tool, the Project Development Rating Index (PDRI) to evaluate the ongoing status of a project. The major stakeholders of the project convene and through input into the PDRI tool, determine the accuracy and completeness of project information. The process includes analysis of three specific areas: Basis of Project Decision, Basis of Design and Execution Approach. As an example, the Basis of Project Decision rates such elements as the level of definition of the building use, functions and alternate options; the driving forces and business strategy that supports the project; the economic viability of the project; how reliability, maintenance, operations and design will be considered; evaluation of existing facilities and specific project requirements. The PDRI is used as an indication of the project's readiness in terms of its development and helps determine whether the project should proceed through the budget cycle, allowing each OPDIV to make the best investments and improve project success by thinking ahead and planning early. The PDRI tool also identifies those areas that may need special attention or consideration in putting together the overall project plan, such as environmental considerations.

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### **3.1.2 Repair and Improvement Major Projects**

Beginning with the FY 2005 budget preparation process, HHS required all Repair projects \$3M or more and all Improvement projects \$1M or more but less than \$10M to be submitted to the OFMP for review and concurrence. Each OPDIV presents their Repair (or Maintenance) and Improvement (R&I/M&I) projects in their Annual Facilities Plan, which is submitted as part of the budget process documents. Projects below the thresholds of \$1M for improvements and \$3M for repairs, for which the OPDIVs have approval authority, may be included in the Annual Facilities Plan at the OPDIVs' discretion. Projects below the thresholds are not submitted to the Department for review as individual projects. The Department requires that each OPDIV have an internal process with their stakeholders for identifying projects, developing and evaluating the business case for each project, and prioritizing projects for inclusion in their facilities plan.

A good example of such an internal process is the NIH the Facilities Working Group (FWG) (previously discussed in Section 2.3.1.1, herein). The FWG was chartered to advise the NIH Steering Committee, the NIH Institutes and the NIH Director on matters pertaining to the planning, acquisition, development, and use of land and facilities. This group evaluates NIH programmatic needs, balances competing priorities, identifies alternative means to meet changing needs for capital facilities and reconciles them into a rolling five-year Strategic Facilities Plan, the annual Buildings and Facilities Plan and an annual Leased Facilities Plan. The annual Buildings and Space Planning process begins almost two years prior to the budget year in which capital funds are needed for new building projects or leased space. The priorities and recommendations developed by the NIH Facility Working Group are based on its general assessment of future budget levels, facility condition assessments, knowledge of new NIH initiatives that could generate a facility or space requirement or new service demand, and consideration of whether the project's scope and cost are defined sufficiently to allow it to be included in the plan.

As for major construction projects, each OPDIV is required to develop a FPAA for all repair, maintenance and/or improvement projects that exceed the thresholds. The FPAA is normally approved by September 30<sup>th</sup> prior to the fiscal year in which the project is funded. The FPAAs are submitted for review to OFMP no later than August 1 each year. New requirements for projects and pre-project planning are addressed in the same manner as major construction projects.

### **3.1.3 Additional Actions to Improve Capital Plans for Major Projects**

HHS continues to improve capital plans for major projects by: 1) making improvements to the Facility Project Approval Agreement (FPAA) and incorporating changes into the next budget cycle; 2) using tools such as PDRI to capture completeness of pre-project planning, project delivery and contract strategy (PDCS) to assess acquisition strategies, and LCCA to analyze alternatives; and 3) developing training modules using CII best practices. Working with the OPDIVs, OFMP has: 1) sponsored workshops to train the OPDIV trainers, who in turn will train OPDIV staff; 2) developed a strategy to incorporate a quality and customer satisfaction assessment tool into the post-occupancy evaluations; 3) published policy for full implementation of sustainable design; and 4) in FY07, developed and held the first two offerings of a Fundamentals of Real Property Asset Management course to further improve the facilities program management.

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**3.1.4 Acquisition of Leases above the Prospectus Level**

GSA currently performs most of the HHS leased space acquisitions that exceed the “prospectus level<sup>4</sup>.” When developing their requirements, HHS OPDIVs consider the budget, overall mission, and organization structure to assure the most efficient and economical use of space. Before submitting its request to GSA, the OPDIV surveys the Federal, state, and local organizations that they will be working with in the area to ascertain whether low- or no-cost space might be available. The OPDIV also ensures that HHS guidelines, at a minimum, are followed with regard to space utilization. If after thorough review it is determined that these utilization guidelines must be exceeded due to program requirements, then a justification is prepared and submitted to the Department for approval. As the Contracting Officer for these HHS leases, GSA is responsible for surveying the availability of space in the local market and for ensuring that leasing proposals conform to OMB's operating lease scoring requirements. The OPDIV works with GSA to ensure that the timing of their acquisitions conforms to the schedule in which the space is needed. This includes terminating those leases or portions of leases in which the space is no longer needed due to changes in the OPDIV or HHS mission. All leases require HHS Office of the Secretary's approval with respect to the Department's space utilization policies, appropriate security level, and the leasing contract.

HHS also acts to ensure that leasing proposals conform to OMB's operating lease “scoring” requirements and examines each leasing proposal for consistency with the portfolio strategy, the availability of space in the local market, and the appropriateness of timing. OPDIVs are advised to consult with OFMP regarding scoring rules before executing lease agreements for real property. OPDIVs are advised of these scorekeeping requirements both in writing and in forums such as Facilities Directors' Workshops sponsored by OFMP. OFMP will also sponsor training sessions (conducted by OMB) for the HHS real property community whenever scoring matters are modified.

HHS has certain direct leasing authorities that apply to Indian Health Service. These legislative authorities include: Section 804 of the Indian Health Care Improvement (HCI) Act (P.L. 102-357; Section 105 (1) of Public Law 93-68; and Public Law 100-690.

**3.1.5 Acquisition of Leases below Prospectus Level**

The Administrator of General Services Administration delegated leasing of general-purpose space to the Secretary of the Department of Health and Human Services, effective October 14, 1996. HHS has re-delegated this authority to the National Institutes of Health; Indian Health Service; Centers for Disease Control and Prevention; Food and Drug Administration; and the Program Support Center. However, GSA FMR Bulletin 2008-B1 significantly modifies GSA's delegation of General Purpose leasing authority and prohibits federal agencies from entering into lease agreements for spaces larger than 19,999 rentable square feet. Agencies must complete a

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<sup>4</sup> A Prospectus is required when the total cost of the project exceeds the statutory prospectus threshold. The prospectus threshold is adjusted annually in accordance with 40 U.S.C. 3307(g). (The current threshold - \$2.59 million in FY 2008- can be accessed by entering GSA's website at <http://www.gsa.gov> and then inserting “prospectus thresholds” in the search mechanism in the upper right hand corner of the page.) The Prospectus is a formal document sent to OMB and Congress to receive funding authorization. It includes project scope information, budget, and schedule, plus a housing plan. If approved, it results in authorization letters from both the House and Senate approving the project.

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Leasing Delegation Application and submit it to GSA Central office in Washington, DC, who will decide if granting the delegation is in the Government's best interest. If authority is delegated, the agency must provide detailed post-award documentation to GSA who will evaluate whether use of the delegation was cost effective for the Government.

In cases in which the delegation of authority is approved, HHS may enter into the lease in a variety of ways: by using the assistance of the General Services Administration; with assistance of private real estate services firms; or, by using qualified in-house real property personnel. The leases are written and negotiated by the Operating Divisions, following policies and guidance issued by the Department.

The Office of the Secretary has overall responsibility for management and provision of technical and administrative services to all facility development and operations in support of HHS's mission, including real estate, acquisition services, property management, design, construction, facilities planning and environmental protection. The Office of the Secretary's Office for Facilities Management and Policy (OFMP) promulgates and enforces overall space policy, including build-out standards, leasing, and safety policy in the HHS Facilities Program Manual. The HHS Facilities Program Manual, Volume I, provides overall policy procedures guidance and reporting requirements for direct lease acquisitions by HHS Contracting Officers and Real Property Specialists. The OFMP approves all leases to ensure adherence to standards and issues written approval of the space acquisition.

As noted above in Section 3.1.4, HHS OPDIVs must acquire and utilize space in accordance with all GSA regulations, as well as applicable laws and regulations, including, but not limited to, the Competition in Contracting Act (CICA), Federal Management Regulations (FMR), Executive Order 12072, Executive Order 13006, the Davis Bacon Act, and the Federal Acquisition Regulations (FAR) in order to:

1. Protect the public interest by conservation of property and prudent management of resources;
2. Effectively support the HHS and its missions by assuring facilities operation and performance of maintenance at a level of adequacy that will continually provide for HHS employees and the public they serve attractive and functional facilities and a high quality work environment that is comparable to industry, for HHS employees and the public they serve.

In addition to federal regulations and Executive Orders, HHS OPDIVs are required to adhere to the HHS Space Utilization Policy issued on July 14, 2003, and the HHS Facilities Program Manual.

### **3.1.6 Additional Actions to Improve the Acquisition of Leases**

The Office of the Secretary, under the leadership of the HHS Senior Real Property Officer has acted to improve the acquisition of major leases by establishing a Department working group of OPDIV representatives (such as Real Property Officers) as the conduit for assessing the Real Property Leased Space Program (LSP) and developing performance measures for the LSP.

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OFMP developed a charter for the group and organized recurring sessions for, among other things, the purpose of:

- Promulgating the correct (legal) way to manage HHS's Leasing Program;
- Initiate OFMP conducted internal audits of randomly selected leases;
- Make use of GSA's annual IFMA survey in buildings under GSA custody and control that are assigned to HHS;
- Assisting HHS in achieving Departmental goals and milestones related to leased asset management in accordance with the President's Management Agenda, 3-Year Timeline and Performance Agreement requirements;
- Developing performance measures for assessing right-sizing, right-pricing and acquisition timeliness;
- Developing and maintaining a Leased Space Performance Worksheet to record and measure each lease transaction against a given set of criteria;
- Promoting improved utilization through maximizing the use of space including consolidation and collocation activities;
- Providing a forum for sharing best practices and lessons learned;
- Monitoring the Warrant Program to ensure the Department is represented by trained and competent subject matter experts with the skills to provide best value when negotiating on behalf of the Department;
- Improving working relations with GSA by promoting better understanding of GSA's acquisition process;
- Improving rent budget projections and billing processes to reduce the risk of unforeseen increases and the budget consequences that might follow.

See [Attachment 6](#) for the Leased Space Program Workgroup Charter and Leased Space Program Performance Measures. HHS is also developing an internal process to screen assets across the OPDIVs for potential HHS use before reporting those assets as excess to GSA.

### ***3.2 Acquisition Performance Measures and Continuous Monitoring***

Performance measures and benchmarks provide vital management information in all phases of the life cycle of an asset. These measures, along with quarterly management reviews, provide senior management with an excellent monitoring mechanism and feedback loop. There are government-wide measures, as proposed by the Federal Real Property Council, as well as agency-specific measures that are designed to meet the specific needs of an agency and track performance in achieving mission requirements.

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On the front end of the life cycle it is important to measure the effectiveness and cost competitiveness of project delivery for construction and leasing projects. There are currently no government-wide acquisition measures. However, HHS has several agency-specific measures in place. HHS measures the effectiveness and cost competitiveness of acquisitions through a series of construction benchmarks and performance measures. Once in the construction phase, HHS measures project delivery through a series of performance measures that assess whether a project is on schedule, on budget and evaluates the scope and quality of the project. Specifically, HHS employs three acquisition performance measures: *Changes in Project Scope*; *Changes in Project Cost*; and *Changes in Project Schedule*. Each is described below.

### 3.2.1 Federal Real Property Council Measures

HHS considers the FRPC performance measures in planning and acquisition of real property assets. The measures are captured in the documentation for all projects requiring ASAM or Board review. In addition, HHS has agency specific construction measures.

### 3.2.2 Construction Measures

Scope, budget and schedule have been defined as HHS specific construction measures on all projects requiring ASAM or Board review. The original approved FPAA is the baseline for measurement against a specific project. Projects are tracked quarterly and measured annually against the approved FPAA for deviations in scope, budget and/or schedule. As signatories to the FPAA, the OPDIV Board Member, OPDIV Project Director, and OPDIV Project Manager



*FDA Facility, Irvine, California*

are held accountable for delivering the approved project within the defined scope, budget and schedule. This is a performance measure for each OPDIV under the Department's management objectives. The measure is reflected in the internal scorecard HHS provides each OPDIV under Real Property Asset Management and is in the performance plan of the OPDIV Director. The performance measure flows down to the signatories on each respective FPAA.

#### **Change in Project Scope**

The purpose of this measure is to determine the percent a project changes in scope from planning through completion. It applies to all projects that require a Facility Project Approval Agreement (FPAA). This measure was incorporated into the Department's management objectives and the OPDIV Directors' performance plans. This measure applies to all line item and lump sum projects that require HQ approval in accordance with the FPAA policy. All projects are measured based on their status as of September 30th, and results are included in the first quarter report.

The following procedure is utilized to implement this measure:

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1. Projects shall be tracked quarterly and measured annually.
2. Project Scope is defined as described in FPAA, block 14a. Project Scope is further defined as physical size and characteristics, functions, and special features.
3. The original HHS approved FPAA is the benchmark for project scope.
4. Annual reporting of this measure utilizes the current approved FPAA or HHS Quarterly Status Report whichever is most recent.
5. Final report of change in project scope occurs when the project reaches “Operational” (at “Use and Possession” of a facility).
6. Deliverable: Reporting of a Change in Project Scope includes the benchmark (original) FPAA, subsequent approved FPAA revisions, and the most recent FPAA (or Quarterly Status Report) with transmittal memo.
7. Additional explanation sheets submitted with the FPAA may be included with a Change in Project Scope.

**Change in Project Cost**

The purpose of this measure is to determine the percent a project changes in cost from planning through completion. It applies to all projects that require an FPAA. This measure was incorporated into the Department’s management objectives and the OPDIV Directors’ performance plans. This measure applies to all line item and lump sum projects that require HQ approval in accordance with the FPAA policy. All projects are measured based on their status as of September 30th, and results are included in the first quarter report.

Each OPDIV is responsible for generating a Project Budget Template to assure appropriate implementation. Examples of project budget templates include:

- CDC - Budget Worksheet (tab on the excel FPAA form);
- NIH – Project Budget Cost Template; and
- IHS – Facilities Budget Estimating System (FBES).

The following procedure shall be utilized to implement this measure:

1. Projects are tracked quarterly and measured annually.
2. Project Cost is defined as described in FPAA, block 6.b.
3. The original HHS approved FPAA is the benchmark for project cost.
4. An OPDIV generated project budget template will be utilized to capture all project costs and cross referenced with the FPAA cost data in boxes 9 and 10.
5. Annual reporting of this measure utilizes the current approved FPAA or the HHS Quarterly Status Report whichever is most recent.
6. Final report of change in project cost occurs when the project reaches project closeout.
7. When submitting final report of change in project cost, provide an explanation or notation for:
  - final project costs which are unknown (*e.g.*, pending litigation)
  - projects which are incremental in “Use and Possession”
8. Deliverable: Reporting of Change in Project Cost includes the benchmark (original) FPAA, subsequent approved FPAA revisions, and the most recent FPAA (or Quarterly Status Report) with transmittal memo.

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9. Additional explanation sheets submitted with the FPAA can be included with Change in Project Cost.

**Change in Project Schedule**

The purpose of this measure is to determine the percent a project changes in schedule from planning through completion. It applies to all projects that require an FPAA. This measure was incorporated into the Department's management objectives and the OPDIV Directors' performance plans. This measure applies to all line item and lump sum projects that require HQ approval in accordance with the FPAA policy. All projects are measured based on their status as of September 30th, and results are included in the first quarter report.

The following procedure shall be utilized to implement this measure:

1. Projects are tracked quarterly and measured annually.
2. Project Schedule is defined as described in FPAA, block 15.
3. The original HHS approved FPAA is the benchmark for project schedule.
4. Annual reporting of this measure utilizes the current approved FPAA or the HHS Quarterly Status Report, whichever is most recent.
5. Final report of change in project schedule occurs when the project reaches "Operational" (at "Use and Possession" of a facility).
6. Deliverable: Reporting of Change in Project Schedule includes the benchmark (original FPAA, subsequent approved FPAA revisions, and the most recent FPAA (or Quarterly Status Report) with transmittal memo.
7. Additional explanation sheets submitted with the FPAA can be included with Change in Project Schedule.

**3.2.3 Leasing Acquisition Measure**

HHS uses various strategies to keep leasing costs at or below market levels, including comparing lease offers to industry benchmarks; using market surveys to comparison shop for best prices; and using published market sources, (such as the Society of Industrial and Office Realtors (SIOR), CoSTAR and Torto Wheaton), to gain a better understanding of area markets and to ensure leasing costs are in line with the private sector market. Throughout the lease acquisition process the OPDIV's Contracting Officer uses firsthand knowledge of the local commercial rental market in combination with all other available sources of benchmark/survey information. This body of knowledge serves to establish a competitive range and inform the Contracting Officer if the offerors are either inordinately high or inordinately low. Benchmarks, in and of themselves, do not set rental rates. Offerors likely have access to the same industry standards and benchmarks as do Contracting Officers. However, each owner (offeror) ultimately decides what his best offer is to entities seeking tenancy in the building.

HHS Contracting Officers evaluate best and final offers for a leasing transaction using the knowledge and tools mentioned above. If the offer is radically different (high or low) the Contracting Officer will use this information as an evaluative tool but not as the sole determinant of whether the offered rental rate is fair and reasonable. The comparison of competing offers is the best barometer of the aptness of a proposed rental rate. Contracting Officers will evaluate offers solely in accordance with the factors and sub-factors stated in the solicitation. If the Contracting Officer finds that the proposed rental costs are fair and reasonable, the lease file will be documented with a price negotiation memorandum that contains the rationale for that

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conclusion. (HHS HQ would challenge the Contracting Officer to defend the proffered rental rate if it were radically divergent from published industry standards.)

Each OPDIV is tasked to assure that OMB A11, Appendix B, requirements are met, including lease scoring. In turn, HHS ensures that all proposed leasing transactions conform to OMB's operating lease scoring criteria through review and analysis of proposed lease transactions and through audits of existing leases. HHS has a continuous effort underway to ensure that the measures it uses to evaluate offers are consistent and in compliance with all applicable laws, regulations, and guidelines.

Finally, HHS collects and analyzes lease actions and information in the ARIS database so that HHS can make better decisions regarding lease management. The goal of the analysis is to define specific target areas that require focus and to identify specific HHS and OPDIV milestones for incorporation into the Three-year Timeline.

### **3.2.4 Customer Satisfaction Surveys/Measures**

HHS tracks user/tenant satisfaction with newly constructed assets through use of post-occupancy evaluation surveys to determine whether the constructed asset is performing as intended and to determine if the end users are satisfied with the asset (if requirements have been successfully met). These surveys are prepared on a "site by site" basis and are designed to elicit information on whether there is:

1. Efficient use of space including optimizing square footage and floor plan.
2. Sustainability in terms of
  - Efficiency of operations and maintenance,
  - Durability of finishes,
  - System flexibility, space adaptability,
  - Technologically current and adaptable,
  - Energy performance.
3. Design elements pleasing to occupants and visitors.
4. Acoustics, lighting, ventilation, thermal control.
5. Effective exterior design strategies.
6. Control of storm water.

The data gathered during the project survey is incorporated into a Post-Occupancy Evaluation Report and furnished to the OPDIV planning office and the facility manager. This survey report is for information and use in planning and constructing future health care and research facilities. Copies of the report are made available to all HHS OPDIVs, as well as to any office or committee engaged in updating design criteria for use in HHS health care and research facilities construction programs.

### **3.3 Acquisition Initiatives**

HHS is striving to improve the delivery of capital projects within scope, within budget and on time. To accomplish this, HHS has adopted or developed specific tools to measure performance such as the Facility Project Approval Agreement, HHS Quarterly Status Report, Pre-Project Planning as a best practice, and the CII Project Definition Rating Index. HHS is piloting the use

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of a standardized quality and customer satisfaction assessment tool into post occupancy evaluations. In addition, HHS encourages the use of other industry best practices such as CII's Project Delivery and Contract Strategy (PDCS) to determine the most appropriate method of acquisition. The acquisition strategy is an integral piece of the FPAA documentation, and the updated HHS Facility Program Manual requires the submission of the actual acquisition plan as part of the project documentation.

### 3.4 *Sustainability Initiative*

On January 24, 2006, HHS signed the Federal Leadership in High Performance and



*CDC Global Communications Center Building 19*

Sustainable Buildings Memorandum of Understanding (MOU) to commit to Federal leadership in implementing common strategies for planning, acquiring, siting, designing, building, operating, and maintaining high performance and sustainable buildings. The MOU establishes a common set of Guiding Principles to: 1) employ integrated design principles; 2) optimize energy performance; 3) protect and conserve water; 4) enhance indoor environmental quality; and 5) reduce environmental impact of materials. These Guiding Principles will help HHS to:

- **Reduce** the total ownership cost of facilities;
- **Improve** energy efficiency and water conservation;
- **Provide** safe, healthy, and productive built environments; and
- **Promote** sustainable environmental stewardship.

HHS issued its original policy for Sustainable and High Performance Buildings on September 8, 2006. The Sustainable Buildings Implementation Plan, originally issued in December 2006, implements the *Guiding Principles for Federal Leadership in High Performance and Sustainable Building*. This Plan is updated annually<sup>5</sup>, and reported on semiannually, is intended to promote continuous improvement toward the goals. The December 2007 update of the Policy and Plan incorporates the requirements of E.O. 13423 and is available at: <http://www.hhs.gov/asam/ofmp/SustainableBldgsImpPlan.pdf>.

The Department is a participating member of the Interagency Sustainability Workgroup. The Department's Sustainability Workgroup assists in developing HHS goals and guidance to insure implementation of sustainable elements for all applicable projects and buildings. Consistent with

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<sup>5</sup> The Sustainable Buildings Implementation Plan was most recently updated on December 31, 2007.

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the requirements of E.O. 13423, the Workgroup is developing a strategy for incorporating sustainable design principles in the existing building inventory.

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## Section 4 Operations of Real Property

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The operations phase of HHS real property assets involves making decisions regarding maintenance and reinvestment, as well as monitoring administration of leases and servicing agency needs. Critical information is needed on all assets to support operational decision-making.

### 4.1 HHS Real Property Inventory

HHS has implemented a software tool to collect and maintain information on its inventory' and to create executive-level reports to manage the portfolio as a whole in a cost effective manner. (This inexpensive software tool does not replace other systems in place within the OPDIVs, or systems that have more extensive functionality for facilities management.) HHS chose HarborFlex, a tool created by Lease Harbor, which is a subscription software service for the administration of leases and real property. It has been customized to meet HHS's needs with fields created to capture the FRPC data fields and additional fields that HHS has determined are needed to manage its portfolio.

The four landowning OPDIVs maintain their inventory in a legacy system with detailed data that assists them in their day-to-day asset management. The data from the legacy systems is uploaded to HarborFlex and refreshed at least quarterly. The data from the smaller OPDIVs, which do not own land or real property, is entered directly into HarborFlex as changes occur. There are standard reports that have been established for HHS, and that are easily run. If needed, users can also create their own report formats.

OFMP maintains a computer terminal and has a designated administrator responsible for working with HarborFlex. Because this is a web-based tool, it is easily accessible to the OPDIVs as well. OFMP will allow OPDIVs access to the system and has trained staff from all of the OPDIVs in its use.

#### *HHS Real Property Portfolio by Occupancy Type*

The HHS national real property portfolio consists of over 4,100 assets (land, buildings, and structures), with buildings containing, roughly, 47 million square feet (SF). Assets are divided evenly between the Washington, D.C./Baltimore area and locations across the balance of the country. HHS both owns and leases property itself and occupies space owned and leased by GSA.



*FDA, Muirkirk, Laurel, Maryland*

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**Table 4.1.1 Portfolio Breakdown by Ownership Type**

<b>Occupancy Type</b>	<b># of Properties<sup>1</sup></b>	<b>GSF + RSF<sup>2</sup></b>	<b>% of Entire Portfolio</b>
<b>Lease Space</b>			
GSA- Leased	458	8,981,370	19.12%
HHS-Leased	355	3,680,949	7.83%
<b>Owned Space</b>			
GSA-Owned	237	4,540,782	9.66%
HHS-Owned	3,084	29,782,228	63.39%
<b>Total</b>	<b>4,134</b>	<b>46,985,329</b>	<b>100.00%</b>
<b>Tribally Operated (included above)</b>			
HHS-Leased	152	842,724	1.79%
HHS-Owned	458	2,447,649	5.21%
<b>Total</b>	<b>610</b>	<b>3,290,373</b>	<b>7.00%</b>

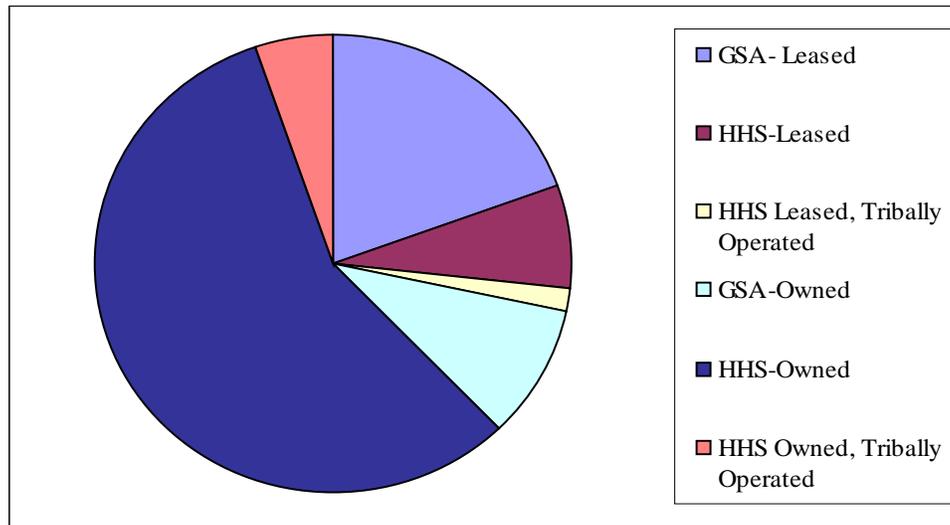
<sup>1</sup> Includes Buildings, Land and Structures

<sup>2</sup> Buildings only

The largest portion of space is property owned by HHS, approximately 34 million square feet (SF), due to the large holdings of the Land-Holding Agencies (*i.e.*, CDC, FDA, IHS and NIH). The majority of the owned properties held by NIH and CDC are the office and lab facilities located on the main campuses in Bethesda, Maryland and Atlanta, Georgia, respectively. The majority of the IHS-owned properties are the health care delivery facilities located throughout the twelve IHS administrative areas, with most of this property found in rural areas. A portion of these assets are tribally-managed, as indicated in the chart below. The majority of FDA-owned properties are located at the Jefferson Laboratories site in Jefferson, AR.

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**Table 4.1.2 Property Breakdown by Ownership Type**



***HHS Real Property Portfolio by OPDIV***

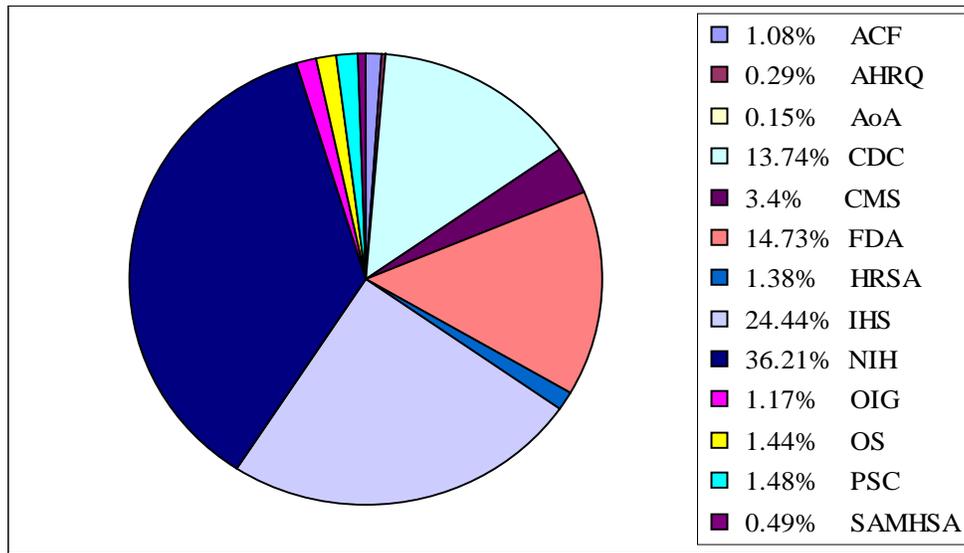
The four largest real property portfolios are used by NIH, IHS, FDA and CDC, in descending order. Collectively, these Operating Divisions occupy over 39 million SF, or approximately 84% of the total portfolio.

**Table 4.1.3 Portfolio Breakdown by OPDIV**

OPDIV	# of Buildings	Total GSF	DC/Balt GSF	National GSF
ACF	31	521,586	250,298	271,558
AHRQ	2	135,303	135,303	0
AoA	10	65,155	43,280	21,875
CDC	312	4,472,900	206,703	4,266,197
CMS	60	1,580,828	1,071,188	509,640
FDA	347	6,800,942	3,561,469	3,239,473
HRSA	19	656,202	445,457	210,745
IHS	2,483	11,796,938	138,435	11,658,503
NIH	346	16,411,742	15,302,290	1,109,452
OIG	121	509,379	120,480	411,688
OS	3	642,312	642,312	0
PSC	30	691,914	591,159	100,755
SAMHSA	1	228,019	228,019	0
<b>Total</b>	<b>3,765</b>	<b>47,079,524</b>	<b>22,736,393</b>	<b>24,343,131</b>

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**Table 4.1.4 Portfolio Breakdown by OPDIV**



***HHS Portfolio by Property Type***

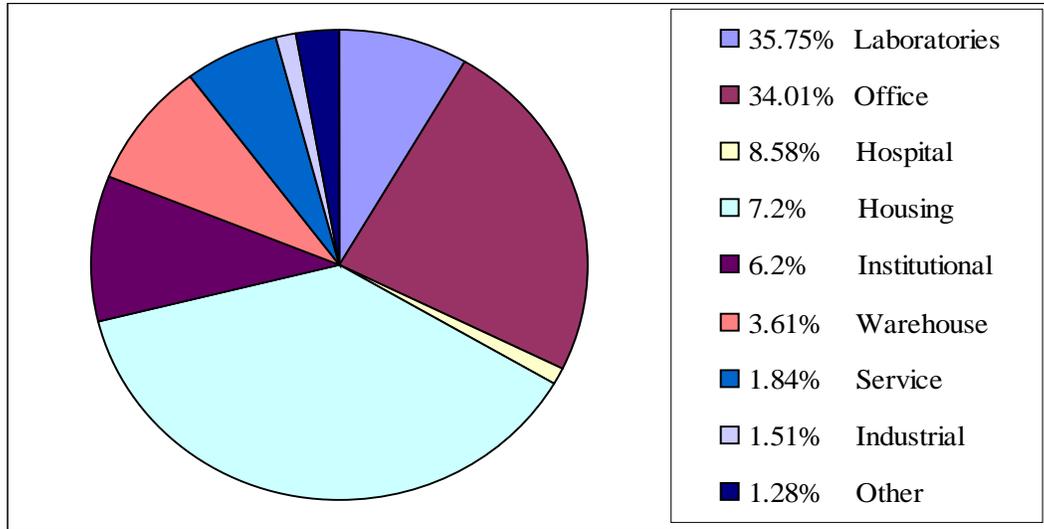
The largest property type for the portfolio is Office space representing approximately 35% of the total, followed by Laboratory space at over 33%. The next three largest categories (Hospital, Housing, and Institutional) are roughly equal in size and together, make up about 23% of the portfolio. The balance of the portfolio (excluding land and structures) comprises the remaining 8% and consists of Service, Industrial, and miscellaneous “Other” facilities.

**Table 4.1.5 Property Breakdown by Property Type**

Property Type	# of Buildings	GSF	% of Portfolio
Laboratories	298	15,796,518	33.55%
Office	861	16,387,969	34.81%
Hospital	42	4,015,586	8.53%
Housing	1,497	3,586,903	7.62%
Institutional	382	3,346,638	7.11%
Warehouse	310	1,706,128	3.62%
Service	217	858,757	1.82%
Industrial	63	746,454	1.59%
Other	95	634,572	1.35%
<b>Totals</b>	<b>3,765</b>	<b>47,079,524</b>	<b>100.00%</b>

Note: Other Institutional includes: post offices, communication systems, industrial, institutional and other usage types.

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#### 4.1.1 Historic Preservation Requirements

Executive Order 13287, Preserve America, and the National Historic Preservation Act, require each federal agency to develop a comprehensive plan to manage and maintain historic properties. HHS historic preservation program management and oversight is included under the umbrella of OFMP's Program Management responsibilities. The duties of the Federal Preservation Officer (FPO) for HHS, as mandated by Section 110(c) of the NHPA, are assigned to an individual in OFMP. As a result, the FPO for all of HHS is integrally involved in coordination and consultation, both internally and externally on historic preservation matters. This individual provides a wide range of support to the OPDIVs and provides oversight, expertise and coordination to individuals delegated with Historic Preservation Coordinator (HPC) duties at the OPDIV level. The HHS FPO also communicates with State Historic Preservation Officers, Tribal Preservation Officers, and public and private interest groups as needed, and maintains close communications with representatives from the Advisory Council on Historic Preservation.

HHS has improved its comprehensive historic preservation program to ensure it will meet these historic preservation requirements, including the following:

- OPDIVs have appointed a Historic Preservation Coordinator and developed a list of historic properties. Plans have been developed for maintaining these properties in accordance with the "Secretary of Interior's Standards for Historic Properties" and determinations are being made on whether several properties are eligible for possible nomination to the National Register of Historic Places.
- HHS Real property assets are periodically reviewed to determine their historic status. This review of an asset may be triggered for several reasons: for example a change in occupant; a proposed project; and/or a facility condition assessment. OPDIVs update any changes in historic status in their database as they are determined; and these changes are captured in their upload to ARIS. The subsequent FRPP upload in December would reflect any actual historic status changes that occur during the prior year.

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- OPDIVs have finalized plans to assure protection of all identified historic properties and are taking appropriate actions to ensure historic preservation requirements are met. The Department has received copies of these plans.
- OPDIVs prepare an Annual Report on the status of their historic preservation program and submit it to the HHS FPO. HHS, in turn, reviews this report and provides feedback on it to the OPDIVs to ensure compliance with all applicable executive orders, policies and regulations. HHS uses this information to prepare and submit the E.O. 13287 required tri-annual agency level report to the President’s Advisory Council on Historic Preservation and to the Secretary of the Interior.
- HHS has developed and issued a fifty page, precedential document entitled “Incorporation of Historic Preservation Requirements into the Department of Health and Human Services Grant Programs.” This document is being used by the various OPDIVs to ensure that their grant programs are adhering to historic preservation requirements.
- HHS issued a joint policy memorandum from the Deputy Assistant Secretaries of the real property and grants office providing the exact policy for integrating historic preservation language into the grants application process.

HHS ensures historic HHS properties are protected and renovations are completed in accordance with the Secretary of Interior “Standards for Historic Properties,” the National Historic Preservation Act, Executive Order 13287, Preserve America, and other applicable requirements. HHS works with external organizations for various assignments, provides advice and training to OPDIVs on all facets of historic preservation and finalizes and submits the annual archeological report.

### **4.1.2 Energy and Water Conservation Requirements**

The Energy Policy Act (EPACT) of 2005 requires a reduction in energy use of 2% per year when compared to a 2003 baseline. In addition, Executive Order 13423, “Strengthening Federal Environmental, Energy, and Transportation Management” includes more stringent requirements than those imposed by the EPACT of 2005. A partial list of management and conservation goals established under EO 13423 includes:

- Reduce energy intensity (consumption per square foot) by 3 % annually through 2015 or by 30% by 2015.
- At least 50% of current renewable energy purchases must come from new renewable sources (in service after January 1, 1999).
- Construct or renovate buildings in accordance with sustainability strategies, including resource conservation, reduction, and use; siting; and indoor environmental quality.
- Reduce water consumption by 2% annually through 2015.
- Increase use of Environmental Management Systems (EMS) as the framework to manage and continually improve these sustainable practices.

OFMP manages the Department-wide Energy Program. Since its inception in FY 1995, the HHS Energy Program has evolved into a multi-faceted campaign aimed at achieving federal energy

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mandates, providing technical assistance, disseminating information on federal and private energy and water programs, promoting energy awareness, and coordinating the efforts of the HHS OPDIVs and their many diverse facilities. At the foundation of the HHS Energy Program are the following key components:

- The Department develops the OPDIV guidelines and format for annual energy reporting requirements, including both the preliminary and final reports, as required by the Department of Energy (DOE) and Office of Management and Budget (OMB).
- The Department summarizes the OPDIV energy report submissions into the preliminary and final HHS energy reports as required by DOE and OMB.
- The Department provides feedback to the OPDIVs on the content and scope of their energy reports, as well as the OPDIV energy and water efficiency efforts, offers advice for expanding details in the energy report and provides suggestions for energy and water programs or projects.

Each OPDIV is tasked with responsibility to meet or exceed these mandates for their facilities.

In addition, the HHS Energy Program includes the following:

### *Energy Seminar/Training*

- Arranging energy seminars for HHS energy coordinators, engineers, managers, and all other employees involved in energy management. Establishing the topics, arranging for the appropriate speakers, and managing all other logistics of the seminar.
- Coordinating efforts with DOE or the Environmental Protection Agency (EPA) to provide additional energy training for HHS personnel in areas such as renewable energy, Labs for the 21st Century, etc.

### *Energy Newsletters*

- Publishing the HHS Energy News each quarter. The newsletters contain articles on OPDIV energy conservation efforts, energy leaders, new technologies, recycling, federal and private energy and water programs, and tips for energy and water savings.
- Publishing the HHS Energy Manager's News biannually. The newsletters contain articles on energy and water conservation efforts at HHS facilities or other federal sites, new technologies, federal or private efficiency programs, and current energy and water efficiency efforts.

### *Awareness Events*

- Organizing awareness events for Earth Day and October Energy Awareness Month for the HHS headquarters building or other facility to be named. Events promote the HHS Energy Program, workplace and home energy and water conservation, and environmental awareness.

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- Coordinating and promoting efforts of the OPDIVs to hold Earth Day and October Energy Awareness Month activities.
- Providing details on the HHS awareness activities to DOE Federal Energy Management Program (FEMP) through newsletter articles and reports.
- Managing the “You Have the Power” campaign activities and efforts between HHS facilities and DOE FEMP.

### *Large Scale Energy or Water Efficiency Projects*

- Performing or assisting in the implementation of large scale energy or water efficiency projects. The projects may include, but are not limited to, renewable energy systems, heat recovery technologies or water conservation projects.
- Managing the HHS Energy and Water Management Awards program. This includes updating nomination guidelines and award criteria, promoting the program and encouraging nominations, reviewing nominations and selecting winners, and planning the annual awards ceremony.

### *Executive Order 13423 and EAct 2005 Compliance*

- Work with the OPDIVs to meet requirements of the Executive Order (EO) and establish compliance with initiatives and programs, as applicable.
- Ensure compliance with the EO for the HHS agency as a whole.
- In accordance with EAct 2005, developed and issued a “Metering Implementation Plan” and an “HHS Facility Metering Policy and Compliance Document.”

### *Miscellaneous Reports/Memos*

- Write miscellaneous reports on HHS energy and water efficiency efforts as required by DOE, OMB, Congress, the Senate, or others.
- Write memos, as required, on current event topics, efficiency programs, or specific initiatives.

### *OPDIV Energy Measurements*

- The land-holding OPDIVs are required to submit annual energy reports to the Department by mid-November. These reports are reviewed by the Department and energy measurement charts are developed that compares energy consumption at several different levels. The Department consolidates these reports into a HHS-wide report for submission to DOE.
- Provide consulting services, both technical and administrative, to the OPDIVs on all aspects of the HHS Energy Program, technical projects, federal or private conservation programs, performance contracting, energy awareness, and EO 13423 compliance.

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**4.2 Asset Documentation**

OFMP is responsible for the planning, coordinating and evaluation of HHS real property management and accountability activities. The HHS Automated Real Property Information System (ARIS) contains all accountable data for HHS owned or leased assets. The ARIS mirrors the requirements of the Federal Real Property Council and captures the FRPC mandatory data elements. It is a subsidiary ledger to the HHS general ledger that documents all asset values for land and fixed improvements. ARIS also includes the status of acquisitions, improvements, transfers and disposals.



*CDC Environmental Toxicology Lab, Building 110*

The HHS asset documentation activities are designed to provide information and technical consultation to land-holding OPDIVs on control and management of real property assets/land and fixed improvements under the administrative jurisdiction of the Department. Guidelines and procedures for the acquisition, utilization, and disposal of owned and leased real property assets are provided by the Department. It is the policy of the Department to develop, establish, assess, improve, correct, and report on the

effective and economical management and utilization of OPDIV-held real property.

Several laws enacted by Congress require a new level of coordination between an agency's real property inventory (RPI) and the overall financial records of the federal agency. These laws are the Chief Financial Officers Act of 1990, P.L. 101-576, and the Federal Financial Management Act of 1994, P.L. 103-356. As a result of these acts, the Federal Accounting Standards Advisory Board developed Standard 6 – Accounting for Property, Plant and Equipment (FASAB No. 6). This standard directs the manner in which federal agencies are to track real property assets, including those acquired through capital leases and leasehold improvements in its RPI and requires the reconciliation of these inventories (subsidiary ledger accounts) with the agency's general financial statements.

**4.3 HHS Asset Management Building Block**

Each HHS owned site is considered a “building block” for portfolio management purposes and every site of two independent buildings or more must have a Facility Master Plan that is developed in accordance with the requirements contained in Volume I of the HHS Facilities Program Manual. This Facility Master Plan is the Building Block Asset Management Plan for multiple-building sites. For sites occupied by only one building, that constructed asset is the “building block” for asset business planning. Thus, when the capital investment plans and O&M work plans are developed for an OPDIV, they are developed first by site (building block), and then integrated into an overall plan for the OPDIV through the HHS asset planning and budget process.

HHS requires land-holding OPDIVs to maintain key documentation for all real property assets in a local file that includes a map, a copy of the title, a metes and bounds survey, a legal description

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of the property, documented environmental liabilities, historic significance, an Americans with Disabilities Act (ADA) survey, documented fire life safety issues, as built or CAD drawings, and a housing plan showing the tenants within the asset or facility. This information is in electronic or hard copy formats depending on the age of the facility. Although HHS maintains this documentation for its assets, it is often not in one centralized location. However, OFMP developed uniform standards for documentation and reporting of its inventory of assets. This guidance is found in the *HHS Guidance for Real Property Inventory Reporting*.

Through the web-based software tool HarborFlex and the ARIS, HHS created a database for constructed assets. This is used as a tool by agency real property personnel to maintain information about a particular constructed asset and to outline the current performance and expenses for that asset to feed into the asset planning and budget process.

### **4.4 Periodic Evaluation of Assets**

HHS performs periodic evaluation of its real property assets by using government-wide measures as well as other agency specific measures designed to monitor performance in utilization, financial performance, physical condition, and operational efficiency. HHS also has several key performance measures designed to track financial performance. HHS examines its operating expenses on a facility-by-facility basis. HHS uses the Condition Index (CI) and a goal of 2-4% of the plant replacement value (PRV) for reinvestment.

In the last phase of the asset's life cycle, HHS tracks the cycle time for disposal. HHS monitors projected disposals versus actual disposals to ensure that appropriate disposition plans for underutilized assets are implemented in a timely manner.

As fiduciary agents, HHS performs cyclical evaluations of its real property assets on a one-to-five-year basis. The evaluation cycles are determined based on the criticality of the facilities, significant events from weather or incidents, and the overall condition indexes. HHS tracks the value of its assets in several ways. HHS tracks Plant Replacement Value and Book Value as indications of the relative value of the portfolio. All FRPC performance measures will be updated annually.

The assessment process begins with determining what elements of a facility need to be evaluated. Elements include above and below-grade physical systems (*e.g.*, architectural, civil, mechanical, electrical), as well as other parameters such as space utilization, air quality, code compliance and esthetic parameters. HHS assessment guidance is captured in the HHS Facilities Program Manual, Volume II, Section 2.3.

HHS uses the data from these assessments to update building blocks and facility management strategies. A key element determined from these assessments is "Condition Index" (CI). The goal of HHS is to achieve a reasonable, consistent condition index over time across its portfolio of assets, to invest in its portfolio to sustain assets to a prudent life-cycle and to operate assets on a "cost per square foot" basis that mirrors industry standards. Condition index, along with other inventory elements of operating cost, utilization rates and mission dependency of a facility, provide the data points necessary to gauge operations and sustainment trends and to drive capital improvement and O&M investment strategies. Emphasis is placed on improving the CI of mission-critical facilities at a faster pace than less critical facilities, and at a higher index.

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Investments in sustainment-type projects are adjusted, up or down, to track to a prudent life-cycle curve. Actual operations and maintenance costs are compared to industry standards to assist in capital improvement decisions, and to determine where/when to apply best business practices in lieu of renovating, replacing or abandoning a facility.

HHS tracks performance indicators for its portfolio of assets and for each individual asset. Current performance is compared against performance goals from private sector benchmarks, previously established performance criteria, or individual performance measure goals, where applicable.

HHS provides OPDIV-specific investment strategy guidance in the form of pre-budget guidance in March of each year, after analysis of prior year performance measures. OPDIVs translate this guidance into Asset Management Building Blocks, which are used to develop OPDIV budgets that are submitted in June of each year. The budget submissions will be reviewed to ensure alignment with pre-budget guidance and consideration of any emergent requirements and necessary mitigations. The Asset Management Building Blocks will be included as input at all levels of the HHS process described in Section 3 of this document. Thus, they will be considered by OPDIV managers and various levels at HHS Headquarters. They are also considered by energy managers and other OPDIV personnel responsible for leadership and management in specific functional areas. The strategy then becomes the basis for formulating the annual operating budget and capital reinvestment plan.

### 4.4.1 Mission Dependency

HHS measures the “mission dependency” of each of its real property assets. The purpose of this measure is to determine the value an asset brings to the performance of the mission, as determined by the OPDIV in the categories of Mission Critical, Mission Dependent – Not Critical, and Not Mission Dependent.

Mission dependency applies to each facility for each OPDIV. The applicability of this metric extends to all properties leased and/or owned and operated by the OPDIV.

The OPDIVs are responsible for complying with the following procedures:

1. Evaluate the functions within each of its assets and place each of the assets in one of the following categories:

**Mission Critical** - Without the constructed asset or parcel of land, mission is compromised. For example, space or facilities that house activities such as health and social science research; preventing disease, including immunization services; assuring food and drug safety; Medicare (health insurance for elderly and disabled Americans) and Medicaid (health insurance for low-income people); health information technology; financial assistance and services for low-income families; improving maternal and infant health; Head Start (pre-school education and services); faith-based and community initiatives; preventing child abuse and domestic violence; substance abuse treatment and prevention; services for older Americans, including home-delivered meals; comprehensive health services for

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Native Americans; and medical preparedness for emergencies, including potential terrorism are mission critical.

**Mission Dependent** - Space and facilities that support the above mentioned activities are mission dependent.

**Not Mission Dependent** - Mission is unaffected by the elimination of the constructed asset.

2. Each asset receives only one category designation. Where there are multiple functions for a facility, then the highest applicable mission dependency category should be utilized.
3. The evaluation is based on the facilities function under normal operations, not a catastrophic scenario.
4. The initial categorization for each asset is entered into the OPDIV's asset inventory system using the following designations:
  - Mission Critical
  - Mission Dependent
  - Not Mission Dependent.
5. Where any asset is designated as Not Mission Dependent, the OPDIV will complete the text field to provide the explanation for this designation. OPDIVs are generally utilizing assets for work that is important to their missions. Identifying a property as *Not Mission Dependent* will lead to an assessment of the property and its use.
6. On an annual basis in the first quarter of each fiscal year, the OPDIV will review the asset categorizations and update the asset inventory system with any changes. This information is the initial flag for the OPDIV to consider whether or not the real property asset should be retained or a plan of disposal developed. A 'Not Mission Dependent' categorization triggers a detailed analysis of the property function and utilization and its link to the overall mission. If analysis shows the asset should be retained, re-categorization may be appropriate. If not, a decision is made by the OPDIV Director as to whether the building use should be reevaluated or if a proposal is to be forwarded to the HHS Senior Real Property Officer for an assessment of other Departmental need for the property or to initiate disposal actions.

In developing proposed projects and monitoring existing facilities, the categorization of the facilities will be used to determine the highest priorities at the OPDIV level. Submittals to the Department will reflect these priorities in the OPDIV's Annual Facilities Plan.

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*FDA Jefferson Labs, Arkansas*

#### **4.4.2 Facility Condition Assessment Performance Measures**

HHS uses various metrics to assess the physical condition of its facilities and the reliability of associated data. Mandatory metrics are *Condition Index (CI)* and *Backlog of Maintenance and Repair (BMAR)*. Optional “best practices” metrics include *Assessment Freshness Index (AFI)*, *Inventory Quality Index (IQI)* and *Sustainment Rate (SR)*. Each is described below.

##### ***Condition Index (CI)***

CI is calculated as follows:  $(1 - (\text{repair needs}/\text{plant replacement value})) \times 100$

(High values indicate better condition with 100 being the best condition)

“Repair need” is a response to deferred maintenance (*i.e.*, maintenance that was not performed when it should have been or was scheduled to be and which, therefore, is put off or delayed for a future period). “Plant replacement value” is the cost (in current dollars) of replacing the existing constructed asset at today’s standards.

CI is to be derived and reported for each HHS owned facility and structure (applicable to all HHS land-holding OPDIVs). Data is analyzed against existing benchmarks and performance targets that have been established by HHS. The information derived from this analysis is used to develop pre-budget guidance to the OPDIVs for their budget build. The implementation of CI, the facility assessment program that feeds it and its link to the investment decisions that flow from it are considered to be evolutionary in nature. The more budgets that are built with an eye on CI, the more refined the facility assessment process will become, the more knowledgeable of their inventory HHS and OPDIVs will become, leading to a more effective allocation of resources.

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Each OPDIV is responsible for the following to assure appropriate implementation:

1. Each land-holding OPDIV identifies facility system and component renewal projects that need to be completed within any given year, and calculates and reports CI (in accordance with the standardized program).
2. Each OPDIV records CI in their local electronic asset inventory system. HHS does not require a specific system, only that the system is capable of exporting CI values to the HHS Automated Real Property Information System. OPDIVs and HHS have coordinated systems in conjunction with HHS implementation of ARIS.
3. Annually, in the last quarter of each fiscal year, the OPDIV will update their facility assessment information, calculate CIs and export CIs to ARIS. HHS uses this information to develop pre-budget guidance for FY+2. Pre-budget guidance will be provided each January. OPDIVs will use this guidance to prepare their June budget submit for FY+2. HHS will review and approve budgets in late June of each FY.

### ***Backlog of Maintenance and Repair (BMAR)***

Land-holding OPDIVs use BMAR as a facility condition metric. BMAR indicates the level of repair and maintenance that was not performed when scheduled and that was delayed until a future time. BMAR is an indicator of potential shortening of the useful life of facilities and likely increase of long-term maintenance and repair costs. BMAR is a useful data point at the OPDIV level in the development of its budget submission. HHS does not use BMAR in the development of pre-budget guidance to OPDIVs since CI provides sufficient macro-level visibility into whether an OPDIV's facilities are deteriorating, improving or remaining the same.

Federal Accounting Standards Advisory Board (FASAB) Standard No. 6, as amended, requires federal agencies to annually report their total dollar amount of deferred maintenance. The FASAB standard defines deferred maintenance as "maintenance that was not performed when it should have been or was scheduled to be and which, therefore, is put off or delayed for a future period" (FASAB, 1996). HHS collects and reports BMAR as an independent, once-a-year effort, as opposed to requiring OPDIVs to export BMAR data to ARIS. There is no value in OPDIVs exporting BMAR to ARIS, since HHS relies on CI as a macro-level indicator of an OPDIV's asset management performance.

To calculate deferred maintenance, HHS land-holding OPDIVs and components, through condition assessments, systematically itemize and estimate costs for facility system level, non-routine repair requirements. These costs are then aggregated and prioritized at the OPDIV level. BMAR requirements drive OPDIV asset-based strategies/decisions, which in turn drive budget submissions. Funding is sought for these requirements through a variety of methods and appropriations. As agencies do not necessarily obtain sufficient funds to address all the maintenance and repair requirements, BMAR indicates the shortfall in funding required to raise overall condition levels to an acceptable target standard and is compared to the asset replacement value to calculate the Condition Index. It is Condition Index that HHS may monitor for internal scorecard and performance evaluation purposes.

Each OPDIV or other HHS component is responsible for the following to assure appropriate implementation:

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1. Each land-holding OPDIV conducts an annual assessment process consisting of an OPDIV-specific combination of strategic (“desk-top”) and tactical (“visual”) assessment methods. These methods identify repair and maintenance projects for each HHS owned and operated facility that need to be completed within any given year. The combination of methods is a function of OPDIV resources, with no facility going longer than five years without a visual inspection.
2. Each land-holding OPDIV utilizes an electronic asset inventory data processing system, such as Microsoft Access database. HHS does not require a specific system, only that the system is capable of automatically totaling, storing and reporting BMAR values (among other data points). OPDIVs and HHS have coordinated systems in conjunction with the implementation of the HHS ARIS. Data in OPDIV systems is exportable to ARIS, (although for reasons as previously discussed, BMAR is not one of the exported items).
3. Annually, in the last quarter of each fiscal year, the OPDIV updates their assessment information, reviews their BMAR figures, assesses BMAR driving factors and associated risk, adjusts their asset-specific strategies and prepares their budget submission so as to meet or exceed CI objectives over time.

### ***4.5 Operations and Maintenance Plan***

HHS has improved its Operations & Maintenance (O&M) resource planning by linking O&M requirements to the budget-decision making process. O&M planning is a key sub-element of OPDIV Asset Business Plans (ABPs), which feed budget submissions. Other sub-elements of ABPs include Capital Improvement plans, Environmental plans, Safety plans, and Cultural Resource plans. By closely monitoring Condition Index, with an eye on other indicators such as Operations Cost, Utilization and Mission Dependency, HHS develops pre-budget guidance each year to better align OPDIV O&M investment plans and strategies with HHS “portfolio” goals and objectives. Additionally, the HHS portfolio management approach drives O&M costs towards industry standards/common benchmarks, which, in turn, aids in applying lessons-learned and best business practices across OPDIVs.

#### **4.5.1 Consideration of Socio-Economic Responsibilities - Environmental Management Plan**

EO 13327 requires each agency to develop an asset management planning process and associated plan, which encompasses many different program areas. Environmental quality and compliance is one of those areas of socio-economic consideration. This consideration is addressed by the Department in various ways, including implementation of the National Environmental Policy Act (NEPA) of 1969 (42 USC 4321 et seq.), the incorporation into the RAMP of Sections 3.4, Sustainability Initiative and Section 4.1.2, Energy and Water Conservation and the implementation of an Environmental Management System (EMS) model (ISO 14001).

The Department has found that the Environmental Management System (EMS) model, supported and emphasized by EO 13423, feeds into the overall business model required by EO 13327. The EMS is a business management practice, which allows an organization to strategically manage its entire Environmental Program. System implementation is based on the “Plan, Do, Check, Act,” model, using a standard process to identify goals; implement these goals; determine progress, and make adjustments to ensure continual improvement.

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The Environmental Management System's elements include:

- Policy endorsed by top management stating the organization's commitments to EMS.
- Planning activities to identify issues and related legal and other requirements as well as developing objectives and targets to improve short and long-term performance related to these issues.
- Implementing processes including management programs, operational controls, and training to achieve the objectives and maintain control over issues.
- Monitoring and measuring the status of relevant parameters, the progress toward objectives and targets, and the stability of the system itself.
- Conducting a Management Review of system to ensure senior leadership remains tied-into the system and can track its progress towards continual improvement.
- Providing procedures for corrective action in cases where monitoring data and Management review indicate non-conformance.

Executive Order 13423 requires HHS, at all appropriate organizational levels, to develop, implement and maintain an EMS to identify and address agency environmental, transportation and energy issues. The Department's current and near term actions in supporting this plan includes:

- Maintain the Department's Environmental Integrated Program Management Team to manage the requirements of OMB's new scorecards on Environment, Energy, and Transportation. This team was established and is lead by the Environmental Program Manager and consists of Departmental program managers in the areas of Environment, Planning & Construction, Energy, Procurement, Transportation Logistics, and Information Management. This team is responsible for planning upcoming actions to support the 3 new scorecards, implementing those actions, and reporting those actions to the OMB.
- Continue to develop and strengthen facility-level EMSs. Work with OPDIVs and facilities on an individual basis to provide assistance with specific facility-level EMS needs and issues.

### ***4.6 Routine Maintenance and Minor Repair Needs***

The HHS operating budget request and OPDIV annual operating appropriation consists in part of operating funds specifically allocated for maintenance and associated minor repairs of existing facilities. This process is monitored by the HHS Senior Real Property Officer using CI metrics. Routine maintenance is defined as recurring work to keep a real property asset in a useable state or condition, and may include replacement of constituent parts, materials or equipment, inspection, adjustment, cleaning, resurfacing, etc. This may include salaries, service or maintenance contracts, and equipment and stock items. Minor repairs are defined as those repairs incidental to routine maintenance and of lesser value than the maintenance work: For example, replacing a limited amount of sheathing as part of resurfacing a roof. Annual operating

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appropriations include funds, which should be sufficient to perform routine maintenance and minor repairs. Unless otherwise identified in an appropriation, OPDIVs are to perform routine maintenance and minor repair of existing facilities, including related engineering and inspection services, with annual operating funds.

Routine maintenance and minor repair projects are not subject to the \$3,000,000 threshold requiring ASAM approval under the Capital Investment Review Board policy. Routine maintenance and minor repair projects do not add value to the underlying real property asset. This work does not require review or approval by the Department. The OPDIVs are responsible for determining the requirements for routine maintenance and minor repairs of existing facilities, identifying priorities as needed, and requesting funding through the budget process, to satisfy facility stewardship requirements (*i.e.*, CI) when a guideline is set by the Department.

### **4.6.1 Additional Actions to Improve Routine Maintenance and Minor Repair**

OS, under the leadership of the HHS Senior Real Property Officer, improved routine maintenance and minor repair by: convening a working group of OPDIV representatives to discuss strengths, weaknesses, threats, opportunities and objectives and developed a prioritized short list of best practices to consider, and come to a consensus as to the estimated savings that best practices may yield (*e.g.* 3%-5% of total operating cost after the condition goals have been met); developed notional implementation strategies to better estimate potential costs and savings; and assessed need for contractor support. OFMP will evaluate progress against strategy as part of Facilities Scorecard review; and OFMP will assess lessons-learned relative to best business practice strategies and issue pre-budget O&M guidance annually.

In addition, OFMP has begun Reliability Centered Maintenance (RCM) training sessions for HHS facility personnel and conducted HHS campus O&M evaluations.

### **4.7 Capital and Operating Resource Requirements**

HHS has multiple appropriations from which operating expenses are funded. Expenses include all of the contract costs for leases and operating expenses in the O&M Plan for facilities/assets such as cleaning, maintenance, and utilities. It also includes additional contractual obligations for purchase contracts and all overhead items such as salaries, training, travel, facility related IT costs, and other contracts necessary to help HHS run its business. The head of each OPDIV is responsible for the development of the Agency Annual Facilities Plan that identifies capital and operating resource requirements. Each Plan is developed jointly by the agency's program planning, budget, environmental, and facilities staffs and should include all facilities projects that will be requested in the forthcoming annual budget process. OPDIVs are encouraged to submit Annual Facilities Plans that show all requirements, regardless of anticipation of funding.

### **4.8 Operations Performance Measures and Continuous Monitoring**

HHS utilizes performance measures to track the effectiveness of its operations phase of its asset management. The measures include: Condition Index, Utilization, Operating Cost and Mission Dependency. These measures are consistent with the FRPC's First Tier Measures for operations.

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**4.8.1 Federal Real Property Council Measures**

*Condition Index*

HHS uses the Condition Index (as described in Section 4.4.1) for owned assets. Condition surveys are performed on a recurring basis to help quantify the maintenance and repair needs of the facility. These needs are then compared to the current Replacement Value of the facility. This process is fully integrated into the operations at the land-holding OPDIVs for owned buildings.

The goal for the OPDIVs will be to achieve, over time, a minimum condition index for their portfolio of assets. The value of repair needs associated with the actual condition index will be compared to the value of the repair needs associated with the target index. Investment strategies will be developed to close the gap over time. Mission criticality, utilization and operating cost are all used in the development of the annual facilities program and are considered in the prioritization of budget requests. HHS issues budget guidance to the OPDIVs that includes further instructions on the use of these measures to strategically manage their assets.

*Facility Utilization*

HHS tracks utilization of its five major property types in conformance with FRPC guidance and has provided guidance to the OPDIVs for reporting facility utilization. The information is reported and kept current in the Automated Real Property Information System. HHS utilizes this performance measure to determine the extent of facilities utilization in five major property types occupied by HHS: office, warehouse, laboratory, hospital and housing (as defined by the Federal Real Property Council). Applicability extends to all properties leased and/or owned and operated by HHS, but not properties owned by the HHS and operated by others, such as the IHS properties operated by tribes.

Each OPDIV or HHS component follows the procedures discussed below to determine the utilization of each property type as Over Utilized, Utilized, Underutilized or Not Utilized. On an annual basis in the last quarter of each fiscal year, the OPDIV reviews the facility categorizations and updates the building inventory system with any changes.

Each OPDIV bases its measurement on an annual census. The census counts each staff person who both holds an HHS (or OPDIV) ID and occupies HHS (OPDIV) facilities. Staff includes HHS (OPDIV) employees (FTEs), contractors, guest researchers, research fellows, tenants (such as day care centers and retail spaces) and volunteers. No distinction is made between part time and full-time employees, each of whom is counted as a whole number. The census counts people in all facilities, leased or owned.

**A. Office**

Offices are defined as buildings primarily used for office space. Based on the percent utilization breakdown shown in Table 3 of the *FRPC Real Property Inventory – User Guidance for FY 2007 Reporting for Utilization* for offices, and allowing for a 5% standard deviation for calculating square footage, HHS has set forth the following criteria for reporting utilization status in the HHS ARIS:

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<b>Offices:</b>	
<b>Over-utilized (1)</b>	<161 nasf/pp*
<b>Utilized (2)</b>	161-226 nasf/pp
<b>Under-utilized (3)</b>	>226 nasf/pp
<b>Not Utilized (4)</b>	0
*The 226 nasf/pp figure does not supersede the current HHS UR Policy. <sup>6</sup> Any UR that exceeds 214 nasf/pp requires clearance from the Deputy Assistant Secretary (DAS) for Facilities for owned and leased properties, as outlined in the policy.	

If an asset meets any of the following exceptions, it will be reported as “utilized”: fewer than five (5) occupants and/or less than 3,000 useable/rentable square feet; listed as Historic Eligible or Historic Registered; security assets (e.g. guard shacks, visitors centers) and COOP facilities.

**B. Warehouse**

HHS warehouses generally operate as centralized receiving, distribution, and stores operation. Their functions include, but are not limited to the following: receiving, bar-coding, staging, and distributing accountable property, short-term storage not to exceed six months, staging surplus property for disposal and/or reutilization, package, palletize, and stage shipments as necessary.

Analysis of the list of HHS warehouses and their square footages showed a definite break in square footage at the 10,000 square foot mark. Most warehouses, by definition, would be above the 10,000 sq. ft. mark, and storage, by definition would be below 10,000 sq. ft.

HHS uses the following formula to calculate utilization of warehouses:

*[Design Capacity (floor plate (GSF) or number of stacks facility was designed for)] x [% of space (either GSF or number of stacks) utilized] x 100.*

<b>Warehouse/storage assets (over 10,000sq. ft.):</b>	
<b>Over-utilized (1)</b>	>85%
<b>Utilized (2)</b>	50% - 85%
<b>Under-utilized (3)</b>	<50%
<b>Not Utilized (4)</b>	<10%

<sup>6</sup> No office shall exceed 215 nsf in accordance with HHS Policy title Office and Related Space Utilization Rate (U/R).

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**C. Hospital**

FRPC guidance states that a real property asset may have only one predominant use code, and does not allow for a mixed service health care delivery model. The IHS has 43 assets with the building predominant use classification of “Hospital”, but uses a health care system that provides for outpatient services (ambulatory care) and inpatient services (hospital or non-ambulatory care), typically both within one asset.

HHS currently determines the utilization of its hospitals, including the inpatient and clinic components of the hospitals, by comparing required program space/existing space based on the IHS Health System Planning<sup>7</sup> (HSP) process.

<b>Hospitals:</b>	
<b>Over-utilized (1)</b>	>120%
<b>Utilized (2)</b>	80% - 120%
<b>Under-utilized (3)</b>	<80%
<b>Not Utilized (4)</b>	0

Example: The IHS Hospital at Winnebago has 169,678 nsf of existing space and according to HSP, Winnebago requires 149,214 nsf. Formula:  $149,214/169,678 = 88\%$ . 88% is utilized.

**D. Laboratories**

The design capacity for HHS research laboratory for planning and occupancy purposes shall not exceed 460 net assignable square feet (nasf) per scientist. Research laboratory (e.g. “*wet laboratory*”) space includes: laboratory (based on a standard module of 11’x33’), laboratory support, and laboratory related offices. Laboratory personnel who are housed within the identified space are defined as budgeted FTEs including vacancies for which recruitment has been approved and applies to all acquisitions not already advertised, as well as to new construction and renovations not yet at an approved final design stage. It does not include building and floor common areas (public elevator lobbies, corridors, restrooms) and GSA or HHS joint use areas. Many HHS laboratories are unique because of the diverse missions of the Centers for Disease Control and Prevention, the Food and Drug Administration, and the National Institutes of Health. The following laboratory functions are excluded and will be measured separately from HHS standard laboratory utilization rate:

Centralized Support: Centralized laboratory stand alone support facilities, such as centralized freezers, glass wash facilities, and computer centers, are determined by use of appliances,

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<sup>7</sup> Required program space in the HSP is determined by numerous factors such: as demography, function or discipline, staff travel time, service radius, work load threshold, work load limits, bed days, visits, man hours, exams, meals, staff, service, linen, billable test, births, work units, storage index, and surgical procedures

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equipment and instruments to support research on a centralized basis. Net assignable square feet per person will not be employed to determine the utilization rate for shared and centralized support laboratory spaces. Centralized support space exists to support research; therefore, they are utilized so long as there is research.

Instrument or Special Purpose Laboratories, High Containment Laboratories and Clinical Research: Special purpose and instrument laboratories are determined by size of equipment and instruments. Net assignable square feet per person will not be employed to determine the utilization of special purpose or instrument laboratories. Special purpose laboratories are utilized or not utilized; likewise high containment laboratories (BLS-4) and clinical research space will be utilized or not utilized.

Animal Research Facilities (Vivariums): The utilization of animal housing is based on the requirements in the *Guide for the Care and Use of Laboratory Animals*. The utilization of the related animal research facility support functions are determined by research protocols and species housed, including: necropsy, surgery, procedure room, cage wash, quarantine area, sterilizer room, isolation, locker room, feed and bedding storage, X-ray, treatment room, behavioral testing room, microinjection room, transgenic lab suite, diagnostic lab suite, environmental experiment room, cage decontamination area, surge cage storage, field equipment room, material decontamination/entry, incinerator, tissue digester, food preparation kitchen, automatic watering system room, CVAC system support room shared space for records, locker rooms, animal irradiator, analgesic inhaler device, and waste disposal are determined by research protocols and species housed. Animal research facility support spaces are utilized or not utilized.

HHS standard laboratory utilization will be determined by the square footage ranges published in the HHS Facility Manual.<sup>8</sup>

<b>Laboratories</b>	
<b>Over-utilized (1)</b>	,<200 nasf/pp
<b>Utilized (2)</b>	200 – 460 nasf/pp <sup>9</sup>
<b>Under-utilized (3)</b>	>460 nasf/pp
<b>Not Utilized (4)</b>	0

<sup>8</sup> The two volumes of this manual can be found at <http://www.hhs.gov/asam/ofmp/vol1.html> and <http://www.hhs.gov/asam/ofmp/FPMvol2.html>.

<sup>9</sup> Research at the National Institutes of Health is similar to a university biomedical research program that utilizes a large number of Post Doctorate Fellows in their research laboratories and, therefore, their density would be higher. The Centers for Disease Control and Prevention and the Food and Drug Administration biomedical research programs are more aligned with industry and their density would be lower.

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**E. Housing**

There are four basic types of HHS housing: 1) dormitory-like, 2) hotel-like, 3) apartment, and 4) stand-alone. IHS refers to their housing as family quarters. Some of the family quarters are for full-time occupants. These quarters can change from full-time to transient and vice versa based on the need.

All OPDIVs believe that housing is critical to their mission and that this mission would be negatively impacted if they were unable to offer housing. The primary purpose of housing is to attract and retain highly qualified staff. All housing is for non-local residents. In the case of IHS, housing is a necessity because in many of their remote areas the closest housing community is 40 miles away and permanent housing cannot be built on the reservations. Also, many of the staff that utilizes housing are on temporary assignments to the area, and it is not feasible or practical for these staff to purchase housing while maintaining housing at their permanent duty station.

It has been determined that HHDS OPDIVs have housing assets that are utilized on a seasonal basis, are predominantly used during a specific peak season, are utilized year-round, and a combination thereof. Therefore, the workgroup concluded that it is necessary to develop a calculation which captures seasonal or predominantly used during a specific peak season and year-round utilization.

Accordingly, housing utilization will be calculated as follows:

**Housing assets (Constructed Asset Level) – Year Round Use**

Individual housing assets used year-round must be occupied for 310 days per year to achieve 85% occupancy on a daily basis to be considered utilized for the reporting year. Multiple Occupancy Units (Apartment buildings, Dorms, Quads, Bunkhouses, Duplexes, etc.) are considered occupied if any portion, i.e., room or individual apartment, is occupied on a daily basis.

**Calculation:** *365 days x 310 days or 85% utilization rate*

85% to 100% = Utilized

<85% = Under Utilized

Exception: An individual housing asset is considered occupied if being held for an anticipated hire.

**Housing Assets (Constructed Asset Level) – Seasonal or Predominantly Using During a Specific Peak Season**

Individual housing assets used seasonally or predominantly used during a specific peak season must be occupied for 85% of the days included in the seasonal period to be considered utilized for the reporting year. Multiple Occupancy Units (Apartment buildings, Dorms, Quads,

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Bunkhouses, Duplexes, etc.) are considered occupied if any portion, i.e., room or individual apartment, is occupied on a daily basis.

**Calculation:** Determine the total number of days in the seasonal period  $\times .85 = 85\%$  utilization rate

85% to 100% = Utilized

<85% = Under Utilized

**Example:** A housing asset is used during a seasonal period of April through October (244 days).

Seasonal days =  $244 \times .85 = 207$  days or 85% utilization rate.

If this housing asset were occupied 207 days or more during the seasonal period April through October, it would be considered “Utilized.” If it were occupied less than 207 days, it would be considered “Under Utilized.”

Exception: An individual housing asset is considered occupied if being held for an anticipated hire.

Industrial Institutional Service

There is no specific FRPC measure in place for these types of buildings. When used, OPDIVs will continue to code these categories as utilized.

On an annual basis in the last quarter of each fiscal year, the OPDIV reviews the facility categorizations and update the building inventory system with any changes.

**Summary Table**

Rate	Office	Warehouse	Hospital	Laboratory	Housing
Over Utilized	<161nasf/pp	>85%	> 120%	< 200 nasf	N/A
Utilized	161-226 nasf/pp	50-85%	80% -120%	200 – 460 nasf	85-100%
Under Utilized	>226nasf/pp	10-50%	< 80%	> 460 nasf	<85%
Not Utilized	N/A	<10%	N/A	N/A	N/A

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*FDA WEAC Facility – Winchester, Massachusetts*

### ***Operating Costs***

In accordance with FRPC guidance, HHS developed and is implementing an operating cost measure that captures annual operating cost (recurring maintenance and repair, utilities, custodial and grounds) at the constructed asset level. HHS has provided guidance to the OPDIVs for reporting operating costs (see [Attachment 7](#)). The information is reported and kept current in the Automated Real Property Information System.

### ***Mission Dependency***

HHS requires that all OPDIVs and components provide an annual categorization of all assets into FRPC standard categories of Mission Critical, Mission Dependent and Not Mission Dependent and has provided guidance for making this determination. The measure is recorded and kept current in the Automated Real Property Information System. (See Section 4.4.1, herein.)

### **4.8.2 Agency Specific Measures**

(See Section 3.2.2, 3.2.3, 3.2.4, and 4.4.2 herein)

### ***4.9 Operations Initiatives***

HHS has successfully undertaken several initiatives to enhance the operation and management of its real estate portfolio. These include:

1. Compiled a inventory of accurate and complete data regarding the HHS portfolio to insure that the FRPC developed metrics are being applied against accurate data ,
2. Assessed the space needs of HHS and its OPDIVs to determine utilization, and outlined a Tactical Real Property Plan for real estate activity for the next five-year period, defined as the period through December 2011, to provide better management and oversight of agency real property assets.
3. Implemented FRPC performance measures to use in managing its portfolio. The measures include Mission Dependency, Utilization, Facility Conditions (Condition Index and Backlog of Maintenance Repair) and Operating Expenses. HHS also developed and

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implemented construction performance measures pertaining to projects to assess deviations in project scope, budget, and schedule.

4. Implemented a software tool – HarborFlex -- for executive reporting purposes. The software enables the HHS Office for Facilities Management and Planning (OFMP) to mine real estate data from the OPDIV systems for portfolio planning, measuring performance and budgeting purposes. In addition to the FRPC-required fields, HHS initially added 15 fields that are used to manage the portfolio, including lease specific data. HHS is evaluating additional data fields to improve overall portfolio management.
5. Initiated campus audits and lease audits to assist in identifying opportunities for process improvements and cost savings.
6. Implemented Department-wide policy for incorporating sustainable design principles on all major construction, improvement and repair and maintenance projects, lease actions and extramural construction grants to insure design decisions take into account lowest life-cycle costs and meet the intent of the Memorandum of Understanding for High Performance and Sustainable Buildings. The Implementation Plan addresses the assessment of existing buildings and incorporation of sustainable practices into the Operations and Maintenance of existing buildings.
7. Updated the Facility Project Approval Agreement (HHS Form 300) to more succinctly address asset performance measures (PART, FRPC and Sustainable Design) as part of the business case supporting the project.
8. Implemented standardized life cycle cost analysis (LCCA) for all major capital investments to assess alternative approaches to meeting program requirements.

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## **Section 5      Disposal of Unneeded Real Property**

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### ***5.1 Tools to Support Decision-making***

The HHS Facility Program Manual provides policies for disposition of excess properties. Property is disposed of through the General Services Administration (GSA) if excess to the needs of HHS. OPDIVs, after appropriate internal clearances/approvals are received, report the excess real property to HHS OFMP for screening as to other possible Departmental needs. In addition to GSA’s disposal assistance, excess assets controlled by Indian Health Service may be transferred to the Department of the Interior for direct tribal use.

#### **5.1.1 Facilities Utilization Performance Measure**

The primary tools relied upon by HHS in decision-making concerning asset disposal issues is a “Retention/Disposal” Analysis. This analysis is supplemented by the Facilities Utilization Performance Measures contained in Section 4.8.1 of this RAMP. The “Retention/Disposal” analysis considers such factors as:

- Current and long term HHS mission needs;
- Considerations and planning objections of the local community;
- Stewardship issues such as historic preservation requirements;
- Available alternative housing solutions; and
- Costs associated with retaining and operating the existing facility versus acquiring a replacement facility and disposing of the asset.



*FDA Warehouse, Davisville, Rhode Island*

In addition to the above described tools and analysis, HHS evaluates the environmental and safety impacts associated with asset disposition. The closure requirements of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Resource Conservation and Recovery Act (RCRA), are addressed. Environmental documentation that is prepared, includes, at a minimum:

- *Environmental Baseline Survey (EBS)* – The EBS is an environmental “due diligence” that reviews the operational history of the real property to identify potential environmental issues including, but not limited to, hazardous substance activities, equipment containing polychlorinated biphenyls, asbestos containing materials, underground storage tank systems, wetlands, and floodplains.

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- *National Environmental Policy Act documentation* to assess potential environmental impacts of the action. In accordance with the National Environmental Policy Act, an Environmental Assessment or Environmental Impact Statement may be required.

### **5.1.2 Identifying Owned Assets for Disposition**

HHS owned assets are initially identified for disposition through the land-holding OPDIVs' facility master planning and budget processes. Each OPDIV is required by HHS policy (HHS Facility Program Manual) to develop and maintain a facility master plan. These plans assure the orderly development of HHS sites and properties. Each OPDIV uses the retention/disposal analysis discussed above as part of the master planning process. Part of every master plan is the identification of both short-term (*i.e.*, 5 years or less) and long-term (*i.e.*, 20 years or more) development needs. A key to a good master plan is its linkage to the strategic plan of the OPDIV and the Department. The Performance Assessment Tool ([Attachment 8](#)), approved by the Federal Real Property Council, has been incorporated into the identification process to provide an initial candidate list for disposition.

After the master plan analysis is complete, disposal identification enters the HHS budget process. If a facility is being disposed through the GSA, the costs of that process are included in the OPDIV budget request. Similarly, if the facility is proposed for demolition and replacement with a new structure, the cost of that capital investment is included in the OPDIV budget request. When the funds needed for the disposition or demolition is approved, the identification cycle is complete.

### **5.2 The Disposal Process**

The final stage of the capital life-cycle is disposal. HHS does not have direct authority to dispose of its excess real property assets. Therefore, HHS complies with the applicable provisions of the Federal Property and Administrative Services Act of 1949, as amended, 40 U.S.C. §§471 *et seq.* This Act established the General Services Administration as the agency responsible for the disposal of federal assets. GSA has promulgated regulations, specifically the Federal Management Regulations (FMR), 41 FMR Chapter 102-75, that detail the procedures and forms required by a federal agency requesting disposition of federal real estate.

Prior to disposition of HHS real property, the following criteria must be met:

- Real Property must be excess to the needs of the agency;
- All requirements of the GSA disposal regulations are then followed. This includes reporting to GSA on environmental, historic and other factors known about the land.

It is the responsibility of the landholding OPDIVs to apply this process to properties identified for disposal. Candidate properties are then cleared through OFMP to assure that there is no Departmental need. If there is none, OFMP prepares a "Report of Excess" (ROE) and submits the ROE to GSA's Office of Real Property Disposal for further processing. The ROE contains salient "due diligence" information such as:

1. A description of the property;
2. The date title to the property vested in the United States;

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3. All exceptions, reservations, conditions and restrictions relating to the title acquired by the United States;
4. Detailed information concerning any actions or circumstances since acquisition that may have affected the right, title and interest of the United States to the property, together with copies of opinions or comments that may be contained in the file concerning the described actions or circumstances. If no such action or circumstance occurred, then a statement to that effect should be included in the report under this element;
5. The status of the legislative jurisdiction of the real property;
6. Information concerning any known flood hazards or flooding of the property and whether located in a flood plain or wetlands, as well as a listing or citation to the uses that are restricted under identified federal, state or local laws and regulations, as a consequence;
7. Identification of any fixtures or related personal property that have possible historical significance or artistic value;
8. The historical significance of the property, if any, and whether the property has been listed or is eligible for listing in the National Register of Historic Places, or is in proximity to such a historic property. Whether the public, or interested parties, are making any effort to have the property listed should also be included in the report;
9. The identification of the type, location and condition of any asbestos known to be incorporated into the buildings, and/or structures on the property. Available estimates of the cost and time to remove the asbestos contamination should also be included in the report;
10. With respect to any hazardous substance activity on the property:
  - (i) A statement indicating whether any hazardous substance activity (as defined by 40 CFR §373), took place on the property;
  - (ii) If such activity took place, include information on the type and quantity of such hazardous substance, and the time when such storage, release, or disposal took place. The report should also note if all remedial action necessary to protect human health and the environment has been taken before the property was declared excess. If no remedial action has been taken, or completed, then state when the action will take place;
  - (iii) If no hazardous substance activity has taken place on the property (as defined in 40 CFR §373), then the report should include the following statement:

“The [reporting agency] has determined, in accordance with regulations issued by the Environmental Protection Agency at 40 CFR Part 373, that there is no evidence to indicate that hazardous substance activity took place on the property during the time the property was owned by the United States.”

In addition, all title evidence documents, any appraisal reports and a certification that the property does not contain any PCB containing transformers or other equipment regulated by the Environmental Protection Agency under 40 CFR Part 761 is included.

Thereafter, disposal of HHS excess property by GSA follows a four-step process:

- Screening of federal agencies for possible continued federal need by another agency;
- Screening for specific Public Benefit Conveyance opportunities for the property’s reuse (*i.e.*, Homeless, Education, Correctional facilities, self-help housing, public health, or fire and/or police training);

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- Negotiating with the local community based on highest and best future reuse of the real property in question; or
- Taking the real property to the market to sell by sealed bid, public outcry auction, or Internet sale.

Section 203(k) of the Federal Property and Administrative Services Act of 1949 (FPASA), as amended, authorizes the Secretary of the Department of Health and Human Services (HHS) to convey surplus federal real properties to eligible applicants for approvable public health purposes at public benefit discount.

### ***Title V of the Stewart B. McKinney Homeless Assistance Act***

Title V of the Stewart B. McKinney Homeless Assistance Act directs the Secretary to include as a permissible public health use, within the meaning of section 203(k) of FPASA, the transfer of surplus federal real property for facilities to assist the homeless. In accordance with Title V of the McKinney Act, organizations that provide services to the homeless receive priority consideration in the use of federal surplus real property.

Eligible organizations include states, and their political subdivisions and instrumentalities, tax supported institutions, and nonprofit organizations. The Surplus Property Program is administered by this Department's Program Support Center (PSC). Entities interested in acquiring federal surplus property for public health uses obtain an application instruction packet from the PSC. The PSC develops an annual report to Congress on all federal property conveyed for public health and homeless reasons.

## ***5.3 Disposal Performance Measures and Continuous Monitoring***

### **5.3.1 Federal Real Property Council Disposal Measures**

#### ***Performance Assessment Tool***

HHS utilizes the *Performance Assessment Tool* methodology developed by the Federal Real Property Council when considering whether to keep or dispose of a particular real property asset. (See [Attachment 8](#)).

### **5.3.2 Agency Specific Measures**

#### ***Disposal of Leases***

As noted earlier, HHS utilizes leases managed by GSA, as well as leases managed directly by HHS. In the past, most OPDIVs began discussing plans for existing leases approximately 24 months in advance of the lease expiration, based on a review of the user's business plans and future space needs. There are some cases where the long term housing plans call for HHS to relinquish leases back to GSA or a third party landlord, such as in the case of the FDA groups moving from leased space to the White Oak campus. In such a scenario, the HHS group works closely with GSA to minimize leasing and moving costs by tracking the lease terms against the target move-in date for the new space.

HHS, with the development of its RAMP and related tactical plan, improved the process for assessing the potential disposal of leases. The RAMP has a minimum time horizon of five years, but HHS has analyzed the leased portfolio through 2014, given the impact of the new campus at

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White Oak on long term leasing plans. The new planning process draws on real estate market projections and the development of housing scenarios to determine the most effective housing solutions for leased and owned assets. Through such analyses, HHS can determine if there are opportunities for OPDIVs to backfill leased space that may be vacated by other OPDIVs and whether there are opportunities for OPDIVs to co-locate.

### *Disposal of Owned Assets*

HHS policy regarding retention of owned assets lays out conditions in which real property may be retained and directs OPDIVs and components to dispose of properties that do not meet those conditions. HHS policy also clearly enumerates steps to be taken to dispose of properties that are excess or otherwise do not meet the conditions for retention. The policy is described in Section 5.4, below.

IHS has received properties from the Bureau of Indian Affairs (Department of the Interior) that were directly related to the delivery of health services. Through a Memorandum of Understanding and subsequent Delegation of Authority, the Indian Health Service may re-transfer to the Department of the Interior properties that are excess, where the Bureau of Indian Affairs has expressed an administrative need. Properties transferred must meet certain conditions, are transferred without compensation and are held in trust in favor of the Indian tribes within whose boundaries such excess property is located. IHS reviews these property transfers for conformance with provisions of laws governing such transfers.

### **5.4 Disposal Initiatives**

HHS is striving to expedite the disposal of unneeded and non-performing assets. There are various methods and actions for disposal of non-performing, excess, outdated or obsolete properties within the portfolio.

NIH and CDC operate on campuses that contain little or no land available for expansion or construction of new facilities to meet demand. NIH and CDC evaluate existing buildings with life cycle cost analyses that compare major renovation and security upgrades to replacement costs. Where it is economically advantageous, obsolete assets are demolished and replaced with new state of the art buildings capable of functioning at the highest level. Where the life cycle cost analyses reveals that renovation yields the best economic returns to the agency, the assets are renovated to provide further service.

HHS is developing policy initiatives to further the goal of disposition of excess assets. HHS uses the Performance Assessment Tool developed by the FRPC Performance Measures Committee as one initial identifier of facility candidates for disposition. Because of significant budget growth in landholding OPDIVs over the past several years associated with new missions in bio-defense, concerns over drug safety, discovering new treatments for disease, and treating a growing Native American and Alaska Native population, HHS over the past few years has outgrown its space in many areas. Further, HHS disposed of its largest underutilized facility, St Elizabeths Hospital West Campus, to GSA in early 2005. In order to assess consolidation, integration and disposition opportunities, HHS developed a draft "Tactical Housing Plan" in 2005 to provide housing scenarios.

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In addition, HHS commissioned a Review of Federal Enhanced Real Property Authorities to compare existing Departmental real property authorities with those authorities possessed by other federal agencies (*i.e.*, Department of State, Department of Veterans Affairs, National Aeronautics and Space Administration, and the Military Departments of the Department of Defense) to determine if a need exists to obtain enhanced real property authorities ([Attachment 9](#)). The report's recommendation that enhanced authorities would allow the Department to better perform its real property asset management responsibilities was approved by the HHS Capital Investment Review Board in September 2006. OFMP is now working with OPDIV Facility Directors and the Office of the Assistant Secretary for Legislation to identify potential pilot projects that may benefit from enhanced real property authorities.

Specific information concerning HHS disposition plans and accomplishments are reflected in the HHS Three-year Timeline provided as [Attachment 4](#).

## **Attachment 1**

### **Federal Real Property Council Mandatory Inventory Data Elements and Performance Measure Definitions**

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***NOTE: Data Elements that are also Performance Measures will indicate the Performance Measurement number parenthetically.***

**1. Real Property Type**

Definition: Indicates one of the following types of real property:

1. Land;
2. Building; or
3. Structure.

**2. Real Property Use**

Definition: Indicates one of the following real property uses:

**A. Land Predominant Use:**

1. Agriculture: Land under cultivation for food or fiber production.
2. Grazing: Conservation lands primarily administered to preserve, protect, manage, or develop grass and other forage resources suitable for livestock. Exclude Wilderness Areas from this classification.
3. Forest and Wildlife: Conservation lands primarily administered to preserve, protect, manage, or develop timber, wildlife, watershed, and recreational resources. Exclude Wilderness Areas from this classification.
4. Parks and Historic Sites: Land administered for cemeteries, memorials, monuments, parks (national, historical, military, memorial, and national capital), sites (battlefield and historic), parkways, and recreation areas. Exclude Wilderness Areas from this classification.
5. Wilderness Areas: Land designated by Congress as a part of the National Wilderness Preservation System.
6. Office Building Locations: Land containing office buildings or future planned office buildings, to include military headquarters buildings.
7. Training Land: Land containing training buildings, or land that is used to conduct outdoor training, such as firefighting, weapons training, or other military training activities.
8. Miscellaneous Military Land (not covered elsewhere): Department of Defense (DoD) and U.S. Coast Guard (USCG) controlled land used for military functions that cannot be classified elsewhere.
9. Airfields: Land used for military air bases or air stations, and military or civilian landing fields.
10. Harbor and Port: Land used for harbor and port facilities.
11. Post Offices: Land used in conjunction with a Post Office and used predominately as a general service and access area.
12. Power Development and Distribution: Land used for power development and distribution projects.
13. Reclamation and Irrigation: Land used for reclamation and irrigation projects.

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14. Flood Control and Navigation: Land used for flood control and navigation projects.
15. Vacant: Land not being used.
16. Institutional: Land used for institutional purposes such as hospitals, prisons, schools, libraries, chapels, and museums.
17. Housing: Land used primarily for public housing projects, military personnel quarters, and dwellings for other federal personnel.
18. Storage: Land used primarily for supply depots and other storage.
19. Industrial: Land used for physical plants engaged in producing and manufacturing ammunition, aircraft, ships, vehicles, electronic equipment, chemicals, aluminum, magnesium, etc.
20. Research and Development: Land used directly in basic or applied research such as in science, medicine, and engineering.
21. Communications Systems: Land used for telephone and telegraph lines, data transmission lines, satellite communications, and other communications facilities or towers.
22. Navigation and Traffic Aids: Land used for aircraft and ship navigation aids, such as beacon lights, antenna systems, ground control approach systems, and obstruction lighting.
23. Space Exploration: Land used in direct support of space exploration and utilization, including launch and test sites, emergency landing sites (not airfield), and astronaut training.
24. Training Land: Land containing training buildings, or land that is used to conduct outdoor training, such as fire-fighting, weapons training or other military training activities.
25. Other Land: Land that cannot be classified elsewhere.

**B. Buildings Predominant Use**

1. Office: Buildings primarily used for office space or military headquarters.
2. Post Office: Buildings or portions of buildings used as a Post Office.
3. Hospital: Buildings used primarily for furnishing in-patient diagnosis and treatment under physician supervision and having 24-hour-a-day registered graduate nursing services. This category also includes medical laboratories used for routine testing. This category excludes buildings used directly in basic or applied medical research.
4. Prison (Government-owned only): Buildings under the jurisdiction of the Department of Justice or Department of Defense, used for the confinement of federal or military prisoners.
5. School: Buildings used primarily for formally organized instruction, such as schools for dependent children of federal employees, Indian schools, and military training buildings including specialized training facilities.
6. Other Institutional Uses: Buildings used for institutional purposes other than schools, hospitals, and prisons, such as libraries, chapels, museums, and out-patient clinics.

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- This category also includes food preparation and dining facilities, buildings housing entertainment and recreational activities, and visitor's centers.
7. Family Housing: Buildings primarily used as dwellings for families/dependents. (Includes apartment houses, single houses, row houses, public housing, military personnel housing, federal employee housing, and housing for institutional personnel.)
  8. Dormitories/Barracks: Buildings primarily used as dwellings for housing individuals (without families/dependents).
  9. Warehouses: Buildings used for storage, such as ammunition storage, covered sheds, and buildings primarily used for storage of vehicles or materials. Also included are underground or earth covered ammunition storage bunkers and magazines. This category excludes water reservoirs and POL storage tanks which are storage structures.
  10. Industrial: Buildings specifically designed and primarily used for production or manufacturing, such as the production or manufacture of ammunition, aircraft, ships, vehicles, electronic equipment, fish production, chemicals, aluminum, and magnesium. Included are buildings that house utility plants or utility system components such as pump stations or valves.
  11. Service: Buildings used for service activities, such as maintenance and repair shops, dry cleaning plants, post exchange stores, airport hangars, and buildings primarily used for vehicle maintenance and repair.
  12. Laboratories: Buildings used directly in basic or applied research in the sciences (including medicine) and in engineering, such as medical laboratories; meteorological research laboratories; and buildings used in designing, developing, and testing of prototypes and processes for chemistry and physics. This category excludes medical or industrial laboratories used for routine testing.
  13. Communications Systems: Buildings used for telephone and telegraph systems, data transmission, satellite communications, and/or associated with radio towers or other communications facilities.
  14. Navigation and Traffic Aids: Includes buildings that house aircraft or ship navigation and traffic aids, such as beacon lights, antenna systems, ground control approach systems, and obstruction lighting.
  15. All Other: Buildings that cannot be classified elsewhere.

**C. Structure Predominant Use**

1. Airfield Pavements: Runways, helicopter landing pads, taxiways, and aprons.
2. Harbors and Ports: Docks, piers, wharves, jetties and breakwaters, and other harbor, port, or coastal facilities.
3. Power Development and Distribution: Hydroelectric and other power development projects that produce power for resale (generally consisting of dams and powerhouses). Include transmission lines that are an integral part of federal power development, even if the power is produced by another federal agency.

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4. Reclamation and Irrigation: Canals, laterals, pumping stations, storage, and diversion dams.
5. Flood Control and Navigation: River improvements, revetments, dikes, dams, and docks.
6. Storage (other than buildings): Storage tanks, silos, igloos, underground vaults, and open storage improved areas. This category includes water reservoirs and POL storage tanks.
7. Industrial (other than buildings): Structures and facilities (other than buildings) used for production or manufacturing, such as sliding shipways, retaining basins, and pipelines.
8. Service (other than buildings): Structures used for maintenance and repair, such as underground fueling systems, vehicle washing and greasing facilities, aircraft bore sight ranges, guided missile maintenance facilities, and ship repair structures.
9. Research and Development (other than Laboratories): Structures and facilities used directly in basic or applied research in science, medicine, and engineering, such as facilities used in the design, development, and testing of prototypes and processes and space and aeronautics research and development. Excludes facilities used for routine testing.
10. Recreational (other than buildings): Outdoor recreational structures such as athletic fields and courts, stadiums, golf courses, and ski slopes.
11. Utility Systems: Heating, sewage, water, and electrical systems when they serve several buildings or other structures of an installation. When these systems serve a single building that is reported separately, include the utility systems' cost in the cost of the building. Includes heating plants and related steam and gas lines; sewage disposal plants; storm and sanitary sewer lines; water treatment plants, wells, pump houses, reservoirs, and pipelines. Also includes electrical substations, standby or auxiliary power plants, lighting structures, and conduits.
12. Space Exploration Structures: Structures used in direct support of space exploration and testing, including test structures, and specialized associated structures that cannot be classified elsewhere.
13. Communications Systems: Telephone and telegraph lines, data cables, radio towers, and other communications-related structures.
14. Navigation and Traffic Aids (other than buildings): Structures for aircraft and ship navigation aids, such as beacon lights, antenna systems, ground control approach systems, and obstruction lighting. Includes demarcation lighting along runways, taxiways, and other airfield pavements.
15. Roads and Bridges: Federally-owned highways, roads, related culverts, and connecting bridges. Includes surfaced and unsurfaced roads within national parks and forests, military installations, and other federal installations.
16. Railroads: Tracks, bridges, tunnels, and fuel or water stations servicing railroads.
17. Monuments and Memorials: Federal monuments, memorials, and statues.
18. Weapons Ranges: Ranges where weapons are fired, and areas where explosives are detonated.

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19. Miscellaneous Military Facilities: Structures and facilities of DoD and USCG used for military functions that are not included in any other classification.
20. Parking Structure: Independent structures for non-residential parking of more than two vehicles.
21. All Other: Sidewalks, parking areas, fences, and walking trails that cannot be readily classified under the above categories. Includes improvements to public domain lands, such as drainage, grading, and landscaping.

### 3. Legal Interest

#### A. Legal Interest Indicator

**Legal Interest Indicator** is used to identify a real property asset as being owned by the Federal Government, leased to the Federal Government (i.e., as lessee), or otherwise managed by the Federal Government (valid codes are in parentheses):

- Owned (G): The Federal Government has fee simple interest for the real property asset.
- Leased (L): The rights to use the real property asset have been assigned to the Federal Government by a private entity or a non-Federal Government entity for a defined period of time in return for rental payments.
- Otherwise Managed:
  - **State Government-Owned (S)**: A U.S. state government holds title to the real property asset but rights for use have been granted to a Federal Government entity in other than a leasehold arrangement.
  - **Foreign Government-Owned (F)**: A foreign government holds title to the real property asset but rights for use have been granted to a Federal Government entity in other than a leasehold arrangement.

#### B. Lease Maintenance Indicator

The *Lease Maintenance Indicator* is required for all leased assets (i.e., all assets with *Legal Interest* equal to “Leased”). See also *Condition Index* (data element #11). Indicate Yes (Y) or No (N) regarding whether agency is responsible for maintaining the condition of the asset.

#### C. Lease Authority Indicator

*Lease Authority Indicator* is required for direct leased assets only. Provide one of the 2-character codes to indicate the authority used to execute the lease (valid 2-character codes are in parentheses):

1. (IS) Independent Statutory Authority: Authority to acquire leased space that originates in a statute enacted into law. This may be an agency-wide standing authority to acquire leased space or it may be singular authority granted to acquire leased space for a specific activity of a Federal agency.
2. (CS) Categorical Space - Delegation from GSA: A standing delegation of authority from the Administrator of General Services to a Federal agency to acquire a type of space, such as antennas, depots, piers, and greenhouses.
3. (SP) Special Purpose Space - Delegation from GSA: A standing delegation of authority from the Administrator of General Services to specific Federal agencies to lease their own special purpose space.

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4. (PC) Provider of Choice Authority - Delegation from GSA: The Administrator of General Services has issued a standing delegation of authority (under a program formerly known as “Can’t Beat GSA Leasing,” now referred to as “Provider of Choice”) to the heads of all Federal agencies to accomplish all functions relating to leasing of general purpose space for terms of up to 20 years and below prospectus level requirements, regardless of geographic location. General purpose space is defined as office and related space, as well as warehouse space.

#### 4. Status

##### A. Status Indicator

*Status Indicator* reflects the *predominant* physical/operational status of the asset. Buildings, structures, and land assets will have one of the following attributes (valid codes are in parentheses):

- Active: Currently assigned a mission by the reporting agency.
- Inactive: Not currently being used but may have a future need. Includes real property in a caretaker status (closed pending disposal, for example facilities that are pending a BRAC action) and closed installations with no assigned current federal mission or function.
- Excess: Formally identified as having no further program use of the property by the landholding agency.
- Disposed: Required for assets that have exited the Federal portfolio of assets during the current reporting period.

##### B. Outgrant Indicator

In addition to the predominant *Status* of the property, each asset where the *Legal Interest* equals “owned” or “leased” will have an *Outgrant Indicator*. *Outgrant* refers to Federal Government-owned or leased real property in which rights have been conveyed or granted to another entity. Indicate Yes (Y) or No (N) as to whether rights have been conveyed or granted to another entity.

**Note:** For all leased assets where the agency is responsible for maintaining the condition of the asset, *Condition Index* must be reported.

**Exception:** Otherwise managed assets (Legal Interest = State Government-Owned [S] or Foreign Government-Owned [F]) are excluded from *Outgrant Indicator* reporting.

#### 5. Historical Status

Each asset where the *Legal Interest* equals “owned” or “leased” will have one of the following attributes:

1. National Historic Landmark (NHL);
2. National Register Listed (NRL);
3. National Register Eligible (NRE);
4. Non-contributing element of NHL/NRL district;
5. Not Evaluated
6. Evaluated, Not Historic

#### 6. Reporting Agency

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Definition: The agency reporting the property to the FRPC Inventory database (GSA). (Use the Agency Bureau Code list maintained by GSA).

**7. Using Organization**

Definition: The agency occupying the property. (Use the Agency Bureau Code list maintained by GSA.)

**8. Size**

Definition: The size of the item of real property.

- For land, the unit of measure is *acreage* and is designated as either *rural* or *urban*.
- For a building, the unit of measure is *square feet* and designated as *gross square feet*.
- For structures, the units of measure are as follows:

<b>Structure Predominant Use</b>	<b>Unit of Measure</b>
Airfield Pavements	Square Yards
Harbors and Ports	Square Yards
Power Development and Distribution	Each, Linear Feet
Reclamation and Irrigation	Each, Linear Feet
Flood Control and Navigation	Each, Linear Feet
Storage (other than buildings)	Each, Linear Feet
Industrial (other than buildings)	Each, Linear Feet
Service (other than buildings)	Each
Space Exploration Structures	Each
Parking Structures	Square Yards
Research and Development (other than labs)	Each
Utility Systems	Each, Linear Feet, Miles
Communication Systems	Each, Miles
Navigation and Traffic Aids (other than buildings)	Each
Recreational (other than buildings)	Each
Roads and Bridges	Lane Miles, Square Yards
Railroads	Miles
Monuments and Memorials	Each
Miscellaneous Military Facilities	Each
Weapons Ranges	Each
Training Ranges	Each
Treatment Plants – Water, Sewer, Industrial	Each
Water Storage	Each

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All Others	Each, Lane Miles, Linear Feet, Miles, Square Yards
------------	--

**9. Utilization (Performance Measure #1)**

*Utilization* is defined as the state of having been made use of, *i.e.*, the rate of utilization. Utilization rate for each of the five Building Predominant Use categories is defined as follows (valid codes are in parentheses):

- *Office (10)* –ratio of occupancy to current design capacity.
- *Hospital (21)* –ratio of occupancy to current design capacity.
- *Warehouse (41)* –ratio of gross square feet occupied to current design capacity.
- *Laboratory (74)* –ratio of active units to current design capacity.
- *Housing (plus Dorms/Barracks) (30, 31)* –percent of individual units that are occupied.

[Note: The housing utilization rate does not need to be reported at the individual housing unit level; however, the manner in which it is measured and reported by the agency should be determined in consultation with OMB.]

*Current design capacity* is defined as the maximum capacity at which an asset, facility or system can operate, regardless of statutory, regulatory, contractual or other conditions or restrictions.

- Agencies will have flexibility for determining current design capacity.
- Agencies may use their best judgment in determining utilization of laboratories when the data is not available to calculate utilization in accordance with the definition stated above.

The table below identifies the categories and percent utilization used to determine the rate of utilization.

Rate	Categories and Percent Utilization				
	<i>1. Offices</i>	<i>2. Warehouses</i>	<i>3. Hospitals</i>	<i>4. Laboratories</i>	<i>5. Housing</i>
<i>Over- Utilized</i>	>95%	>85%	>95%	>85%	N/A
<i>Utilized</i>	75-95%	50-85%	70-95%	60-85%	85-100%
<i>Under- Utilized</i>	<75%	10-50%	25-70%	30-60%	<85%
<i>Not Utilized</i>	N/A	<10%	<25%	<30%	N/A

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**Example:** An owned office building is 25,000 GSF (design capacity) but only 15,000 square feet are occupied (occupancy).

The formula is as follows: **60% = (15,000sf / 25,000sf) x 100.**

For this utilization rate of 60% for the Office category, the *Utilization* value of 3 (for under-utilized) would be reported.

In this example, office utilization is based on square feet; however, it is up to each agency to determine the most appropriate unit of measure for occupancy and design capacity.

## 10. Value

Definition: The plant replacement value; the cost of replacing the existing constructed asset at today's standards.

Formula: Value = Unit x Unit Cost x Overhead Factor

*Overhead Factor* includes other costs that are associated with construction, such as planning and design, historic factor, supervision, inspection, and other overhead costs. The intent is for agencies to define their own guidance and regulations for implementing the *Value* formula. Agencies such as DoD and GSA have published cost guidance that can be used by other agencies.

The result is adjusted by area cost and inflation, as appropriate. Only buildings and structures will be required to have a plant replacement value reported in the inventory.

## 11. Condition Index (Performance Measure #2)

Definition: The Condition Index (CI) is a general measure of constructed asset condition at a specific point in time.

CI is calculated as the ratio of repair needs to plant replacement value (PRV).

$$\text{Formula: } CI = (1 - (\text{repair needs}/\text{plant replacement value})) \times 100$$

“Repair needs” is the amount necessary to ensure that a constructed asset is restored to a condition substantially equivalent to the originally intended and designed capacity, efficiency or capability. Agencies/Departments will initially determine repair needs based on existing processes, with a future goal to further refine and standardize the definition.

“Plant replacement value” is the cost of replacing an existing asset at today's standards.

The CI will be calculated annually, will be reported on an Agency or Department-wide basis and will be reported as a “percent condition” on a scale of 0 to 100% (the higher the CI, the better the condition of the constructed asset).

Target CI levels will initially be set by the agencies/departments in consultation with OMB.

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**12. Mission Dependency (Performance Measure #3)**

Definition: The value an asset brings to the performance of the mission as determined by the governing agency:

Mission Critical – without constructed asset or parcel of land, mission is compromised;

Mission Dependent, Not Critical – does not fit into *Mission Critical* or *Not Mission Dependent* categories; or

Not Mission Dependent – mission unaffected.

**13. Annual Operating and Maintenance Costs (Performance Measure #4)**

Operating and Maintenance costs will be reported annually.

Definition: Annual operating and maintenance costs include:

1. Recurring maintenance and repair costs;
2. Utilities (includes plant operation and purchase of energy);
3. Cleaning and/or janitorial costs (includes pest control, refuse collection and disposal to include recycling operations); and
4. Roads/grounds expenses (includes grounds maintenance, landscaping and snow and ice removal from roads, piers and airfields).

For leases, agencies should report the full annual lease costs, including base and operating rent, plus any additional government operating expenses (as listed above), not covered in the lease agreement.

**14. Main Location**

**Main Location** refers to the street/delivery address for the asset or the latitude and longitude coordinates.

Either street address or latitude and longitude (if no security concerns) will be reported for the constructed asset or parcel of land:

**A. STREET ADDRESS**

Provide the **Street Address** in geo-codable format, *i.e.*, an address that can be mapped by Geographic Information System (GIS) software or used by an overnight delivery service to deliver packages. An example of a geo-codable address is “123 Main Street.”

**Do not use the following:**

- Mailing address that is different than the location's address
- Building name
- Street corner (*e.g.*, “Main & 1st”)
- Other description (such as a Post Office Box number)
- Symbols such as double quote (“), underline (\_), plus (+), percent (%), and ampersand (&)

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**B. LATITUDE**

**C. LONGITUDE**

Indicate both the *Latitude* and *Longitude* coordinates of the asset's physical address. Report *Latitude* and *Longitude* in decimal format **or** degrees, minutes, seconds and direction.

**15. Real Property Unique Identifier**

Definition: A code that is unique to an item of real property that will allow for linkages to other information systems.

The *Real Property Unique Identifier* is assigned by the Reporting Agency and can contain up to 24 alpha-numeric digits. The *Real Property Unique Identifier* must remain the same for each asset from year to year.

**16. City**

The 4-digit Geographic Location Code (GLC) for the City or town associated with the reported *Main Location* in which the land, building or structure is located.

**17. State**

The 2-digit GLC for the State or District of Columbia associated with the reported *Main Location* in which the land, building or structure is located.

**18. Country**

The 3-digit GLC for the Country associated with the reported *Main Location* in which the land, building or structure is located.

**19. County**

The 3-digit GLC for the County associated with the reported *Main Location* in which the land, building or structure is located.

**20. Congressional District**

The value for the Congressional District associated with the reported *Main Location* in which the land, building or structure is located.

The Congressional District database can be found at [www.house.gov](http://www.house.gov).

**21. ZIP Code**

The 5-digit ZIP code associated with the reported *Main Location* in which the land, building or structure is located.

**22. Installation and Sub-Installation Identifier**

Use existing structure identified in the *GSA Customer Guide to Reporting Real Property Inventory Information*.

Definitions:

***Headquarters Installations*** – Land, buildings, other structures, and facilities, or any combination of these. Examples of installations are a national forest, national park,

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hydroelectric project, office building, warehouse building, border station, base, post, camp, or an unimproved site.

**Sub-Installation** – Part of an installation identified by a different geographic location code than that of the headquarters installation. An installation must be separated into sub-installations (and reported separately) when the installation is located in more than one state or county. However, an agency may elect to separate an installation into sub-installations even if the installation is not located in more than one state or county.

### 23. Restrictions

Definition: One or more of the following values will be reported for each building, structure and parcel of land:

1. Environmental Restrictions (cleanup-based restrictions, etc.);
2. Natural Resource Restrictions (endangered species, sensitive habitats, floodplains, etc.);
3. Cultural Resource Restrictions (archeological, historic, Native American resources, etc.);
4. Developmental (improvements) Restrictions;
5. Reversionary Clauses from Deed;
6. Zoning Restrictions;
7. Easements (including access for maintenance rights, etc.);
8. Rights-of-Way;
9. Mineral Interests;
10. Water Rights;
11. Air Rights;
12. Other; or
13. Non Applicable

### 24. Disposition

To meet the goal of rightsizing the Federal inventory of assets, the FRPC, Federal agencies, and OMB will use **Disposition** data as a mechanism to track assets that have transferred within or exited the Federal portfolio. Agencies are required to report all assets that have exited the inventory of assets during the reporting fiscal year. This will include, but is not limited to, sales, federal transfers, public benefit conveyances, demolitions, and lease terminations.

For assets that exit the inventory during the current reporting period, agencies will be required to provide:

- **Reporting Agency** (see data element #6)
- **Real Property Unique Identifier** (see data element #15)
- **Disposition** (data element 24)
- **Disposition Method**

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- *Disposition Date*
- *Disposition Value*
- *Net Proceeds*
- *Recipient*
- **Note:** *Disposition* data is reported only in the year the asset has exited the agency's inventory.

**A. DISPOSITION METHOD**

Report one of the following six categories for the disposition method as outlined below: Public Benefit Conveyance, Federal Transfer, Sale, Demolition, Lease Termination, or Other.

Provide one of the 2-character codes to indicate the disposition method (valid codes are in parentheses):

- **(PB) Public Benefit Conveyance**  
Subcategories (optional):
  - **(HA):** Homeless Assistance
  - **(HE):** Health or Educational Use
  - **(PR):** Public Parks and Public Recreational Area
  - **(HM):** Historic Monuments
  - **(CF):** Correctional Facility Use
  - **(PF):** Port Facilities
  - **(PA):** Public Airports
  - **(WC):** Wildlife Conservation
  - **(NS):** Negotiated Sales to Public Agencies
  - **(SH):** Self-help Housing
  - **(LE):** Law Enforcement and Emergency Management Response
- **(FT) Federal Transfer**
- **(SL) Sale**  
Subcategories (optional):
  - **(SN):** Negotiated Sale
  - **(SP):** Public Sale
- **(DM) Demolition**
- **(LX) Lease Termination**
- **(OT) Other**

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**Note:** The definitions of the sub-categories of disposition methods for Public Benefit Conveyance can be found in Section D: Definitions and Codes – Public Benefit Conveyance Methods.

**B. DISPOSITION DATE**

Report the date the disposal action was completed in mm/dd/yyyy format. Refer to the examples in the matrix below for the *Disposition Date* to report based on the method of disposal.

<b>Disposition Method</b>	<b>Example Event Indicating Disposition Date</b>
Public Benefit Conveyance	Date of assignment letter to sponsoring agency and subsequent deed to grantee
Federal Transfer	Date of letter of transfer
Sale (Negotiated or Public)	Deed date
Lease Termination	Lease termination date

**C. DISPOSITION VALUE**

Reported *Disposition Value* is dependent upon the disposition method. The following *Disposition Value* information is to be reported:

	<b>Disposition Value to Report</b>
Public Benefit Conveyance	Plant Replacement Value
Federal Transfer	
Demolition	
Other	
Sale (Negotiated or Public)	Sales Price
Lease Termination	Government’s Cost Avoidance

[**Note:** Numeric values reported for **Disposition Value** must be greater than or equal to zero.]

**D. NET PROCEEDS**

Report the proceeds received as part of the asset disposal less the disposal costs incurred by the agency. Data reporting is required only for assets disposed through Sale or Lease Termination.

**E. RECIPIENT**

Report either the name of the Federal agency or the name of the non-Federal organization that received the asset. Data reporting is required only for assets disposed through Federal Transfer or Public Benefit Conveyance.

**Notes:**

- Use “Private” for recipients covered by the Privacy Act.
- Use the 4-digit Agency/Bureau code for Federal Transfers.

## **Attachment 2**

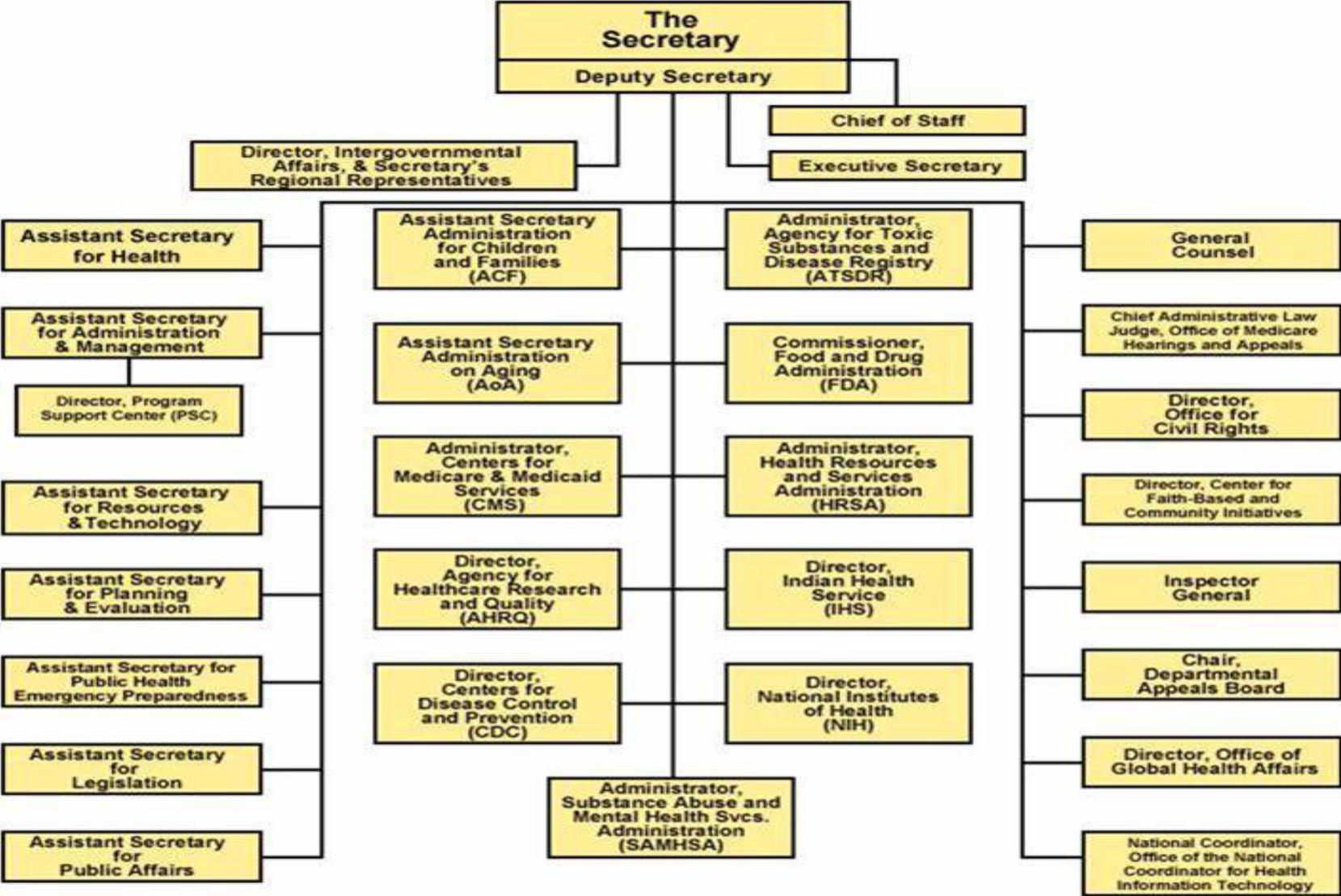
### **HHS Organizational Chart and Regional Map**

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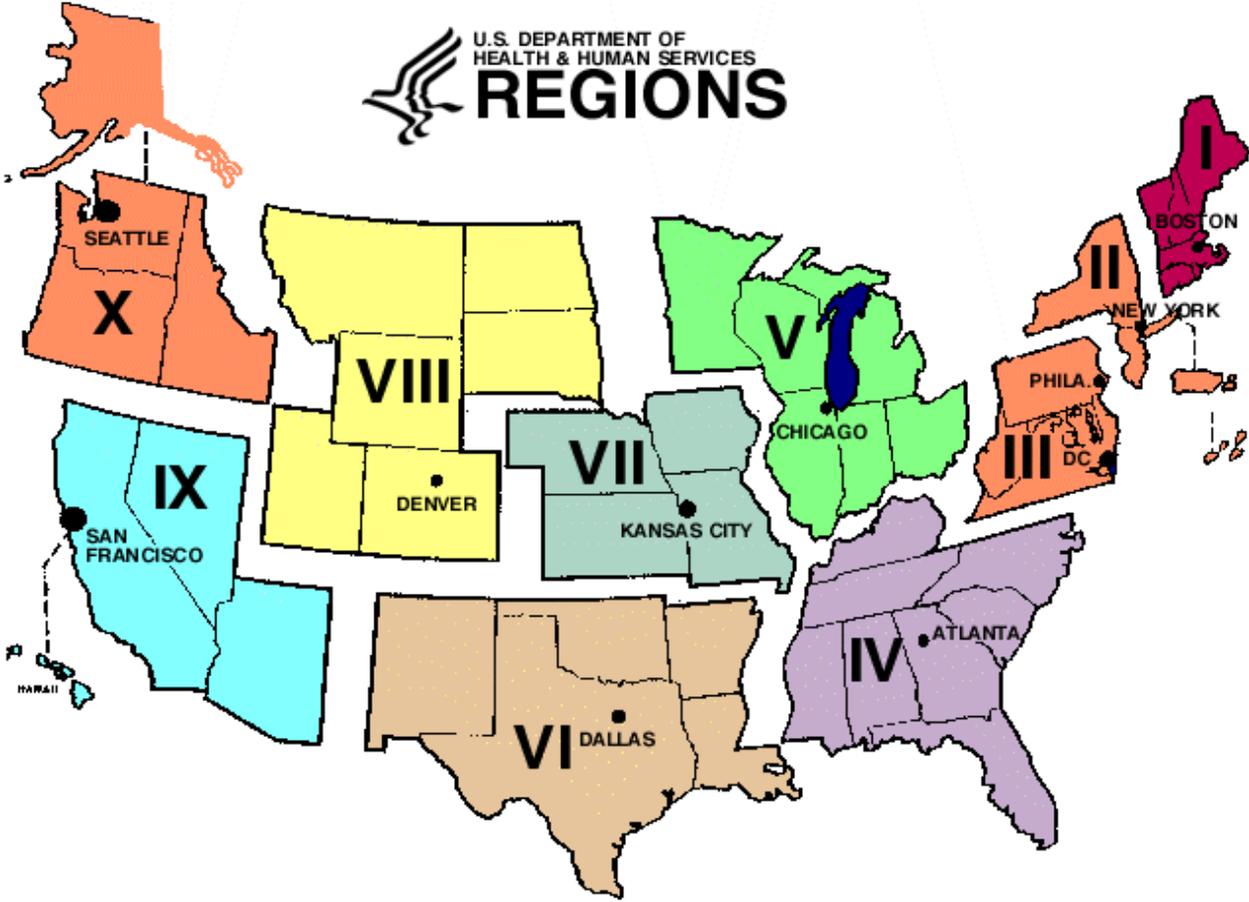
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**HHS Organizational Chart**



# HHS Region Map



**Attachment 3**

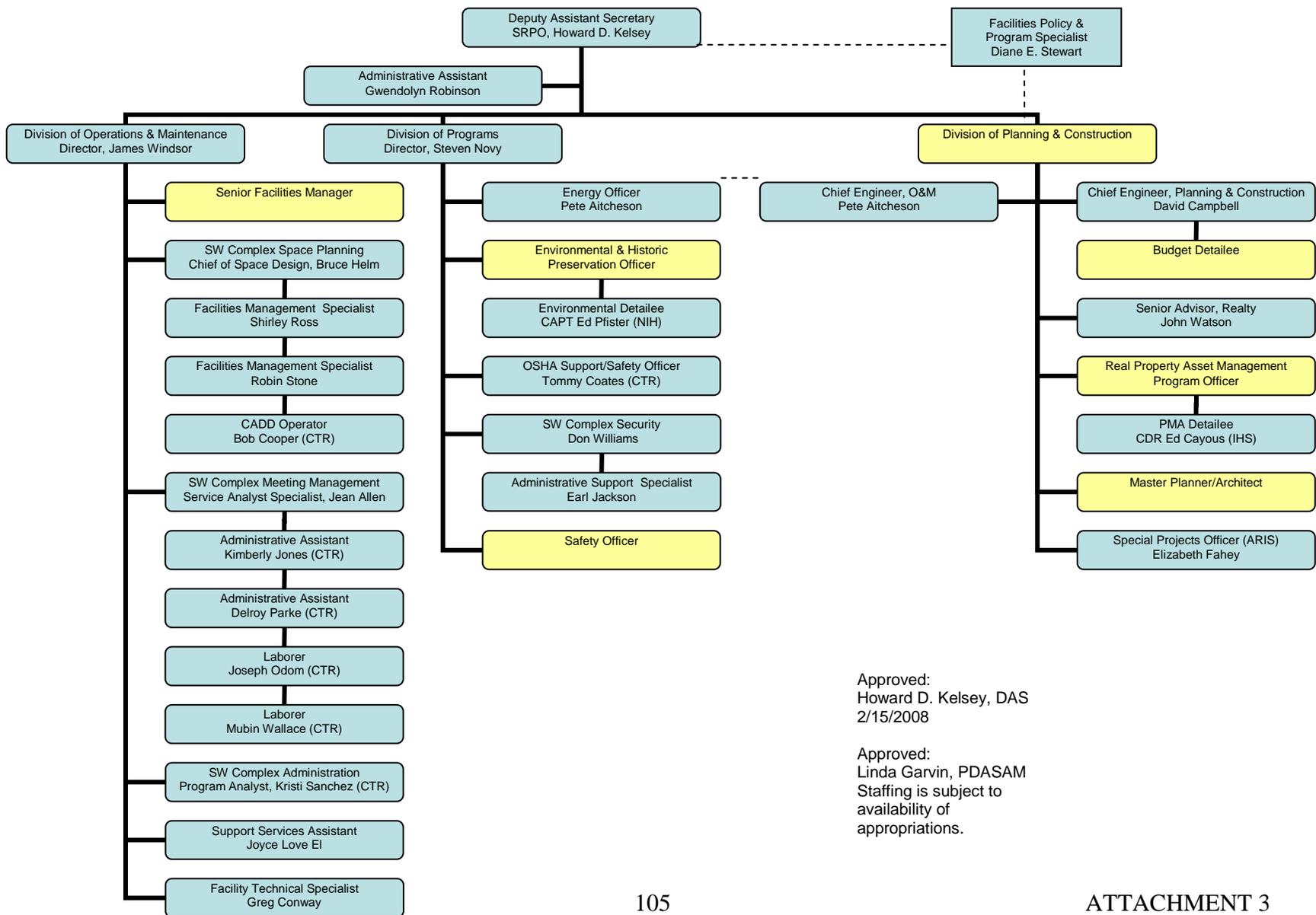
**OFMP & OPDIV Organization Charts and Functional  
Statements**

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# Office for Facilities Management and Policy (ASAM / OFMP) Organizational Chart



Approved:  
Howard D. Kelsey, DAS  
2/15/2008

Approved:  
Linda Garvin, PDASAM  
Staffing is subject to  
availability of  
appropriations.

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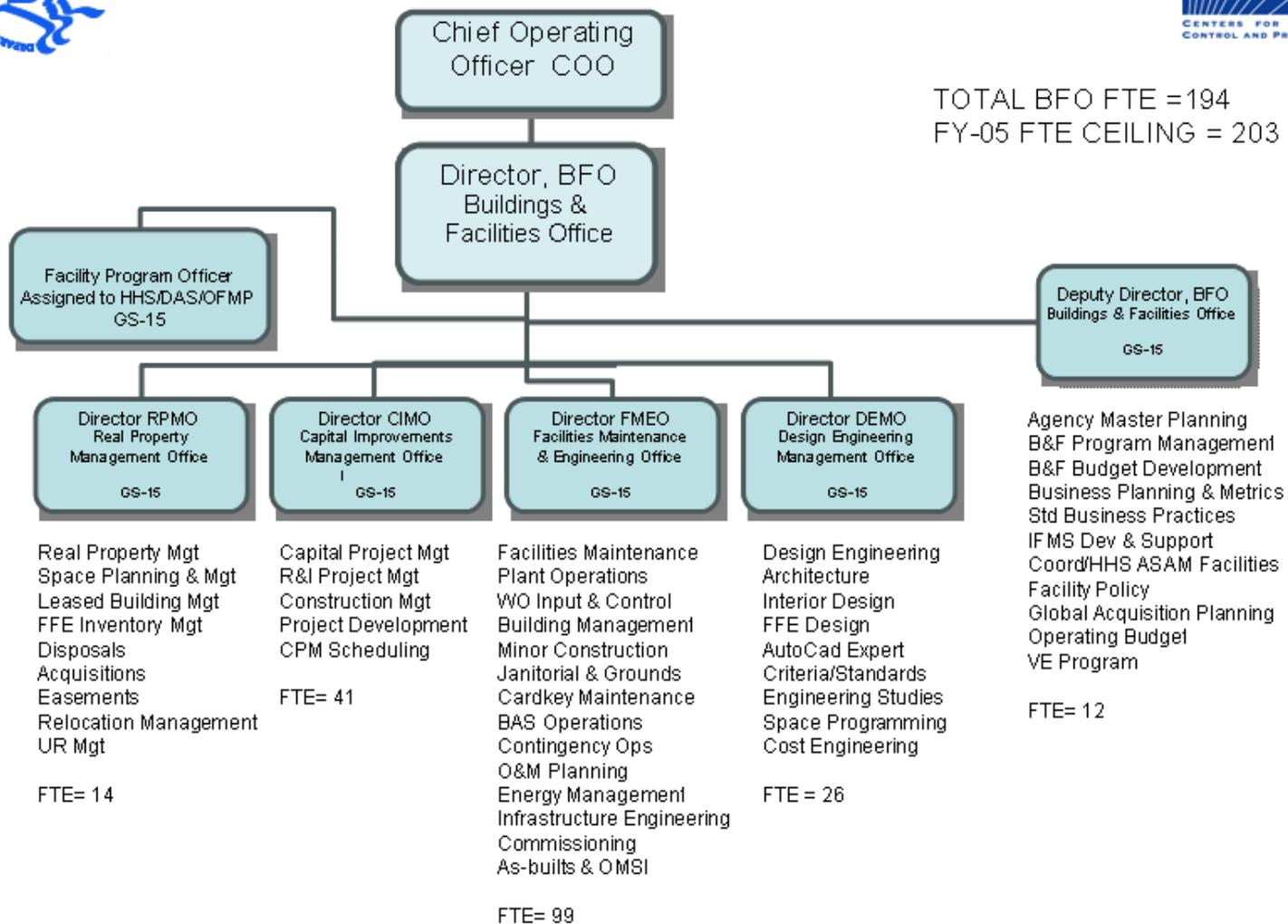
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# Buildings and Facilities Office (BFO)



TOTAL BFO FTE = 194  
FY-05 FTE CEILING = 203



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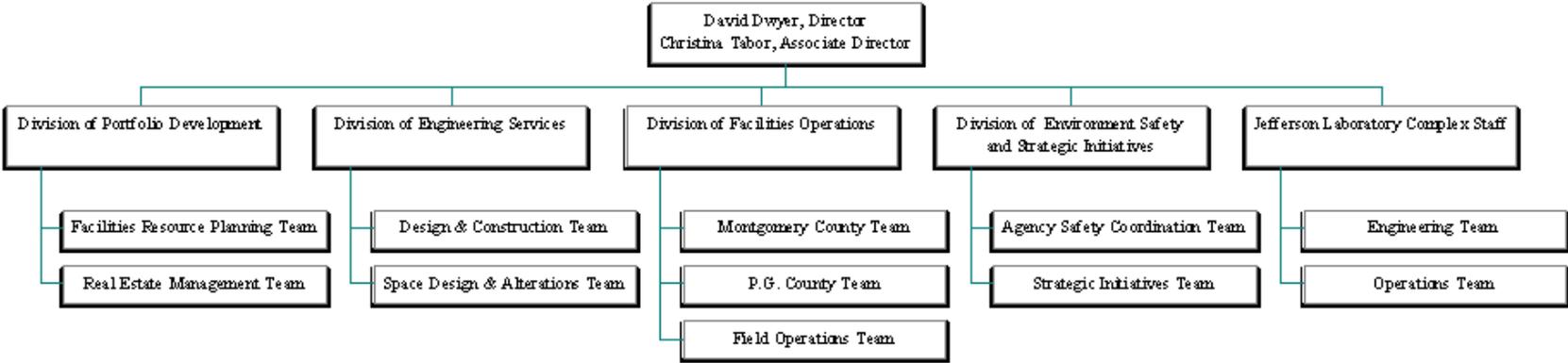
**CDC Buildings and Facilities Office (BFO)**

- (1) Operates, maintains, repairs, and modifies CDC's Atlanta area plant facilities and conducts a maintenance and repair program for CDC's program support equipment;
- (2) carries out facilities planning functions for CDC, including new or expanded facilities, and a major repair and improvement program;
- (3) develops services for new, improved, and modified equipment to meet program needs; and
- (4) conducts CDC's real property and space management activities, including the acquisition of leased space, the purchase and disposal of real property, and provides technical assistance in space planning to meet programmatic needs.
- (5) Plans, directs, and coordinates the functions and activities of the Buildings and Facilities Office (BFO);
- (6) provides management and administrative direction for budget planning and execution, property management, and personnel management within BFO;
- (7) provides leadership and strategic support to senior managers in the determination of CDC's long term facilities needs;
- (8) coordinates the operations of BFO staff involved in the planning, evaluation, design, construction, and management of facilities and acquisition of property;
- (9) provides centralized VE services, policy development and coordination, and global acquisition planning for BFO;
- (10) develops and maintains IFMS system to process data for management and control systems and develop reports and analyses; and
- (11) assists and advises senior CDC officials in the development, coordination, direction, and assessment of facilities and real property activities throughout CDC's facilities and operations, and assures consideration of facilities management implications in program decisions.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
FOOD AND DRUG ADMINISTRATION

OFFICE OF REAL PROPERTY SERVICES



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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
FOOD AND DRUG ADMINISTRATION  
OFFICE OF THE COMMISSIONER  
OFFICE OF MANAGEMENT  
OFFICE OF SHARED SERVICES  
OFFICE OF REAL PROPERTY SERVICES

1. OFFICE OF REAL PROPERTY SERVICES
  - a. Provides leadership and guidance to Agency components for all aspects of real property management functions.
  - b. Directs the management of programs and systems leading to the acquisition, alteration, maintenance, and utilization of leased and owned facilities nationwide, except for the acquisition of buildings for the White Oak Headquarters Consolidation.
  - c. Directs building operations functions for all FDA facilities nationwide.
  - d. Manages the program and provides direct interface with General Services Administration (GSA) for lease acquisition and lease management for all Agency facilities nationwide.
  - e. Serves as liaison with the Department of Health and Human Services (HHS) and GSA for general facilities management issues and specifically for the efficient management and operation of facilities occupied by FDA programs nationwide
  - f. Directs and manages over a \$100 million dollar appropriation for the acquisition, operation, construction, maintenance for the Agency's nationwide real property portfolio.
  - g. Provides leadership and direction to assure the efficient and effective utilization of FDA's resources dedicated to engineering design, facility improvements, and new construction of FDA facilities nationwide.
  - h. Establishes management structure and dialog with GSA and architectural engineering design and construction contractors to ensure FDA program needs and concerns are fully addressed.
  - i. Ensures meaningful and continuous communication with community leaders and associations, State and local governments, and business leaders in areas where FDA proposes new facilities.
2. DIVISION OF PORTFOLIO DEVELOPMENT
  - a. Plans and develops the Agency Annual Facilities Plan that includes forecasts for long and short term and immediate space needs and annual facilities budgets for rent, operations and maintenance and building and facilities.
  - b. Develops multiple strategies for addressing FDA's long and short -range facility plans.
  - c. Develops Agency standards and enforcement of occupied and vacant space utilization. Prepares reports and space management analysis of the Agency's real

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- property holdings. Analyzes Agency housing plans and performs real property occupied and vacant space customer analysis.
- d. Provides cost analysis support to agency components concerned with leasing, construction, and finance costs.
  - e. Manages the policy, acquisition, management and administration of the Agency's leased real property portfolio.
  - f. Provides guidance and assistance to the Agency operating activities on a variety of nationwide real estate management issues.
  - g. Serves as liaison with HHS and GSA for all lease acquisition and lease management of FDA nationwide facilities.
  - h. Conducts Agency facility studies and develops specific long-range facility plans for both Headquarters and Field operations.
  - i. Directs, or participates in, the preparation of the Program of Requirements for new construction projects.
  - j. Coordinates the Agency's compliance with the National Environmental Policy Act, Resource Conservation and Recovery Act, and related laws.
3. DIVISION OF FACILITIES OPERATIONS
- a. Coordinates building operations and facilities management functions for all FDA owned facilities within the Washington metropolitan area and nationwide which includes: Module 1 (MOD 1), the Beltsville Research Facility (BRF), and Irvine. Through special delegations of authority from GSA, maintains responsibility for the total management, operation, and maintenance of the Atlanta and Module 2 (MOD 2) facilities.
  - b. Oversees and directs a variety of commercial contracts to ensure smooth and efficient delivery of services.
  - c. Participates in the development of Agency policy involving building management and operations.
  - d. Provides guidance and assistance to the Agency operating activities on a variety of facilities operations issues.
  - e. Coordinates office and laboratory relocations and provides technical assistance to programs regarding effective space utilization.
  - f. Provides guidance to program personnel in identifying or developing alternatives or emergency procedures during scheduled and unscheduled maintenance interruptions.
  - g. Administers agency contracts for moving services and preventive maintenance for government owned property.
  - h. Manages and coordinates the GSA Delegations of Authority program for FDA nationwide. Responds, reviews, and analyzes existing and proposed Delegation agreements, Interagency Agreements, Memorandums of Understandings regarding the Agency's nationwide property holdings for operational planning processes and improvement.

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4. DIVISION OF ENGINEERING SERVICES

- a. Manages and directs design and construction requirements for facility acquisitions within the Agency. These requirements may encompass the following activities singularly or in combination: Preparation of proposals, preparation of functional requirements, program of requirements and criteria, architect and engineer liaison, space design and planning, functional and technical reviews, preliminary site selections, and project management for facilities construction, renovation and improvement projects.
- b. Provides engineering guidance and support for all activities related to maintenance, alterations, and repairs for Agency facilities nationwide.
- c. Directs and coordinates all Agency facilities programs concerned with equipment specifications and installation associated with facility acquisitions. Assists the program staffs in developing compatible facilities and equipment systems for the Agency.
- d. Provides overall engineering services including: feasibility studies, design criteria, concept, analysis, and estimates; schedules and tracks building and facilities projects, manages project designs.
- e. Manages the FDA energy management program; develops Agency policy relating to the program; develops and enforces supporting Agency standards that comply with stated goals of the Department.
- f. Oversight of structural, architectural or mechanical modifications to accommodate specific requirements in the existing FDA portfolio.
- g. Prepares computer-aided design (CAD) drawings for the Agency and maintains file of master drawings for FDA portfolio.
- h. Administers agency contract for renovations/alterations of office space.
- i. Provides space and alterations project management for existing FDA space to program components.
- j. Develops, implements and manages integration of facilities technologies.

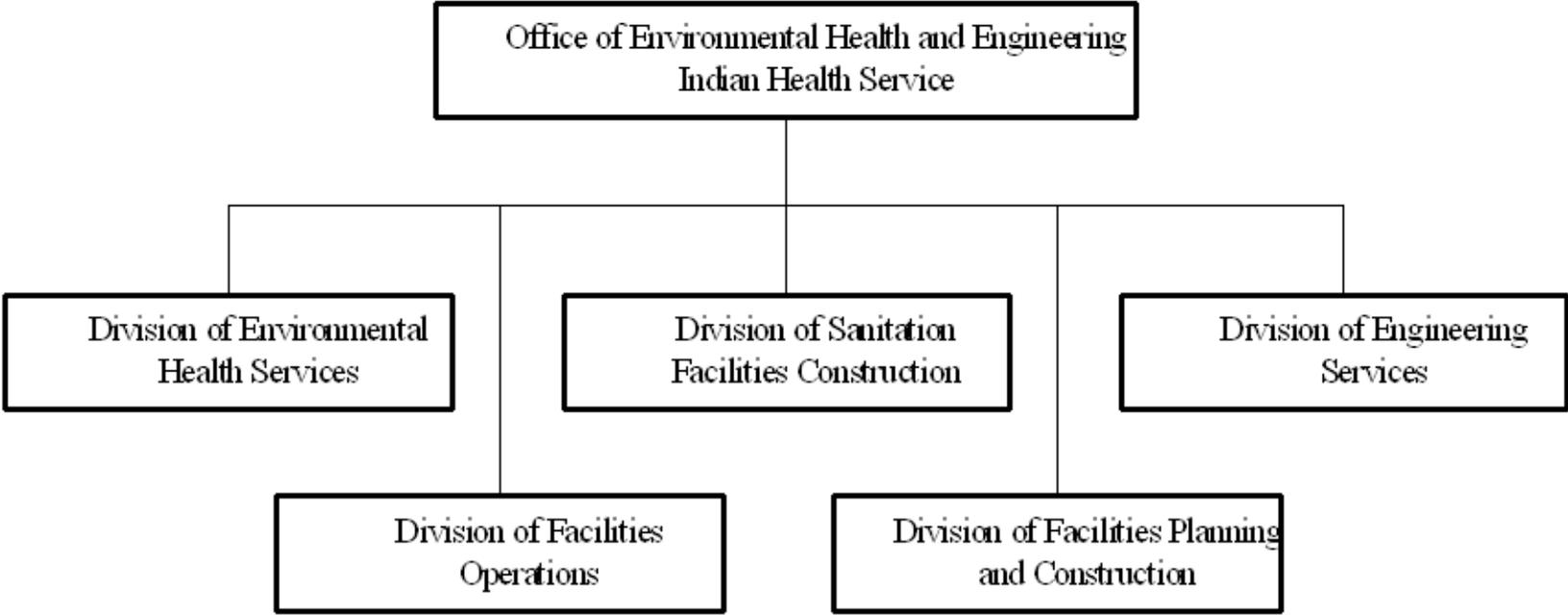
5. DIVISION OF ENVIRONMENT, SAFETY AND STRATEGIC INITIATIVES

- a. Develops and implements program plans, policies and procedures designed to create and maintain a safe and healthful work environment for FDA employees, visitors, and guest workers, and to protect the environment.
- b. Develops Agency plans, policies and procedures consistent with new environmental health and safety regulatory requirements and Agency needs.
- c. Provides fire protection, safety engineering, and environmental health consultation to the Agency's program managers and engineering offices.
- d. Leads the Agency's decommissioning efforts to close FDA laboratories and offices from an environmental, safety and health perspective.
- e. Consults with program officials on safety matters pertaining to changing and emerging research programs.
- f. Recommends special technical studies to increase the knowledge of the relationship between occupational safety and environmental health and the laboratory programs of FDA.

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- g. Serves as Executive Director to assist in administering the FDA Safety Advisory Board, actively serves as a member of the FDA National Environment, Safety and Health Committee, and conducts the FDA Safety and Health Council meetings.
- h. Develops and implements a safety management quality assurance program for the Agency's multiple work sites nationwide. Develops and implements a similar headquarters program consistent with the FDA Safety Advisory Board recommendations and approval.
- i. Manages FDA's Real Property Asset Inventory to provide accurate data for real property decision making to meet the President's Management Agenda. Included is an ongoing process of verifying and validating inventory data.
- j. Assists the Director, ORPS in continually reviewing and improving Real Property Asset Management in FDA, including responsibility for ensuring actions required by the Department and the FDA Internal Real Property Scorecard are completed with high quality in a timely manner.
- j. Serve as the Agency Historic Preservation Officer.

**Indian Health Service  
Office of Environmental Health and Engineering Organization Chart**



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**Functional Statement-Indian Health Service,**  
Office of Environmental Health and Engineering

The Indian Health Service (IHS) provides a comprehensive health services delivery system for American Indians and Alaska Natives with opportunity for maximum tribal involvement in developing and managing programs to meet their health needs. The mission of the IHS, in partnership with American Indian and Alaska Native people, is to raise their physical, mental, social, and spiritual health to the highest level. The goal of the IHS is to ensure that comprehensive, culturally acceptable personal and public health services are available and accessible to all American Indian and Alaska Native people. The foundation of the IHS is to uphold the Federal Government obligation to promote healthy American Indian and Alaska Native people, communities, and cultures and to honor and protect the inherent sovereign rights of tribes.

To support the above, the mission of the Office of Environmental Health and Engineering (OEHE) is to:

- Providing optimum availability of functional, well maintained health care facilities and staff housing;
- Providing technical and financial assistance to Indian tribes and Alaska Native communities (tribes) to promote a healthy environment through the cooperative development and continuing operation of safe water, wastewater, and solid waste systems and related support facilities; and
- Assisting each American Indian tribe and Alaska Native community to achieve its unique goals for obtaining health care facilities and establishing and maintaining a healthy environment.

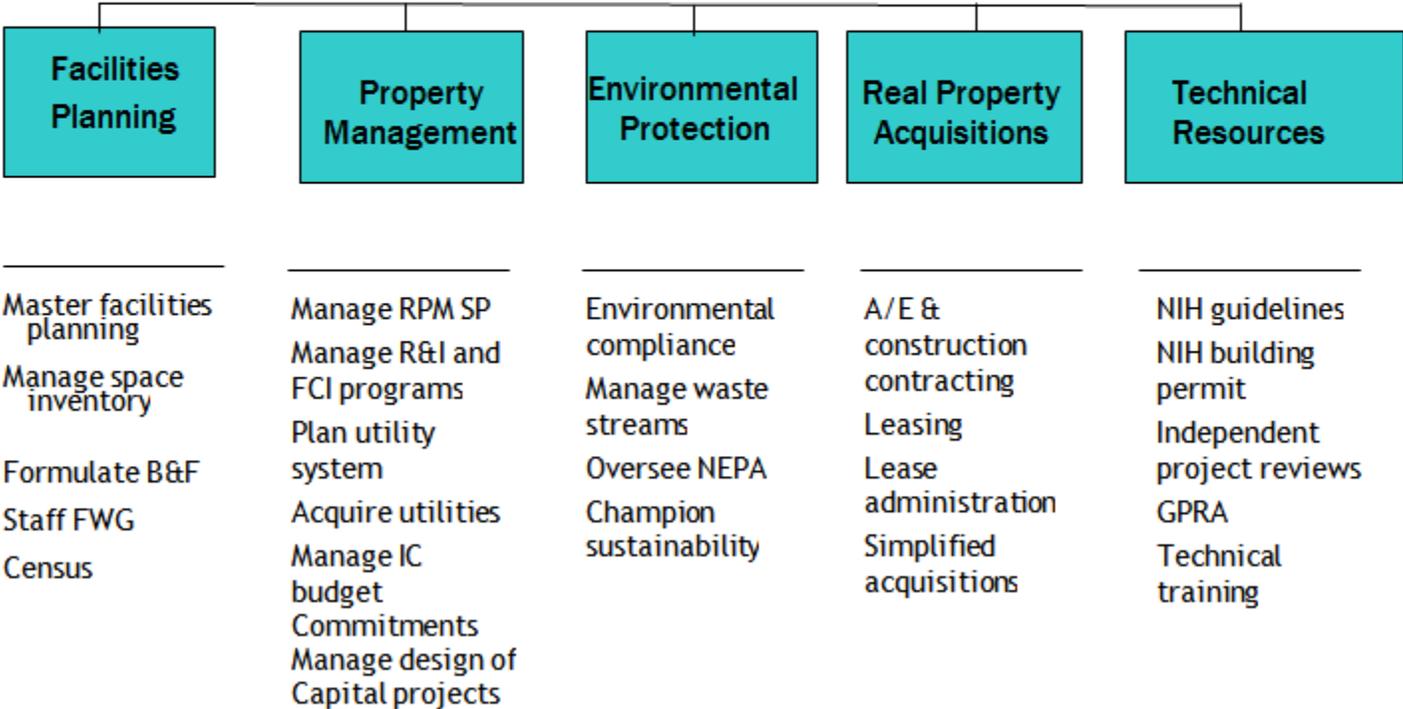
The Office of Environmental Health and Engineering provides expertise in the following specific areas:

- Health care facilities engineering and construction,
- Health care facilities program development,
- Health care facilities engineering management support,
- Real property management,
- Sanitation facilities construction and environmental engineering, and
- Environmental health services.

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**NIH Office of Research Development and  
 Operations, Office of the Director**

Business strategy  
 Internal communications  
 External communications  
 NIH asset management



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**Functional Statement-NIH, Office of Research Facilities Development and Operations**

The Office of Research Facilities Development and Operations (ORF) is an organization whose sole focus is planning, developing, and managing world class research and research support facilities. ORF was created in April 2003 to improve overall management of the NIH facility program by providing a single focus and single point of accountability for all NIH facility activities and streamlining information flow and decision making on research and research support facility issues. Like other central service organizations, ORF is a critical member of the NIH research support team. Daniel Wheeland the Director. The primary responsibilities of the Office of Research Facilities are:

- Planning, development, and management of owned and leased research and research support facilities.
- Assisting the NIH Director with the formulation and execution of the buildings and facilities appropriation.
- Developing and maintaining policies and standards governing the development and use of real property.
- Planning and directing services that provide master planning; capital facility project management; real property management, including architecture and engineering, maintenance, space and facility management; and the acquisition of leased facilities, architecture and engineering services, construction, and facility maintenance and operations related services.

The Office of Research Facilities is comprised of the Office of the Director and 5 functional divisions.

**Division of Facilities Planning –Director, Ron Wilson**

Master and facilities planning, real property development and management, space needs assessments, environmental planning and energy conservation, and transportation management.

**Division of Property Management - Acting Director, Robert McDonald**

Planning, design, acquisition, construction, and commissioning of complex, high risk facilities.

Operation of leased and owned real property including facility management, operations, maintenance, repair, renovations, and utility operations.

**Office of Acquisition-ORF – Director, Melissa Richardson**

This Office is a central service reporting to the head of NIH Contracting. It is located within ORF to support all contracting NIH contracting needs for architecture and engineering, construction, real estate, leasing, and facilities.

**Division of Technical Resources – Director, Farhad Memarzadeh**

Policies, procedures, guidelines and standards for real property, facilities, construction, and space management; quality assurance surveillance; program of requirements and project budget review.

**Division of Environmental Protection - Director, Kenny Floyd**

Environmental protection, pollution control, resource conservation, environmental assessments.

## **Attachment 4**

### **HHS Three-Year Rolling Timeline**

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## **HHS Real Property Asset Management**

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### **Three-Year Rolling Timeline**

### **2008 Update**

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**SECTION 1 THREE YEAR ROLLING TIMELINE OVERVIEW**

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**SECTION 2 HHS REAL PROPERTY PROGRAM ASSET MANAGEMENT PROGRAM**

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**APPENDICES**

## **SECTION 1 – THREE YEAR ROLLING TIMELINE OVERVIEW**

### **1.1 Background**

Set forth in Executive Order 13327 *Federal Real Property Asset Management* (February 4, 2004), is the policy of the United States to promote the efficient and economical use of America's real property assets and to assure management accountability for implementing Federal real property management reforms. Based on this policy, executive branch departments and agencies shall recognize the importance of real property resources through increased management attention, the establishment of clear goals and objectives, improved policies and levels of accountability, and other appropriate actions.

Executive Order 13327 defines Federal Real Property as any real property owned, leased, or otherwise managed by the Federal Government, both within and outside the United States, and improvements on Federal lands. For the purpose of the order, Federal real property excludes: interests in real property assets that have been disposed of for public benefit purposes pursuant to section 484 of title 40, United States Code, and are now held in private ownership; land easements or rights-of-way held by the federal government; public domain land (including lands withdrawn for military purposes) or land reserved or dedicated for national forest, national park, or national wildlife refuge purposes except for improvements on those lands; land held in trust or restricted fee status for individual Indians or Indian tribes; and land and interests in land that are withheld from the scope of this order by agency heads for reasons of national security, foreign policy, or public safety.

In response to E.O. 13327, a Real Property Scorecard was established in the third quarter of FY 2004. The goal of the Real Property initiative is to ensure that property inventories are maintained at the right size, cost, and condition to support agency missions and objectives. Agencies were charged with developing and implementing the necessary tools to improve management decision-making as it relates to their portfolio. A requirement of those agencies with a Real Property Scorecard was to develop a three-year timeline. The Department of Health and Human Services (HHS) developed a three-year timeline for meeting the goals/objectives identified within the HHS Real Property Asset Management Plan (RAMP). The original HHS Real Property Asset Management Three-Year Timeline was approved in 4Q FY 2006.

### **1.2 Purpose**

The Three-Year Rolling Timeline (TYRT) is an implementation plan for the goals and objectives in the HHS Real Property Asset Management Plan (RAMP). The TYRT defines actions that HHS will take over the next three years that leads toward an inventory maintained at the right cost, condition, utilization and proper size to meet the mission of HHS and its OPDIVs. The TYRT is a living document that is revised annually to ensure that HHS always looks forward three years. Key elements of the plan include:

- The identification of the goals and objectives with date certain milestones that relate to and are contained in the RAMP;
- A concrete and measurable set of specific, prioritized capital asset project/initiatives action steps with identified key steps/milestones necessary to meet the goals and objectives of the RAMP;

## *2008 HHS Three Year Rolling Timeline*

- The demonstration of measurable results from the implementation of the actions leading to positive changes in the management of HHS portfolio of assets.

This update of the Three-Year Rolling Timeline builds on our success in real property management by identifying activities that encourage timely and accurate reporting of real property data, targeting the continued disposition of unneeded assets, looking for efficiencies in operating costs, focusing on long-term improvement to real property utilization and condition, and promoting sustainability in new construction and major renovations of existing buildings.

### **1.3 Organization**

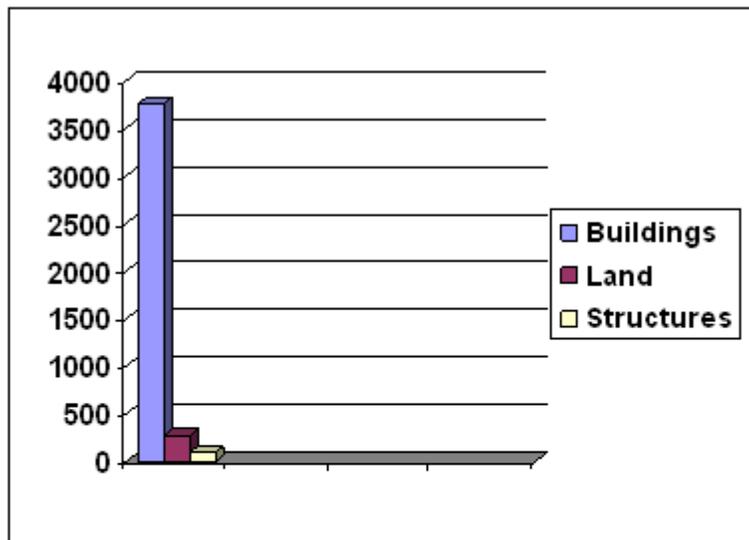
The TYRT is organized into two sections: Three Year Rolling Timeline Overview and Real Property Asset Management Program. Supporting data and documentation is provided in appendices.

## SECTION 2 – HHS REAL PROPERTY ASSET MANAGEMENT PROGRAM

### 2.1 Introduction

The Department of Health and Human Services (HHS) is the United States government’s principal agency for protecting the health of all Americans. The HHS Office for Facilities Management and Policy and its Operating Divisions own, lease, or otherwise manage over 4,100 real property assets. These properties and facilities contain over 47 million gross square feet of laboratory research, clinical, office, and other space (Figure 2.1.1).

**Figure 2.2.1 – HHS Real Property Types**



#### 2007 Assets (excluding disposals)

	# Assets
Buildings	3,766
Land	277
Structures	91
<b>TOTAL</b>	<b>4,134</b>

The issuance of Executive Order 13327, and the addition of Federal Real Property Asset Management to the President’s Management Agenda in February 2004, reinforced the HHS real property strategic goals and framework for managing our real property portfolio of assets around three guiding principles:

- Fostering mission success through occupant productivity and efficiency;
- Efficient and effective portfolio management;

- Appropriate stewardship of HHS owned, leased or otherwise managed properties.

## **2.2 HHS and OPDIV Real Property Asset Management Program Alignment**

Responsible stewardship over the HHS portfolio of assets requires that HHS and its OPDIVs focus on not only the immediate needs of facility management but also on the long term desired results. HHS and its OPDIVs have made progress towards accomplishing the long term HHS Performance Targets (See Figure 2.5.1), while developing improved alignment of goals and milestones with annual budget and planning processes. The alignment of these elements provides for more efficient and effective oversight of the HHS portfolio by the OFMP and OPDIVs and ultimately the SRPO.

The management of the HHS real property portfolio requires a comprehensive approach that links all the various processes that constitute real property asset management to each other as well as to performance outcomes. A major challenge is to ensure that processes at the Department level and OPDIV level are properly aligned to maximize effective portfolio management. HHS and its OPDIVs continue to work together to align the processes at both levels. The majority of the work is accomplished by HHS Workgroups. The SRPO adds or removes HHS Workgroups based on needs identified through the day-to-day management of the portfolio. There are several workgroups to assist in these efforts. The major workgroup formed in the last half of FY 2007 is the HHS PMA Tiger Team.

### **HHS PMA Tiger Team – Oversight of the HHS Portfolio**

The 3-Year Rolling Timeline, with its specific goals, is not a static document and requires constant monitoring to ensure that goals are aligned with the SRPO responsibility of oversight for the HHS portfolio of assets. Consequently, the SRPO convened a Tiger Team comprised of OFMP representatives and OPDIV Real Property Management personnel. During the 3<sup>rd</sup> and 4<sup>th</sup> quarters of FY 2007, the Tiger Team concentrated its first efforts to delineate the supporting roles and responsibilities of the OFMP and OPDIVs. Concurrent with this process, the Tiger Team identified the most evident gaps in the oversight of the HHS portfolio of assets. The gaps occur at both the OFMP and OPDIV levels. The gaps were translated into broad initiatives and assigned preliminary milestone dates.

The Tiger Team then refined these initiatives further by outlining essential specific actions required to implement them into day-to-day management processes. The actions were finalized into short, medium, and long term goals with the associated initiatives for incorporation into this HHS three-year timeline. Milestone specific dates were adjusted to better align OPDIV day-to-day management processes with the HHS budget process. In addition to incorporating these new actions into the TYTL, the Tiger Team proposed initiatives to be eliminated from the timeline as they no longer aligned with the stated goals and thus no longer aligned with the SRPO oversight of the HHS portfolio of assets. The actions of the Tiger Team were summarized in the *Oversight of the HHS Portfolio* (August 1, 2007).

Under the direction of the HHS SRPO, the Tiger Team continues to work in conjunction with other HHS Workgroups to evaluate, adjust and improve all processes in order to better align results with the budget process. The work of the Tiger Team is a continuous process that will ensure that HHS is forward-looking, evaluating changing needs and priorities to make the necessary adjustments the program requires. Future work of the Tiger Team and all workgroups will be reflected annually in the update of the TYTL.

## **Processes**

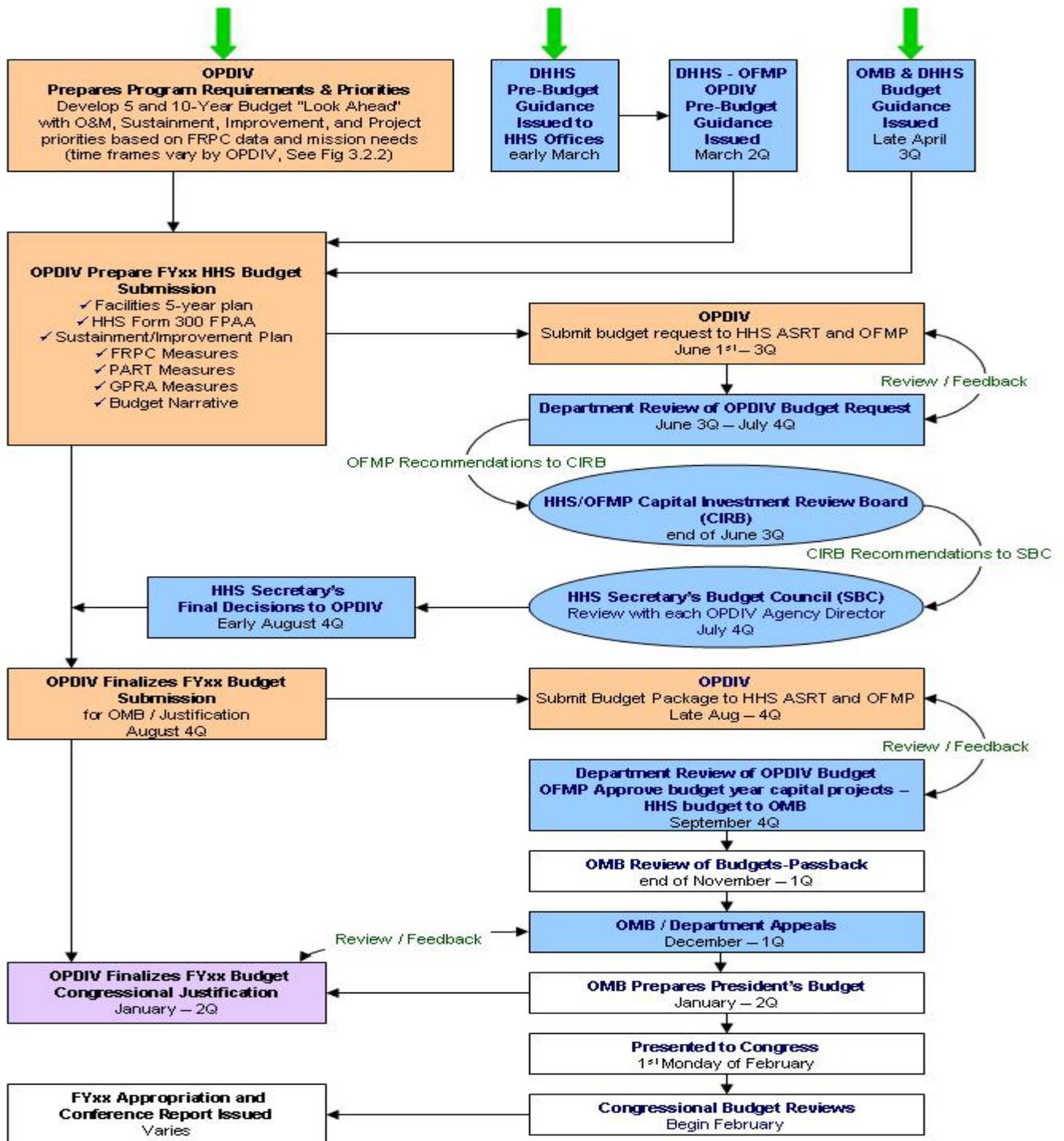
The typical HHS budget cycle (Fig 2.2.1, below), encompasses an entire year and requires deliverables at specific points in that year. The results of other processes determine the quality of information provided in the budget. Improved information increases the confidence of the decision makers involved in the budget process.

Many of the HHS OPDIVs have planning processes that were in place prior to the implementation of the PMA. Due to the unique mission of each OPDIV the processes vary. Nevertheless, each OPDIV's day-to-day management goals are the same, "Right size, in the right condition, operating at the right cost." Each OPDIV is responsible for ensuring that day-to-day decisions are based on the FRPC measures and focused on meeting HHS Long-Term Performance Targets (Fig 2.5.1). One initiative of the Tiger Team in the coming year is to develop the means by which each OPDIV can document day-to-day portfolio management decisions and results through standardized reporting methods. The results of standardized reporting methods will ensure that:

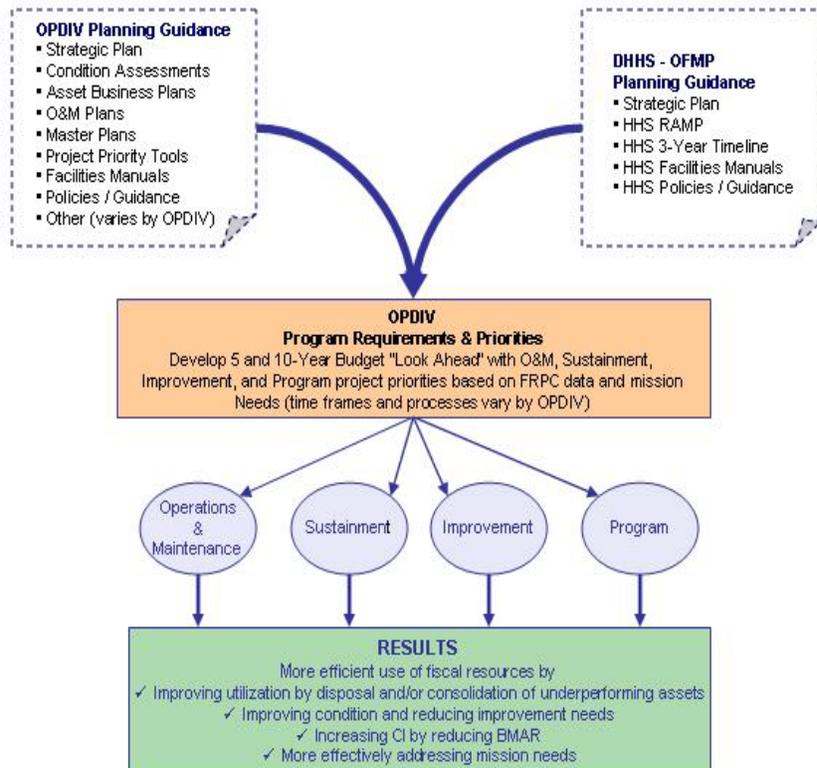
1. The HHS SRPO has a clear understanding of the decision process at each OPDIV;
2. Department level reporting is consistent while still allowing each OPDIV to focus on its specific mission;
3. HHS OPDIVs can provide evidence of their use of FRPC measures in day-to-day decisions;
4. HHS OPDIVs can provide evidence of the measurable results of their day-to-day management practices;
5. HHS, OFMP and the OPDIVs benefit from improved portfolio management decisions and actions.

6.

Figure 2.2.1 – HHS Typical Budget Cycle



**Figure 2.2.2 - OPDIV Planning/Result Processes**



**2.3 HHS Real Property Management Performance Measurement Framework**

The management of the HHS real property portfolio requires a comprehensive approach that links real property asset planning, programming, budgeting, evaluation, and agency mission needs to performance outcomes. Progress towards meeting HHS Performance Targets and other external and internal targets are monitored and reported quarterly through an internal scorecard for all OPDIVs, landholding and non-landholding, and through the external scorecard process for the Department as a single entity through the PMA scorecard. Shortfalls of performance targets are captured in subsequent corrective action measures implemented by OFMP.

**2.4 Short and Medium Term Goals – Steps to Efficient and Effective Portfolio Management**

In order to successfully achieve the long term goals it is important to set short and medium-range goals. These goals serve to improve the basic tools and activities needed to make decisions on and enhance HHS asset management. Short, medium, and long term goals are defined as:

- Short – Occurs within the 4Q FY 2007 or 1Q and 2Q FY 2008;

## *2008 HHS Three Year Rolling Timeline*

- Medium – Occurs within the 3Q FY 2008 or 4Q FY 2008 or any annually recurring actions;
- Long – The HHS Performance Targets (mission dependency, utilization, operating costs, CI) date as originally established for 2016 (see section 2.5); occurs 1Q FY 2009 and beyond.

The Tiger Team in 3Q and 4Q FY 2007 identified new initiatives that address gaps in the RAMP. The new initiatives were evaluated with the existing 3-Year Timeline milestones and goals. As a result of the evaluation, the Tiger Team recommended that:

- The format of the 3-Year Timeline should be revised into a streamlined summary document with appendices of supporting documentation;
- All goals and milestones related to EO 13423 should not be duplicated in both the PMA and Environmental Scorecards and thus should be deleted from the 3-Year Timeline; and
- Any goal or milestone already completed or not noted in the documentation to follow up should be deleted from the current timeline. The goal or milestone is no longer needed or no longer aligns with the oversight of the HHS portfolio.

In accordance with the schedule projected in the tables that follow (Appendix A), HHS will pursue measurable actions in order to achieve short, medium, and long range goals. Goals and milestones were established through the work of the Tiger Team's evaluation of all aspects of the HHS Real Property Asset Management Program. Goals are in terms of the defined five broad goals as documented in the previous HHS RAMP, 3-Year Timeline and Proud To Be documents. The adjustments of the short and medium range goals serve to:

- Focus HHS towards meeting the goals and objectives of the Department's Real Property Asset Management Plan leading to improved asset utilization by disposal of excess, under utilized or under performing facilities; improved asset condition by setting priorities based on asset data; and maintenance the inventory at the right cost to ensure the mission of HHS and its OPDIVs are accomplished effectively and efficiently; and
- Align processes at both the Department and OPDIV levels.

### **Goal #1 – Right Workforce**

The goal is that HHS will improve the competency, retention, recruiting, and succession planning of HHS Real Property Asset Management human resources to align our people with asset management performances goals.

The HHS RAMP human resource strategy focuses on Departmental and OPDIV level actions. The HHS strategy for recruiting, retention, and succession planning is established at the Department and OPDIV levels. At the Department level, the Office of Workforce Planning is establishing strategies for competencies that all HHS employees should develop, such as the OPM executive core competencies. In order to avoid duplication, the HHS RAMP HR Strategy focuses on competencies specific to real property management.

### **Accomplishments**

In an effort to pursue measurable actions to achieve improvements in Facilities Management workforce, HHS set an action to develop a Facilities Program Management course.

A program management course titled, *HHS Fundamentals of HHS Real Property Asset Management Training Course* was developed. The first offering of the course was held July 9-10, 2007 and the second offering was held September 11-12, 2007, both at the NIH Campus in Bethesda. Emphasis was made throughout the course on the importance and relevance of Federal Real Property Management in the day-to-day business of HHS and its OPDIVs. The total number of participants was 74.

### **Measurable Actions and Improvement Strategies**

In order for the OFMP to effectively support the role of the SRPO, it is critical to ensure that an adequate workforce exists to lead and direct the Department in functional areas of expertise to more effectively manage the HHS portfolio of assets.

### **Milestones**

- **1Q FY08** – Develop an OFMP human resource management plan; define master planner position description with specific KSAs.
- **3Q FY08** – Recruit Master Planner.

### **Results**

- ✓ Demonstrate required staffing levels under the DAS/OFMP support the SRPO in effectively leading and directing the Department in the areas of expertise required to manage the HHS portfolio of assets.
- ✓ Provide the needed documentation to initiate and complete hiring actions.
- ✓ Master Planner will provide the SRPO and the OFMP the ability to manage all aspects of planning, to ensure a single point of coordination and thus continuity in actions and communications to more efficiently and effectively manage the HHS portfolio of assets.

### **Goal #2 – Right Size**

HHS will improve asset management by reducing owned, leased, or otherwise managed underutilized, underperforming assets. We will accomplish these goals by linking real property utilization to the Real Property Asset Management budget decision-making process (See Figure 2.1.1). Additionally, to further ensure that the HHS portfolio is managed effectively and efficiently HHS has goals to:

- Monitor progress against associated baselines
- Evaluate progress relative to scorecards
- Establish future investment strategies

### **Accomplishments**

***HHS Disposition Plan:*** Each year the Department sets disposal targets for assets eligible for disposal by sale, transfer, or demolition. In FY 2007 the Department eliminated 566,669 million square feet with a Functional Replacement Value of over \$153M (Figure 2.5.1).

2008 HHS Three Year Rolling Timeline

Figure 2.4.1

<b>HHS FY 2007 Actual Owned Asset Dispositions</b>					
<b>OPDIV</b>	<b>Site</b>	<b>Type</b>	<b>PRV</b>	<b>GSF</b>	<b># Assets</b>
		<b>Disposal / Demolition</b>	<b>2007</b>	<b>2007</b>	<b>2007</b>
CDC	Atlanta, GA	Demolition	\$72,343,222	135,567	3
<b>CDC Total</b>			\$72,343,222	135,567	3
IHS	Albuquerque, NM	Demolition	\$372,628	4,691	1
	Bethel, AK	Demolished	\$15,938,917	105,997	31
	Cherokee, NC	Other	\$249,938	5,664	4
	Crown Point, NM	Demolition	\$203,644	4,136	5
	Dulce, NM	Demolition	\$899,163	5,174	2
	Ft. Belknap, Harlem, MT	Demolition/ Other	\$571,119	6,744	5
	Ft. Defiance, AZ	Demolition	\$1,052,163	10,994	11
	Ft. Duchesne, UT	Other	\$259,281	3,196	1
	Ft. Yates, ND	Demolition	\$763,810	5,544	5
	Lame Deer, MT	Demolition	\$6,742	84	1
	Lawton, OK	Demolition	\$413,208	2,500	1
	Many Farms, AZ	Demolition	\$247,535	1,265	1
	Neah Bay, WA	Demolition	\$40,258	450	1
	Nespelem, WA	Demolition	\$36,788	400	1
	Pawnee, OK	Demolition	\$10,956	144	1
	Phoenix, AZ	Demolition	\$589,466	3,072	2
	Pine Ridge, SD	Demolition	\$27,404	602	14
	Piñon, AZ	Demolition	\$79,420	1,660	1
	Riverside, CA	Demolition	\$808,367	3,700	1
	Rock Point, AZ	Demolition	\$645,744	3,300	1
	Rocky Boy, MT	Other	\$86,908	1,871	1
	Rosebud, SD	Demolition	\$43,673	533	2
	Unalakleet, AK	Sale	\$505,348	1,400	2
	White Earth, MN	Demolition	\$57,699	670	1
	White River, AZ	Demolition	\$63,677	1,344	1
	Window Rock, AZ	Demolition	\$140,621	2,856	3
Winnebago, NE	Demolition	\$591,985	4,766	3	
Zuni, NM	Demolition	\$554,017	11,344	15	
<b>IHS Total</b>			\$25,264,999	194,101	118
NIH	Bethesda, MD	Demolition	\$53,492,561	231,019	1
	Hamilton, MT	Demolition	\$761,800	4,000	1
	Ft. Detrick, MD	Demolition	\$771,236	1,982	1
<b>NIH Total</b>			\$55,025,597	237,001	3
Total Actual Disposed Assets FY2007			\$152,633,818	566,669	124
FY 2007 Goal			\$60,084,800		62
Results			254%		200%

**Consolidated Corrective Action Plans:** HHS OFMP and its OPDIVs continue to make progress toward meeting Department Performance Targets in utilization, operating costs, and condition. In FY 2007, OFMP established the Consolidated Corrective Action plan. The plan consists of three components. The three components are:

1. SRPO Assessment of Landholding OPDIV: The assessment is a review of an OPDIV's progress towards meeting the HHS Performance Targets. The analysis is performed by the OFMP.
2. Consolidated Corrective Action Plan – OPDIV Report: Each OPDIV is to review the assessment provided by the SRPO. Based on both the SRPO and OPDIV information, the OPDIV is to provide specific actions and explanations to questions provided as a part of SRPO assessment. The OPDIV level reports address:
  - Major actions taken by the OPDIV over the past year to meet HHS performance targets;
  - Inconsistencies in data requiring corrective actions with descriptions of corrective actions that were implemented or planned to be implemented to resolve the inconsistencies;
  - Obstacles encountered in meeting the interim performance targets;
  - Lessons learned (positive or negative);
  - Re-prioritization recommendations based on the reviews of progress relative to interim and overall performance targets; and
  - Assessment of OPDIV's ability to achieve the overall performance targets set for 2016.
3. Consolidated Corrective Action Plan – SRPO Report: The Report summarizes the status of and provides a consolidated corrective action plan for the Department and its OPDIVs through an assessment of progress towards meeting the interim Departmental targets for constructed assets.

The process allows the Senior Real Property Officer to evaluate areas that may require additional support either financially or by adjusting and improving methodologies within the control of the Department to right size the portfolios. The intent is to allow the SRPO to affect decisions being made to ensure that HHS facilities can support the HHS mission.

Each of the OPDIVs have issues unique to their day-to-day management of the HHS portfolio portion for which they are accountable. Although not all issues can be resolved immediately, the first critical step is to be able to identify the issues. Depending on the issue it can be addressed in one of three ways:

1. The OPDIV can resolve at the local level;
2. The OFMP can work collaboratively with the OPDIVs to determine the method and means to come to a resolution; or
3. The SRPO can work collaboratively with OFMP and the OPDIVs to resolve the issues, especially for those issues that may have far reaching influence and involve many different facets of the HHS organization.

### Measurable Actions and Improvement Strategies

Many of the gaps identified by the Tiger Team applied to right sizing the portfolio. One major gap is in demonstrating the use of FRPC data in day-to-day decision making. Related to this were gaps in the areas of evaluation, analysis, review and approval of asset management decisions. In order to close these gaps, HHS and its OPDIVs have set aggressive goals for FY 2008. Goals of main focus are to include:

- Quarterly trending of progress towards meeting Departmental performance targets to “right-size” the portfolio;
- Transfer the delegation of authority as chair of the (CIRB) to the SRPO;
- Re-establish semi-annual CIRB meetings to address: 1) budget; and 2) master planning, including overall management of portfolio issues;
- Establish standard template(s) for reporting use of inventory data and performance data in day-to-day decision-making;
- Revise and promulgate methodology for Internal Scorecards.

In addition to these goals, HHS will continue actions already in place as annually recurring or that are under final development such as annual disposition targets; consolidated corrective action plans; leasing actions; and Post Occupancy Evaluations for newly constructed assets.

### Milestones

- **1Q FY08** – Develop new OPDIV internal scorecard with implementation policy and guidance.
- **1Q FY08** – Transfer delegation of CIRB chair to SRPO.
- **1Q FY08** – Establish semi-annual CIRB meetings.
- **1Q FY08** – Identify specific corrective actions to be taken in FY08 to improve lease management.
- **1Q-4Q Quarterly** – OFMP, on behalf of the SRPO, to evaluate previous quarter’s data to track land holding OPDIV progress towards meeting Departmental performance targets to “right size” the HHS portfolio of assets.
- **2Q FY08** – Finalize utilization improvement plan for owned constructed assets.
- **2Q FY08** – Implement standard Post Occupancy Evaluation format, policy, and guidance.
- **2Q Annually** – Incorporate real property requirements and analysis of data into budget technical guidance to each OPDIV.
- **2Q Annually** – For selected assets from each landholding OPDIV’s portfolio OFMP will perform an analysis utilizing the Performance Assessment Tool (PAT) (formerly Disposition Decision Tree) based on the current data in ARIS.
- **2Q Annually** – SRPO provides annual analysis to OPDIVs as part of budget technical guidance in 2Q; OPDIVs provide OPDIV report to SRPO; SRPO provides Department Consolidated Corrective Action Plan report.

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- **2Q Annually** – Review and update utilization implementation plan.
- **3Q Annually** – Develop candidate property disposition list for upcoming fiscal year.
- **3Q-4Q FY08** – In 3Q develop implementation plan guidance for day-to-day decision making process; in 4Q implement the use of templates with policy and guidance.
- **4Q Annually** – OPDIVs update project lists for incorporation into Appendix B of Three-year Timeline.

**HHS Disposition Plan:** FY 2008 – FY 2010 targets have been established to continue the elimination of additional excess or underperforming assets as shown in Figure 2.4.2. The long-term goal is to reach the point where less than five percent of constructed assets are underutilized or excess by the end of FY 2010.

**Figure 2.4.2 - Updated HHS Disposition Targets**

HHS Disposition Plan FY 2008 to FY 2010									
Demolition Targets FY 2008 - FY 2010									
OPDIV	FRV			GSF			# Assets		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
CDC Demolitions Total	\$ 23,410,744	\$ -	\$ 155,073,420	28,688	0	312,966	23	0	9
IHS Demolitions Total	\$ 4,276,880	\$ 1,092,418	\$ 38,001,844	44,288	9,804	141,990	43	6	11
NIH Demolitions Total	\$ 2,596,229	\$ -	\$ -	9,338	0	0	3	0	0
<b>Demolition Target Totals by Year</b>	<b>\$ 30,283,853</b>	<b>\$ 1,092,418</b>	<b>\$ 193,075,264</b>	<b>82,314</b>	<b>9,804</b>	<b>454,956</b>	<b>69</b>	<b>6</b>	<b>20</b>
Disposal Targets FY 2008 - FY 2010									
OPDIV	FRV			GSF			# Assets		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
FDA Disposals Total	\$ -	\$ 449,271	\$ -	0	4,100	0	0	1	0
IHS Disposals Total	\$ 6,272,008	\$ 26,762,355	\$ 12,851,919	54,387	131,227	67,865	14	34	27
<b>Disposal Target Totals by Year</b>	<b>\$ 6,272,008</b>	<b>\$ 27,211,626</b>	<b>\$ 12,851,919</b>	<b>54,387</b>	<b>135,327</b>	<b>67,865</b>	<b>14</b>	<b>35</b>	<b>27</b>
<b>Disposition Totals by Year</b>	<b>\$ 36,555,861</b>	<b>\$ 28,304,044</b>	<b>\$ 205,927,183</b>	<b>136,701</b>	<b>145,131</b>	<b>522,821</b>	<b>83</b>	<b>41</b>	<b>47</b>
	2008	2009	2010	2008	2009	2010	2008	2009	2010

**Results**

- ✓ Allow the SRPO to work with the OPDIVs proactively in addressing issues that may impede their ability to meet HHS performance target throughout the year.
- ✓ Consolidated Corrective Action Plan provides an annual status identifying:
  - Major actions taken;
  - Obstacles requiring corrective actions and what actions have or are planned to resolve them;
  - Obstacles that required SRPO assistance;
  - Lessons learned;
  - Re-prioritization recommendations from OPDIV for consideration by the SRPO;

- Information to use in updating annual OPDIV CI Sustainment and Improvement Plans.
- ✓ CIRB Chair delegation will provide greater control for the SRPO in effectively and efficiently managing the HHS portfolio of assets by physically presenting and establishing the SRPO as the oversight authority.
- ✓ Semi-annual meetings will establish major milestones for reviewing and rendering effective decisions with managing the portfolio.
- ✓ Standard templates will provide the SRPO with consistency in data and evidence in ensuring that OPDIVs are using the FRPC data in making day-to-day decisions in managing their portions of the HHS portfolio of assets effectively and efficiently.
- ✓ Internal Scorecards will provide the SRPO a basis by which they authoritatively monitor the progress of OPDIVs in satisfying HHS Performance Targets and other external and internal target, as defined by the Performance Scorecard process.
- ✓ Align real property asset management at the Department and OPDIV levels.

### **Goal #3 – Right Cost**

HHS will improve asset management by reducing operating cost of owned assets by 5% (adjusting for inflation) against a 2006 baseline by FY 2011 (See Figure 2.5.1).

#### **Accomplishments**

Annual operating and maintenance cost, as defined by the FRPC, consists of recurring maintenance and repair costs, utilities, cleaning and janitorial costs, and roads and grounds maintenance costs. Through the results of the Tiger Team Workgroup and the Consolidated Corrective Action Plan, HHS identified inconsistencies in the calculations of operating costs at each OPDIV. No one approach was better than another and all have merit. These “check and balance” actions have allowed HHS to develop a strategy to address the issue.

#### **Measurable Actions and Improvement Strategies**

The Tiger Team determined that this initiative, although linked to and integral to other goals, is critical and requires its own focus. The capturing of accurate O&M cost by calculations and/or assumptions was developed through the appropriate working group to ensure OPDIV input and gain OPDIV consensus. The strategy is to:

- Determine the current OPDIVs approach to calculating O&M costs and the level of detail available to the OPDIVs to make these estimations;
- Determine the OPDIVs capability to determine O&M costs;
- Develop standard approach to calculating O&M costs at the constructed asset level;
- Develop an O&M costing plan; and implement O&M costing plan.

It should be noted that the long-term goal is to reduce operating cost in an effort to make all operations and maintenance more efficient. However, until the BMAR reaches a manageable level, it is desirable to spend more than the Department’s goal on operating costs.

**Milestones**

- **2Q FY 08** – Develop an HHS Operations and Maintenance Cost Plan.
- **4Q FY 08** – Begin implementation of HHS Operations and Maintenance Cost Plan.
- **4Q Annually** – Department audits the operating cost of one campus of one land-holding OPDIV per year.
- **4Q Annually** – Review and update plan as required.

**Results**

- ✓ Ensure consistent interpretation and implementation of the Department’s performance targets for O&M.
- ✓ Assist the OPDIVs to more accurately project future O&M needs for funding.
- ✓ Improve facilities management.
- ✓ Assist the SRPO to effectively oversee that HHS facilities are operating at the right cost to properly sustain facilities and reduce the backlog of maintenance and repair to the greatest extent possible.

**Goal #4 – Right Condition**

HHS will improve asset management by establishing a long-term goal (Figure 2.4.3) to improve facility condition to an average CI of 90 for all facilities, linking real property condition and stewardship to the Real Property Asset Management decision-making process by setting performance goals relative to facility condition, assessment, prioritization of repair needs and construction acquisition, and requiring the consideration of these goals in budget decision making.

**Figure 2.4.3 – Target CI for Constructed Assets**

Performance Measure	Baseline	Actual	Projected	Target				Achieve Target
	2005	2006	2007	2008	2009	2010	Long Term	
Condition (CI)	86.0	82.3	83.4	87.2	87.6	88.0	90.0	2016

The HHS real property assets are vital to the accomplishment of its mission and the missions of its OPDIVs. Quality, safe, and healthy facilities are required to support all the mission requirements. The index for CI is calculated using the following formula:

$$CI = (1 - (\text{repair needs}/\text{plant replacement value})) \times 100$$

There are two components of funding: 1) Sustainment – to maintain real property inventory from deteriorating; and 2) Improvement – to address deferred maintenance backlog and improve conditions. Sustainment consists of maintenance and repair activities necessary to keep the

inventory of facilities in good working order. However, in order to improve CI there must be a decrease in the backlog of maintenance and repairs – BMAR.

### **Accomplishments**

HHS is moving forward to improve the portfolio CI of constructed assets (Figure 2.4.3). HHS has not been able to determine accurately whether the set targets for FY 2005 and FY 2006 have been met. This is due to inconsistencies in standard assumptions and calculations. HHS has set goals to address this issue in Goal #5 – Right Data.

Through the budget process the SRPO continues to be an advocate in appropriately funding the OPDIVs buildings and facilities programs to affect a reduction in BMAR and thus to effectively move HHS into a situation that the majority of funding can be applied to sustainment activities.

In the annual budget, OPDIVs link their needs for sustainment and improvement funding to progress in meeting the CI target in 2016. With the integration of the CI tables into the budget process, HHS will be able to demonstrate funding trends and the impact on a OPDIVs ability to meet the CI target. The impacts of not receiving needed sustainment funding would cause an increase in the BMAR and reduce CI. Receiving sufficient sustainment funding but no improvement funding maintains current CI levels but does not allow for reduction of BMAR and thus impedes the ability to improve CI. Receiving sufficient sustainment funding with sufficient improvement funding would maintain facilities, reduce BMAR and steadily improve CI. HHS will continue to use the CI tables to link this performance target to the budget process.

### **Measurable Actions and Improvement Strategies**

The key to achieving our goals is a balanced mix of projects, best practices applications, and training related to disposition, consolidation, maintenance and repair and capital improvements (See Appendix B, herein). Additionally, the measurable actions and improvement strategies in other goal areas are integral to the improvement of the HHS portfolio CI. As those milestones are realized, HHS anticipates continued improvement in overall portfolio CI.

### **Goal #5 – Right Data**

HHS will improve asset management by ensuring that real property asset management decisions are based on accurate data. In FY 2005, the *HHS Real Property Asset Management Plan* established long-range targets for Federal Real Property Council measures with yearly interim targets to improve the management of the HHS portfolio of assets. Through this process HHS pursues continual improvements in the managing of information in order to effectively analyze and manage the portfolio.

### **Accomplishments**

With the implementation of ARIS in FY 2006, HHS now captures and maintains an accurate inventory of their real property portfolio. The captured data is used for trending purposes. HHS uses the trends and anomalies to monitor progress against associated baselines, to evaluate progress relative to scorecards, and to establish future investment strategies. Trend data is considered prior to issuance of the annual HHS Real Property pre-budget guidance in the second quarter (see Figure 2.2.1). Additionally, the trend data is the basis for analysis in the Consolidated Corrective Action Plans beginning with the SRPO analysis to each respective OPDIV. Review of the data in the past year by the SRPO, OFMP, OPDIVs, Tiger Team Workgroup, and other workgroups have identified gaps in several areas at both the Department

and OPDIV levels. Without the data as a basis for analysis, these gaps may not have otherwise been identified. HHS is moving forward to close these gaps.

In response to a new initiative established for Federal agencies in the 3Q FY 2007, HHS established an HHS Real Property Data Validation Plan. The final plan was updated and submitted on November 1, 2007. The implementation of this plan will increase confidence in the data within the ARIS database. This will further ensure that the data utilized to make day-to-day decisions, as well as long term decisions, is accurate and reliable.

### **Measurable Actions and Improvement Strategies**

The focus of HHS in FY 2008 is in three main initiatives to ensure HHS has the right data. The first initiative is a one-time action that, upon implementation into the HHS process, will require periodic checks to ensure the effectiveness of the results – this is the Data Validation Plan. It is anticipated that it will take a full year from development to complete implementation of the plan.

The second initiative is two-fold. It is to adjust baseline figures for HHS Performance Targets and standardize HHS assumptions to further define FRPC measures. The need for this initiative stems from the same issue as previously identified. Each OPDIV is calculating in a manner that meets their mission needs but all the methods are different. No one method is right or wrong. However, for the SRPO to efficiently and effectively manage the HHS portfolio of assets there needs to be consistency in the calculations. The initiative seeks to standardize calculations and assumptions for the variables used to calculate the various targets and implement their use by way of policy and guidance.

### **Milestones**

- **1Q FY08** – Submit revised verification and validation plan based on OMB comments received as part of the 4Q FY 2007 PMA scorecard submission.
- **1Q FY08** – Review FRPC definitions and guidance and determine which elements require additional clarification by the Department. Prioritize needs. Begin standardization process.
- **1Q Annually** – Perform “desktop” validation on ARIS data in preparation of the annual upload to ARIS and finally FRPP.
- **1Q Annually** – Upload ARIS data to FRPP.
- **1Q-4Q Annually** – **OPDIVs certify:** 1) the accuracy and completeness of portfolio data in ARIS; and 2) the completion of and changes in OPDIV 3-Year Timeline goals/milestones/targets.
- **2Q FY08** – Develop standardized validation forms and provide field validation training.
- **2Q FY08** – Analyze FRPC data from previous years and prioritize adjustment actions determined through the analysis process.
- **2Q FY08** – Complete standardization process. Issue HHS standard definitions and guidance as policy.
- **3Q FY08** – Revise interim targets as recommended by workgroups and approved by OFMP and SRPO. Implement final standard calculations and assumptions policy with guidance.

- **3Q Annually** - Onsite validations are conducted by the OFMP and the OPDIVs to field verify the data in ARIS.

## Results

- ✓ Will assure the SRPO, OFMP, and OPDIVs that day-to-day and long-term decision making at all levels is based on consistent and accurate data.
- ✓ Will ensure that trending progress towards meeting HHS Performance targets is based on consistent and accurate baseline data.

## 2.5 Long Term Goals – HHS Performance Targets

Using FY 2005 as the baseline year, HHS OFMP established key performance targets and desired outcomes (Figure 2.5.1). The targets are consistent with the HHS RAMP and FRPC guidance. The targets represent a strategy that will move the HHS portfolio towards being managed at the right size, right condition, and the right cost.

## Targets

The long term, key performance targets are:

- **Mission Dependency** – *Not Mission Dependent* properties will be reduced to less than 5% of the HHS portfolio by FY 2010;
- **Utilization** – Under-utilized space will be reduced to 5% by FY 2010 and over-utilized space will be maintained at or below 6.7%;
- **Condition** – CI across the HHS inventory (buildings) will be raised from fair to good (≥ 90%) by FY 2016;
- **Operating Costs** – HHS facilities will reduce their operating costs by 5.0% by FY 2010 over the FY 2005 baseline year (adjusted for inflation).

## Results

The results of accomplishing these long term goals will:

- ✓ Reduce non-mission dependent facilities leading to incurring costs on only those assets required to support mission needs;
- ✓ Improve facility utilization rates leading to efficient use of assets;
- ✓ Improve the condition of HHS facilities leading to reductions in the backlog of maintenance and repairs thus freeing fiscal resources to address other mission priorities;
- ✓ Effect appropriate operating and maintenance (O&M) costs leading to efficient use of O&M funding.<sup>10</sup>

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<sup>10</sup> Operating costs, which include preventative maintenance (PM), are tied to the condition of the facility. If a facility is in poor condition, the PM costs, and therefore the operating costs, will be higher because equipment tends to fail more frequently. In order to offset these failure, special care and/or additional PM tasks are required. By contrast, a new facility will not have these failures and will not require these additional tasks and extra costs. The Backlog of Maintenance and Repairs (BMAR) for all the OPDIVs is such that additional operation and maintenance (O&M) funding is required beyond sustainment to handle the extra O&M expenses. Until the BMAR reaches a manageable level, it is desirable to spend more than the Department's goal on operating costs.

**Figure 2.5.1 Long Term Goals – HHS Performance Targets**

**HHS PERFORMANCE TARGETS  
(Long Term Goals)**

	FY	Mission Dependency Index (by 2010)	Utilization Index (by 2010)		Operating Costs (by 2010)	Condition Index (by 2016)
		< 5% NMD	Over-utilized	Under/Not Utilized	Reduce 5.0%	90%
<b>Baseline</b>	2005	7.39%	6.70%	5.60%	\$10.82	86.0
<b>Interim Targets</b>	2006	6.91%	< 6.70%	5.48%	\$10.71	86.4
	2007	6.43%	< 6.70%	5.36%	\$10.60	86.8
	2008	5.95%	< 6.70%	5.24%	\$10.50	87.2
	2009	5.48%	< 6.70%	5.12%	\$10.39	87.6
	2010	<b>5.00%</b>	<b>&lt; 6.70%</b>	<b>5.00%</b>	<b>\$10.29</b>	88.0
	2011	--	--	--	--	88.4
	2012	--	--	--	--	88.8
	2013	--	--	--	--	89.2
	2014	--	--	--	--	89.6
	2015	--	--	--	--	89.8
	2016	--	--	--	--	<b>90.0</b>

**2.6 Conclusion**

The goal of the Federal Real Property initiative is to ensure that property inventories are maintained at the right size, cost, and condition to support agency missions and objectives. While simple in construct, this task requires dedicated resources, effective coordination, and agency commitment to make tough decisions when needed. Therefore, HHS is continually striving to adjust, align, and improve the management processes required to effectively and efficiently manage the HHS portfolio of assets. Cost effective management of Federal and HHS resources such as real property is one of the prime elements of good Government stewardship. HHS is adding their efforts to other Federal Agencies to have a right sized and right managed Federal real property inventory. HHS seeks to continually educate, sharing best practices and coordinating communication between all entities of HHS facilities to ensure future success.

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## 2008 Update: HHS President's Management Agenda

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**Office for Facilities Management and Policy**  
**Real Property Asset Management**  
**President's Management Agenda -- Goals and Milestones**

as of April 22, 2008

Guide to Goal/Milestone Identification Number: • 3.3.8 -- Oversight of the HHS Portfolio Initiative • TYTL.4 -- Three Year Timeline Goal/Milestone • PMA 1.3 -- PMA Departmental Scorecard Action

Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
4Q	2007	No	5	3.3.1	Verification and Validation Process -- ARIS data	Develop a verification and validation plan	Verification and Validation Plan	Page 18 and 30, Oversight of the HHS Portfolio Document	ARIS Workgroup/OFMP
4Q	2007	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Finalize FY08 candidate property list for HHS assets	FY 2008 Report of HHS Real Property Portfolio Planned Actions	FY 2007 TYTL / PTB IV / PMA Scorecard	OPDIVs submit to OFMP
4Q	2007	Yes	2	TYTL.7	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report final results on meeting FY07 portfolio management targets	Final Annual Report for Real Property Portfolio Planned Actions	FY 2007 TYTL / PTB IV / PMA Scorecard	OPDIVs submit to OFMP
4Q	2007	No	4	TYTL.8	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Update/verify reporting structure for disposals and demolitions to include FRV, square footage, and start/complete time frames at a minimum	3-Year Timeline appendix document and summary reports	NA	OPDIVs submit to OFMP
1Q	2008	No	5	3.3.1	Verification and Validation Process -- ARIS data	Revised submitted verification and validation plan based on OMB comments received as part of the 4Q FY 2007 PMA scorecard submission	Revised Verification and Validation Plan (Due 11/01/07)	Page 18 and 30, Oversight of the HHS Portfolio Document	ARIS Workgroup/OFMP
1Q	2008	Yes	5	3.3.1	Verification and Validation Process -- ARIS data	Perform "desktop" validation on ARIS data in preparation of the annual upload to ARIS and finally FRPP	ARIS Upload (Due 11/15/07) / FRPP (12/14/07)	Page 18 and 30, Oversight of the HHS Portfolio Document	OPDIVs / OFMP
1Q	2008	No	2	3.3.12	Revise and Elaborate Methodology for Internal Scorecards	Develop new OPDIV internal scorecard with implementation policy and guidance	OPDIV internal scorecard with guidance	Page 22, 28 and 33, Oversight of the HHS Portfolio Document	Tiger Team
1Q	2008	No	2	3.3.13	Revise 3-Year Timeline Report	Revise 3-Year Timeline Format with Tiger Team recommendations	FY 2008 Revised 3-Year Timeline (Due 11/26/07)	Page 23, 29 and 33 Oversight of the HHS Portfolio Document	Tiger Team
1Q	2008	No	1	3.3.2	Adequate Workforce to lead and direct in Department functional areas of expertise	Develop an OFMP Human Resource Management Plan	HHS OFMP Human Resource Management Plan	Page 19, 24 and 33 Oversight of the HHS Portfolio Document	OFMP
1Q	2008	Yes	2	3.3.3c	Adjust baseline figures for HHS Performance Targets -- Assess current HHS Performance Targets for utilization, mission dependency, operating costs and condition, and revise interim targets as determined necessary by the SRPO	OFMP on behalf of the SRPO to evaluate previous quarter's data to track land holding OPDIV progress towards meeting Departmental performance targets to "right size" the HHS portfolio of assets.	SRPO specific progress reports to OPDIVs	Page 19, 25 and 33 Oversight of the HHS Portfolio Document	OFMP
1Q	2008	No	1	3.3.5	Develop the requirement for and recruit OFMP Master Planner Position	Define master Planner position description with specific KSAs	HHS OFMP Master Planner PD	Page 19, 24 and 33 Oversight of the HHS Portfolio Document	OFMP
1Q	2008	No	5	3.3.6	Standardize HHS Assumptions to Further Define FRPC Measures	Review FRPC definitions and guidance and determine which elements require additional clarification by the Department. Prioritize needs. Begin standardization process.	Status Report	Page 19, 24 and 33 Oversight of the HHS Portfolio Document	O&M, Utilization, Mission Dependency Performance Measure Work Groups review and develop; OFMP/Tiger Team review and coordinate policy
1Q	2008	No	2	3.3.8	Delegate the CIRB Chair to the SRPO	Transfer delegation of CIRB chair to SRPO.	Delegation authority document	Page 21, 26 and 33 Oversight of the HHS Portfolio Document	SRPO



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Guide to Goal/Milestone Identification Number: ● 3.3.8 -- Oversight of the HHS Portfolio Initiative ● TYTL.4 -- Three Year Timeline Goal/Milestone ● PMA 1.3 -- PMA Departmental Scorecard Action

Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
1Q	2008	No	2	3.3.9	Establish Standard Templates for reporting use of inventory data and performance data in day-to-day decision making for owned and leased assets	Form a working group to review OMB "Getting to Green" examples; evaluate existing OPDIV tools to identify Best Practices; review current examples of OPDIV use of data; benchmark with other federal agencies; and finalize reports calendar	Status report and reports calendar	Page 21, 27 and 33 Oversight of the HHS Portfolio Document	Tiger Team
1Q	2008	No	2	PMA.1.1	Lease Property Portfolio Management	Identify specific corrective actions to be taken in FY08 to improve lease management	Report	4Q Departmental PMA Scorecard	Tiger Team
1Q	2008	No	2	PMA.1.2	HHS Real Property Asset Management	Identify long term goals and incorporate all short, medium, and long term goals into the 3-Year Timeline	Draft FY 2008 Revised 3-Year Timeline and Updated Oversight of Portfolio Document -- Due 11/26/07	4Q Departmental PMA Scorecard	Tiger Team
1Q	2008	No	2	PMA.1.3	HHS Real Property Asset Management	Finalize the Proud to Be V	Proud to Be V Document -- Due 11/15/07	4Q Departmental PMA Scorecard	OFMP
1Q	2008	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Certification Statements with required supporting documentation for data changes	TBD	OPDIVs
1Q	2008	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY08 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
1Q	2008	No	2	3.3.10	Pursue ( not implement) Recommended Action from Enhanced Real Property Authority	Identify eligible OPDIV properties	Status report and list of properties.	Page 21, 28 and 33, Oversight of the HHS Portfolio Document	Tiger Team / OPDIVs
1Q	2008	No	2	3.3.7	Establish Annual Board Meeting for Master Plan	Establish semi-annual CIRB meetings to address: 1) budget including sustainment/improvement funding and other funding issues, 2) master planning to include overall management of portfolio issues	Policy documentation delineating the specific purpose of each meeting, establishing membership, protocols, and standard agenda; and defining specific approval actions	Page 20, 26 and 33 Oversight of the HHS Portfolio Document	SRPO with OFMP
2Q	2008	No	5	3.3.3b	Adjust baseline figures for HHS Performance Targets -- Assess current HHS Performance Targets for utilization, mission dependency, operating costs and condition, and revise interim targets as determined necessary by the SRPO	Analyze FRPC data from previous years and prioritize adjustment actions determined through the analysis process. In conjunction with 3.3.6 and 3.3.11 develop standard calculations and assumptions for variables and implement their use.	1. Status Report 2. Include with Budget Technical Guidance	Page 19, 27 and 33 Oversight of the HHS Portfolio Document	O&M, Utilization, Mission Dependency Performance Measure Work Groups review and develop; OFMP/Tiger Team review and coordinate policy
2Q	2008	No	5	3.3.1	Verification and Validation Process - ARIS data	Verify and update data based on FRPC analysis (including OIG)	Status Report and Action Plan	Page 3 HHS Plan to Improve Lease Management	OFMP/OPDIVs
2Q	2008	No	2	TYTL.9	Lease Property Portfolio Management	Run PAT analysis on under and not utilized lease assets	Status Report and Action Plan	Page 3 HHS Plan to Improve Lease Management	OPDIVs
2Q	2008	No	5	3.3.6	Standardize HHS Assumptions to Further Define FRPC Measures	Complete standardization process. Issue HHS standard definitions and guidance as policy.	Policy and Guidance document.	Page 19, 24 and 33 Oversight of the HHS Portfolio Document	O&M, Utilization, Mission Dependency Performance Measure Work Groups review and develop; OFMP/Tiger Team review and coordinate policy



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Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
2Q	2008	Yes	3	TYTL.1	Annual Budget Guidance	Incorporate all aspects of real property as it relates to the budget with an analysis of data into budget technical guidance and provide to each OPDIV	Budget Technical Guidance	TBD	OFMP
2Q	2008	No	2	TYTL.10	Utilization Performance Measures for Owned Constructed Assets	Finalize a utilization improvement plan for owned constructed assets	Utilization Plan, implementation and guidance documentation	TBD	Utilization Performance Measures Work Group
2Q	2008	Yes	ALL	TYTL.2	Annual Update of HHS RAMP	Complete a revision of the HHS Real Property Asset Management Plan (RAMP) to include an evolution of HHS Asset Management processes since the initial plan and to incorporate OMB approved 3-Year Timeline (TYTL) updates.	HHS RAMP	TBD	OFMP
2Q	2008	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Certification Statements with required supporting documentation for data changes	TBD	OPDIVs
2Q	2008	No	2	TYTL.5	Post Occupancy Evaluation	Implement standard Post Occupancy Evaluation format, policy, and guidance	Policy and Guidance document.	TBD	OPDIVs
2Q	2008	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY08 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
2Q	2008	No	5	3.3.1	Verification and Validation Process -- ARIS data	Develop standardized validation forms and provide field validation training	Report	Page 18, 30 and 33, Oversight of the HHS Portfolio Document	ARIS Workgroup
2Q	2008	No	3	3.3.11	Capture accurate operations and maintenance (O&M) costs	Develop an HHS Operations and Maintenance Costing Plan	HHS Operations and Maintenance Costing Plan and Implementation Schedule	Page 22, 29 and 33, Oversight of the HHS Portfolio Document	O&M Workgroup
2Q	2008	Yes	2	3.3.3d	Adjust baseline figures for HHS Performance Targets -- establish annual analysis to verify that targets continue to be aligned with established needs of the SRPO	Incorporate real property requirements and annual evaluation of data to track land holding OPDIV progress towards meeting Departmental performance targets to "right size" the HHS portfolio of assets into Budget Technical Guidance.	As part of the Budget Technical Guidance the SRPO provides annual analysis to OPDIV	Page 19, 27 and 33 Oversight of the HHS Portfolio Document	OFMP
2Q	2008	Yes	2	3.3.4	OFMP to develop an analysis to evaluate asset data using PAT (Disposition Decision Tree) and provide analysis to OPDIVs	For selected assets from each land holding OPDIV's portfolio, OFMP will perform an analysis utilizing PAT (Disposition Decision Tree) based on the current data in ARIS and provide a report of the results to the specific OPDIV.	OFMP report to each OPDIV	Page 19, 26 and 33 Oversight of the HHS Portfolio Document	OFMP
2Q	2008	No	2	3.3.9	Establish Standard Templates for reporting use of inventory data and performance data in day-to-day decision making for owned and leased assets	Develop standard "template" from Best Practices; distinguish requirements, if needed, between ASAM/Board level and OPDIV level. (Day-to-Day Decision making)	Status report and template.	Page 21, 27 and 33 Oversight of the HHS Portfolio Document	Tiger Team



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Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
2Q	2008	Yes	2	3.3.3e	Adjust baseline figures for HHS Performance Targets -- SRPO to provide a Consolidated Corrective Action Plan report.	SRPO provides annual analysis to OPDIVs as part of budget technical guidance in 2Q; In 3Q OPDIVs provide OPDIV report to SRPO; SRPO provide Department Consolidated Corrective Action Plan	SRPO Consolidated Corrective Action Plan with OPDIV Reports	Page 19, 25 and 33 Oversight of the HHS Portfolio Document	OFMP; OPDIV reporting requirement
3Q	2008	Yes	5	3.3.1	Verification and Validation Process -- ARIS data	Onsite validations are conducted by the OFMP and the OPDIVs to field verify the data in ARIS	Report	Page 18, 30 and 33, Oversight of the HHS Portfolio Document	ARIS Workgroup
3Q	2008	No	2	3.3.10	Pursue ( not implement) Recommended Action from Enhanced Use Leasing (EUL) Real Property Authority	Evaluation of projects as potential pilot(s) using EUL	Status report	Page 21, 28 and 33, Oversight of the HHS Portfolio Document	Tiger Team
3Q	2008	No	5	PTB V	Improved Data Sharing	Implement the common Federal transfer screening format and performance measures	Policy and guidance for implementation	PTB V, page 7	OFMP
3Q	2008	No	5	3.3.3c	Adjust baseline figures for HHS Performance Targets -- Assess current HHS Performance Targets for utilization, mission dependency, operating costs and condition, and revise interim targets as determined necessary by the SRPO	Revise interim targets as recommended by WGs and approved by OFMP and SRPO. Implement final standard calculations and assumptions policy with guidance.	Policy and Guidance document	Page 19, 27 and 33 Oversight of the HHS Portfolio Document	O&M, Utilization, Mission Dependency work groups then with full recommendations review by OFMP/Tiger Team
3Q	2008	Yes	2	3.3.3c	Adjust baseline figures for HHS Performance Targets -- Assess current HHS Performance Targets for utilization, mission dependency, operating costs and condition, and revise interim targets as determined necessary by the SRPO	OFMP on behalf of the SRPO to evaluate previous quarter's data to track land holding OPDIV progress towards meeting Departmental performance targets to "right size" the HHS portfolio of assets.	SRPO specific progress reports to OPDIVs	Page 19, 25 and 33 Oversight of the HHS Portfolio Document	OFMP
3Q	2008	No	1	3.3.5	Develop the requirement for and recruit OFMP master Planner Position	Recruit master Planner	Solicitation for Master Planner	Page 19, 24 and 33 Oversight of the HHS Portfolio Document	OFMP
3Q	2008	No	2	3.3.9	Establish Standard Templates for reporting use of inventory data and performance data in day-to-day decision making for owned and leased assets	Develop implementation plan and guidance for day-to-day decision making process.	Status report, implementation plan and guidance	Page 21, 27 and 33 Oversight of the HHS Portfolio Document	Tiger Team
3Q	2008	Yes	3	TYTL.11	Operations and Maintenance Performance Measures for Owned Assets	O&M Best Practices Strategy Document -- review and update annually as required by results of the review	Report of review and any changes	TBD	O&M Performance Measures Work Group
3Q	2008	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
3Q	2008	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY08 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
3Q	2008	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Project FY09 candidate property list for HHS assets	Draft FY 2009 Report of HHS Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP



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Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
3Q	2008	Yes	2	TYTL.9	Lease Property Portfolio Management	Review and update leasing performance measures to assess effectiveness and ascertain if any changes or improvements are required	Revised Measures and Summary	TBD	Lease Performance Measures Work Group
3Q	2008	Yes	2	TYTL.9	Lease Property Portfolio Management	Department audits the utilization of one lease of one non-land holding OPDIV per year	Audit summary report	TBD	OFMP
3Q	2008	No	2	TYTL.9	Lease Property Portfolio Management	Implement HHS screening process to maximize utilization through collocation/consolidation of HHS assets	Screening Process	Page 3 HHS Plan to Improve Lease Management	OFMP/OPDIVs
3Q	2008	No	2	TYTL.9	Lease Property Portfolio Management	Reduce rate of not and under utilized leased inventory from 13.9% to 10%	Status Report	Page 3 HHS Plan to Improve Lease Management	OFMP/OPDIVs
4Q	2008	Yes	2	TYTL.7	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report status on progress towards meeting FY08 portfolio management targets	Annual Status Report for Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
4Q	2008	Yes	2	3.3.3c	Adjust baseline figures for HHS Performance Targets -- Assess current HHS Performance Targets for utilization, mission dependency, operating costs and condition, and revise interim targets as determined necessary by the SRPO	OFMP on behalf of the SRPO to evaluate previous quarter's data to track land holding OPDIV progress towards meeting Departmental performance targets to "right size" the HHS portfolio of assets.	SRPO specific progress reports to OPDIVs	Page 19, 25 and 33 Oversight of the HHS Portfolio Document	OFMP
4Q	2008	No	2	3.3.9	Establish Standard Templates for reporting use of inventory data and performance data in day-to-day decision making for owned and leased assets	Implement use of templates to demonstrate daily decision making and results.	Status Report	Page 21, 27 and 33 Oversight of the HHS Portfolio Document	Tiger Team
4Q	2008	Yes	3	TYTL.12	Operations and Maintenance Performance Measures for Owned Assets	Department audits the operating cost of one campus of one land-holding OPDIV per year	Audit summary report	TBD	OFMP
4Q	2008	Yes	2	TYTL.13	Condition Index Performance Measures -- Sustainment and Improvement Plan	Annual review and update of OPDIV sustainment and improvement plans as part of the budget cycle and detailed in Budget Technical Guidance	Final CI Tables for submission to OMB	TBD	OPDIVs
4Q	2008	Yes	2	TYTL.14	Real Property Portfolio Projects List	Annual review and update of OPDIV project lists for major capital projects; improvement projects; renovation projects; and repair projects	3-Year Timeline appendix document	TBD	OPDIVs
4Q	2008	Yes	3	TYTL.3	Budget Submissions	Prepare OMB budget submissions based on 1) Budget Technical Guidance; 2) CIRB Recommendations; 3) Final HHS Secretary's Decisions from SBC	OPDIVs OMB Budget Submissions with supporting documentation	TBD	OPDIVs with review and clearance by OFMP
4Q	2008	Yes	3	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
4Q	2008	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Finalize FY09 candidate property list for HHS assets	FY 2009 Report of HHS Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
1Q	2009	Yes	5	3.3.1	Verification and Validation Process -- ARIS data	Perform "desktop" validation on ARIS data in preparation of the annual upload to ARIS and finally FRPP	Upload	Page 18, 30 and 33, Oversight of the HHS Portfolio Document	ARIS Workgroup



**APPENDIX A**  
**Department of Health and Human Services**  
**Office for Facilities Management and Policy**  
**Real Property Asset Management**  
**President's Management Agenda -- Goals and Milestones**

as of April 22, 2008

Guide to Goal/Milestone Identification Number: • 3.3.8 -- Oversight of the HHS Portfolio Initiative • TYTL.4 -- Three Year Timeline Goal/Milestone • PMA 1.3 -- PMA Departmental Scorecard Action

Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
1Q	2009	No	3	3.3.11	Capture accurate operations and maintenance (O&M) costs	Implementation of HHS Operations and Maintenance Costing Plan.	Annual Status Report on OPDIV Implementation	Page 22, 29 and 33, Oversight of the HHS Portfolio Document	OFMP/OPDIVs
1Q	2009	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
1Q	2009	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY09 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
1Q	2009	Yes	2	TYTL.9	Lease Property Portfolio Management	OPDIV/STAFFDIV data call for summaries of lease actions completed in the fiscal year	Analysis	TBD	Leased Space Program Workgroup
2Q	2009	Yes	2	TYTL.7	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report final results on meeting FY08 portfolio management targets	Confirmation Report for FY08 Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
2Q	2009	Yes	2	TYTL.7	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report status on progress towards meeting FY09 portfolio management targets	Status Report	TBD	OPDIVs submit to OFMP
2Q	2009	Yes	3	TYTL.1	Annual Budget Guidance	Incorporate all aspects of real property as it relates to the budget with an analysis of data into budget technical guidance and provide to each OPDIV	Budget Technical Guidance	TBD	OFMP
2Q	2009	Yes	2	TYTL.9	Lease Property Portfolio Management	Review and analyze lease performance based on data obtained from the leased space performance summaries	Report	TBD	Leased Space Program Workgroup
2Q	2009	Yes	2	TYTL.10	Utilization Performance Measures for Owned Constructed Assets	Utilization Improvement Plan -- review and update annually as required by results of the review	Report of review and any changes	TBD	Utilization Performance Measures Work Group
2Q	2009	Yes	ALL	TYTL.2	Annual Update of HHS RAMP	Complete a revision of the HHS Real Property Asset Management Plan (RAMP) to include an evolution of HHS Asset Management processes since the initial plan and incorporate OMB approved 3-Year Timeline (TYTL) updates.	HHS RAMP	TBD	OFMP
2Q	2009	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
2Q	2009	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY09 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP



**APPENDIX A**  
**Department of Health and Human Services**  
**Office for Facilities Management and Policy**  
**Real Property Asset Management**  
**President's Management Agenda -- Goals and Milestones**

as of April 22, 2008

Guide to Goal/Milestone Identification Number:    • 3.3.8 -- Oversight of the HHS Portfolio Initiative    • TYTL.4 -- Three Year Timeline Goal/Milestone    • PMA 1.3 -- PMA Departmental Scorecard Action

Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
3Q	2009	Yes	5	3.3.1	Verification and Validation Process -- ARIS data	Onsite validations are conducted by the OFMP and the OPDIVs to field verify the data in ARIS	Report	Page 18, 30 and 33, Oversight of the HHS Portfolio Document	ARIS Workgroup
3Q	2009	Yes	3	TYTL.11	Operations and Maintenance Performance Measures for Owned Assets	O&M Best Practices Strategy Document -- review and update annually as required by results of the review	Report of review and any changes	TBD	O&M Performance Measures Work Group
3Q	2009	Yes	3	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
3Q	2009	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY09 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
3Q	2009	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Project FY10 candidate property list for HHS assets	Draft FY 2010 Report of HHS Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
3Q	2009	Yes	2	TYTL.9	Lease Property Portfolio Management	Review and update leasing performance measures to assess effectiveness and ascertain if any changes or improvements are required	Revised Measures and Summary	TBD	Leased Space Program Workgroup
3Q	2009	Yes	2	TYTL.9	Lease Property Portfolio Management	Department audits the utilization of one lease of one non-land holding OPDIV per year	Audit summary report	TBD	OFMP
4Q	2009	Yes	3	TYTL.12	Operations and Maintenance Performance Measures for Owned Assets	Department audits the operating cost of one campus of one land-holding OPDIV per year	Audit summary report	TBD	OFMP
4Q	2009	Yes	2	TYTL.7	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report status on progress towards meeting FY 09 Portfolio Management targets	Annual Status Report for Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
4Q	2009	Yes	2	TYTL.13	Condition Index Performance Measures -- Sustainment and Improvement Plan	Annual review and update of OPDIV sustainment and improvement plans as part of the budget cycle and detailed in Budget Technical Guidance	Final CI Tables for submission to OMB	TBD	OPDIVs
4Q	2009	Yes	2	TYTL.14	Real Property Portfolio Projects List	Annual review and update of OPDIV project lists for major capital projects; improvement projects; renovation projects; and repair projects	3-Year Timeline appendix document	TBD	OPDIVs
4Q	2009	Yes	3	TYTL.3	Budget Submissions	Prepare OMB budget submissions based on 1) Budget Technical Guidance; 2) CIRB Recommendations; 3) Final HHS Secretary's Decisions from SBC	OPDIVs OMB Budget Submissions with supporting documentation	TBD	OPDIVs with review and clearance by OFMP
4Q	2009	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
4Q	2009	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Finalize FY10 candidate property list for HHS assets	FY 2010 Report of HHS Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP



**APPENDIX A**  
**Department of Health and Human Services**  
**Office for Facilities Management and Policy**  
**Real Property Asset Management**

**President's Management Agenda -- Goals and Milestones**

as of April 22, 2008

Guide to Goal/Milestone Identification Number: • 3.3.8 -- Oversight of the HHS Portfolio Initiative • TYTL.4 -- Three Year Timeline Goal/Milestone • PMA 1.3 -- PMA Departmental Scorecard Action

Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
1Q	2010	Yes	5	3.3.1	Verification and Validation Process -- ARIS data	Perform "desktop" validation on ARIS data in preparation of the annual upload to ARIS and finally FRPP	Upload	Page 18, 30 and 33, Oversight of the HHS Portfolio Document	ARIS Workgroup
1Q	2010	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
1Q	2010	No	3	3.3.11	Capture accurate operations and maintenance (O&M) costs	Implementation of HHS Operations and Maintenance Costing Plan.	Annual Status Report on OPDIV Implementation	Page 22, 29 and 33, Oversight of the HHS Portfolio Document	OFMP/OPDIVs
1Q	2010	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY10 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
1Q	2010	Yes	2	TYTL.9	Lease Property Portfolio Management	OPDIV/STAFFDIV data call for summaries of lease actions completed in the fiscal year	Analysis	TBD	Leased Space Program Workgroup
2Q	2010	Yes	3	TYTL.1	Annual Budget Guidance	Incorporate all aspects of real property as it relates to the budget with an analysis of data into budget technical guidance and provide to each OPDIV	Budget Technical Guidance	TBD	OFMP
2Q	2010	Yes	2	TYTL.10	Utilization Performance Measures for Owned Constructed Assets	Utilization Improvement Plan -- review and update annually as required by results of the review	Report of review and any changes	TBD	Utilization Performance Measures Work Group
2Q	2010	Yes	2	TYTL.7	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report final results on meeting FY09 portfolio management targets	Confirmation Report for FY09 Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
2Q	2010	Yes	ALL	TYTL.2	Annual Update of HHS RAMP	Update HHS RAMP with appropriate narrative changes and incorporate OMB approved 3-Year Timeline (TYTL) updates.	HHS RAMP	TBD	OFMP
2Q	2010	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
2Q	2010	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY10 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
2Q	2010	Yes	2	TYTL.9	Lease Property Portfolio Management	Review and analyze lease performance based on data obtained from the leased space performance summaries	Report	TBD	Leased Space Program Workgroup
3Q	2010	Yes	5	3.3.1	Verification and Validation Process -- ARIS data	Onsite validations are conducted by the OFMP and the OPDIVs to field verify the data in ARIS	Report	Page 18, 30 and 33, Oversight of the HHS Portfolio Document	ARIS Workgroup
3Q	2010	Yes	3	TYTL.11	Operations and Maintenance Performance Measures for Owned Assets	O&M Best Practices Strategy Document -- review and update annually as required by results of the review	Report of review and any changes	TBD	O&M Performance Measures Work Group



**APPENDIX A**  
**Department of Health and Human Services**  
**Office for Facilities Management and Policy**  
**Real Property Asset Management**  
**President's Management Agenda -- Goals and Milestones**

as of April 22, 2008

Guide to Goal/Milestone Identification Number: • 3.3.8 -- Oversight of the HHS Portfolio Initiative • TYTL.4 -- Three Year Timeline Goal/Milestone • PMA 1.3 -- PMA Departmental Scorecard Action

Due - Quarter	Due - Year	Annually Recurring?	RAMP Goal	Goal/ Milestone Identification Number	Initiative/Goal/Milestone Identification	Initiative/Goal/Milestone Description	Deliverable	Where located	Lead Responsibility
3Q	2010	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
3Q	2010	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report quarterly progress toward meeting HHS FY10 disposal target	Status Report	PTB V, pages 5, 6, 8	OPDIVs submit to OFMP
3Q	2010	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Project FY11 candidate property list for HHS assets	Draft FY 2011 Report of HHS Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
3Q	2010	Yes	2	TYTL.9	Lease Property Portfolio Management	Review and update leasing performance measures to assess effectiveness and ascertain if any changes or improvements are required	Revised Measures and Summary	TBD	Leased Space Program Workgroup
3Q	2010	Yes	2	TYTL.9	Lease Property Portfolio Management	Department audits the utilization of one lease of one non-land holding OPDIV per year	Audit summary report	TBD	OFMP
4Q	2010	Yes	3	3.3.11	Capture accurate operations and maintenance (O&M) costs	O&M Costing Plan -- Review and update annually as required by review	Report or update	Page 22, 29 and 33, Oversight of the HHS Portfolio Document	O&M Workgroup
4Q	2010	Yes	2	TYTL.7	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Report status on progress towards meeting FY10 portfolio management targets	Annual Status Report for Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP
4Q	2010	Yes	3	TYTL.12	Operations and Maintenance Performance Measures for Owned Assets	Department audits the operating cost of one campus of one land-holding OPDIV per year	Audit summary report	TBD	OFMP
4Q	2010	Yes	2	TYTL.13	Condition Index Performance Measures -- Sustainment and Improvement Plan	Annual review and update of OPDIV sustainment and improvement plans as part of the budget cycle and detailed in Budget Technical Guidance	Final CI Tables for submission to OMB	TBD	OPDIVs
4Q	2010	Yes	2	TYTL.14	Real Property Portfolio Projects List	Annual review and update of OPDIV project lists for major capital projects; improvement projects; renovation projects; and repair projects	3-Year Timeline appendix document	TBD	OPDIVs
4Q	2010	Yes	3	TYTL.3	Budget Submissions	Prepare OMB budget submissions based on 1) Budget Technical Guidance; 2) CIRB Recommendations; 3) Final HHS Secretary's Decisions from SBC	OPDIVs OMB Budget Submissions with supporting documentation	TBD	OPDIVs with review and clearance by OFMP
4Q	2010	Yes	5	TYTL.4	ARIS Certification	OPDIVs certify the 1) accuracy and completeness of portfolio data in ARIS 2) completion of OPDIV 3-Year Timeline goals/milestones/targets (Quarterly for Landholders / Annually 4Q for non-landholders)	Signed Certification Statement with required supporting documentation for data changes; and accurate, complete transmission of the ARIS database.	TBD	OPDIVs
4Q	2010	Yes	2	TYTL.6	Real Property Portfolio Disposition/Demolition/ Lease Consolidation List	Finalize FY11 candidate property list for HHS assets	FY 2011 Report of HHS Real Property Portfolio Planned Actions	TBD	OPDIVs submit to OFMP

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2008 Update: HHS Three Year Rolling Timeline

Appendix B

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2008 HHS Three Year Rolling Timeline

Table #1 Demolition Projects by OPDIV and Site										
(FY 2008 – FY2010)										
O P D I V	Site, City, State	Real Property Unique Identifier	Description/ Installation	Building Number	GSF	Facility Replacement Value (FRV)	Actual or Planned		Status (see note 1)	Annual O&M Cost Savings
							Approval to Demolish FY,Qtr	Completion of Demolition FY,Qtr		
CDC	Fort Collins, Colorado	COFC0001	Fort Collins	1	3,852	\$ 1,707,231	FY06,Q4	FY08,Q2	C	\$ 67,992
CDC	Fort Collins, Colorado	COFC0002	Fort Collins	2	676	\$ 40,635	FY06,Q4	FY08,Q2	C	\$ 16,116
CDC	Fort Collins, Colorado	COFC0003	Fort Collins	3	256	\$ 28,939	FY06,Q4	FY08,Q2	C	\$ 17,227
CDC	Fort Collins, Colorado	COFC0004	Fort Collins	4	675	\$ 299,164	FY06,Q4	FY08,Q2	C	\$ 17,278
CDC	Fort Collins, Colorado	COFC0005	Fort Collins	5	1,359	\$ 92,883	FY06,Q4	FY08,Q2	C	\$ 3,773
CDC	Fort Collins, Colorado	COFC0006	Fort Collins	6	180	\$ 16,441	FY06,Q4	FY08,Q2	C	\$ 2,640
CDC	Fort Collins, Colorado	COFC0007	Fort Collins	7	190	\$ 43,743	FY06,Q4	FY08,Q2	C	\$ 2,640
CDC	Pittsburgh, PA	PAPR0102	Research Ctr	102	649	\$ 162,350	FY06,Q3	FY08,Q3	P	\$ 3,822
CDC	Pittsburgh, PA	PAPR0107	Research Ctr	107	100	\$ 25,015	FY06,Q3	FY08,Q3	P	\$ 100
CDC	Pittsburgh, PA	PAPR0109	Research Ctr	109	600	\$ 194,179	FY06,Q3	FY08,Q3	P	\$ 600
CDC	Pittsburgh, PA	PAPR0111	Research Ctr	111	64	\$ 16,010	FY06,Q3	FY08,Q3	P	\$ 64
CDC	Pittsburgh, PA	PAPR0119	Research Ctr	119	256	\$ 64,039	FY06,Q3	FY08,Q3	P	\$ 256
CDC	Pittsburgh, PA	PAPR0123	Research Ctr	123	140	\$ 35,022	FY06,Q3	FY08,Q3	P	\$ 140
CDC	Pittsburgh, PA	PAPR0124	Research Ctr	124	486	\$ 121,575	FY06,Q3	FY08,Q3	P	\$ 486
CDC	Pittsburgh, PA	PAPR0125	Research Ctr	125	350	\$ 87,554	FY06,Q3	FY08,Q3	P	\$ 350
CDC	Pittsburgh, PA	PAPR0127	Research Ctr	127	875	\$ 218,885	FY06,Q3	FY08,Q3	P	\$ 18,008
CDC	Pittsburgh, PA	PAPR0128	Research Ctr	128	187	\$ 46,779	FY06,Q3	FY08,Q3	P	\$ 17,320
CDC	Pittsburgh, PA	PAPR0129	Research Ctr	129	1,650	\$ 412,754	FY06,Q3	FY08,Q3	P	\$ 18,783
CDC	Pittsburgh, PA	PAPR0130	Research Ctr	130	88	\$ 22,014	FY06,Q3	FY08,Q3	P	\$ 88
CDC	Pittsburgh, PA	PAPR0134	Research Ctr	134	221	\$ 55,284	FY06,Q3	FY08,Q3	P	\$ 221
CDC	Pittsburgh, PA	PAPR0135	Research Ctr	135	395	\$ 98,811	FY06,Q3	FY08,Q3	P	\$ 395
CDC	Pittsburgh, PA	PAPR0146	Research Ctr	146	1,236	\$ 309,190	FY06,Q3	FY08,Q3	P	\$ 18,369
CDC	Pittsburgh, PA	PAPR0022	Research Ctr	022	3,505	\$ 442,750	FY06,Q2	FY08,Q4	IP	Note 2
CDC	Pittsburgh, PA	PAPR0023	Research Ctr	023	10,888	\$ 18,913,200	FY06,Q2	FY08,Q4	IP	Note 2
CDC	Roybal, Atlanta, GA	GARO001S	Roybal	01 S	100,401	\$ 42,786,890	FY06,Q4	FY10,Q2	P	\$ 1,749,023
CDC	Roybal, Atlanta, GA	GARO0003	Roybal	03	47,143	\$ 13,501,755	FY06,Q4	FY10,Q2	P	\$ 494,670
CDC	Roybal, Atlanta, GA	GARO0006	Roybal	06	120,901	\$ 74,200,571	FY06,Q4	FY10,Q2	P	\$ 2,110,810
CDC	Chamblee, Atlanta, GA	GACH0014	Chamblee	014	6,160	\$ 3,723,874	FY06,Q3	FY10,Q4	P	\$ 126,027
CDC	Chamblee, Atlanta, GA	GACH0015	Chamblee	015	19,039	\$ 12,511,003	FY06,Q3	FY10,Q4	P	\$ 389,517
CDC	Chamblee, Atlanta, GA	GACH0020	Chamblee	020	1,630	\$ 694,641	FY06,Q3	FY10,Q4	P	\$ 33,348
CDC	Chamblee, Atlanta, GA	GACH0021	Chamblee	021	2,259	\$ 1,077,759	FY06,Q3	FY10,Q4	P	\$ 46,748
CDC	Chamblee, Atlanta, GA	GACH0022	Chamblee	022	4,440	\$ 1,892,150	FY06,Q3	FY10,Q4	P	\$ 90,019
CDC	Chamblee, Atlanta, GA	GACH0023	Chamblee	023	10,993	\$ 4,684,777	FY06,Q3	FY10,Q4	P	\$ 224,905
<b>CDC Total</b>					<b>341,844</b>	<b>\$178,527,865</b>				<b>\$ 5,471,735</b>

2008 HHS Three Year Rolling Timeline

Table #1 Demolition Projects by OPDIV and Site (FY 2008 – FY2010)										
O P D I V	Site, City, State	Real Property Unique Identifier	Description/ Installation	Building Number	GSF	Facility Replacement Value (FRV)	Actual or Planned		Status (see note 1)	Annual O&M Cost Savings
							Approval to Demolish FY,Qtr	Completi on of Demolition FY,Qtr		
FDA	None	--	--	--	0	\$ -	--	--	--	\$ -
<b>FDA Total</b>					0	\$ -				\$ -
IHS	PHS Indian Medical Center, GALLUP, NM	3360	11969	04003	1440	\$ 70,914	FY08, Q1	FY08, Q2	C	\$ 753
IHS	PHS Indian Health Center, LAVEEN, AZ	4426	12676	00555	2900	\$ 594,547	FY07, Q2	FY08, Q2	C	\$ -
IHS	PHS Indian Hospital, CHINLE, AZ	2290	11468	02001	3052	\$ 147,436	FY07, Q4	FY08, Q4	E	\$ 5,870
IHS	PHS Indian Hospital, CHINLE, AZ	2296	11468	02005	2728	\$ 131,784	FY07, Q4	FY08, Q4	E	\$ 5,247
IHS	PHS Indian Hospital, CHINLE, AZ	2293	11468	02003	2728	\$ 131,784	FY07, Q4	FY08, Q4	E	\$ 5,247
IHS	PHS Indian Hospital, CHINLE, AZ	2536	11468	04012	768	\$ 36,744	FY07, Q2	FY08, Q4	A	\$ 850
IHS	PHS Indian Hospital, FORT DEFIANCE, AZ	2642	11469	03012	1488	\$ 73,265	FY07, Q4	FY08, Q4	E	\$ 7,035
IHS	PHS Indian Hospital, FORT DEFIANCE, AZ	2640	11469	03009	1255	\$ 61,792	FY07, Q4	FY08, Q4	E	\$ 5,933
IHS	PHS Indian Hospital, FORT DEFIANCE, AZ	2637	11469	03010	1231	\$ 60,611	FY07, Q4	FY08, Q4	E	\$ 5,820
IHS	Sells Indian Hospital, SELLS, AZ	4826	11482	00590	1294	\$ 61,308	FY06, Q2	FY08, Q4	A	\$ 2,961
IHS	Sells Indian Hospital, SELLS, AZ	4825	11482	00589	1294	\$ 61,308	FY06, Q2	FY08, Q4	A	\$ 2,961
IHS	Sells Indian Hospital, SELLS, AZ	4824	11482	00588	1294	\$ 61,308	FY06, Q2	FY08, Q4	A	\$ 2,961
IHS	Sells Indian Hospital, SELLS, AZ	4827	11482	00591	1294	\$ 61,308	FY06, Q2	FY08, Q4	A	\$ 2,961
IHS	Sells Indian Hospital, SELLS, AZ	4838	11482	00605	924	\$ 43,778	FY06, Q2	FY08, Q4	A	\$ 2,114
IHS	Sells Indian Hospital, SELLS, AZ	4848	11482	0610T	672	\$ 57,310	FY07, Q1	FY08, Q4	A	\$ 865
IHS	Sells Indian Hospital, SELLS, AZ	4837	11482	00604	480	\$ 40,935	FY07, Q1	FY08, Q4	A	\$ 618
IHS	Sells Indian Hospital, SELLS, AZ	4836	11482	00603	480	\$ 40,935	FY07, Q1	FY08, Q4	A	\$ 618
IHS	Sells Indian Hospital, SELLS, AZ	4828	11482	00592	1294	\$ 61,909	FY08, Q4	FY08, Q4	P	\$ 2,961
IHS	PHS Institutional Support Fac, WINDOW ROCK, AZ	2998	11485	00036	1014	\$ 89,867	FY05, Q1	FY08, Q4	A	\$ 303
IHS	No. Cheyenne Health Ctr, LAME DEER, MT	6406	11504	00002	185	\$ 14,849	FY08, Q4	FY08, Q4	P	\$ -
IHS	No. Cheyenne Health Ctr, LAME DEER, MT	1914	11504	00005	387	\$ 31,087	FY08, Q4	FY08, Q4	P	\$ -
IHS	PHS Indian Hospital, CROWNPOINT, NM	3179	11511	04005	648	\$ 57,430	FY05, Q4	FY08, Q4	A	\$ 1,124
IHS	PHS Indian Hospital, FT YATES, ND	126	11524	T1008	2072	\$ 381,830	FY07, Q3	FY08, Q4	A	\$ 23,742
IHS	PHS Indian Medical Center, GALLUP, NM	3365	11969	04008	980	\$ 86,854	FY07, Q4	FY08, Q4	E	\$ 3,531
IHS	PHS Indian Health Station, PINON, AZ	3456	11976	02001	4117	\$ 805,614	FY07, Q3	FY08, Q4	A	\$ 7,765
IHS	PHS Indian Health Station, PINON, AZ	3455	11976	02000	960	\$ 187,853	FY07, Q3	FY08, Q4	A	\$ 1,811
IHS	PHS Indian Health Center, TEEC NOS POS, AZ	3515	30550	03000	5519	\$ 1,187,499	FY07, Q4	FY08, Q4	E	\$ -
IHS	PHS Indian Health Center, TEEC NOS POS, AZ	3517	30550	03002	1488	\$ 73,265	FY07, Q4	FY08, Q4	E	\$ -
IHS	PHS Indian Health Center, TEEC NOS POS, AZ	3518	30550	03003	1488	\$ 73,265	FY07, Q4	FY08, Q4	E	\$ -
IHS	PHS Indian Health Center, TEEC NOS POS, AZ	3516	30550	03001	1488	\$ 73,265	FY07, Q4	FY08, Q4	E	\$ -
IHS	PHS Indian Medical Center, PHOENIX, AZ	4048	11473	00007	2650	\$ 223,782	FY07, Q4	FY09, Q4	A	\$ 4,751
IHS	PHS Indian Hospital, SAN CARLOS, AZ	4144	11477	00240	1294	\$ 110,355	FY07, Q4	FY09, Q4	A	\$ 3,374
IHS	PHS Indian Hospital, SAN CARLOS, AZ	6628	11477	00394	1100	\$ 93,820	FY07, Q4	FY09, Q4	A	\$ 2,869
IHS	PHS Institutional Support Fac, POPLAR, MT	1948	11505	00041	1188	\$ 54,631	FY08, Q4	FY09, Q4	P	\$ 1,231
IHS	PHS Indian Hospital, Rapid City, SD	343	11546	T1001	672	\$ 53,377	FY08, Q4	FY09, Q4	P	\$ 1,537
IHS	PHS Indian Hospital-FT BELKNAP, HARLEM, MT	1878	11503	00002	816	\$ 37,903	FY09, Q4	FY10, Q4	P	\$ 3,147
IHS	PHS Indian Hospital-FT BELKNAP, HARLEM, MT	1882	11503	00003	21932	\$ 6,316,197	FY09, Q4	FY10, Q4	P	\$ -
IHS	PHS Institutional Support Fac, TALIHINA, OK	3819	11536	00201	94774	\$ 26,202,206	FY09, Q4	FY10, Q4	P	\$ -

2008 HHS Three Year Rolling Timeline

Table #1 Demolition Projects by OPDIV and Site (FY 2008 – FY2010)											
O P D I V	Site, City, State	Real Property Unique Identifier	Description/ Installation	Building Number	GSF	Facility Replacement Value (FRV)	Actual or Planned		Status (see note 1)	Annual O&M Cost Savings	
							Approval to Demolish FY,Qtr	Completion of Demolition FY,Qtr			
IHS	PHS Indian Hospital, Sisseton, SD	469	11548	00004	14950	\$ 4,170,690	FY09, Q4	FY10, Q4	P	\$ 143,873	
IHS	PHS Indian Hospital, Sisseton, SD	468	11548	00001	2600	\$ 490,821	FY09, Q4	FY10, Q4	P	\$ 14,813	
IHS	PHS Indian Hospital, Sisseton, SD	470	11548	00005	2217	\$ 418,520	FY09, Q4	FY10, Q4	P	\$ 9,383	
IHS	PHS Indian Hospital, Sisseton, SD	471	11548	00006	1648	\$ 128,144	FY09, Q4	FY10, Q4	P	\$ 3,070	
IHS	PHS Indian Hospital, Sisseton, SD	472	11548	00007	1303	\$ 101,318	FY09, Q4	FY10, Q4	P	\$ 2,427	
IHS	PHS Indian Hospital, Sisseton, SD	476	11548	01001	1280	\$ 99,529	FY09, Q4	FY10, Q4	P	\$ 802	
IHS	PHS Indian Hospital, Sisseton, SD	479	11548	T4504	320	\$ 24,882	FY09, Q4	FY10, Q4	P	\$ 229	
IHS	PHS Indian Hospital, Sisseton, SD	6298	11548	T1003	150	\$ 11,634	FY09, Q4	FY10, Q4	P		
<b>IHS Total</b>					195,856	\$ 43,399,463				\$ 285,557	
NIH	Hamilton, MT	0021	RML	21	2,843	\$ 119,548	FY08,Q1	FY08,Q3	P	\$ -	
NIH	Hamilton, MT	0016	RML	16	3,520	\$ 1,333,904	FY05,Q4	FY08,Q4	D	Not Avail	
NIH	Hamilton, MT	0017	RML	17	2,975	\$ 410,937	FY05,Q4	FY08,Q4	D	Not Avail	
<b>NIH Total</b>					6,495	\$ 1,864,389				\$ -	
<b>HHS Grand Total</b>					544,195	\$223,791,717				\$ 5,757,292	

Note 1: STATUS = "P" for Planning; "A" for Approved; "D" for In Design; "IP" for Demolition In Progress; "C" for Demolition Complete; "E" for Excess B More than one may be applicable.

Note 2 (CDC): Pittsburgh bldgs 22 and 23 have been deactivated with utilities off since 1990. FPAA approved for demolition; Non-mission critical and under-utilized.

2008 HHS Three Year Rolling Timeline

**Table #2 Disposal (by excess) Projects by OPDIV and Site**  
(FY 2008 – FY 2010)

OPDIV	Site, City, State	Real Property Unique Identifier	Description/ Installation	Building Number	Facility Replacement Value (FRV)	GSF	Approval to Dispose FY##, Q##	Turnover to GSA for Disposal FY##, Q##	Status (see note 1)	Annual O&M Cost Savings
ACF	Region 2 Leo O'Brien FB, Albany, NY	NY0300				429	FY08, Q2	FY08, Q2	C	
<b>ACF Total</b>					\$ -	429				\$ -
CMS	Leo W. Obrien FB, Albany, NY	NY0300		NY0300ZZ		601	FY08, Q1	FY08, Q1	C	\$ 15,704
CMS	Hawthorne Center, San Francisco, CA	CA6330		CA6330ZZ		0	FY07, Q2	FY08, Q2	C	\$ -
CMS	Claude Pepper FB, Miami, FA	FL0061		FL0061ZZ		0	FY06, Q4	FY08, Q2	C	\$ -
CMS	Capital One Center, Helena, MT	MT5369		MT5369ZZ		0	FY07, Q2	FY08, Q2	C	\$ -
CMS	William S. Moorhead Ded Bldg., Philadelphia, PA	PA0233		PA0233ZZ		0	FY07, Q4	FY08, Q2	C	\$ -
CMS	US Bank Trust Center, St. Paul, MN	MN1611		MN1611ZZ		967	FY08, Q4	FY08, Q4	A	\$ 23,691
CMS	Great Northern Town Center	MT5514		MT5514ZZ		394	FY09, Q1	FY09, Q1	A	\$ 11,280
<b>CMS Total</b>					\$ -	1,962				\$ 50,675
CDC	None	--	--	--	--	--	--	--	--	--
<b>CDC Total</b>					\$ -	0				\$ -
FDA	Resident Post - Baton Rouge, LA	RP-BTR				851	FY08, Q2	FY08, Q2		\$ 25,899
FDA	15400 Calhoun Place - Rockville, MD	MPN6				26,871	FY08, Q2	FY08, Q2		\$ 1,091,863
FDA	Davisville, Rhode Island	Bldg 336	Davisville	Quonset	\$ 449,271	4,100	FY08, Q1	FY09, Q4	P	\$ -
<b>FDA Total</b>					\$ 449,271	31,822				\$ 1,117,762
IHS	PHS Indian Health Station, CASA BLANCA (GRANDE), AZ	4099	11476	00452	\$ 270,622	1,320	FY08, Q2	FY08, Q2	C	\$ -
IHS	FIVE CORPORATE PLAZA, OKLAHOMA CITY, OK	8274	GSA19	OK1355	\$ 3,271,396	40,741	FY08, Q3	FY08, Q3	A	\$ 575,761
IHS	THREE CORPORATE PLAZA, OKLAHOMA CITY, OK	8460	GSA74	-	\$ 238,230	3,247	FY08, Q3	FY08, Q3	A	\$ 29,535
IHS	PHS Institutional Support Fac, PHILADELPHIA, MS	3666	11500	00002	\$ 172,571	2,400	FY06, Q1	FY08, Q4	A	\$ -
IHS	PHS Institutional Support Fac, PHILADELPHIA, MS	3667	11500	00004	\$ 58,163	1,456	FY06, Q1	FY08, Q4	A	\$ -
IHS	PHS Institutional Support Fac, PHILADELPHIA, MS	3668	11500	00005	\$ 58,163	1,456	FY06, Q1	FY08, Q4	A	\$ -
IHS	PHS Institutional Support Fac, PHILADELPHIA, MS	3669	11500	00006	\$ 50,333	1,260	FY06, Q1	FY08, Q4	A	\$ -
IHS	PHS Indian Health Center, DULCE, NM	7812	11512	02009	\$ 116,982	1,442	FY06, Q4	FY08, Q4	A	\$ 30,286
IHS	PHS Indian Hospital, FORT DEFIANCE, AZ	2547	11469	00217	\$ 1,381,068	15,583	FY08, Q4	FY08, Q4	P	\$ 15,213
IHS	PHS Indian Hospital, CHEROKEE, NC	3677	11521	00452	\$ 56,616	1,283	FY08, Q4	FY08, Q4	P	\$ -
IHS	PHS Indian Hospital, CHEROKEE, NC	3676	11521	00057	\$ 56,218	1,274	FY08, Q4	FY08, Q4	P	\$ -
IHS	PHS Indian Health Station, WAKPALA, SD	593	14669	00001	\$ 353,820	1,920	FY08, Q4	FY08, Q4	P	\$ -
IHS	PHS Indian Health Center, PAWNEE, OK	3810	11534	00002	\$ 3,546,373	18,786	FY08, Q4	FY09, Q4	E	\$ -
IHS	PHS Indian Health Center, PAWNEE, OK	3811	11534	00003	\$ 275,572	3,544	FY08, Q4	FY09, Q4	E	\$ -
IHS	PHS Indian Health Center, PAWNEE, OK	3812	11534	00004	\$ 104,039	1,338	FY08, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Center, PAWNEE, OK	3813	11534	00005	\$ 287,886	1,525	FY08, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Center, PAWNEE, OK	3815	11534	00007	\$ 87,088	1,120	FY08, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Center, PEACH SPRINGS, AZ	4418	11975	00816	\$ 32,411	712	FY06, Q4	FY09, Q4	A	\$ 1,933
IHS	PHS Indian Health Center, CLINTON, OK	6608	11529	00217	\$ 305,778	3,770	FY09, Q4	FY09, Q4	E	\$ 4,008
IHS	Quentin N Burdick Memorial Hospital, ND	19	11522	00066	\$ 99,233	2,115	FY08, Q4	FY09, Q4	P	\$ 3,533
IHS	PHS Indian Health Center, Ft Totten	76	11523	00020	\$ 170,328	2,017	FY08, Q4	FY09, Q4	P	\$ 92,543
IHS	PHS Institutional Support Fac, PINE RIDGE, SD	269	11545	0102A	\$ 6,787,036	34,470	FY08, Q4	FY09, Q4	P	\$ 39,679

2008 HHS Three Year Rolling Timeline

**Table #2 Disposal (by excess) Projects by OPDIV and Site**  
(FY 2008 – FY 2010)

OPDIV	Site, City, State	Real Property Unique Identifier	Description/ Installation	Building Number	Facility Replacement Value (FRV)	GSF	Approval to Dispose FY##,Q##	Turnover to GSA for Disposal FY##,Q##	Status (see note 1)	Annual O&M Cost Savings
IHS	PHS Institutional Support Fac, PINE RIDGE, SD	159	11545	00102	\$ 4,745,983	16,816	FY08, Q4	FY09, Q4	P	\$ -
IHS	PHS Institutional Support Facility, Rosebud, SD	465	11547	T1003	\$ 84,346	1,040	FY08, Q4	FY09, Q4	P	\$ 1,311
IHS	PHS Institutional Support Facility, Rosebud, SD	344	11547	00001	\$ 155,715	1,920	FY08, Q4	FY09, Q4	P	\$ 393
IHS	PHS Indian Hospital, Sisseton, SD	474	11548	00N01	\$ 114,217	2,644	FY08, Q4	FY09, Q4	P	\$ 2,696
IHS	PHS Indian Hospital, Sisseton, SD	475	11548	00N02	\$ 97,629	2,260	FY08, Q4	FY09, Q4	P	\$ 2,304
IHS	PHS Institutional Support Fac, WHITE EARTH, MN	1646	11499	0304A	\$ 16,075	336	FY09, Q4	FY09, Q4	P	\$ 10
IHS	PHS Institutional Support Fac, WHITE EARTH, MN	1645	11499	0302A	\$ 16,075	336	FY09, Q4	FY09, Q4	P	\$ 10
IHS	PHS Institutional Support Fac, WHITE EARTH, MN	1642	11499	00304	\$ 72,148	1,508	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Institutional Support Fac, WHITE EARTH, MN	1641	11499	00302	\$ 57,938	1,211	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Institutional Support Fac, WHITE EARTH, MN	1643	11499	00311	\$ 86,118	1,000	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Hospital, CROW AGENCY, MT	1828	11502	00021	\$ 6,581,219	24,055	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Center, CLINTON, OK	3777	11529	00201	\$ 2,919,211	10,450	FY09, Q4	FY09, Q4	P	\$ 80,011
IHS	PHS Indian Health Center, CLINTON, OK	3788	11529	00213	\$ 460,703	2,500	FY09, Q4	FY09, Q4	P	\$ 15,306
IHS	PHS Indian Health Center, CLINTON, OK	3778	11529	00202	\$ 479,499	2,602	FY09, Q4	FY09, Q4	P	\$ 13,939
IHS	PHS Indian Health Center, CLINTON, OK	3780	11529	00204	\$ 324,335	1,760	FY09, Q4	FY09, Q4	P	\$ 7,004
IHS	PHS Indian Health Center, CLINTON, OK	3782	11529	00206	\$ 90,834	1,120	FY09, Q4	FY09, Q4	P	\$ 3,018
IHS	PHS Indian Health Center, CLINTON, OK	3779	11529	00203	\$ 165,042	2,035	FY09, Q4	FY09, Q4	P	\$ 3,016
IHS	PHS Indian Health Center, CLINTON, OK	3784	11529	00208	\$ 64,881	800	FY09, Q4	FY09, Q4	P	\$ 2,156
IHS	PHS Indian Health Center, CLINTON, OK	3781	11529	00205	\$ 154,418	1,904	FY09, Q4	FY09, Q4	P	\$ 1,283
IHS	PHS Indian Health Center, CLINTON, OK	3789	11529	00215	\$ 53,122	655	FY09, Q4	FY09, Q4	P	\$ 1,147
IHS	PHS Indian Health Center, CLINTON, OK	3790	11529	00216	\$ 6,569	81	FY09, Q4	FY09, Q4	P	\$ 30
IHS	PHS Indian Health Station, SANTO DOMINGO PUEBLO, NM	1493	11986	02000	\$ 512,890	2,632	FY09, Q4	FY09, Q4	P	\$ 77,441
IHS	PHS Indian Health Station, SANTO DOMINGO PUEBLO, NM	1494	11986	02001	\$ 174,601	896	FY09, Q4	FY09, Q4	P	\$ 40,559
IHS	PHS Indian Health Center, HAYS MT	1998	12665	00205	\$ 320,497	1,687	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Center, PRYOR, MT	2036	14673	00001	\$ 352,841	1,955	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Station, SELAWIK, AK	872	30064	300	\$ 352,680	884	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Station, NOORVIK, AK	873	30554	00300	\$ 352,680	884	FY09, Q4	FY09, Q4	P	\$ -
IHS	Aniak Health Center, ANIAK, AK	877	30555	00101	\$ 184,149	1,288	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Health Station, SAVOONGA, AK	1280	61096	00300	\$ 371,154	884	FY09, Q4	FY09, Q4	P	\$ -
IHS	PHS Indian Hospital-FT BELKNAP, MT	6405	11503	00125	\$ 15,468	185	FY09, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Health Center, KYLE, SD	520	12669	00C06	\$ 178,734	960	FY09, Q4	FY10, Q4	P	\$ -
IHS	PHS Institutional Support Fac, Keams Canyon, AZ	3983	11470	00104	\$ 103,997	1,196	FY10, Q4	FY10, Q4	P	\$ 454
IHS	PHS Indian Hospital, Sacaton, AZ	4093	11475	00464	\$ 68,120	1,452	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4082	11475	00045	\$ 16,889	200	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4083	11475	00201	\$ 9,887,248	32,634	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4084	11475	00202	\$ 323,851	3,835	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4086	11475	00206	\$ 66,149	1,410	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4087	11475	00208	\$ 58,831	1,254	FY10, Q4	FY10, Q4	P	\$ -

2008 HHS Three Year Rolling Timeline

**Table #2 Disposal (by excess) Projects by OPDIV and Site  
(FY 2008 – FY 2010)**

OPDIV	Site, City, State	Real Property Unique Identifier	Description/ Installation	Building Number	Facility Replacement Value (FRV)	GSF	Approval to Dispose FY##,Q##	Turnover to GSA for Disposal FY##,Q##	Status (see note 1)	Annual O&M Cost Savings
IHS	PHS Indian Hospital, Sacaton, AZ	4088	11475	00410	\$ 67,979	805	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4089	11475	00411	\$ 154,030	1,824	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4090	11475	00461	\$ 87,449	1,864	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4091	11475	00462	\$ 68,120	1,452	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4092	11475	00463	\$ 68,120	1,452	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4094	11475	00465	\$ 59,112	1,260	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Sacaton, AZ	4095	11475	00466	\$ 59,112	1,260	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Health Center, Schurz, NV	4170	11480	00236	\$ 141,320	1,641	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Health Center, Schurz, NV	4171	11480	00237	\$ 165,519	1,922	FY10, Q4	FY10, Q4	P	\$ -
IHS	No. Cheyenne Health Ctr, LAME DEER, MT	6225	11504	00004	\$ 168,413	2,098	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Owyhee, NV	4347	11507	00830	\$ 31,995	656	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Owyhee, NV	4347	11507	00831	\$ 31,995	656	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Hospital, Owyhee, NV	4349	11507	00832	\$ 24,142	495	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Health Center, FORT DUCHESNE, UT	7945	11550	00075	\$ 259,281	3,196	FY10, Q4	FY10, Q4	P	\$ 26,822
IHS	PHS Indian Health Center, BYLAS, AZ	4421	12660	00306	\$ 51,169	600	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Health Center, BYLAS, AZ	4420	12660	00305	\$ 297,646	1,536	FY10, Q4	FY10, Q4	P	\$ -
IHS	PHS Indian Health Station, HOTEVILLA DINNEBITO, AZ	4423	12661	00628	\$ 143,921	702	FY10, Q4	FY10, Q4	P	\$ -
<b>IHS Total</b>					\$ 49,746,105	297,467				\$ 1,071,401
OIG	Burlington VT	VT8098	95 St Paul	VT8098		1,103	FY08	FY08	A	\$ 15,588
OIG	Rockville MD	MD1428	Park Bldg	MD1428		8625	FY06	FY06	A	\$ 107,637
OIG	Lansing MI	MI1919	Waverly Centre	MI1919		2160	FY07	FY07	A	\$ 39,527
OIG	Omaha NE	NE1346	Baiker Bandeis	NE1346		2153	FY06	FY06	A	\$ 36,501
OIG	San Francisco CA	CA0093	FOB	CA0093		25,649	FY07	FY07	A	\$ 283,278
OIG	Anchorage AK	AK3274	Day Care Bldg	AK3274		8	FY 05	FY05	A	\$ 348
OIG	Portland ME	ME4212	Office Tower B	ME4212		990	FY08	FY08	A	\$ 24,312
<b>OIG Total</b>					\$ -	40,688				\$ 507,191
NIH	None	--	--	--	--	--	--	--	--	--
<b>NIH Total</b>					\$ -	0				\$ -
<b>HHS Grand Total</b>					\$ 50,195,376	372,368				\$ 2,747,029

2008 HHS Three Year Rolling Timeline

<b>Table #3 Repair/ Renovation/ Modernization Projects</b>										
Primarily to Improve Condition Index (CI) or Renovations due to Mission Necessity										
<b>(FY 2008 – FY2010)</b>										
O P D I V	Site, City, State	Real Property Unique Identifier	Project Description including building name & number	Facility Replacement Value (FRV)	Total Project Funding (\$)	Estimated Reduction in Deferred Maint backlog	Project Approval	Contract Documents Complete	Contract Award	Estimated Completion
							FY##,Qtr#	FY##,Qtr#	FY##,Qtr#	FY##,Qtr#
CDC	Lawrenceville, Lawrenceville, GA	C-P2000148	Building B Addition, Lawrenceville	\$ 10,378,274	\$ 5,211,000	Not Available <sub>2</sub>	FY04,Q4	FY07,Q2	FY07,Q2	FY08,Q2
CDC	Lawrenceville, Lawrenceville, GA	C-P2002337	Modernization Bldg.A, Lawrenceville	\$ 12,581,552	\$ 7,040,000	Not Available <sub>3</sub>	FY04,Q4	FY07,Q2	FY07,Q2	FY08,Q3
<b>CDC Total</b>					\$ 12,251,000	\$ -				
FDA	JLC, Jefferson, AR	NCTR-11	Bldg 11 - Repair Water Tower	\$ 1,992,442	\$ 148,000	\$ 148,000	FY07,Q1	FY07,Q2	FY07,Q4	FY08,Q1
FDA	WEAC, Winchester, MA	WEAC	Main Laboratory - Training/Meeting Room - HVAC System Replacement	\$ 11,512,100	\$ 25,000	\$ 25,000	FY07,Q3	FY07,Q4	FY07,Q4	FY08,Q1
FDA	WEAC, Winchester, MA	WEAC	Main Laboratory - Two to three Laboratory Rooms - HVAC System Replacement	\$ 11,512,100	\$ 15,000	\$ 15,000	FY07,Q3	FY07,Q4	FY07,Q4	FY08,Q1
FDA	JLC, Jefferson, AR	NCTR-53B-E, NCTR-5C	Repair Deficiencies in Bldgs 53B-E, 5C and Campus-Wide Electrical Distribution System	\$ 38,236,704	\$ 1,145,000	\$ 2,191,502	FY06,Q3	FY06,Q3	FY06,Q4	FY08,Q2
FDA	JLC, Jefferson, AR	NCTR-53	Bldg 53 - Misc Mechanical and Electrical Projects - MOD 1 - Replace AHU 1, EF-42 and Various Change Orders	\$ 34,796,652	\$ 275,000	\$ 205,246	FY07,Q1	FY07,Q2	FY07,Q4	FY08,Q2
FDA	Center for Food Safety and Applied Nutrition (CFSAN), Dauphin Island, AL	DI-1	HVAC and Electrical Repairs, Roof and Generator Replacement to Seafood Laboratory	\$ 2,220,000	\$ 2,449,135	\$ 1,955,144	FY06,Q1	FY06,Q1	FY06,Q2	FY08,Q3
FDA	CFSAN, Dauphin Island, AL	DI-3	Replace Chemical Storage and Warehouse Building	\$ 266,480	\$ 350,000	\$ 324,299	FY06,Q2	FY07,Q3	FY07,Q4	FY08,Q3
FDA	CFSAN, Dauphin Island, AL	DI-1	Replace Casework and paint interior – Seafood Laboratory Building	\$ 2,220,000	\$ 422,282	\$ 2,019,472	FY07,Q1	FY07,Q1	FY07,Q4	FY08,Q3

2008 HHS Three Year Rolling Timeline

<b>Table #3 Repair/ Renovation/ Modernization Projects</b>										
Primarily to Improve Condition Index (CI) or Renovations due to Mission Necessity										
<b>(FY 2008 – FY2010)</b>										
O P D I V	Site, City, State	Real Property Unique Identifier	Project Description including building name & number	Facility Replacement Value (FRV)	Total Project Funding (\$)	Estimated Reduction in Deferred Maint backlog	Project Approval	Contract Documents Complete	Contract Award	Estimated Completion
							FY##,Qtr#	FY##,Qtr#	FY##,Qtr#	FY##,Qtr#
FDA	JLC, Jefferson, AR	NCTR-5B, NCTR-5C, NCTR-09, NCTR-60	Bldgs 5B, 5C, 9 & 60 – Roof Replacement - Single Ply	\$ 34,113,451	\$ 520,000	\$ 544,260	FY07,Q1	FY07,Q2	FY08,Q2	FY08,Q4
FDA	JLC, Jefferson, AR	NCTR-5C	Bldg 5C - FM200 Fire Suppression System for Computer Room (111)	\$ 11,939,008	\$ 160,000	\$ 20,813	FY07,Q1	FY07,Q2	FY08,Q2	FY08,Q4
FDA	Jefferson Laboratory Complex (JLC), Jefferson, AR	NCTR	Campus - Operation and Maintenance - Repair Miscellaneous Facility Condition Deficiencies in Multiple Buildings	\$ -	\$ 200,000	\$ 257,546	FY07,Q1	FY07,Q2	FY07,Q4	FY08,Q4
FDA	JLC, Jefferson, AR	NCTR	Campus - Install Advanced Electrical Meters	\$ -	\$ 150,000	\$ -	FY07,Q1	FY07,Q2	FY07,Q4	FY08,Q4
FDA	All FDA Owned and Delegated Assets (except for Davisville, RI)	DI, WEAC, MOD1, MOD2, BRF, IRV, NCTR, DO-ATL & RL-SE	Facility Condition Assessments for FDA Owned and Delegated Facilities (Dauphin Island, WEAC, MOD1, MOD2, Beltsville Research Facility, Irvine, NCTR, and Atlanta)	\$ -	\$ 406,000	NA	FY07,Q4	FY07,Q4	FY08,Q1	FY08,Q4
FDA	MRC, Laurel, MD	MOD1	MOD1 - Miscellaneous FCI-related Repairs	\$ 63,546,000	\$ 1,400,000	\$ 1,000,000	FY08,Q1	FY08,Q3	FY08,Q4	FY09,Q3
FDA	SJN-DO, San Juan, PR	SJN-DO	Campus - Miscellaneous FCI Repairs	\$ -	\$ 400,000	\$ 400,000	FY08,Q1	FY08,Q3	FY08,Q4	FY09,Q3
FDA	JLC, Jefferson, AR	NCTR-5C, NCTR-5D	Bldgs 5C & 5D - Replace DX, Water-Cooled Air Handling Units (Design is Complete)	\$ 22,470,592	\$ 750,000	\$ 278,890	FY08,Q1	FY08,Q2	FY08,Q4	FY09,Q4
FDA	JLC, Jefferson, AR	NCTR-05A-D, NCTR-50, NCTR-51, NCTR-53A-E, NCTR-54	Bldgs 05A-D, 50, 51, 53A-E, 54 & 60 - Fire Alarm System Improvements	\$ 137,631,414	\$ 450,000	\$ 1,169,124	FY08,Q1	FY08,Q4	FY08,Q4	FY09,Q4

2008 HHS Three Year Rolling Timeline

<b>Table #3 Repair/ Renovation/ Modernization Projects</b>											
Primarily to Improve Condition Index (CI) or Renovations due to Mission Necessity											
<b>(FY 2008 – FY2010)</b>											
O P D I V	Site, City, State	Real Property Unique Identifier	Project Description including building name & number	Facility Replacement Value (FRV)	Total Project Funding (\$)	Estimated Reduction in Deferred Maint backlog	Project Approval	Contract Documents Complete	Contract Award	Estimated Completion	
							FY##,Qtr#	FY##,Qtr#	FY##,Qtr#	FY##,Qtr#	
FDA	MRC, Laurel, MD	MRC	Miscellaneous FCI Repairs	\$ -	\$ 2,700,000	\$ 3,000,000	FY09,Q1	FY09,Q3	FY09,Q4	FY10,Q3	
FDA	Irvine, CA	IRV	Miscellaneous FCI Repairs	\$ -	\$ 100,000	\$ 100,000	FY09,Q1	FY09,Q3	FY09,Q4	FY10,Q3	
FDA	San Juan, PR	SJN-DO	Miscellaneous FCI Repairs	\$ -	\$ 300,000	\$ 300,000	FY09,Q1	FY09,Q3	FY09,Q4	FY10,Q3	
FDA	WEAC	WEAC	Miscellaneous FCI Repairs	\$ -	\$ 300,000	\$ 200,000	FY09,Q1	FY09,Q3	FY09,Q4	FY10,Q3	
FDA	Dauphin Island, AL	DI	Miscellaneous FCI Repairs	\$ -	\$ 300,000	\$ 200,000	FY09,Q1	FY09,Q3	FY09,Q4	FY10,Q3	
FDA	JLC, Jefferson, AR	NCTR-62	Bldg 62 - Primate Research Area	\$ 20,457,015	\$ 2,000,000	\$ 937,385	FY09,Q1	FY09,Q2	FY09,Q3	FY10,Q3	
FDA	JLC, Jefferson, AR	NCTR-5A	Bldg 05A - Repair Processing Area - Phase II	\$ 9,356,582	\$ 770,000	\$ -	FY09,Q1	FY09,Q3	FY09,Q4	FY10,Q3	
FDA	JLC, Jefferson, AR	NCTR	Bldgs 10, 12,13, 14A-C, 17, 26, 31, 45, T-45 & 70 - Fire Alarm System Improvements	\$ 71,825,413	\$ 513,000	\$ 415,678	FY09,Q1	FY09,Q4	FY09,Q4	FY10,Q3	
FDA	JLC, Jefferson, AR	NCTR-07	Bldg 07 - Boiler Replacement	\$ 9,170,370	\$ 900,000	\$ -	FY09,Q1	FY09,Q4	FY09,Q4	FY10,Q3	
FDA	JLC, Jefferson, AR	NCTR-51, NCTR-52	Bldg 51, 52 - Replace/Repair Freight Elevator	\$ 35,336,319	\$ 400,000	\$ 420,517	FY09,Q1	FY09,Q2	FY09,Q3	FY10,Q4	
<b>FDA Total</b>					\$ 17,548,417	\$16,127,876					
IHS	Chinle, AZ	11468	Hospital Renovation and Expansion	\$ 31,739,378	\$ 14,900,000	\$ 100,000	FY07,Q1	FY06,Q3	FY07,Q2	FY09,Q2	
<b>IHS Total</b>					\$ 14,900,000	\$ 100,000					
NIH	Bethesda, Maryland	N-05-102	Mechanical System Improvements, Lab Bldg 6B	\$ 21,154,229	\$ 9,200,000	\$ -	FY05,Q4	FY06,Q1	FY06,Q1	FY08,Q1	
NIH	Bethesda, Maryland	N-06-108	Repair to HVAC System, Bldg 41	\$ 55,859,980	\$ 3,920,000	\$ 492,000	FY06,Q4	FY06,Q4	FY06,Q4	FY08,Q2	
NIH	Bethesda, Maryland	40506-00-0010	STRR - NINDS Lab Reno. 13Q (N-05-105)	\$1,084,000,000	\$ 3,130,000	\$ -	FY05,Q4			FY08,Q2	
NIH	Bethesda, Maryland	N-08-100	Renovate Office Space	\$ 135,465,291	\$ 1,600,000	\$ -	FY05,Q3			FY08,Q2	
NIH	Bethesda, Maryland	N-06-009	Modernization of Bldg 6		\$ 68,600,000	\$ -	FY06,Q4	FY07,Q1	FY07,Q1	FY08,Q4	
NIH	Bethesda, Maryland	N-07-101	Radiation Oncology Equipment Installation and Renovation	\$1,083,954,102	\$ 8,440,000	\$ 274,438	FY08,Q1	FY08,Q3	FY08,Q3	FY08,Q4	
NIH	Bethesda, Maryland	N-06-109	CRC Clinical Data Center, Bldg 10	\$ 539,435,860	\$ 9,810,000	\$ -	FY06,Q4	FY07,Q2	FY07,Q3	FY09,Q1	
NIH	Bethesda, Maryland	40506-00-10CRC	CRC Vaccine Evaluation Clinic / Special Studies Unit, Bldg 10	\$ 539,435,860	\$ 7,500,000	\$ -	FY04,Q4	FY07,Q1	FY07,Q1	FY09,Q2	

2008 HHS Three Year Rolling Timeline

<b>Table #3 Repair/ Renovation/ Modernization Projects</b>										
Primarily to Improve Condition Index (CI) or Renovations due to Mission Necessity										
<b>(FY 2008 – FY2010)</b>										
O P D I V	Site, City, State	Real Property Unique Identifier	Project Description including building name & number	Facility Replacement Value (FRV)	Total Project Funding (\$)	Estimated Reduction in Deferred Maint backlog	Project Approval	Contract Documents Complete	Contract Award	Estimated Completion
							FY##, Qtr#	FY##, Qtr#	FY##, Qtr#	FY##, Qtr#
NIH	Bethesda, Maryland	N-05-103	Life Safety / Exiting Stairs, Bldg 31 C wing	\$ 135,465,291	\$ 5,000,000	\$ -	FY05,Q4	FY07,Q1	FY09,Q2	FY09,Q2
NIH	Bethesda, Maryland	N-07-100	ACRF Electrical Vault 8 Repair / Replacement, Bldg 10/ACRF	\$1,083,954,102	\$ 5,680,000	\$ -	FY06,Q4	FY07,Q3	FY07,Q4	FY09,Q3
NIH	Bethesda, Maryland	N-08-001	Continuous Power/upgrade to NIH Data Center – Phase I, Bldg 12	\$ -	\$ 13,300,000	\$ 994,000	FY08,Q1	FY08,Q3	FY08,Q3	FY09,Q4
NIH	Frederick, Maryland	N-07-102	Renovation of Building 376 at FCRDC	TBD	\$ 13,970,000	\$ -	FY08,Q1	FY08,Q3	FY08,Q3	FY09,Q4
NIH	Hamilton, Montana	N-08-100	RML Generator Relocation	\$ -	\$ 6,320,000	\$ -	FY09,Q1	FY09,Q3	FY09,Q3	FY10,Q4
NIH	Bethesda, Maryland	N-06-003	Bldg 10 Repair Program	\$1,083,954,102	\$ 55,900,000	\$ 6,325,000	FY07,Q4	FY09,Q4	FY09,Q4	FY11,Q4
<b>NIH Total</b>					\$212,370,000	\$ 8,085,438				
<b>HHS Grand Total</b>					\$257,069,417	\$24,313,314				
	CDC Note 1. Information Technology protection upgrade: no deferred maintenance costs.									
	CDC Note 2. AAALAC compliance requirements.									
	CDC Note 3. Project modernizes a previously inactive asset, and returns it to active, mission-critical status. CDC does not have data to support a definitive maintenance calculation for this asset. However, new FCI will be greater than or equal to 90.									

2008 HHS Three Year Rolling Timeline

<b>Table #4 Capital Construction Projects</b>											
(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)											
<b>(FY 2008 – FY2010+)</b>											
O P D I V	Site, City, State	Real Property Unique Identifier (if assigned)	Project Title/Description	Total Project Funding	Estimate of Constructed Facility Replacement Value (FRV)	New Construction Quantity (GSF)	Associated Demolition or Lease Disposal	Project Approval	Contract Documents Complete	Contract Award	Estimated Completion
							(GSF/RSF)	FY##,Qtr#	FY##,Qtr#	FY##,Qtr#	FY##,Qtr#
CDC	Chamblee, Atlanta, GA	C-P1997210	Environmental Health Facility,B106 Chamblee	\$ 113,520,000	\$ 117,759,297	333,643	145,400	FY05,Q2	FY06,Q2	FY05,Q3	FY08,Q2
CDC	Roybal, Atlanta, GA	P2002023	Utility Infrastructure/ Transshipment,Roybal	\$ 145,800,000	\$ 34,746,000	104,950	38,863	FY02,Q3	FY06,Q2	FY04,Q4	FY09,Q2
CDC	Roybal, Atlanta, GA	C-P2001078	East Campus Consolidation Lab,Roybal	\$ 365,340,000	\$ 452,822,650	730,000	398,037	FY04,Q4	FY07,Q1	FY05,Q3	FY09,Q2
<b>CDC Total</b>				\$ 624,660,000		1,168,593	582,300				
FDA	MRC, Laurel, MD	MD0335	Emergency Generator at MOD 2	\$ 1,470,000	\$ 36,839,707	NA	NA	FY06,Q4	FY06,Q1	FY07,Q1	FY08,Q2
FDA	NCTR, Jefferson, AR	30956-QQ	Fit-Out of Floors 2,3, 4,and 5 , Building 50	\$ 4,700,000	\$ 18,236,386	NA	NA	FY06,Q4	FY07,Q3	FY07,Q4	FY08,Q4
<b>FDA Total</b>				\$ 6,170,000		0	0				
IHS	PIMC SW ACC Komatke, AZ		New Construction of PIMC SW ACC	\$ 26,900,000	\$ 21,580,000	79,787	8,019	FY06,Q2	FY07,Q3	FY07,Q2	FY09,Q1
IHS	Quarters Ft. Belknap, MT		New Construction of Quarters Ft. Belknap, MT	\$ 8,260,000	\$ 8,260,000	80,880	0	FY06,Q4	FY07,Q4	FY08,Q2	FY09,Q2
<b>IHS Total</b>				\$ 35,160,000		160,667	8,019				
NIH	NIH, Hamilton, MT		IRF at Rocky Mountain Laboratories	\$ 104,816,000	TBD	111,590	0	FY02Q2	FY04Q3	FY05Q1	FY08,Q1
NIH	NIH, RTP, NC	N-06-007	NIEHS Clinical Research Unit	\$ 6,480,000	\$ 6,480,000	14,000	0	FY05,Q4	FY06,Q4	FY06,Q4	FY08,Q2
NIH	NIH, Bethesda, Maryland	40506-00-0010	Install SPECT-CT Equipment (N-06-111)	\$ 1,470,000	\$ 1,083,954,102	0	0	FY05,Q4	NA	NA	FY08,Q2
NIH	NIH, Bethesda, Maryland	40506-00-0011	Chiller # 27	\$ 7,000,000	\$ -	0	0	FY05,Q2	NA	NA	FY08,Q2
NIH	NIH, Hamilton, MT	N-07-001	RML Modular Animal Vivarium Unit	\$ 2,750,000	TBD	3,170	2,843	FY07,Q4	FY08,Q1	FY08,Q2	FY08,Q4
NIH	NIH, Hamilton, MT	N-05-001	RML Security Buffer & Replacement Facility, Building 31	\$ 11,320,000	TBD	25,920	10,495	FY05,Q4	FY06,Q4	FY06,Q4	FY09,Q1
NIH	NIH, Frederick, Maryland		IRF at Ft. Detrick	\$ 166,560,000	TBD	144,000	0	FY03Q2	FY05Q1	FY05Q2	FY09,Q1

2008 HHS Three Year Rolling Timeline

<b>Table #4 Capital Construction Projects</b>											
(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)											
<b>(FY 2008 – FY2010+)</b>											
O P D I V	Site, City, State	Real Property Unique Identifier (if assigned)	Project Title/Description	Total Project Funding	Estimate of Constructed Facility Replacement Value (FRV)	New Construction Quantity (GSF)	Associated Demolition or Lease Disposal	Project Approval	Contract Documents Complete	Contract Award	Estimated Completion
							(GSF/RSF)	FY##,Qtr#	FY##,Qtr#	FY##,Qtr#	FY##,Qtr#
NIH	NIH, Bethesda, Maryland	N-08-002	PET CGMP Facility / Radio-Chem. Lab, Building 10	\$ 11,300,000	\$ 1,083,954,102	11,670	0	FY08,Q1	TBD	TBD	FY09,Q3
NIH	NIH, Bethesda, Maryland	N-08-003	Fit-out B3 East Research Lab, Building 10/CRC	\$ 3,600,000	\$ 1,083,954,102	3,400	0	FY08,Q1	TBD	TBD	FY09,Q3
<b>NIH Total</b>				\$ 315,296,000		313,750	13,338				
<b>HHS Grand Total</b>				\$ 981,286,000		1,643,010	603,657				

2008 HHS Three Year Rolling Timeline

Table #5 HHS LEASED SPACE -- PLANNED CONSOLIDATIONS												
(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)												
(FY 2008 – FY2010)												
Starting FY##,Qtr#	City & State	Existing # Leases	Reporting OPDIV	Participant Groups	Existing # Useable Sq.Ft.	Consolidated # Useable Sq.Ft.	Prospectus Submission and Approval FY##,Qtr#	Complete Lease Procurement Documents FY##,Qtr#	Lease Award FY##,Qtr#	Complete Leasehold Improvements FY##,Qtr#	Complete Move-in FY##,Qtr#	Comments
FY08,Q4	Washington, DC		ACF		12,200,000		NA	NA	NA	NA	FY09,Q1	Aerospace Building. Consolidation and renovation of Agency occupied GSA leased space. Project extended in FY07 to include the 3rd floor server room, IT area and multi-purpose room. Completion date FY09
<b>ACF Total</b>					12,200,000	0						
FY07,Q4	Atlanta, GA	1 (GS04B45350)	CDC		22,025	119,348	NA	NA	NA	NA	FY08,Q3	CDC is undergoing a major backfill effort due to the completion of owned building Chamblee 106. The lease for this asset expires on June 30, 2008. We took this opportunity to co-locate the occupants with the current occupants in Executive Park 12. This realignment is beneficial to both tenants and it allows us to terminate this lease. It is anticipated that this action will be completed by then end of FY08,Q3

2008 HHS Three Year Rolling Timeline

Table #5 HHS LEASED SPACE -- PLANNED CONSOLIDATIONS												
(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)												
(FY 2008 – FY2010)												
Starting FY##,Qtr#	City & State	Existing # Leases	Reporting OPDIV	Participant Groups	Existing # Useable Sq.Ft.	Consolidated # Useable Sq.Ft.	Prospectus Submission and Approval FY##,Qtr#	Complete Lease Procurement Documents FY##,Qtr#	Lease Award FY##,Qtr#	Complete Leasehold Improvements FY##,Qtr#	Complete Move-in FY##,Qtr#	Comments
FY07,Q4	Atlanta, GA	1 (GS04B39044)	CDC		32,481	32,481	NA	NA	NA	NA	FY08,Q3	In accordance with backfill noted above, occupants from the Yale Building have relocated to owned building Chamblee 106. The occupants of One West Court Square in Decatur will be relocated to the Yale Building, allowing us to terminate the lease on One West Court Square on May 30, 2008. It is anticipated that this action will be completed by the end of FY08,Q3
<b>CDC Total</b>					54,506	151,829						

2008 HHS Three Year Rolling Timeline

**Table #5 HHS LEASED SPACE -- PLANNED CONSOLIDATIONS**

(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)

(FY 2008 – FY2010)

Starting FY##,Qtr#	City & State	Existing # Leases	Reporting OPDIV	Participant Groups	Existing # Useable Sq.Ft.	Consolidated # Useable Sq.Ft.	Prospectus Submission and Approval FY##,Qtr#	Complete Lease Procurement Documents FY##,Qtr#	Lease Award FY##,Qtr#	Complete Leasehold Improvements FY##,Qtr#	Complete Move-in FY##,Qtr#	Comments
FY08,Q2	to White Oak/ Silver Spring, MD	8 (see comments)	FDA	CDER	24,524	197,677	NA	NA	NA	NA	FY08,Q2	Complete. Updated Consolidated # Useable Sq.Ft. based on OA. The MPN6 (15400 Calhoun Place) asset was disposed (24,524 USF) as occupants consolidated to Building 51 at White Oak. The other 7 leases will remain in place (190,915 USF active and utilized) as this space is now needed for FDA to comply with the Food and Drug Administration Amendments Act of 2007 (PL 110-85), which requires CDER to hire a total of 663 new personnel before the end of FY08. Vacated space in these 7 assets as well as new space in Building 51 will be used to house the 663 new hires.
FY09,Q1	to White Oak/ Silver Spring, MD	2	FDA	CDRH	23,896	13,532	NA	NA	NA	NA	FY09,Q1	This center will occupy a Building 130
FY09,Q1	to White Oak/ Silver Spring, MD	1	FDA	OC	36,120	59,348	NA	NA	NA	NA	FY09,Q2	This center will occupy Building 1. A portion of the Parklawn Building will be vacated.
FY09,Q3	to White Oak/ Silver Spring, MD	5	FDA	CDRH	298,432	257,664	NA	NA	NA	NA	FY09,Q4	This center will occupy Building 66

2008 HHS Three Year Rolling Timeline

**Table #5 HHS LEASED SPACE -- PLANNED CONSOLIDATIONS**

(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)

(FY 2008 – FY2010)

Starting FY##,Qtr#	City & State	Existing # Leases	Reporting OPDIV	Participant Groups	Existing # Useable Sq.Ft.	Consolidated # Useable Sq.Ft.	Prospectus Submission and Approval FY##,Qtr#	Complete Lease Procurement Documents FY##,Qtr#	Lease Award FY##,Qtr#	Complete Leasehold Improvements FY##,Qtr#	Complete Move-in FY##,Qtr#	Comments
FY10,Q1	to White Oak/ Silver Spring, MD	3	FDA	OC & ORA	256,101	277,700	NA	NA	NA	NA	FY10,Q2	These centers will occupy Buildings 31 and 32. Consolidated USF is estimated.
<b>FDA Total</b>					639,073	805,921						
--	None	--	IHS	--	--	--	--	--	--	--	--	--
<b>IHS Total</b>					0	0						
FY08, Q3	Research Triangle Park, ND	Existing # Leases LRP-010194, LRP-0397454	NIH	NIEHS	63,000	60,000	NA	NA	NA	NA	FY09,Q1	New Lease awarded, design and fit-out underway, below prospectus
FY09,Q3	Rockville, MD	GS-11B-30184, GS-11B-80561, GS-11B-01909, LRP-040088, LRP-069973, LRP-079752, LRP-089977, LRP-109867, LRP-109868, LRP-109869	NIH	NCI, NIDCD, CIT, OD, ORS	453,500	478,800	FY06,Q3	NA	NA	NA	NA	NCI portion of procurement underway: As part of FY07 Prospectus Cycle - - Existing leases to be extended to 2011 to allow full and open competition. Other groups to be handled separately, if move needed
FY10,Q3	Bethesda, MD	GS-11B-01786, LRP-030195, LRP-0302109	NIH	NIAID	294,400	297,100						Project underway: As part of FY 08 Prospectus Cycle. Presently, being chnaged to FY 10 Prospectus Cycle to allow all leases to be coterminous until 2012.
FY11,Q3	Bethesda, MD, Rockville, MD	GS-11B-01268, GS-11B-01413, GS-11B-01414, GS-11B-01415	NIH	NIA, NICHD	123,106	123,100	NA	NA	NA	NA	FY09,Q1	Program of Requirements to start in FY 08 and cost benefit analysis to be conducted to confirm whether both groups to be consolidated

2008 HHS Three Year Rolling Timeline

**Table #5 HHS LEASED SPACE -- PLANNED CONSOLIDATIONS**

(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)

**(FY 2008 – FY2010)**

Starting FY##, Qtr#	City & State	Existing # Leases	Reporting OPDIV	Participant Groups	Existing # Useable Sq.Ft.	Consolidated # Useable Sq.Ft.	Prospectus Submission and Approval FY##, Qtr#	Complete Lease Procurement Documents FY##, Qtr#	Lease Award FY##, Qtr#	Complete Leasehold Improvements FY##, Qtr#	Complete Move-in FY##, Qtr#	Comments
FY11, Q3	Bethesda, MD	LRP-020083, LRP-040085, LRP-050196, LRP-069974, LRP-0702114, LRP-0801100, LRP-089976, LRP-1001105	NIH	NIDDK, NHGRI, NCCAM, NCRR, NIAMS	310,000	310,000						Project underway: Will start next year as part of the FY 09 Prospectus Cycle
<b>NIH Total</b>					1,244,006	1,269,000						
FY06, Q2	Philadelphia, PA	GS-03B-70047, GS-03B-01338	PSC	ACF, CMS, FOH, HRSA, ITSC, OCR, OGC, OIG, ORHA, PSC, RD	108,412	108,412	N/A	FY08, Q3	FY08, Q3	FY08, Q3	FY08, Q3	Lease Renewal being Prepared by GSA's Mid Atlantic Region (3): HHS Region III Admin Office. Est. Award 04/24/2008.
FY05, Q2	Chicago, IL	GS-05B-16346, GS-05B-16704	PSC	ACF, CMS, FOH, HRSA, ITSC, OCR, OGC, OIG, ORHA, PSC, RD	150,802	160,808	FY08, Q2	FY09, Q1	FY09, Q1	FY10, Q4	FY10, Q1	Replacement Lease Acquisition and Prospectus Being Prepared by GSA's Great Lakes Region (5): HHS Region V Admin Office. No OMB/Congressional Approval yet. Est. Award 12/01/2008.

2008 HHS Three Year Rolling Timeline

**Table #5 HHS LEASED SPACE -- PLANNED CONSOLIDATIONS**

(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)

**(FY 2008 – FY2010)**

Starting FY##,Qtr#	City & State	Existing # Leases	Reporting OPDIV	Participant Groups	Existing # Useable Sq.Ft.	Consolidated # Useable Sq.Ft.	Prospectus Submission and Approval FY##,Qtr#	Complete Lease Procurement Documents FY##,Qtr#	Lease Award FY##,Qtr#	Complete Leasehold Improvements FY##,Qtr#	Complete Move-in FY##,Qtr#	Comments
FY05,Q2	Rockville, MD	GS-11B-00082	PSC	ACF, AoA, DCA, FOH, HRC, HRSA, ITSC, OCR, OGC, OIG/OAS, OIG/OI, OIG/OEI, OIG/OMP-IT, PSC, REC, RD, RHA	1,033,110	690,234	FY07,Q1	FY08,Q1	FY08,Q2	FY09,Q4	FY10,Q4	Replacement Lease Acquisition and Prospectus Being Prepared by GSA's National Capital Region (11): Parklawn Bldg. OMB/Congressional Approved Est. Award 02/01/09
FY06,Q1	Denver, CO	BYRON G.ROGERS FB-CT FED BLDG. + Lease GS-01B-03499, GS-01B-03847	PSC	ACF, AoA, CMS, DCA, FOH, HRC, HRSA, ITSC, OCR, OGC, OIG/OAS, OIG/OI, OIG/OEI, OIG/OMP-IT, PSC, REC, RD, RHA	NA	NA	NA	NA	NA	NA	FY10,Q4	Project underway: Prospectus Being Prepared by GSA's Rocky Mountain Region (8): HHS Region VIII Admin Office. No OMB/Congressional Approval yet. Est. Award 08/01/10.
<b>PSC Total</b>					1,292,324	959,454						
<b>HHS Grand Total</b>					15,429,909	3,186,204						

2008 HHS Three Year Rolling Timeline

**Table #5 HHS LEASED SPACE -- PLANNED CONSOLIDATIONS**

(Addressing issues of "Right Size", "Right Cost" and "Right Condition" of the Inventory)

**(FY 2008 – FY2010)**

Starting FY##,Qtr#	City & State	Existing # Leases	Reporting OPDIV	Participant Groups	Existing # Useable Sq.Ft.	Consolidated # Useable Sq.Ft.	Prospectus Submission and Approval FY##,Qtr#	Complete Lease Procure- ment Documents FY##,Qtr#	Lease Award FY##,Qtr#	Complete Leasehold Improve- ments FY##,Qtr#	Complete Move-in FY##,Qtr#	Comments
<p>FDA (1) - Date defined as date FDA provides final procurement documents to GSA.</p> <p>FDA (2) - GSA is constructing federally owned buildings at the White Oak Federal Center. The project is currently phased over several years with expected completion in calendar year 2012 with the final move occurring in the Quarter 2 of FY2013. The OPDIV components listed will be moving consistent with the completion of various construction phases. The 2012 date assumes future Congressional funding will be approved for the White Oak project.</p>												

2008 HHS Three Year Rolling Timeline

<b>Table #6 OPDIV Milestones</b>				
FY 2008 Update – 3-Year Rolling Timeline				
<b>(FY 2008 – FY2010)</b>				
<b>Ramp Goal</b>	<b>OPDIV</b>	<b>Milestone</b>	<b>Due Date Qtr</b>	<b>Due Date FY</b>
2	CMS	Define Scope and award Master Housing for CMS Single Site	Q1	FY08
2	CDC	Continue CDC participation in HHS Tiger Team and Working Groups	Q2	2008
2	CDC	Complete CDC Atlanta 2010-2020 Strategic Vision Document	Q2	2008
5	FDA	Complete implementation of the software tool that will serve to prioritize capital and repair & improvement projects based on key criteria, including the FRPC Performance Measures, and in turn, assist in the formulation of FDA's FY2010 Building & Faciliti	Q2	2008
4	NIH	Continue with contract professional facility assessments to define repairs that need to be corrected to improve the condition of research facilities at all NIH sites. As in FY2007, a government team of engineers and architects will accompany the professional contract assessors as part of the team so that they can have a clear understanding of the deficiencies identified as well as provide any in-house or background knowledge of know repairs in a given facility. As soon as the assessments are complete, the government team will develop the detailed scope of work for the associated repairs projects which will more accurately address the deficiencies and building needs identified. This will save time and money by not needing the A/E firm develop a detailed scope of work for the project two or three years down the road. Projects, when approved for funding, can proceed immediately to design and ultimately to construction/completion in a reduced amount of time.	Q2	2008
2	NIH	Approve through the NIH Facilities Working Group an FY2010-2015 Lease Space Plan outlining NIH's strategy for managing its lease space portfolio, which includes the consolidation of leases and the adherence to space utilization rates policies.	Q2	2008
3	NIH	Conduct training for NIH and HHS OPDIV land holding agencies facilities staff on the Army COE ECONPAK Life Cycle Cost Analysis of Alternatives software package.	Q2	FY08
5	NIH	Implement a new, state of the art Project Management Information System to provide an improved project management tool; improve the tracking of schedules and budgets; and improve the ability to capture related project information, including relevant PMA data such as Condition Index data.	Q2	FY08
2	PSC	Miami, Florida: FY07/FY08 lease expansion to GSA Lease GS-04B-45809 for HHS Office of Medicare Hearings and Appeals (OMHA) Southern Field Office, 100 SE 2nd Street, Suite 1700, Miami, FL. Expansion of 6,237 USF to existing office space, expansion space	Q2	2008
2	PSC	Arlington, Virginia: FY07/FY08 lease expansion to GSA Lease GS-11B-01801 for HHS Office of Medicare Hearings and Appeals (OMHA) Mid-Atlantic Field Office and Headquarters, 1700 N. Moore St., Suite 1600, Arlington, VA. Lease expansion of 8,292 USF to ex	Q2	2008

2008 HHS Three Year Rolling Timeline

<b>Table #6 OPDIV Milestones</b>				
FY 2008 Update – 3-Year Rolling Timeline				
(FY 2008 – FY2010)				
<b>Ramp Goal</b>	<b>OPDIV</b>	<b>Milestone</b>	<b>Due Date Qtr</b>	<b>Due Date FY</b>
2	PSC	Cleveland, OH: To ‘right-size’ to meet the mission requirement, urgent lease expansion planned for GSA lease GS-05B-17554. Lease expansion of 27,600 USF for HHS Office of Medicare Hearings and Appeals (OMHA) Mid-West Field Office, BP Tower, Suite 1300,	Q2	2008
2	CDC	Start CDC Atlanta 2010-2020 Master Plan	Q3	2008
2	NIH	Apply the R&I project prioritization model to FY2009 R&I projects to determine those projects that will receive FY2009 R&I funds.	Q3	2008
2	NIH	Develop the NIH 2010-2015 Strategic Facilities Plan which considers funding levels ranging from Sustainment to Improvement.	Q3	2008
2	NIH	Approve the NIH FY 2010 Buildings and Facilities budget request, consistent with the Department’s RAMP, and submit it to HHS for review	Q3	2008
2	PSC	Dallas, Texas: Ongoing construction of the Annex Building, 1302 Wood Street, Dallas, TX. Multiple Federal tenants (SSA and HHS) in Region 6. Construction Complete.	Q3	2008
2	OIG	OIG has several expiring Occupancy agreements. Strategy is to extend for 12/24/36 months at locations that have yet to supply requirements and/or renew at existing location for 5-10 years; or relocate as noted. Status Report on strategy will be provided.	Q3	2008
4	CDC	Complete Facility Condition Assessments and Asset Business Plans, and input into IFMS for high value/high risk assets	Q4	2008
1	CDC	Complete BFO Phase I Human Capital Plan	Q4	2008
2	OIG	OIG is currently developing Space Standards and Guidelines to manage existing and new space requirements. Long term strategy is to consolidate various components when applicable; sharing conference space, admin support space, storage, etc.	Q4	2008
4	FDA	Award the Utility Energy Services Contracts (UESCs) and Energy Savings Performance Contracts (ESPCs) at FDA's Dauphin Island, AL; San Juan, PR; Irvine, CA; Atlanta, GA and Winchester, MA sites to improve energy efficiency as well as correct energy-related	Q4	2008
2	FDA	Actively participate in the HHS PMA Tiger Team as well as other HHS-level work groups related to real property data management and key FRPC Performance Measures.	Q4	2008
5	NIH	Apply NIH project prioritization model and approval process to FY2009 R&I IC renovation project requests determining those projects that will be funded with FY2009 R&I funds.	Q4	2008
2	NIH	NIH will submit its FY 2009 budget submissions to HHS addressing real property management improvement goals and incorporating FRPC performance targets into FPAA's by August 15th.	Q4	2008

2008 HHS Three Year Rolling Timeline

<b>Table #6 OPDIV Milestones</b>				
FY 2008 Update – 3-Year Rolling Timeline				
(FY 2008 – FY2010)				
<b>Ramp Goal</b>	<b>OPDIV</b>	<b>Milestone</b>	<b>Due Date Qtr</b>	<b>Due Date FY</b>
5	PSC	Development of PSC Move Model Tool that provides PSC customers budget estimates all foreseeable Tenant Improvement, and move related costs in the event of a move to a new leased location.	Q4	FY08
5	ACF	To improve Real Property data collection and reporting, and in addition to the ARIS system, ACF has purchased the Archibus CAFM program. FY08 goal - Input of all the DC space and lease activities. Reigional and satilite offices follow in 2009. Potential savings in corrected lease expenditures and right sizing spaces.	Q1	2009
2	NIH	Initiate construction of a 26,000 nsf Student Faculty Academic Center in the Clinical Center Complex (Building 10) to provide for continuing education programs for NIH research staff.	Q1	2009
3	ACF	Central Office Telephone Infrastructure project. Replaces existing telephone and switching systems. Improved performance, potential cost savings	Q2	2009
2	CMS	Complete Master Housing Study for CMS Single Site	Q2	FY09
2	NIH	NIH, through its Facilities Working Group, will approve the FY2011-2016 Lease Space Plan outlining NIH’s strategy for managing its lease space portfolio, which includes the consolidation of leases and the adherence to space utilization rates policies.	Q2	2009
2	NIH	Apply the R&I project prioritization model to FY2010 R&I projects to determine those projects that will receive FY2010 R&I funds.	Q3	2009
2	NIH	NIH will develop its 2011-2016 Strategic Facilities Plan which considers funding levels ranging from Sustainment to Improvement.	Q3	2009
2	NIH	NIH will approve its FY 2011 Buildings and Facilities budget request, consistent with the Department’s RAMP, and submit it to HHS for review	Q3	2009
2	FDA	Actively participate in the HHS PMA Tiger Team as well as other HHS-level work groups related to real property data management and key FRPC Performance Measures.	Q4	2009
2	NIH	NIH will submit its FY 2010 budget submissions to HHS addressing real property management improvement goals and incorporating FRPC performance targets into FPAAAs by August 15th.	Q4	2009
2	FDA	Actively participate in the HHS PMA Tiger Team as well as other HHS-level work groups related to real property data management and key FRPC Performance Measures.	Q4	2010

2008 HHS Three Year Rolling Timeline



Department of Health and Human Services  
Office for Facilities Management and Policy  
Real Property Asset Management

Sustainable Buildings Implementation Plan -- Goals

as of 26 October 2007

Due - Quarter	Due - Year	Goal Identification	Goal Description	Deliverable	Lead Responsibility
1Q	2008	Establish procedures to incorporate the <i>Guiding Principles</i> into criteria, leases, contract language, designs, and specifications for new construction, build-to-lease, major renovations and existing building operation and maintenance.	1. Develop existing building operation and maintenance guidelines.	1. Guidance Document	1. HHS Workgroup
			2. Notify GSA of the HHS minimum sustainability requirements for lease actions	2. SRPO letter to GSA	2. OFMP
			3. OPDIV internal guidance incorporates <i>Guiding Principles</i>	3. Updated Appendix J	3. OPDIVs
			4. Incorporate consideration of regional factors as part of the Sustainability Checklist	4. Revise Appendix H Existing Buildings and Sustainability Checklist	4. HHS Workgroup
1Q	2008	Modify all pertinent Agency policies to incorporate <i>Guiding Principles</i> .	Update the HHS High Performance and Sustainable Buildings policy to reflect implementation plan.	Updated Policy	OFMP
1Q	2008	Develop a strategy to address sustainability opportunities for those buildings that agencies have determined "Not applicable" to all of the 5 <i>Guiding Principles</i> .	1. Analyze Sustainability Checklists received in FY09 budget cycle.	1. Report	1. HHS Workgroup
			2. Identify strategies for incorporating sustainable design principles for historical properties and housing assets	2. Strategies Report	2. HHS Workgroup
1Q	2008	Describe how the Sustainable Building Program is being coordinated with the EMS and Agency's asset management plan.	1. Approach for coordinating the Sustainable Buildings Program with Environmental Management Systems (EMS) at appropriate facilities drafted.	1. Approach narrative (as part of Implementation Report)	1. OFMP
			2. Implement the approach for coordinating the Sustainable Buildings Program with facility level EMS.	2. Implementation Report	2. Landholding OPDIVs
1Q	2008	Correct other programmatic shortfalls identified in the gap analysis	Existing Building Strategy - Pilot application of draft analysis tool	Report of Findings	HHS Workgroup
1Q	2008	Define the unit of measurement for tracking/reporting agency progress (# of certified buildings, etc.)	Define units of measurement and cross reference capital asset thresholds to sustainability requirements	Guidance Document	HHS Workgroup
1Q	2008	Report Agency progress toward incorporating the <i>Guiding Principle</i> in all building life cycle stages.	1. Capture data from checklists received in FY09 budget cycle	1. Annual Sustainability Progress Report	1. OPDIVs / OFMP
			2. Assess if reporting and/or measurement process need adjustment	2. Annual Sustainability Progress Report	2. OPDIVs / OFMP

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**Attachment 5**  
**Annual Capital Facilities Plans**

2008 Update: U. S. Department of Health and Human Services  
Real Property Asset Management Plan

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# 2008 Update: U. S. Department of Health and Human Services Real Property Asset Management Plan

<b>Centers for Disease Control and Prevention</b> <b>Buildings and Facilities Summary Plan - CDC - Year 2006 through 2014</b> (Dollars in Millions)
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	Bldg. No	Project Ranking	FY 2006 Actual	FY 2007 Actual	FY 2008 P.B.	FY 2009 Request	FY 2010 Plan	FY 2011 Plan	FY 2012 Plan	FY 2013 Plan	FY 2014 Plan	Total Project Cost to date
<b>Capital Projects</b>												
Environmental Health Facility, Chamblee Campus 3/	106	IC	--	--	--	--	--	--	--	--	--	\$113.300
Research Support Facility †	107	3	--	--	--	--	\$160.0	--	--	--	--	\$160.077
Research Support Facility †	108	3	--	--	--	--	\$138.5	--	--	--	--	\$138.468
Research Support Facility *	112	n/a	--	--	--	--	--	--	--	--	--	--
Hazardous Materials Handling Facility †	na	2	--	--	--	--	\$2.9	--	--	--	--	\$2.895
Arctic Investigation Program Laboratory, Anchorage, Alaska	na	n/a			TBD							\$1.500
Infectious Disease Laboratory Conversion/Renovation to Chemical Lab, Chamblee *	109	n/a	--	--	--	--	TBD	--	--	--	--	--
Transshipment/Program Support Bldg., Roybal	20	IC	--	--	--	--	--	--	--	--	--	--
Research Support Facility *	22	n/a	--	--	--	--	--	--	--	--	--	\$0.000
East Campus Laboratory Consolidation Project 1/	23	IC	\$120.0	\$50.0	--	--	--	--	--	--	--	\$365.336
Research Support Facility †	24	2	--	\$8.1	--	--	\$172.5	--	--	--	--	\$180.633
Building Modernization, Roybal Campus † *	1 Main	n/a	--	\$0.15	--	--	--	--	TBD	--	--	\$0.150
Building Modernization, Roybal Campus † *	15	n/a	--	--	\$0.15	--	TBD	--	--	--	--	\$0.150
DVBD Laboratory, Ft. Collins, CO 2/	--	C	\$23.8	--	--	--	--	--	--	--	--	\$80.000
DVBD Shell Space - Laboratory, Ft. Collins, CO	--	2	--	\$15.0	--	--	--	--	TBD	--	--	\$15.000
DVBD Shell Space - Vivarium and Insectary, Ft. Collins, CO *	--	n/a	--	--	--	--	--	--	--	--	--	\$0.000
NIOSH Lab Consolidation Land Acquisition, Cincinnati, OH † 4/	--	3	--	--	--	--	\$15.0	--	--	--	--	\$17.400
NIOSH Lab Consolidation Design and Construction, Cincinnati, OH † 4/	--	4	--	--	--	--	--	--	TBD	--	--	\$0.000
NIOSH NPPTL Lab, Pittsburgh Research Campus * 5/	--	n/a	--	--	--	--	--	--	TBD	--	--	\$0.000
NIOSH Lake Lyn Laboratory Facility Acquisition † ‡	--	4	\$0.70	--	--	--	\$14.5	--	--	--	--	\$15.231
NIOSH Morgantown Laboratory Land Acquisition †	--	5	\$0.16	--	--	--	\$11.5	--	--	--	--	\$11.656
Environmental Microbiology Lab Initiative † * 6/	--	n/a	\$0.38	--	--	--	--	--	TBD	--	--	\$0.375
NCEH COOP Lab Initiative † * 7/	--	n/a	--	--	--	--	\$0.15	--	--	TBD	--	\$0.150
IT-Related 8/	--	IC	\$7.1	--	--	--	--	--	--	--	--	\$40.100
<i>Sub-total of B&amp;F Funded Capital Projects</i>			\$150.9	\$73.1	\$0.0	\$0.0	\$514.9	\$0.0	\$0.0	\$0.0	\$0.0	
<b>National R&amp;I Program (incl. Planning)</b>												
Building B Addition, Lawrenceville Campus 9/	B	IC	\$1.7	--	--	--	--	--	--	--	--	\$5.211
Modernization of Building A, Lawrenceville Campus 10/	A	IC	--	\$3.250	--	--	--	--	--	--	--	\$7.037
Security-Optical Turnstile & TDAR Units 11/	Multiple	C	--	--	--	--	--	--	--	--	--	\$3.830
FM200 Fire Suppression System Computer Room, Roybal Campus 12/	16	IC	--	--	--	--	--	--	--	--	--	\$1.177
Planning, Not otherwise included in Capital Projects	--	n/a	\$0.72	\$0.70	--	--	--	--	--	--	--	--
Lump Sum R&I	--	1	\$3.76	\$57.20	\$19.85	\$30.00	\$64.70	\$71.60	\$82.00	\$88.70	\$96.60	--
<i>Sub-total of National R&amp;I Program (incl. Planning) 13/</i>			\$7.4	\$61.3	\$20.0	\$30.0	\$64.9	\$71.6	\$82.0	\$88.7	\$96.6	
<b>TOTAL BUILDINGS &amp; FACILITIES</b>			\$158.3	\$134.4	\$20.0	\$30.0	\$579.8	\$71.6	\$82.0	\$88.7	\$96.6	

**Notes:**

† Funding level utilizes a 7-year nominal interest rate of 4.9% as an annual escalation factor calculated from baseline project estimates (OMB Cir. A-94 Appendix C, January 2007)

‡ R&I planning funds allocated are shown in italics on the specific Capital Project line for which it is being expended and is calculated as part of the National R&I Program

\* Unprioritized capital projects will be prioritized in the 2010 -2020 Master Plan

1/ HHS 300 Revision 0 Approved 20 Sept 2005; Total project costs include B&F appropriations from previous years \$123.64 (FY2004), \$71.25 (FY2005) and R&I funding from previous years for planning \$0.273 (FY2002), \$0.055 (FY2003), \$0.03 (FY2004)

2/ Full project funding received in FY2006; CDC took Beneficial Occupancy April 2007

3/ Full project funding received in FY2005; Project is in construction

4/ Moving forward with concurrent EIS and Land Acquisition as approved by the HHS CIRB; Total project costs include appropriations from previous years \$2.4 (FY2004)

5/ Project priority pending; PDS is currently under revision

6/ In development

7/ In development

8/ HHS 300 Revision 0 Approved 19 Aug 2005; Total costs include appropriations from previous years, \$6.0 each year (FY2002-4), \$15.0 (FY2005)

9/ HHS 300 Revision 1 Approved 26 Sept 2006; Total costs include appropriations from previous years, \$0.317 (FY2004), \$3.195 (FY2005)

10/ HHS 300 Revision 1 Approved 17 April 2007; Total costs include appropriations from previous years, \$0.242 (FY2004), \$3.545 (FY2005)

11/ HHS 300 Revision 0 Approved 14 Sept 2005; Total costs include appropriations from previous years, \$0.091 (FY2004), \$1.086 (FY2005)

12/ HHS 300 Revision 0 Approved 14 Sept 2005; Total costs include appropriations from previous years, \$3.83 (FY2005)

13/ The calculated R&I budgetary amount for the National R&I Program for FY2009 is \$41.4m. Per direction from OMB, CDC is maintaining the FY2008 President's Budget level of \$20.0m in FY2009. Therefore, the balance of the R&I portion of \$21.4m plus inflation at the 7-year nominal interest rate of 4.9% as an annual escalation factor (OMB Cir. A-94 Appendix C, January 2007) is added to the FY2010 R&I projected sustainment budget. R&I budgetary amounts are calculated combined totals from the Facility Condition Index (CI) Improvement Table and the Facility Condition Index (CI) Sustainment Table provided as part of the FY2009 Budget Submission.

2008 Update: U. S. Department of Health and Human Services  
Real Property Asset Management Plan

**FOOD AND DRUG ADMINISTRATION  
BUILDINGS AND FACILITIES PLAN  
Building & Facilities**

**FY 2008-2014 Preliminary Estimates**

(Dollars in Millions)

	FY 2007 Budget	FY 2008 President's Budget	FY 2009 Estimate	FY 2010	FY2011	FY2012	FY2013	FY2014	Out- years	TOTAL Project Cost
<b>Buildings &amp; Facilities Budget</b>										
<b>CONTINUING COMMITMENTS (needed every year)</b>										
Repair and Improvements (R&I projects less than \$1m.)	4.60	4.53	7.95	12.30	14.90	14.90	19.20	18.50	ongoing	96.88
<i>Sub-Total for Continuing Commitments</i>	4.60	4.53	7.95	12.30	14.90	14.90	19.20	18.50		96.88
<b>RECOMMENDED PRIORITIES (year-specific)</b>										
<i>Sub-Total of Recommended Priorities</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
<b>PROPOSED PROJECTS</b>										
New Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Renovations/Improvements										
Renovation of Neurotoxicology Labs and Primate Research Area, Building 62, NCTR (Jefferson Labs)	0.35	0.42	2.05	0.00	0.00	0.00	0.00	0.00		2.82
<i>Sub-total of Proposed Projects</i>	0.35	0.42	2.05	0.00	0.00	0.00	0.00	0.00		
<b>TOTAL B&amp;F</b>	<b>4.95</b>	<b>4.95</b>	<b>10.00</b>	<b>12.30</b>	<b>14.90</b>	<b>14.90</b>	<b>19.20</b>	<b>18.50</b>		

# 2008 Update: U. S. Department of Health and Human Services Real Property Asset Management Plan

February 7, 2008

## IHS Health Care Facilities FY 2010 Planned Construction Budget *a/* (S000)

FACILITY	Prior to FY 08 *	FY 08 Appr**	FY 09 Request	FY 10 Est.	FY 11 Est.	FY 12 Est.	FY 13 Est.	Outyears Est.	Total Cost ***	Could Use FY 09
<b>Planning Studies <i>b/</i></b>	-	-	-	500	500	500	500	500		500
<b>Inpatient Facilities <i>c/ d/</i></b>										
PIMC, AZ, Health Care System <i>1/</i>										
SE ACC <i>2/</i>	2,590	-	-	30,917	30,916	-	-	-	64,423	5,000
SW ACC <i>3/</i>	26,900	-	-	-	-	-	-	-	26,900	-
NE ACC <i>4/</i>	100	-	-	4,258	29,339	29,339	-	-	63,036	4,258
Central - Hosp & ACC <i>5/</i>	225	-	-	1,000	-	-	-	523,273	524,498	1,000
Barrow, AK, Hosp <i>6/</i>	10,960	12,664	15,800	54,468	44,129	-	-	-	138,021	28,000
Nome, AK, Hosp <i>7/</i>	120	-	-	48,566	40,848	40,848	40,847	-	171,229	48,566
Whiteriver, AZ, Hosp <i>8/</i>	-	-	-	-	9,882	64,812	64,812	64,812	204,318	-
Gallup, NM <i>9/</i>	-	-	-	-	-	-	-	517,748	517,748	-
<b>Outpatient Facilities <i>c/ d/</i></b>										
Ft. Yuma, CA, HC <i>10/</i>	-	2,208	-	28,057	-	-	-	-	30,265	28,057
Eagle Butte, SD, HC <i>11/</i>	7,797	17,212	-	31,000	32,350	22,741	-	-	111,100	31,000
Kayenta, AZ HC <i>12/</i>	6,357	-	-	37,168	59,955	37,543	-	-	141,023	37,168
San Carlos, AZ <i>13/</i>	8,604	-	-	32,880	48,185	21,064	-	-	110,733	32,880
Rapid City, SD <i>14/</i>	-	-	-	-	4,534	33,146	33,145	-	70,825	4,534
Dilkon, AZ <i>15/</i>	-	-	-	-	4,930	38,449	38,449	38,449	120,277	4,930
Alamo, NM <i>16/</i>	-	-	-	-	12,340	23,191	-	-	35,531	1,694
Pueblo Pintado, NM <i>17/</i>	-	-	-	-	-	2,047	27,881	-	29,928	-
Bodaway Gap, AZ <i>18/</i>	-	-	-	-	-	2,132	29,038	-	31,170	-
Albuquerque Health Care System										
Albuquerque West, NM <i>19/</i>	-	-	-	-	-	3,589	49,385	-	52,974	-
Albuquerque Central, NM <i>20/</i>	-	-	-	-	-	-	4,694	64,703	69,397	-
Sells, AZ <i>21/</i>	-	-	-	-	-	-	7,009	101,355	108,364	-
<b>Youth Regional Treatment Centers (Section 704) <i>e/</i></b>										
S. California YRTC <i>22/</i>	-	-	-	15,415	-	-	-	-	15,415	15,415
N. California YRTC <i>23/</i>	79	-	-	15,800	-	-	-	-	15,879	15,800
<b>Joint Venture Construction Program (Section 818e) <i>e/</i></b>										
<b>Health Facilities <i>24/</i></b>	17,361	-	-	5,000	5,000	5,000	5,000	5,000	-	5,000
<b>Small Ambulatory Program (Section 306) <i>e/</i></b>										
<b>Small Health Clinics <i>25/</i></b>	36,773	2,500	-	10,000	10,000	10,000	10,000	10,000	-	10,000
<b>Dental Facilities Program</b>										
<b>Dental Units <i>26/</i></b>	13,434	2,000	-	3,000	3,000	3,000	3,000	-	-	-
<b>Non-IHS Funds Renovation Projects (Section 305) <i>e/</i></b>										
<b>Equipment for Projects <i>27/</i></b>	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	131,300	36,584	15,800	318,029	335,908	337,401	313,760	1,325,840	2,653,054	273,802
<b>UNFUNDED (FY 2009-Outyears) <i>f/</i></b>									2,559,738	

**NOTES:**

- \* Amounts appropriated and reprogrammed for active projects.
- \*\* Amounts appropriated less 1.56% rescission
- \*\*\* Based on mid-point of construction using current year dollars.
- a/* Subject to the availability of funds and does not include Maintenance & Improvement, Environmental Remediation, Environmental Assessment, Biomedical Equipment or staff support, which are budgeted separately.
- b/* Funding for Phase II Site Selection and Evaluation Reports, and other planning needs for proposed projects.
- c/* This project list includes all PJD approved projects from the existing IHS Facilities Construction Priority List which was implemented in 1992. It also includes two projects from the previous priority system.
- d/* Proposed projects which require staff quarters to support the health care delivery program have the quarters included in the total cost of the project.
- e/* The Section cited is the appropriate section of P.L. 94-437 that authorizes the program.
- f/* The funding required to complete line item projects from FY 2009 through Outyears.
- 1/* Appropriated: It is anticipated that PIMC Hospital system will be located at four sites in the Phoenix area: southeast, southwest, northeast and central. Central includes inpatient, outpatient, and a hostel. The other three sites will be ambulatory care centers (ACC).
- 2/* Appropriated: \$2,590,070 planning and to begin design (FY 2005).
- 3/* Appropriated: \$1,354,360 planning and design (FY 2005), \$7,882,300 to begin construction (FY2006), \$17,664,000 to complete construction (FY 2007JR).
- 4/* Reprogrammed: \$100,000 planning (FY 2006);Appropriated: \$-0-.
- 5/* Appropriated: \$150,000 planning (FY 1989); Reprogrammed: \$74,405 planning (FY 1994). Additional funding needed for system planning. PIMC Central includes inpatient, outpatient, and a hostel. PJD in development.
- 6/* Reprogrammed: \$120,000 planning (FY 2003); Appropriated: \$2,958,322 site acquisition (FY 2005). \$7,882,300 for design and construction (FY2006). \$12,664,00 (FY 2008). Total cost estimate includes \$2,000,00 (FY2004), \$5,970,000 (FY2005), and \$7,000,000 (FY2006) from the Denali Commission for planning and design
- 7/* Reprogrammed: \$120,000 planning (FY 1989); Appropriated: \$-0-. Total cost estimate includes \$500,000 (FY2003), \$4,680,000 (FY2005) \$6,000,000 (FY2006) from Denali Commission.
- 8/* Appropriated: \$-0-. Total cost includes \$45,478,000 estimated for 144 staff quarters units. The quarters estimate is based on the design-build method.
- 9/* Appropriated: \$-0-.
- 10/* Appropriated: \$667,000 planning and design (FY 1989); withdrew <\$ 667,000> (FY 1996); \$2,208,000 (FY2008) for planning and design; The PJD update in FY
- 11/* Reprogrammed: \$100,000 planning (FY 2004);Appropriated: \$2,765,499 planning and design (FY 2004); \$4,930,537 design and construction (FY 2005); \$17,212,0 (FY 2008) for construction. Total cost includes preliminary estimate of \$42,568,000 for 133 staff quarters using the design-build method.

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- 12/ Reprogrammed: \$66,000 planning (FY 2004). Appropriated: \$430,929 design (FY 2005), \$3,820,946 design (FY 2006), \$2,000,000 (FY 2007) begin construction. Total Cost includes \$45,573,000 for 129 staff quarters units based on the design-build method.
- 13/ Appropriated: \$555,178 planning and design (FY 2005). Appropriated: \$6,049,000 design (FY2006), \$2,000,000 (FY 2007) complete design and begin construction. Total Cost includes \$16,772,000 for 43 additional staff quarters units.
- 14/ Appropriated: S -0-
- 15/ Appropriated: S -0- Total cost includes preliminary estimate of \$44,184,000 for 121 staff quarters using the design-build method..
- 16/ Appropriated: S -0- Total cost includes preliminary estimate of \$10,851,000 for 33 staff quarters using the design-build method..
- 17/ Appropriated: S -0-; Determination, and cost estimate for quarters will established during the development of the PJDQ
- 18/ Appropriated: S -0-; Determination, and cost estimate for quarters will established during the development of the PJDQ
- 19/ Appropriated: S -0-
- 20/ Appropriated: S -0-
- 21/ Appropriated: S -0-
- 22/ Appropriated: S-0-. The FY 2005 appropriation language authorizes the IHS to purchase needed land and directs the IHS to use prior year unobligated funds for the land purchase. The design-build method is being considered. The POR approval is pending; therefore, a cost estimate update will occur.
- 23/ Appropriated: S-0-. The FY 2005 appropriation language authorizes the IHS to purchase needed land and directs the IHS to use prior year unobligated funds for the land purchase. Reprogrammed: \$79,140 planning and site acquisition (FY 1991). The design-build method is being considered.
- 24/ Prior appropriations have funded 8 JVCPs. The FY 2008 Omnibus Bill extends the JVCP to fund 2 projects from the FY 2007 solicitation. The JVCP funding is for health care equipment.
- 25/ Prior appropriations have funded 27 SAP health center projects
- 26/ Prior appropriations have funded 33 dental facilities.

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## NIH BUILDINGS AND FACILITIES PLAN Buildings & Facilities

### FY 2009-2014 Budget (OMB Submission)

(Dollars in Millions)

	FY 2007 Appropriation	FY 2008 President's Budget	FY 2009 OMB Submission	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Out- years	TOTAL Project Cost
<b>Buildings &amp; Facilities Budget</b>										
<b>CONTINUING COMMITMENTS (needed every year)</b>										
<b>Essential Safety and Regulatory Compliance</b>	14.5	15.5	17.5	18.5	18.5	18.5	18.5	18.5		
Asbestos Abatement Program	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	ongoing	
Fire Protection & Life Safety Program	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	ongoing	
Eliminate Barriers to Persons With Disabilities	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	ongoing	
Environmental Assessments / Remediation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	ongoing	
Rehabilitation of Animal Research Facilities	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	ongoing	
Physical Security Improvements	0.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	ongoing	
Sustainability Program	0.0	0.0	1.00	2.0	2.0	2.0	2.0	2.0	ongoing	
<b>Repair and Improvements</b>	65.881	97.7	107.581	119.6	131.2	139.8	145.4	152.2	ongoing	
<b>Concept Development Studies</b>	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	ongoing	
<i>Sub-Total for Continuing Commitments</i>	<b>81.081</b>	<b>113.7</b>	<b>125.581</b>	<b>138.6</b>	<b>150.2</b>	<b>158.8</b>	<b>164.4</b>	<b>171.2</b>		
<b>RECOMMENDED PRIORITIES (year-specific)</b>										
<b>Essential Safety and Regulatory Compliance (one time)</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Construction</b>										
Central Vivarium/Animal Research Center	0.0	0.0	0.0	0.0	0.0	0.0	220.0	0.0	0.0	235.3
Neuroscience Res. Center Ph II	0.0	0.0	0.0	280.0	0.0	0.0	0.0	0.0	0.0	346.4
Northwest Child Care Facility	0.0	0.0	0.0	12.5	0.0	0.0	0.0	0.0	0.0	13.0
Lab P - South Quad /Center for Biology of Disease	0.0	0.0	0.0	0.0	0.0	0.0	4.0	0.0	140.0	144.0
Lab N - South Quad/Center for Biology of Disease	0.0	0.0	0.0	0.0	0.0	0.0	2.1	0.0	115.0	117.1
Lab M - South Quad/Center for Biology of Disease	0.0	0.0	0.0	0.0	0.0	0.0	3.0	0.0	132.1	135.1
Environmental Clinical Research Building - NIEHS	0.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0	0.0	20.0
Pet c-Good Lab Practices Facility/Radio-Chem Lab	0.0	7.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0
Expansion of Cell Processing Space, Building 10	0.0	0.0	0.0	0.0	0.0	0.0	5.0	0.0	0.0	5.0
New Patient Imaging Space adjacent to CRC ICU	0.0	0.0	0.0	0.0	0.0	0.0	5.0	0.0	0.0	5.0
Complete fit out B3-East Labs in CRC	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0
South Quad Parking	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.0	40.0	41.1
NLM Addition (\$7.1M funded in FY 2001 for design)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	210.4	217.5
Zebrafish Research Facility	0.0	0.0	0.0	0.0	0.0	12.0	0.0	0.0	0.0	12.0
Building F (Bldg. 30 Replacement)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	165.7	165.7
Clinical Research Imaging Facility, Building 10	0.0	0.0	0.0	0.0	6.0	0.0	0.0	0.0	0.0	6.0
<b>Renovations</b>										
Building 10 Repair Program	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.2
Building 10 Central Wing Renovation for Clinical Research	0.0	0.0	0.0	8.0	60.0	332.0	0.0	0.0	0.0	400.0
Building 3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bldg. 29A / 29B Renovation / Bldg. 29 Demo	0.0	0.0	0.0	0.0	60.4	0.0	0.0	0.0	0.0	60.4
Building 37 - Renovate Basement	0.0	0.0	0.0	0.0	0.0	0.0	14.0	0.0	0.0	14.0
Conversion of Building 7 - RML	0.0	0.0	0.0	7.0	0.0	0.0	0.0	0.0	0.0	7.0
<b>Equipment/Systems/Enabling</b>										
Demolish Bldg. 14/28/32 Complex	0.0	0.0	0.0	0.0	0.0	0.0	0.0	41.0	0.0	41.0
Emergency/Back up Power CIT Data Center	0.0	13.3	0.0	0.0	0.0	9.0	6.0	0.0	0.0	28.3
South Quad Utility Expansion (Chiller / Boiler # 7)	0.0	0.0	0.0	0.0	0.0	0.0	44.0	0.0	0.0	44.0
<i>Sub-total of Recommended Priorities</i>	<b>0.0</b>	<b>22.3</b>	<b>0.0</b>	<b>307.5</b>	<b>126.4</b>	<b>353.0</b>	<b>324.2</b>	<b>41.0</b>		
<b>PROPOSED PROJECTS</b>										
<b>Essential Safety and Regulatory Compliance</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Construction</b>										
Building 4 Upgrade / Expansion, Bethesda	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Expand Vivarium, NIEHS	0.0	0.0	0.0	0.0	0.0	0.0	28.3	0.0	0.0	28.3
Dormitory Facilities, NIEHS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consolidate Maintenance Support Facility, RML	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Solid Waste Storage Facility, RML	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consolidated Vivarium Facility, FCRDC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	277.3	0.0	277.3
Biopharmaceutical Development Facility, FCRDC	0.0	0.0	0.0	0.0	146.0	0.0	0.0	0.0	0.0	146.0
Advanced Technology Laboratory, FCRDC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	259.6	259.6
Replacement Clinical Center Gymnasium	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Building 102 A-Wing Multi-species Holding, NIHAC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hazardous Waste Management Facility, Bethesda	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Animal Vivarium, RML	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Renovations</b>										
Building 31 Renovation, Bethesda	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Building 1 Renovation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Building 7 Renovation, Bethesda (Lab)	0.0	0.0	0.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0
Building 7 Renovation, Bethesda (Bio-Infomatic)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.0	15.0
Building 16 / 16A Renovation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Building 8 Renovation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Building 34, Bethesda	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Building 10 Renovation, NCI Pathology Lab, 2nd. Fl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PCUs (includ in Bldg 10 renovation)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GRC, Baltimore	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Equipment/Systems/Enabling</b>										
Infrastructure Revitalization, Buildings 38 / 38A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Sub-total of Proposed Projects</i>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>186.0</b>	<b>0.0</b>	<b>28.3</b>	<b>277.3</b>		
<b>TOTAL B&amp;F</b>	<b>81.081</b>	<b>136.0</b>	<b>125.581</b>	<b>446.1</b>	<b>462.6</b>	<b>511.8</b>	<b>516.9</b>	<b>489.5</b>		

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**Attachment 6**

**HHS Leased Space Program Workgroup Charter &  
Performance Measures**

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## **Attachment 6 - HHS Leased Space Program Workgroup Charter & Performance Measures**

### LEASED SPACE PROGRAM WORKGROUP CHARTER

February 2008

This charter establishes and provides for the continuance of the Department of Health and Human Services Real Property Leased Space Program Workgroup and describes its mission, scope, goals and objectives, structure, meetings, and workgroup composition for the group's activities and deliverables.

#### MISSION

The mission of the Workgroup is to provide technical support to improve the Department's processes and methods for managing its leased and assigned real property assets.

#### SCOPE

The scope of the Workgroup includes all leased real property assets and assignments whether acquired directly by HHS using the GSA delegation, acquired directly by HHS using special authority(ies), or acquired by GSA and assigned to HHS.

#### GOALS and OBJECTIVES

The goals and objectives of the Workgroup include:

- Assisting HHS in achieving Departmental goals and milestones related to leased asset management in accordance with the President's Management Agenda, 3-Year Timeline and Performance Agreement requirements;
- Developing performance measures for assessing right-sizing, right-pricing and acquisition timeliness;
- Developing and maintaining a Leased Space Performance Worksheet to record and measure each lease transaction against a given set of criteria;

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- Promoting improved utilization through maximizing the use of space including consolidation and collocation activities;
- Providing a forum for sharing best practices and lessons learned;
- Monitoring the Warrant Program to ensure the Department is represented by trained and competent subject matter experts with the skills to provide best value when negotiating on behalf of the Department;
- Improving working relations with GSA. Our partnership can be enhanced by educating GSA in the particulars of HHS's diverse mission requirements and fostering a better understanding of GSA's acquisition and facilities management policies and processes.
- Improving rent budget projections and billing processes to reduce the risk of unforeseen increases and the budget consequences that might follow.
- Promoting open communication with other HHS real property asset management workgroups. Develop a link to refer issues raised in this workgroup to another workgroup whose expertise is more appropriate.

## STRUCTURE

The workgroup members are Federal employees of HHS. Each Operating Division, including non-landholders, will have at least one representative on the workgroup. The workgroup is chaired by the OFMP Realty Officer under the aegis of the Deputy Assistant Secretary for the Office for Facilities Management and Policy/Senior Real Property Officer (SRPO). Workgroup products, meeting formats and agenda items are developed by consensus. The Workgroup is an advisory body and its recommendations are non-binding until approved by the Deputy Assistant Secretary for OFMP/SRPO.

## MEETINGS

The Workgroup will meet as often as necessary to accomplish its goals and objectives but in no event less than twice each year. Attendance is a measurement on the OPDIV's internal scorecard. OPDIVs should arrange for a proxy in the

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event their representative cannot attend. Each meeting will be accessible by teleconference.

**WORKGROUP COMPOSITION**

Administration for Children and Families  
Administration on Aging  
Agency for Health-Care Research and Quality  
Center for Disease Control and Prevention  
Center for Medicare and Medicaid Services  
Food and Drug Administration  
Health Resources and Services Administration  
Indian Health Services  
National Institutes of Health  
Office of Inspector General  
Office for Facilities Management and Policy  
Program Support Center  
Substance Abuse and Mental Health Services Administration

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HHS Leased Space Program Performance Measures  
September 2006

**I. Purpose**

The purpose of these measures is to provide real property managers and those providing Departmental oversight for the Lease Space Program (LSP) with tools for assessing the effectiveness of HHS' LSP. The Leased Space Program is comprised of two categories: 1. Direct leases executed by HHS; and 2. General Services Administration (GSA) assignments in either commercially leased space or federally-controlled real property.

**II. Applicability**

These performance measures apply to all lease actions below the prospectus threshold whether performed by HHS or by GSA on behalf of HHS. Prospectus level leasing actions are under the purview of GSA. The prospectus is a formal document sent to OMB and the Congress to request funding authorization and the process is closely monitored and scrutinized. Lease actions (either direct leases or GSA assignments) undertaken by HHS that are with the Tribes under "Indian Health Care Improvement Act", Public Law 94-437 are excluded from the provisions of the LSP.

**III. LSP Performance Measures**

**Performance Measure #1 – Acquire Space at the Right Price**

For each new direct lease action or GSA assignment, determine how the Rent HHS pays (on a rentable square foot basis) compares to the industry average for that locale. Each lease action or GSA assignment will be categorized as either: below market rate; at market rate; or above market rate.

**Implementation:**

Prior to each leasing action or GSA assignment the Realty Specialist (any reference to Realty Specialist will also include other professionals responsible for the transactions) will forecast a high and low rent estimate (range). In the case of GSA assignments, the HHS Realty Specialist will work collaboratively with the GSA Contracting Officer to ensure that appropriate comparative data are available.

The HHS Realty Specialist may use industry benchmarks by consulting published market sources such as Society of Industrial & Office Realtors (SOIR), CoStar, Torto Wheaton, or Buildings Owners and Managers Association (BOMA). The purpose of the research is to discern if rental rates are in line with the private sector market.

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**Performance Measure #2 – Acquire Space in a Timely Manner**

How long did it take to complete the deal and was that time interval consistent with the published target dates and Departmental norms:

**Implementation:**

Realty Specialist will strive to meet the time parameters delineated in the tables below:

**Lease Execution Timeline**

SIZE OF LEASE (BOMA Office Usable Square Feet)	Any Size (below prospectus)
TOTAL WORKDAYS (From OFMP approval to lease award)	120 DAYS

**Construction Timeline\***

<b>SIZE OF LEASE</b> (BOMA Office Usable Square Feet)	0K to < 10K	10K to <20K	20K to <35K	35K <50K	50K to <70K	70K to 92K
<b>TOTAL WORKDAYS</b> (From Lease Award to Government Acceptance)	120 DAYS	130 DAYS	150 DAYS	160 DAYS	170 DAYS	180 DAYS

\* From General Services Administration Solicitation for Offer. The Construction Timeline addresses interior fit up and does not contemplate base building construction time.

**Performance Measure #3 – Acquire the Right Amount of Space**

For each new direct lease action or GSA assignment, determine whether the space complies with HHS published maximum utilization rate of 215 usable square feet per person for office and related space. For other space categories indicate the number of FTE’s assigned to the space. The data is useful in benchmarking.

**Implementation:**

The Realty Specialist will ensure that the provision of HHS July 14, 2003 policy with the subject of “Maximum Utilization Rate for Office and Related Space” is followed concerning acquisitions and GSA assignments. Specifically, the Realty Specialist will either secure the prior concurrence of the HHS Senior Real Property Officer for compliance with the utilization rate or seek a waiver.

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**Performance Measure #4 – Consider Consolidation and Collocation Opportunities**

For each new direct lease action or GSA assignment determine whether the action could result in either the consolidation or collocation of HHS office space.

**Implementation:**

The Realty Specialist when entering into new direct leases or GSA assignments will make a conscious effort to consolidate or collocate whenever practicable, including consideration of collocating with other OPDIVs using the FRPC Performance Assessment Tool (PAT) and the HHS Automated Real Property Information System (ARIS) to support multi-OPDIV comparisons and analyses. If no immediate consolidation or collocation opportunity is discerned, the Realty Specialist will attempt to craft expiration dates for new space actions so as to be coterminous with ancillary locations.

**IV. Responsibilities**

Each OPDIV or other HHS component is responsible for the following to assure implementation of and compliance with the Performance Measures for LSP:

- A. Each OPDIV or HHS component will implement the Performance Measures beginning in Q1 FY 07. Each OPDIV or other HHS component will evaluate 100 percent of its new or succeeding direct lease actions or GSA assignments.
- B. Each OPDIV or HHS component is responsible for the timely submission of the checklist to the Senior Real Property Officer.

**V. Reporting Requirements**

At the conclusion of each direct lease or GSA assignment, the HHS Realty Specialist will fill out a checklist (attached hereto) that addresses each of the four (4) Performance Measures. The Realty Specialist will secure the concurring signature of the Facilities Director and forward the completed checklist to the HHS Senior Real Property Officer.

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HHS Real Property Lease Action Summary

OPDIV: \_\_\_\_\_ Date: \_\_\_\_\_

Location:  
(Address and City, State)

**Type of Action:**

- New GSA Assignment
- Continuing GSA Assignment
- New HHS Lease Action
- Continuing HHS Lease Action
- Other \_\_\_\_\_

Space Type: \_\_\_\_Office \_\_\_\_Warehouse \_\_\_\_Lab \_\_\_\_Other\_ \_\_\_\_\_

Commencement Date: \_\_\_\_\_ Lease Term: \_\_\_\_\_

**Size of Project:** \_\_\_\_\_ Rentable Square Feet

**Performance Measure #1 – Acquire space at the right price**

- Below Market
- At Market
- Above Market

Full Service rental rate at commencement: \$ \_ \_\_\_\_\_per rentable square foot

**Performance Measure #2 – Acquire space in a timely manner**

\_\_\_\_\_ Anticipated days to complete lease action

\_\_\_\_\_ Actual days to complete lease action

\_\_\_\_\_ Anticipated construction time

\_\_\_\_\_ Actual construction time

**Performance Measure #3 – Acquire right amount of space**

Does transaction comply with HHS policy of not exceeding 215 USF per FTE?

YES

NO



**Attachment 7**  
**Operations and Maintenance Cost Methodology**

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## **Attachment 7 - Operations and Maintenance Cost Methodology**

### **I. Purpose**

The purpose of this measure is to identify uniform procedures for each OPDIV or other HHS component to follow in reporting total operating and maintenance costs on a by building basis.

### **II. Applicability**

This performance measure applies to all HHS-owned buildings. The operating and maintenance cost measure is made up of four component costs:

- A. Recurring maintenance and repair costs.
- B. Utilities (includes central plant operation and purchase of energy).
- C. Cleaning and/or janitorial costs (includes pest control, refuse collection and disposal to include recycling operations), and
- D. Road/grounds costs (includes grounds maintenance, landscaping and snow and ice removal from roads, piers and airfields).

### **III. Responsibilities**

Each OPDIV or other HHS component is responsible for inputting the data on its operating and maintenance costs for FY 2008 for each building by November 15, 2008. Data for all subsequent fiscal years will be inputted by the following November 15<sup>th</sup> date.

### **IV. Procedures**

Currently, not all cost information is available at the building level. In that event, costs may be allocated using an algorithm. OPDIVs shall be able to describe the algorithm applied for each measure but need not include that explanation in the database.

Where some of the operating and maintenance function are performed by contractors and the costs are not allocated at the building level, the OPDIVs should revise the contract format to capture actual costs at the building level when the requirement is re-solicited.

Explanations for measuring the four components of the operating and maintenance costs are described below.

1. Recurring Maintenance and Repair Costs (\$/GSF):
  - A. Includes the following building systems and/or components:
    - a. HVAC systems to include building automation system.
    - b. Electrical systems to include uninterruptible power systems, emergency power, and emergency generators.
    - c. Plumbing systems to include restroom fixtures, domestic water, sanitary sewer, reverse osmosis, natural gas, and compressed air.
    - d. Chilled water systems.

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- e. Steam and condensate systems.
  - f. Fire protection to include fire alarm systems, sprinkler systems, exit lights, fire stopping, cooking hoods, rated walls and rated doors.
  - g. Architectural components to include flooring, doors with associated hardware, ceilings, painting, wall coverings,
  - h. Refrigeration for cold rooms and DX systems.
  - i. Card access systems to include readers, panels, and software.
  - j. Medical gas systems.
  - k. Nurse call systems.
  - l. Building structure and components.
  - m. Laboratory fume hood exhaust systems.
  - n. Roofs, downspouts and gutters.
  - o. Predictive maintenance monitoring equipment.
  - p. Perimeter fencing and gates.
  - q. Elevators, escalators and lifts.
- B. Includes labor and materials for the following services:
- a. Preventive or predictive maintenance procedures on building equipment and components.
  - b. Service or trouble calls related to HVAC, electrical, plumbing, architectural components such as doors, floors, and windows, lighting, fire alarms, and any other component directly related to the safe operation of the building.
  - c. Miscellaneous repairs less than \$10,000.
  - d. Facility management services.
  - e. 24/7 emergency response (15 minutes).
  - f. Day to day operations function of routine checking of critical equipment or problem areas.
  - g. Maintaining an accurate building equipment inventory and accurate building drawings.
  - h. Operating support for program related upgrades or capital repairs to include shutdowns as well as providing basic information about the building and associated systems.
  - i. Associated support for all operations and maintenance services such as vehicles, vehicle maintenance, training, computer equipment, maintenance related software systems, office supplies, copiers, fax machines, phones, radios, IT support, and supervision.
- C. Does not includes the following:
- a. Facility condition assessments.
  - b. Loading dock management services.
  - c. Animal care cage wash equipment maintenance and repair.
  - d. Other miscellaneous program related equipment maintenance and repair.
  - e. Telecommunication systems maintenance and repair.
  - f. Portable equipment such as refrigerators, freezers, and laboratory equipment.
2. Utilities Costs (\$/GSF):

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- A. Includes the following utility distribution systems and Central Utility Plant equipment:
  - a. Primary domestic water distribution system including fire hydrants.
  - b. Primary sanitary sewer distribution system.
  - c. Primary natural gas distribution system.
  - d. Primary compressed air distribution system
  - e. Primary chilled water distribution system.
  - f. Primary steam and condensate return distribution system.
  - g. Primary electrical distribution system.
  - h. SCADA System.
  - i. Metering systems.
  - j. Central Utility Plant equipment to include boilers, chillers and air compressors.
- B. Includes labor and materials for the following services:
  - a. Preventive or predictive maintenance procedures and repairs on all Central Utility Plant equipment.
  - b. Repair of all primary utility distribution systems.
  - c. Operation of Central Utility Plant.
  - d. Maintenance and repair of metering systems, and meter reading.
  - e. Purchase of all utilities to include electricity, natural gas, water/sanitary sewer, propane, and fuel oil.
  - f. Maintaining an accurate Central Utility Plant equipment inventory and accurate primary utility systems distribution drawings.
  - g. Operating support for program related upgrades or capital repairs to include shutdowns as well as providing basic information about primary utilities systems.
  - h. Associated support for all operations and maintenance services such as vehicles, vehicle maintenance, training, computer equipment, maintenance related software systems, office supplies, copiers, fax machines, phones, radios, IT support, and supervision.

3. Cleaning/Janitorial Costs (\$/GSF):

- A. Includes the labor and materials for the following services:
  - a. Custodial cleaning services to include offices, laboratories, restrooms, corridors, stairwells, building entrances, conference rooms, and break rooms.
  - b. Trash/Refuse collection.
  - c. Window washing.
  - d. Recycling operations.
  - e. Pest control operations.
- B. Does not include the following:
  - a. Removal of hazardous waste.

4. Roads/Grounds Costs (\$/GSF):

Roads and Grounds costs shall be allocated based on the GSF of a building. Because the size of campuses and the build-out per campus can vary substantially, the cost per acre can be included

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in the comment field if that helps to explain costs that might seem high as compared to a building located off campus or on a densely developed campus.

A Includes the following services:

- a. Maintenance of landscaping to include grass cutting, tree trimming, shrub trimming, mulching, fertilizing, application of herbicides, shrub bed maintenance, flower planting, tree planting, shrub planting and removal of leaves.
- b. Snow and ice removal from all roads, parking lots, sidewalks and building entrances.
- c. Maintenance and repair of exterior and transportation signage and electronic control devices.
- d. Maintenance and repair of roads, sidewalks, parking lots, bridges, pavement marking and street lights.
- e. Removal of litter.
- f. Street sweeping.
- g. Parking garage cleaning, striping, lighting, and washing.

B. Does not include the following:

- a. Any new construction of roads, sidewalks, or parking lots.
- b. Purchase and maintenance of interior plants.
- c. Setting up for special events held outdoors.
- d. Work required to comply with changes in security color codes.

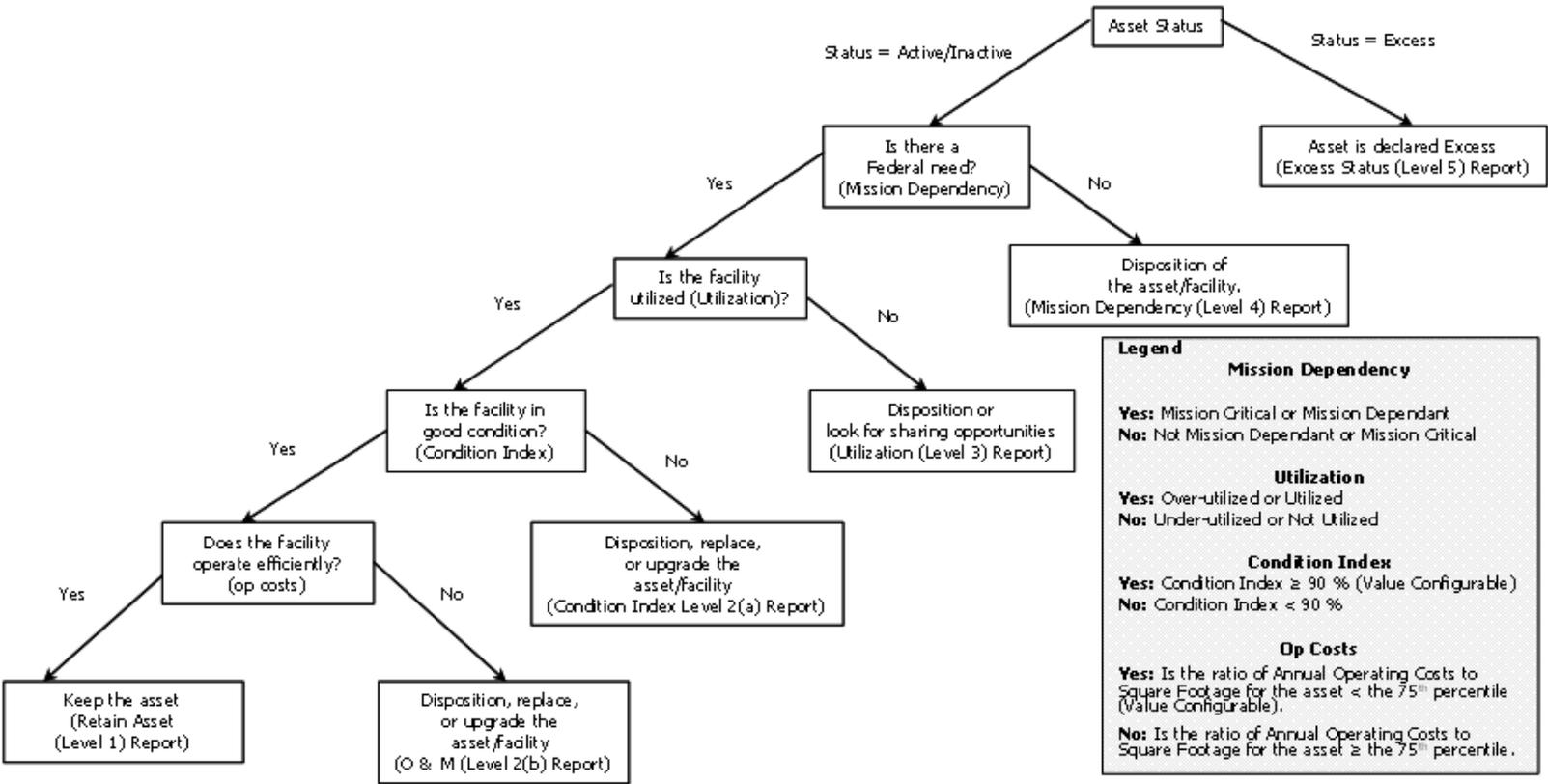
**Attachment 8**  
**Performance Assessment Tool**

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**Attachment 8 - Performance Assessment Tool**



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**Attachment 9**  
**Report on Proposed HHS Enhanced Real Property  
Authorities**

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***Review of HHS Enhanced Real Property  
Authorities***

***The U. S. Department of Health and Human  
Services, Office for Facilities Management and  
Policy***

Oct 01, 2006

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GSA Contract GS-10F-0015M  
Work Order # 8056-B03

# FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES

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# FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES

## I. Purpose of Study

The Department of Health and Human Services (HHS) Office for Facilities Management and Policy (OFMP) has identified a need for a study to compare existing Departmental real property authorities with the real property authority possessed by other federal agencies to determine if there exists a need to obtain increased enhanced real property authorities for HHS. The outcome of this study will determine those expanded real property authorities that could best assist HHS real property asset management activities, given the campus-like nature of its holdings, and recommend appropriate actions (*i.e.*, legislation, delegation from GSA, etc.) for obtaining identified authorities in a report format for presentation to the HHS Capital Investment Review Board during the June 2006, FY 2008 Budget meeting.

## II. Background

### A. *Acquisition of Real Property by Federal Agencies*

Before any federal agency can acquire real property, it must have statutory authority. Congress originally enacted this requirement in 1820 (3 Stat. 568), and it is found today, unchanged, in 41 U.S.C. § 14: “No land shall be purchased on account of the United States, except under a law authorizing such purchase.” This prohibition applies to acquisition of leaseholds as well as fee simple purchases.<sup>11</sup>

Some agencies have general land acquisition authority in the form of permanent legislation found in the U.S. Code. This authority may be agency-wide or limited to a particular bureau or program. Examples include:

- 38 U.S.C. §2406: authorizes the Department of Veterans Affairs to acquire land for national cemeteries;
- 38 U.S.C. §8103(a)(1): authorizes the Veterans Affairs to acquire land for medical facilities;
- 40 U.S.C. §§602, 603(a), 604(a): authorize the General Services Administration to acquire land for purposes of Public Buildings Act of 1959;
- 42 U.S.C. §1502(b): authorizes acquisition of land for defense housing by Departments of Army, Navy, Air Force, and Housing and Urban Development; and
- 42 U.S.C. §2473(c) (3): general land acquisition authority for the National Aeronautics and Space Administration.

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<sup>11</sup> The statute applies to the acquisition of new land, not to the acquisition of land being excessed by another federal agency or to land donated to a federal agency.

## **FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES**

- 10 U.S.C. §2672a: authorizes the military departments to acquire land that is urgently needed for the national defense.

Absent such permanent legislation, a federal agency can only purchase land as specifically authorized by Congress.

### ***B. Management and Disposal of Real Property by Federal Agencies***

The authority to manage and dispose of real property owned by the United States is vested in the Congress by the U.S. Constitution (Article IV, Section 3, Paragraph 2, “The Property Clause”)<sup>12</sup>. Congress enacted the Federal Property and Administrative Services Act of 1949 (40 U.S.C. §471 et seq.) to authorize the management and disposal of federal real property by federal agencies. This Act grants to the General Services Administration (GSA) the general authority for government-wide real property management as the government’s central management agency. Through its various sections, the Property Act establishes the general framework for property management including procurement, use, and disposal of real and personal property. GSA, in turn, promulgated regulations that implement its management and disposal authority. These regulations are contained in Title 41 of the Code of Federal Regulations (CFR), at Chapter 102.

GSA has delegated some of its real property management and disposal authority to federal landholding agencies. In addition, Congress has statutorily authorized some federal agencies limited authority to acquire and dispose of the land under their administrative control. Generally, the landholding agencies with enhanced authority have the ability to sublease, out-lease and dispose of real property and to use the revenue generated to further the agencies’ mission. This authority allows agencies to leverage the capital and expertise of the private sector or state and local governments in a partnership venture for the improvement and redevelopment of real property. These “enhanced real property authorities” are the subject of this study.

### **III. Enhanced Use Leasing (EUL) Authority**

The primary “enhanced real property authority” possessed by some federal agencies is generally referred to as Enhanced Use Leasing (EUL) authority. Enhanced Use Leasing (EUL) authority is a real estate tool that allows a government agency to lease under-utilized or un-utilized agency real property to the private sector in return for cash or in-kind consideration. With EUL authority, an agency can put under-utilized land and buildings to productive use and generate cash and in-kind consideration, which can be used to support other

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<sup>12</sup> “The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States . . . .” U.S. Constitution, Article IV, Section 3.

## **FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES**

infrastructure and capital needs of the agency, such as maintenance and repair of critical facilities. EUL authority is based on a successful model first employed by the Department of Veterans Affairs (VA) in 1991.

Enhanced Use Leasing can help a federal agency save money by reducing facility operating costs, generating income for the government from previously underused property, as well as leverage private-sector dollars instead of scarce government dollars to support local agency needs. For example, in the Army's Walter Reed Army Medical Center EUL project, the government was able to leverage more than \$60 million of private capital instead of government funds to renovate a previously unusable historic office building. Not only did the Department of Army reduce the operation and maintenance costs associated with maintaining a historic structure, but it also received a positive return from the rental of the structure.

### *The Primary Benefit of EUL Authority*

Without EUL legislation, any proceeds received from leasing out underused agency assets have to be turned over to the U.S. Department of Treasury. This requirement is mandated by the Miscellaneous Receipts Act (MRA). This Act specifies that:

"Except as provided in section 3718(b) of this title, an official or agent of the Government receiving money for the Government from any source shall deposit the money in the Treasury as soon as practicable without deduction for any charge or claim." (31 U.S.C. §3302(b))."

The MRA generally does not apply in two situations: first, where an agency has statutory authority to direct funds elsewhere (i.e., EUL authority), and second when receipts qualify as "repayments" to an appropriation. (See Office of the General Counsel, United States General Accounting Office, Principles of Federal Appropriations Law, Vol II at 6-108 (2d ed. 1992).)

Of equal concern to agencies that lack EUL authority are the requirements of 40 U.S.C. §303b. This statute specifies that, unless otherwise provided by law, out-leases shall be for money consideration only. This means that in kind consideration cannot be accepted in lieu of cash rents.

On the other hand, EUL authority enables an agency to avoid the prohibitions of both of these statutes. With EUL authority, agencies can decrease capital and operating expenses and put the savings to better use supporting agency programs and missions. For example, in June 2001, the U. S. Army signed a lease with a developer to renovate several buildings at Fort Sam Houston in San Antonio and sub-lease them. The Army expects to receive \$253 million in revenue during the next 50 years covered by the lease in this project.

## FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES

Using EUL authority, agencies such as the Department of Defense and the VA can rent out otherwise under-utilized assets to the private sector in exchange for cash or in-kind services and keep all in-kind goods or services received or a portion of cash received to support local operations. With this arrangement, the private-sector entity can obtain the use of real estate needed to generate significant value for its enterprise. EUL can also allow for the co-location of industry and academic partners on an agency's real property. Such co-location could benefit the agency, by promoting the exchange of ideas and personal interaction among industry and academic partners and government personnel. An example of this is the Army's 2001 33-year lease with the University of Missouri, which will develop and sublease 62 acres on Fort Leonard Wood, MO., for a technology park. Other examples include the research parks that the National Aeronautics and Space Administration (NASA) are developing using their EUL authority at the Kennedy Space Center in Florida and the Ames Research Center in California.

Although the extent of EUL authority possessed by various federal agencies varies, there are a few common requirements. In each, the government must receive fair market value in exchange for the real estate asset used in the project. Also, they all allow receiving in-kind consideration in lieu of cash rents (e.g., janitorial, maintenance, security and other services) from EUL transactions.

Currently, only the Department of Veterans Affairs, the Department of Defense and the National Aeronautics and Space Administration possess Enhanced Use Leasing authority.<sup>13</sup>

### IV. HHS Real Property Authorities

#### A. *HHS' Real Property Acquisition Authority*

HHS possesses limited statutory authority to acquire real property assets - primarily in the area of Public Health (see Attachment 1 to this report). Acquiring real property, other than through the authorities identified in Attachment 1 requires specific authorization from Congress. That is, there must be a specific authorization and appropriation identifying the property to be acquired. Through a delegation from the General Services Administration HHS has real property lease acquisition authority. (See section V.C. below, **GSA's Delegations of Real Property Authorities to Federal Agencies**). The Administrator of GSA has delegated authority to the Department of Health and Human Services (as well as the heads of all other federal agencies) to perform all functions related to the leasing of general purpose space for a term of up to 20 years regardless of

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<sup>13</sup> The U.S. Postal Service, which is an independent, self-supporting federal agency within the executive branch, also possesses many real property acquisition, management and disposal authorities that are not possessed by other federal agencies.

## **FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES**

geographic location. Lease procurements using this delegation must be compatible with the GSA community housing plans for new federal construction or any suitable space that will become available in Federally-controlled facilities. GSA will advise the agency about any limiting factors (e.g., length of term) so that the lease will be consistent with any community housing plans. (See Federal Management Regulation Bulletin 2005 B1, May 25, 2005).

Through another delegation of authority from GSA, HHS may lease laboratories. Lease terms, including all options are limited to 5 years. (See 41 CFR 102-73.195).

### ***B. HHS' Real Property Disposal Authority***

HHS does not possess real property disposal authority with the exception of the very limited property disposal delegation from GSA (see section V.C. below, **GSA's Delegations of Real Property Authorities to Federal Agencies**). Neither does HHS possess Enhanced Use Leasing authority that would enable the agency to achieve a better return on their under-utilized facilities.

Nevertheless, in some limited circumstances, GSA may delegate disposal authority to HHS based on situations involving certain low-value properties and when it can demonstrate that it has the technical expertise to perform the disposition functions. GSA may grant special delegations of disposal authority to federal agencies for the utilization and disposal of certain real property through the procedures set forth in part 101-47, subpart 101-47.6, of Title 41 of the Code of Federal Regulation.

### ***C. HHS' Real Property Transfer Authorities***

HHS has responsibility for public benefit conveyances of surplus federal property that is to be used for public health purposes. 40 U.S.C. §550d authorizes GSA to assign for disposal surplus real property, including buildings, fixtures, and equipment situated on the property, that the Secretary of HHS recommends as needed for use in the protection of public health (to include research). Thereafter, the Secretary of HHS, after determining that the property will be used for the protection of public health, including research, may sell or lease property to a State, a political subdivision or instrumentality of a State, a tax-supported medical institution, or a hospital or similar institution not operated for profit that has been held exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 ( see [26 U.S.C. 501 \(c\)\(3\)](#)). In fixing the sale or lease value of property disposed of under this authority, the Secretary of Health and Human Services must take into consideration any benefit which has accrued or may accrue to the Government from the use of the property by the State, political subdivision or instrumentality, or institution. In doing so, the transfer of property may be made at no cost. Such "public benefit conveyances" as they are called, must continue to be used for the purpose conveyed for a period of 30 years.

## **FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES**

HHS has similar authority with respect to homeless assistance conveyances of surplus federal property. (See 42 U.S.C. §11411). Under the provisions of the Homeless Assistance Act, property subject to an application from a homeless group that is approved by the Secretary of HHS can be made available to the homeless group by permit or lease, or by deed for public health use under 40 U.S.C. §550d. Once again, the property must continue to be used for the purpose conveyed for a period of 30 years.

### ***D. Real Property Authorities of the Indian Health Service***

The Indian Health Service Operating Division of HHS also possesses its own unique real property authorities. A summary of these authorities may be found in Attachment 2 to this report.

## **V. GSA's Real Property Authorities**

### ***A. GSA's Real Property Acquisition Authority***

As noted in the introduction, GSA's primary real property authority is derived from the Federal Property and Administrative Services Act of 1949, as amended, (40 U.S.C. §§ 471 et seq.). This Act authorizes GSA to: acquire, by purchase, condemnation, or otherwise, real estate and interests therein; and to enter into leases of real property not exceeding 20 years in duration and to repair, alter and improve rented premises, to condemn interests in real estate, and to assign and reassign space in leased buildings to other Federal tenants.

Additional real property authority was granted to GSA in the Public Buildings Cooperative Use Act of 1976 (40 U.S.C. §§ 490(a)(16)-(19), 601a and 612a) This statute authorizes GSA to enter into leases of certain space in public buildings with persons, firms or organizations engaged in commercial, cultural, educational or recreational activities or to make such space available on an *occasional* (temporary) basis (or by lease) to persons, firms or organizations engaged in cultural, educational or recreational activities. This Act also encourages GSA to acquire and use buildings of historic, architectural and cultural significance.

### ***B. GSA's Real Property Disposal Authority***

GSA's property disposal authority is likewise derived from the Federal Property and Administrative Services Act of 1949 (40 U.S.C. §§471 et seq.). In general, this act provides that each agency must report property that is excess to the agency's needs to the General Services Administration (GSA). Thereafter, GSA makes the excess property available for transfer to other federal agencies. If no other federal agency needs the property, then GSA declares the real property to

## **FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES**

be surplus and disposes of the property outside of the federal government. The GSA regulations implementing GSA's disposal authority are contained in Title 41 of the Code of Federal Regulations (CFRs), at Chapter 102-75.

### ***C. GSA's Delegations of Real Property Authorities to Federal Agencies***

The Administrator of General Services has issued a standing delegation of authority (under a program known as "Can't Beat GSA Leasing") to the heads of all federal agencies to accomplish all functions relating to leasing of general purpose space for terms of up to 20 years regardless of geographic location. This delegation includes some conditions federal agencies must meet when conducting the procurement themselves, such as training in lease contracting and reporting data to GSA.

Under the "Can't Beat GSA Leasing" program, as well as with all delegations of GSA leasing authority, federal agencies must adhere to all applicable laws and regulations when acquiring and utilizing space. Pertinent laws and regulations include, but are not limited to, the Competition in Contracting Act, Executive Orders 12072 (Locating Federal Facilities in Central Cities) and 13006 (Locating Federal Facilities on Historic Properties), the Davis Bacon Act, the lease prospectus-approval requirements of 40 U.S.C. §3307, and the General Services Administration Acquisition Regulations. Prior to executing a lease procurement under GSA's "Can't Beat GSA Leasing" delegation, the agency must first notify GSA of the proposed action, to be sure other federal space is not available, and to ensure that the lease procurement is compatible with GSA's community housing plans. The agency must also semi-annually notify GSA of its leasing activities under all GSA leasing delegations.

GSA also delegated Administrative Contracting Officer (ACO) authority with regard to leases, in addition to lease management authority. This authority provides federal agencies with limited contracting officer authority to perform such duties as paying and withholding lessor rent and modifying lease provisions that don't change the lease term length or the amount of space under lease.

In addition, a 2002 amendment to the Federal Property and Administrative Services Act of 1949 (now codified at 40 U.S.C. §543) provides GSA the authority to authorize a federal agency to "exchange" surplus federal property for cash, credit, or other property on terms and conditions that the GSA Administrator considers proper. To utilize this option, the federal agency must notify GSA that it wishes to exchange the property at the time the agency declares the property is excess to the agency's needs.

The downside to utilizing this authority is that the property must first be declared excess to the agency's needs. Thereafter, if GSA fails to find a suitable exchange, the property will be treated as surplus and may end up conveyed

## **FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES**

under a public benefit conveyance or sold with the proceeds paid into the Treasury of the United States.

*The regulations implementing this authority are found at 41 CFR §102.75 and state as follows:*

“Executive agencies may dispose of surplus real property by exchange for privately owned property only:

- a. For property management considerations such as boundary realignment or provision of access; or
- b. Where authorized by law, when the requesting Federal agency receives approval from the Office of Management and Budget and the appropriate oversight committees, and where the transaction offers substantial economic or unique program advantages not otherwise obtainable by any other acquisition method.”

## **VI. Real Property Authorities Granted by Congress to other Federal Agencies**

### ***A. Real Property Authority of the Department of Veterans Affairs (VA)***

#### **1. VA’s Real Property Acquisition and Disposal Authority**

The Department of Veterans Affairs has broad authority to acquire (by lease or purchase) and dispose of real property intended for use as a medical facility. For example, 38 U.S.C. §8103 provides that the VA “(1) may construct or alter any medical facility and may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, such land or interests in land as the Secretary considers necessary for use as the site for such construction or alteration; (2) may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, any facility (including the site of such facility) that the Secretary considers necessary for use as a medical facility;...”

This statutory authority further provides that whenever VA considers it to be in the interest of the United States to construct a new medical facility to replace an existing medical facility, the VA:

- (1) May demolish the existing facility and use the site on which it is located for the site of the new medical facility, or

## **FEDERAL AGENCY ENHANCED REAL PROPERTY AUTHORITIES**

(2) If it is more advantageous to construct the medical facility on a different site in the same locality, it may exchange the existing facility and the site of the existing facility for a different site.

(3) Whenever the VA determines that any site acquired for the construction of a medical facility is not suitable for that purpose, it can exchange the site for another site to be used for that purpose or may sell the site.

### **2. VA's Real Property Disposal Authority**

Public Law 108-422, November 30, 2004, authorizes the VA to dispose of its excess real property by sale, transfer or exchange to a Federal agency, a State, political subdivision of a State, or to any public or private entity, and allows the VA to retain the proceeds from such transfers in a Capital Asset Fund to be used for non-recurring capital projects, maintenance, clean-up, or improvements of properties identified for disposal.

### **3. VA's Real Property Out-leasing Authority**

The VA was the first federal agency to obtain what is now referred to as "Enhanced Use Lease" authority. In 1991, the VA obtained this special legislation (38 U.S.C. §8162), to enable the agency to put to better use their under-utilized real property assets. The legislation authorizes the VA to enter into long term out-leases of the real property under the jurisdiction of VA and receive in return monetary or other "in-kind" consideration (i.e., goods, services, facilities, construction, or services of benefit to VA). Money received for an "enhanced use lease" is retained by the VA to offset expenses involved in the out-leasing effort, or is deposited in a special fund for reuse for VA purposes. The legislation specifically provides that the McKinney Homeless Assistance Act (42 U.S.C. §11411) does not apply to real property selected for out-leasing under the enhanced use lease authority. Moreover, all other inconsistent federal laws, with the exception of environmental and historic preservation laws, are waived.

## ***B. Real Property Authority of the Military Departments of the Department of Defense (DoD)***

### **1. DoD Components' Real Property Acquisition Authority**

Generally speaking, the military departments of the Department of Defense may not acquire real property unless specifically authorized by law. (See 10 U.S.C. §2676). Such authorizations are usually contained in the annual appropriations the military departments receive. Nevertheless, in support of their national defense mission, the military departments of the Department of Defense have a

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number of limited real property acquisition authorities provided for in standing legislation. For example, 10 U.S.C. §2672a provides:

“The Secretary of a military department may acquire any interest in land that—

- (1) the Secretary determines is needed in the interest of national defense;
- (2) is required to maintain the operational integrity of a military installation; and
- (3) considerations of urgency do not permit the delay necessary to include the required acquisition in an annual Military Construction Authorization Act.”

The military departments also have authority to use appropriations available for maintenance or construction to acquire any interest in land needed for national defense purposes and which does not cost more than \$750,000. (10 U.S.C. §§2672, 2673).

A significant leasing authority possessed by the military departments is found at 10 U.S.C. §2812. This statute authorizes the military departments to enter into a lease of certain facilities on military property, including:

1. Administrative office facilities.
2. Troop housing facilities.
3. Energy production facilities.
4. Utilities, including potable and waste water treatment facilities.
5. Hospital and medical facilities.
6. Transient quarters.
7. Depot or storage facilities.
8. Child care centers.
9. Classroom and laboratories.

Leases entered into under this authority may not exceed a term of 32 years and must provide that, at the end of the term of the lease, title to the leased facility shall vest in the United States.

### **2. DoD Components’ Real Property Disposal Authority**

The military departments have real property disposal authority only with respect to property identified for disposal through a Base Closure and Realignment action (currently referred to as BRAC 2005). The legislation establishing each of the five BRAC actions that have occurred since 1988 have granted to the Department of Defense (through a delegation from GSA) the real property disposal authority of GSA with respect to property on closed military installations. (See 10 USC §2687).

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In addition, the military departments also have limited authority to convey utility systems as part of a utility privatization action. (See 10 U.S.C. §2688).

### **3. DoD Components' Real Property Out-leasing Authority**

In 2001, the Department of Defense sought for its Military Departments (the Army, Air Force and Navy) the same Enhanced Use Leasing authority possessed by the Department of Veteran Affairs. In response, in the National Defense Authorization Act, Congress granted to the military departments of the Department of Defense a substantial enhancement to their existing out-leasing authority (10 U.S.C. §2667). The modifications to the existing out-leasing statute authorized the Department of Defense components to lease underutilized land and facilities to the private sector and retain the consideration received for the lease. Under this enhanced authority, the Secretaries of the military departments may now enter into a long term lease of agency property that is under-utilized (but not excess to the Service's needs), and receive in return not less than the fair market value of the property in the form of cash or in-kind consideration. In-kind consideration may include alteration, repair, improvement, restoration (including environmental restoration) and new construction or provision of facilities at any installation under the control of the Secretary.

*The following caveats apply to the use of 10 U.S.C. §2667:*

1. If the out-lease is for longer than five years, the Secretary must determine that the longer period promotes the national defense or public interest.
2. The lease must provide that the Secretary can revoke the lease at any time unless the Secretary determines that omitting such a provision will promote the national defense or public interest.
3. Cash proceeds received for the out-lease must be deposited in a special Treasury account and may be used by the Service only after subsequent appropriation by Congress.
4. If the consideration to be received under the out-lease (including "in-kind" consideration) is for a value greater than \$500,000, the Secretary may not enter into the lease until 30 days after submitting a report on the intended lease to the Congressional defense committees.

### **4. The Navy's Special Real Property Authority (The Ford Island Development)**

The Navy received special legislation (10 U.S.C. §2814), that authorizes the out-leasing of real property on Ford Island, Hawaii, and the out-leasing or out-granting of other underutilized Navy real property throughout Oahu, Hawaii. Specifically, under the legislation, the Navy is authorized to sell property that is excess to the needs of the Navy, or to lease property not needed for current operations in order to receive consideration in the form of cash, services, or other in-kind compensation which benefits Ford Island and other Navy locations. The

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Navy's objectives in developing Ford Island are to replace obsolete facilities and reduce maintenance costs. Under the legislation the Navy received \$84,000,000 in construction services at specified locations in exchange for five parcels of property on Oahu. Construction has recently begun on Ford Island itself under this arrangement.

### ***C. Real Property Authority of the National Aeronautics and Space Administration***

#### **1. The National Aeronautics and Space Administration's (NASA) Real Property Acquisition Authority**

The Congress of the United States has deemed NASA's mission "to provide for research into the problems of flight within and outside the earth's atmosphere" of sufficient importance to grant the agency very broad real property acquisition authority. This authority is primarily contained in Section 203 of the Space Act (Pub. L. No. 85-568, as amended). This section is entitled "Functions of the Administration" and provides, in pertinent part that the Administration is authorized:

"(3)(b)(3) to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain laboratories, research and testing sites and facilities, aeronautical and space vehicles, quarters and related accommodations for employees and dependents of employees of the Administration, and such other real and personal property (including patents), or any interest therein, as the Administration deems necessary within and outside the continental United States to acquire by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia for the use of the Administration for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34), to lease to others such real and personal property to sell and otherwise dispose of real and personal property (including patents and rights thereunder) in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.) and to provide by contract or otherwise for cafeterias and other necessary facilities for the welfare of employees of the Administration at its installations and purchase and maintain equipment therefore;  
(3)(b)(4) to accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible . . ."

*The Space Act contains only two restrictions concerning Agency real property:*

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- To dispose of its real property in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (*i.e.*, through the General Services Administration).
- Section 207, specifies: “[the Agency] may not report to a disposal agency as excess to the needs of the administration any land having an estimated value in excess of \$50,000 which is owned by the United States and under the jurisdiction and control of the Administration, unless (A) a period of thirty days has passed after the receipt by the Speaker and the Committee on Science and Astronautics of the House of Representatives and the President and the Committee on Aeronautical and Space Sciences of the Senate of a report by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.”

### **2. NASA’s Real Property Out-leasing Authority**

NASA is another agency that has more real property than it currently needs. Responding to this circumstance, in 2004, Congress authorized NASA to carry out an “Enhanced Use Lease of Real Property Demonstration.” Under this authority NASA may enter into a lease with any person or entity (including another department or agency of the Federal, State or local government) for any property under the jurisdiction of the Administrator of NASA at no more than two NASA Centers. (See Section 315 of the Space Act, Public Law 85-568, as amended).

The terms of the lease must include fair market value consideration paid for the lease, as determined by the Administrator. In the case of leases to Federal, State or local governments, the consideration paid need not be equal to fair market value, but must equal the full costs that NASA incurs in connection with the lease. Consideration may be in the form of one or more of the following:

- Cash;
- Maintenance, construction, modification or improvements to facilities under the jurisdiction of NASA;
- The provision of services to NASA, including launch services and payload processing services; or
- Use by NASA of facilities on the property.

Cash payments received for an out-lease remain available until expended and can first be used to offset costs incurred in connection with the out-lease. Any remaining cash payments are to be deposited into a capital account and are

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available for maintenance, capital revitalization and improvement to real property assets on the Center.

NASA may require such additional terms and conditions in the lease as appropriate to protect the interests of the United States. However, NASA may not lease back any of the property out-leased or enter into other contracts with the lessee with respect to the out-leased property.

NASA has selected the Kennedy Space Center in Florida and the Ames Research Center in California to utilize this authority. At both locations EUL authority is primarily being utilized to create research parks to maximize the benefit to the agency (in addition to receiving cash rents and in kind consideration), by promoting the exchange of ideas and personal interaction among industry and academic partners and the agency's government personnel.

### ***D. Real Property Authority of Other Federal Agencies***

#### **1. Department of Agriculture**

16 U.S.C. § 555 authorizes the Secretary of Agriculture to purchase land for national forest headquarters, ranger stations, and other sites required for authorized activities of the Forest Service. However, a maximum of only \$50,000 a year may be spent using this authority. An "appropriation applicable to the purpose for which the land is to be used" must be used to pay for the acquired land.

#### **2. Department of the Interior**

In 1993, Congress authorized the Secretary of the Interior through Public Law 103-175, to lease the former Letterman hospital complex, including what is known now as the Thoreau Center at the Presidio of San Francisco, and to retain the proceeds from such a lease for the preservation, restoration, operation, maintenance, and other related expenses incurred with Presidio properties.

The major factor that motivated the Department of Interior to enter into a form of EUL with a private partner was the agency's need to preserve buildings that were in a deteriorated condition while avoiding the considerable cost of making the repairs itself. Since the buildings at the Letterman site were designed to serve as part of a hospital complex, a considerable amount of modification was necessary before they could be adapted for office use. These buildings required extensive and costly electrical, plumbing, and structural improvements as well as asbestos removal to bring them up to code. Agency managers viewed a public-private partnership as a means of achieving their goal of restoring and maintaining a portion of the Letterman site without having to pay for it out of the agency's limited funds.

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In June 1994, the Park Service selected a proposal submitted by Thoreau Center Partners (TCP), a California-based real estate developer of housing and mixed-use projects. TCP served as the lessee under a 55-year ground lease with the Park Service for four buildings in the Letterman Complex, totaling over 75,000 square feet. TCP rehabilitated the buildings and then sublet the improved office space to a variety of subtenant organizations.

By entering into what was, in effect an EUL, the Department of Interior passed on the cost of rehabilitating and maintaining the properties to the private sector while simultaneously creating a source of revenue that can be used for other needs within the Agency. The privately managed and funded rehabilitation, which combined historic preservation and sustainable design principles, has received national acclaim, including a prestigious award from the National Trust for Historic Preservation. Additionally, the ground lease for the site currently generates more than \$170,000 annually in rent and fees for the Park Service. Under the terms of the lease, this amount increases over the course of the lease based on both a fixed schedule and market-based real estate reappraisals.

### ***E. Real Property Out-leasing or Disposal using 16 U.S.C. §470h-3***

16 U.S.C. §470h-3 of the National Historic Preservation Act authorizes a federal agency to out-lease or exchange real property under the agency's control that is listed on the National Register of Historic Places if the agency head determines that the lease or exchange will adequately insure the preservation of the historic property. The proceeds of any lease under this section may be retained by the agency and used to defray the costs of administration, maintenance, repair, and related expenses incurred by the agency with respect to such property or other properties which are on the National Register which are owned by, or are under the jurisdiction or control of the agency. Any surplus proceeds from such leases shall be deposited into the Treasury of the United States at the end of the second fiscal year following the fiscal year in which the proceeds were received.

## **VII. Examples of how Enhanced Real Property Authority benefits a Federal Agency (or could benefit HHS)**

### ***A. Using the Navy's Enhanced Use Lease Authority***

On December 30, 2004, Naval Facilities Engineering Command (NAVFAC) Pacific signed an "Enhanced Use Lease" (EUL) with a Hawaii-based private development firm. Utilizing recent expansion in Defense Department Non-Excess Leasing Authority (10 USC 2667), the Moanalua Center EUL is a dramatic application for effectively leveraging underutilized assets and property

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entitlements into direct facility benefits for the Navy without the need for appropriated funding.

The long-term lease creates over \$17 million in value to the Navy and will enable the development of a 55,000 square foot unified Navy Consolidated Administrative Services Complex and provide for critically needed utility, site work, and infrastructure improvements. Additionally, it will allow for the demolition of over 65,000 square feet of substandard and inefficient Navy structures that have outlived their useful life. The resulting development will improve the Quality of Service for Navy personnel significantly.

Using bold business innovation and transformational infrastructure methodologies, the Moanalua Center EUL exceeded baseline goals for performance execution and return to the Navy. Moreover, the innovative policy allowed NAVFAC Pacific to maximize value created without divestiture of Navy real property assets. The resulting project uses real property assets both effectively and efficiently.

Using the Moanalua Center EUL as a blueprint, this practice provides an excellent opportunity for Department of Defense agencies to leverage high value real property assets to achieve mission goals at a time when resources to acquire, build and/or maintain facilities are extremely scarce.

The project was successfully executed without acquiring additional real property assets or over-committing government resources. It used private industry instruments to frame the development agreements, and the project terms maximized reinvestment and retained cash flow for the benefit of the government.

The Navy previously used their enhanced authority to out-lease a former seven story prison at the Portsmouth Naval Shipyard in New Hampshire. The 264,000 square foot property had been vacant since 1974, but was subsequently developed into high tech office space.

### ***B. The Army's Historic Preservation Enhanced Use Leasing Program***

Another interesting use of EUL authority currently being developed by the Army is to make available its underutilized historic properties for EUL projects. The Army, as well as all other federal agencies (including HHS), is responsible for maintaining and preserving the historic characteristics of its historic properties. Quite often there is considerable upkeep cost involved in maintaining an historic real property, as opposed to maintaining a newer structure. One of the goals of the Army program is to shift some of the maintenance costs to the private sector by out-leasing selected historic properties to private developers in return for their agreement to maintain the structure consistent with historic preservation guidelines. The Army has been successful in reaching EUL agreements to privatize historic properties at Fort Sam Houston and Fort Bliss in Texas and

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Walter Reed Army Hospital in Washington, DC. In return, the Army has received back “in kind consideration” in lieu of cash rents.

### ***C. VA’s Use of its Enhanced Use Lease Authority***

An example of VA’s successful use of its Enhanced Use Lease authority is the VA Houston, Texas regional office that was designed and constructed by a private firm on VA land using this legislative authority. The VA leased underutilized land on its Houston medical campus to a developer. The developer then constructed office buildings on the land and rented the office space to commercial tenants, as well as leasing back space to the VA. The developer’s arrangement with VA was a 35-year lease-to-purchase agreement for the agency’s office needs.

Some interesting facts about this leasing arrangement include the fact that the VA had received a \$17 million appropriation to construct a new regional center in Houston, but chose to use their enhanced use lease authority instead. In so doing, the agency obtained the regional office center they needed in less time and at a 30% savings compared to what it would have cost to use the \$17 million appropriation under the agency’s normal construction procurement procedures. In addition, VA receives \$75,000 in annual rental payments from the developer from the rental receipts from the commercial tenants.

The VA has also used its EUL authority to develop electric/steam/chilled water cogeneration projects in Tennessee and in Chicago, Illinois.

### ***D. Real Property Authority Sought by the Operating Divisions (OPDIVs)***

The four major landholding operating divisions (OPDIVs) of HHS were contacted regarding whether they had a need for additional real property authority not currently possessed by HHS (either by statute or through delegation from GSA). Their input is summarized below.

#### **1. Food and Drug Administration (FDA)**

Facility personnel at the FDA identified two properties that may benefit from the agency having enhanced real property authority. They have a 1.7 acre waterfront property in Davisville, Rhode Island that they no longer use (it is currently being used by the University of Rhode Island). Agency property disposal authority that enables the agency to retain the proceeds from a sale would be helpful if this property is declared excess.

The FDA also has a 5.8 acre facility in Winchester, Massachusetts that the agency is considering declaring excess. As with Davisville, Rhode Island, having

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agency authority to dispose of the property by a sale that would allow FDA to retain the proceeds would be far more beneficial.

### **2. Indian Health Service (IHS)**

The Indian Health Service (IHS) has a number of circumstances in which an outside entity (a hospital, university, etc.) wishes to erect a structure for a short period of time on IHS controlled land for purposes that directly support the IHS supported programs. Having out-leasing authority or even the authority to grant a real property 'license' to utilize IHS land for placement of buildings (modular, trailers, temporary construction) would enable IHS to provide land to these entities so that the outside institution could co-locate a facility to support IHS supported programs. Since these facilities would programmatically support the HIS programs the intent would be that these would be 'no cost'/'nominal' leases/agreements. IHS understands that HHS currently does not have this 'out-leasing' authority, it rests with GSA, and IHS would request HHS obtain the authority for redelegation to IHS.

IHS facilities personnel also indicated that if the OPDIV had Enhanced Use Leasing authority this would enable the OPDIV to enter into joint ventures with a hospital/university/etc. in which the outside organization would construct a medical facility on IHS land to provide medical services to the Indian people, as well as offering medical services to the local community. There would be only very limited circumstances where this would be a viable possibility due to the limited IHS control of 'fee' land in situations where a venture of this type would work.

Due to the unique nature of trust land that IHS holds or leases, and even some of the fee land, IHS can and should transfer land to the BIA for many of the authorities discussed that other Departments have. Additionally, IHS is supportive of tribal self determination efforts related to IHS programs. IHS has no desire, nor does it have the resources to manage property supporting non programmatic uses.

### **3. Centers for Disease Control and Prevention (CDC)**

The CDC has identified the need for a leasing authority similar to that granted to the Military Departments in 10 U.S.C. §2812. As discussed in Section IV, this statute authorizes the military departments to enter into a lease of certain identified facilities for a period of up to 32 years. At the end of the lease term, title to the facility would transfer to the agency.

If granted, the CDC would use this authority primarily for research support facilities (*i.e.*, office-type buildings that house "non-wet" laboratory science staff) and laboratories. Currently, the CDC is working to complete the master plan for their Atlanta campus, and this authority could provide a means to get facilities not

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provided for by Congressional appropriation. Specifically, CDC personnel anticipate that EUL authority could enable the OPDIV to develop three research support facilities that are necessary to complete the “Atlanta Plan.”

CDC personnel pointed out that having a property exchange authority similar to that currently possessed by GSA under 40 U.S.C. §543 would enable the agency to reap the full value of exchanging valuable OPDIV property in Cincinnati, Ohio that is currently underutilized for other property in a more needed location.

### **4. National Institutes of Health (NIH)**

NIH facility personnel identified the need to have Enhanced Use Leasing authority to better realize the value of underutilized NIH property. If EUL authority were granted (including right to retain proceeds) this would provide NIH with increased opportunities/alternatives for expansion and upgrade of its facility inventory. This would assist the OPDIV to satisfy HHS performance metrics, such as those related to Condition Index and GPRA goals.

Generally, NIH would like the authority to retain the proceeds from out-leases (e.g. EUL), sale, or other disposals and use the monies to support the agency’s mission.

NIH also thought that HHS authority to exchange its real property with other federal and non-federal agencies and private parties and receive in return real property of equal value would be desirable. This could enable NIH to obtain control of lands beyond those it presently has in its inventory and use those properties to meet mission requirements, including bio-medical research.

Authority to accept any interests in real property by bequest, donation, or gift would also be valuable.

## **VIII. Conclusions**

As noted in the introductory section of this report, the Constitution of the United States places the responsibility for managing and disposing of federal real property in the legislative branch of our government. Congress closely guards this responsibility and limits the extent to which it delegates this responsibility to federal agencies. One of Congress’s most liberal delegations of its property disposal authority to a limited number of federal agencies is the Enhanced Use Leasing authority. The few agencies that have received this delegation (VA, NASA and DoD) all have one thing in common - a large number of under-utilized real property assets. With this circumstance in mind, Congress has granted the Enhanced Use Leasing authority to those agencies that have the greatest need for the authority.

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On the other hand, legislation proposed by the President to grant similar authority to all federal agencies (The Real Property Asset Management Reform Act), has failed to pass Congress. The Real Property Asset Management Reform Act was originally proposed by President Bush in 2001, and the President has consistently reintroduced the Act to subsequent Congresses without success. If enacted by Congress, these reforms would amend the Federal Property and Administrative Services Act of 1949 to incorporate private industry real property practices and provide federal agencies the flexibility needed to effectively manage their real property assets. These reforms would allow federal agencies to out-lease, sub-lease, sell, or exchange underutilized agency real property in return for cash, cash equivalents, in-kind assets (replacement real property), services, future consideration, or any combination thereof. The legislation would also authorize federal agencies to set up capital asset accounts to capture the funds generated from such real property transactions and use those funds for future capital asset projects. The capital asset projects could include new facility acquisitions, equipment purchases, environmental remediation, major construction and other capital improvements, as well as non-recurring maintenance items.

At this point in time it is unlikely that Congress will grant this standing authority to all landholding federal agencies. However, to the extent an agency can demonstrate to Congress that it has a surplus of under-utilized property (and of which it may have some future need), that agency has a strong argument that Congress should grant the agency a similar form of EUL authority to that already possessed by DoD, NASA and The VA.

Absent standing authority of a federal agency to out-lease its under-utilized real property, it is always possible for an agency to get project specific out-leasing authority if it can show Congress that it has a very viable project. This was the justification used by the Navy to obtain the Ford Island, Hawaii Development special legislation. Similar one time authority was obtained by the Department of Interior to enter into a privatization agreement with respect to property it controlled on the Presidio of San Francisco in California.

## **IX. Recommendations**

Many of the justifications, rationales, and potential benefits of Enhanced Use Leasing and other enhanced real property authorities described in this report are relevant to the HHS mission which requires extensive partnering with private industry and educational institutions (analogous to NASA). Such authority would enable HHS to better manage and receive a return on investment of the agency's real property assets. Moreover, as demonstrated in Section VII. D, above, the landholding OPDIVs of HHS all have projects in mind should HHS receive one or more of the enhanced real property authorities described in this report.

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Therefore, it is recommended, that HHS take the steps necessary to obtain from Congress (or by delegation from GSA) standing authority for the agency to enter into Enhanced Use Leases of its underutilized real property assets.

Additionally, as requested by the CDC, it is recommended that HHS seek authority similar to that possessed by DoD under 10 U.S.C. §2812. This statute provides DoD with the authority to enter into long-term leases of certain specific facilities and would be very helpful to CDC to complete their Master Plan for their Atlanta campus.

## **Attachment 1 – Basic Acquisition Authorities of HHS**

The principal statutes authorizing the acquisition of land and the provision of space are the following:

1. Section 304(b)(4) of the Public Health Service (PHS) Act (42 U.S.C. §242b) authorizes the Secretary of HHS to acquire, construct, improve, repair, operate, and maintain laboratory, research and other necessary facilities and equipment, and such other real or personal property as the Secretary deems necessary for health statistical activities and health services research, evaluation, and demonstrations.
2. Section 321 of the PHS Act (42 U.S.C. §248) authorizes the Secretary, with the approval of the President, to select sites for and to establish such institutions, hospitals, and stations as are necessary to enable HHS to discharge its functions and duties. The President's authority to approve facilities has been delegated by him to the Director of the Office of Management and Budget (OMB).
3. Section 413(b)(6)(A) of the PHS Act (42 U.S.C. §285a-2) authorizes the Director of the National Cancer Institute (NCI), NIH/HHS (in consultation with the Advisory Council for the Institute) to acquire, construct, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director determines necessary.
4. Section 413(a) of the PHS Act (42 U.S.C. §285b-3) authorizes the Director of the National Heart, Lung, And Blood Institute (NHLBI), NIH/HHS (after consultation with the National Heart and Lung Advisory Council) to acquire such real property as may be necessary.
5. Section 386 of the PHS Act (42 U.S.C. §286a-1) authorizes the Administrator of General Services to acquire suitable sites, selected by the Secretary of HHS in accordance with the directions of the Board of Regents of the National Library of Medicine (NLM), NIH/HHS and to erect thereon, furnish, and equip suitable and adequate buildings and facilities for the NLM. It also authorizes appropriations for the erection and equipment of buildings and facilities for the use of the Library.
6. Section 13 of Public Law 67-85 (known as the Snyder Act) (25 U.S.C. §13) authorized the Bureau of Indian Affairs to expand, improve, repair, operate and maintain buildings and grounds of existing plants and projects and irrigation systems and develop water supplies serving Indians.
7. Section 7 of Public Law 83-568 (known as the Indian Health Transfer Act) as amended (42 U.S.C. §2004), transferred authority for the construction, improvement, and extension of buildings and grounds and sanitation systems to serve Indians including the acquisition of lands, or rights or interests therein, to the Public Health Service of the Department of Health and Human Services.
8. Section 402(b)(4)(A) of the PHS Act (42 U.S.C. §282(b)(4)(A)) provides land acquisition authority to the Director of the National Institutes of Health (NIH).

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9. Section 464P(b)(3) of the PHS Act (42 U.S.C. §285o-4(b)(3)) provided land acquisition authority to the Director of the National Institute of Drug Abuse (NIDA) in certain circumstances.

### **ACQUISITION BY DONATION**

1. Section 231 of the Public Health Service Act (42 U.S.C. §238) authorizes the Secretary of HHS to accept donations of real property. (On October 11, 2005, the Secretary delegated this authority to the Assistant Secretary for Administration and Management (ASAM). The authority to accept gifts of real property was further re-delegated to the Deputy Assistant Secretary for Facilities Management and Policy on October 21, 2005).

Additional relevant statutes include:

1. 42 USC §289f, which authorizes the Secretary of HHS to accept conditional gifts, including real property, for the benefit of the National Institutes of Health.
2. Section 22 of the Occupational Safety and Health Act (29 U.S.C. §671(e)), which authorizes the Director of the National Institute of Occupational Safety and Health, CDC/HHS, to accept conditional or unconditional gifts for the benefit of the Institute.

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**Attachment 2 – IHS Real Property Authorities**

<b>ACTION</b>	<b>AUTHORITY</b>	<b>DESCRIPTION</b>
Acquisition	42 USC §238	Authorizes the Secretary of the Department of Health and Human Services to accept gifts of real property under certain circumstances.
Acquisition	42 USC §248	Basic authority to select sites for and to establish such institutions, hospitals, and stations necessary to enable PHS (IHS) to discharge its functions and duties in Section 321 of the Public Health Service Act (42 USC 248). However, IHS must seek specific authority and funding in appropriations language.
Acquisition	25 CFR §900.104-105	Permits the IHS to acquire excess or surplus Federal property of other agencies for donation to any Indian tribe or tribal organization.
Disposal	PL 93-638	Section 105(f) of the Indian Self-Determination and Education Assistance Act [25 USC 450j (f)] permits the donation of real estate to a tribe, tribal organization, or urban Indian program pursuant to a self-determination contract or grant agreement.
Lease	PL 94-437	Authorizes IHS to enter into leases with tribes and tribal organizations for periods of up to 20 years.
Lease	PL 103-413	The Indian Self-Determination Act Amendments of 1994 [25 USC 450j (l)] provides authority for IHS to lease tribally-owned and operated facilities and to compensate tribes for the use of their buildings via a lease rather than through the PL 93-638 contract. To be to pay these lease costs, IHS requires additional funding from Congress.
Lease	PL 100-690	Permits the long-term leasing of buildings to establish Indian Youth Regional Treatment Centers pursuant to the Omnibus Drug Supplemental Appropriations Act of 1987.
Lease	1964 Interior and Related Agencies Appropriation Act	Established the leasing authority for Village Built Clinic (VBC) program.

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<b>ACTION</b>	<b>AUTHORITY</b>	<b>DESCRIPTION</b>
Transfer	MOU of 1961 between Secretaries of Interior; and Health, Education, and Welfare; and the Administrator of General Services	The Indian Health Transfer Act, PL 83-568 of August 5, 1954, transferred Indian Health functions from the Department of Interior, Bureau of Indian Affairs, to the DHHS. Under Section 4 of the Act, the properties of BIA related primarily to health matters were authorized to be transferred to IHS. In recognition of the fact that adjustments would from time to time be called for in the respective real property holdings for the benefit of Indian tribes, and in order to simplify transfer procedures, a MOU was entered into to cover transfers as well as retransfers of property between the two Departments involved. Transfers under that authority, which appears in 41 CFR 101-47.604, do not require screening of other agencies.
Transfer	PL 93-599	Provides for the transfer, without compensation, of certain excess real property to the Secretary of Interior to be held in trust status under BIA in favor of the Indian tribe provided the property itself was once held in trust by the United States for an Indian tribe. Transfers under this authority do not require any screening of other agencies.