



## Real Property Asset Management

On February 4, 2004, the President issued Executive Order (EO) 13327—*Federal Real Property Asset Management*. The Order promotes the efficient and economical use of Federal real property resources in accordance with their value as national assets and in the best interests of the Nation. It established an interagency Federal Real Property Council (FRPC), chaired by the Deputy Director for Management at the Office of Management and Budget, to establish and promote appropriate guidelines on the management of the Federal real property portfolio. In conjunction with the Executive Order, the Federal Real Property Asset Management Program Initiative was added to the President's Management Agenda,



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The President's Management Agenda initiative and the efforts of the FRPC are focused on:

- Promoting efficient and economical use of real property assets.
- Assuring management accountability for real property management through establishment of clear goals and objectives, and improved policies and levels of accountability.
- Development and implementation of Asset Management Plans to ensure efficient and effective management.
- Development of common performance measures.
- Establishment of a single comprehensive real property inventory database.

There is solid alignment between the policies and processes established in DOE Order 430.1B, *Real Property Asset Management*, and the goals of President's Management Agenda initiative on real property in the areas of asset management plans, performance measures and inventory systems. To ensure that the alignment is maintained, the Department is actively involved with the Federal Real Property Council and its Asset Management, Performance Measures, and Inventory Committees that are developing Federal guidelines for the management of real property. Implementation of management initiatives underway will ensure that the Department achieves the PMA goals.



## Highlights of What We've Accomplished

- **Established a Department-wide Asset Management Plan.** DOE has published a Real Property Asset Management Plan that clearly defines the Department's vision of Real Property Assets as enablers of the Department's core mission as well as the Goals and Strategies necessary to move the portfolio towards this vision.
- **Completed Ten Year Site Plans.** Ten Year Site Plans have been prepared and approved for each of the Department's major sites. These plans ensure that the facilities and infrastructure are aligned with and capable of supporting current and anticipated mission requirements.
- **Engaged with other Agencies and the Federal Real Property Council.** Working within the FRPC, the Department has taken a leadership role in the establishment and definition of Federal Government's Core Data elements.
- **Established Processes for Statistical Validation of Facility Data.** The Department prepared and tested a validation procedure based on statistical sampling to be used throughout the Department as a real property data quality assurance procedure to verify the accuracy of the data and management decisions made from the data.

## **FY 2006 Goals**

- **Establish a Three-Year Rolling Timeline of Continuous Facility Improvement Initiatives.** As means of building on the past successes and providing specific actionable steps forward, the Department is preparing a Three Year Rolling Timeline of activities and areas for targeted performance improvement.
- **Develop Sustainment Modeling for DOE Facilities.** DOE is in the process of evaluating the applicability of the DOD facilities sustainment model to DOE facilities. The DOD models, which examine facility life cycle costs by asset class, may provide the Department a useful tool for facility budget formulation. On a parallel course, DOE is adapting the Costworks estimating tool to provide sustainment modeling for individual facilities.
- **Apply Forward-Looking Facility Recapitalization Modeling.** Understanding that facility improvement is a long term process, DOE has prepared a forward-looking, recapitalization/maintenance backlog growth model to assist programs in assessing the long-term implications (positive and negative) of multi-year facility funding decisions.
- **Offer Formal Training in Statistical Validation of Facility Data.** DOE will roll out a formal training class to teach the real property statistical validation process. This process will standardize the procedures to be used to verify the accuracy of the real property data inventory and act as an internal control of the management decisions made from the data.
- **Prepare an Operating Cost Normalization Tool To Facilitate Comparison of Maintenance Spending Between Sites.** Prepare an operating cost normalization model to facilitate comparisons among DOE sites by measuring the impact that each site's direct and indirect cost burdens have on the effectiveness of maintenance spending.