

Federal Real Property Council

Guidance for Improved Asset Management

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Guidance for Improved Asset Management

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I. Overview

On February 4, 2004, President Bush signed Executive Order 13327, “Federal Real Property Asset Management” (<http://www.whitehouse.gov/news/releases/2004/02/20040204-1.html>), which directed all major agencies to:

1. Establish the position of a Senior Real Property Officer, who will be held accountable for the effective management of agency real properties;
2. Determine what it owns, what it needs, and how and what it costs to manage its real properties;
3. Develop and implement asset management plans;
4. Develop and monitor real property performance measures; and
5. Dispose of properties that are not needed.

The executive order also created an interagency Federal Real Property Council (FRPC) to develop guidance, serve as a clearing house for best practices, and facilitate the efforts of the Senior Real Property Officers. The FRPC has established four Committees: Asset Management Planning; Performance Measures; Property Inventory; and Systems.

This document is the first set of guidance issued by the FRPC pursuant to Executive Order 13327 and addresses the FRPC guiding principles, required components for an agency Asset Management Plan, property inventory data elements, and government-wide performance measures.

- **Guiding Principles:** The Guiding Principles serve as the FRPC’s strategic objectives for real property management improvement. Agencies must ensure that all real property initiatives are carried out consistent with these principles.
- **Asset Management Plan:** Each agency will draft an Asset Management Plan (AMP) that addresses, at a minimum, the FRPC Guiding Principles and the AMP required components. AMPs are subject to Office of Management and Budget (OMB) review and approval. The FRPC guidance includes a “shelf document” that agencies are encouraged to use as a template for drafting the AMP.
- **Property Inventory Data Elements and Performance Measures:** The FRPC has identified and defined 23 mandatory data elements that will be captured and reported by all agencies. These data elements support the goals of the executive order, as well as the requirements of the Performance Measures Committee.

Of the 23 data elements, four of the elements are also considered to be “First Tier” Performance Measures. In addition to these “First Tier” Performance Measures, agencies may choose to capture data on additional agency-specific performance measures. The FRPC’s intent is that agencies will report data at the constructed asset level; however, it is recognized that Agencies may initially report on a facility or other “building block”

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level until the capability for asset-level reporting is achieved. Agencies that do not follow the definitions outlined within the guidance or do not report at the constructed asset level must coordinate those deviations from the Guidance with OMB. It is anticipated that the first reporting of data will occur for FY 2005 in the first quarter of FY 2006.

The FRPC will be continuing in their efforts under the executive order, including the development of:

1. Implementation guidance for meeting the requirements set out in this document;
2. System design/requirements for a database to capture and report FRPC inventory data and performance measures; and
3. A Disposition Index Model to utilize inventory and performance measure data to better target assets for disposal, investment, or other management attention.

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II. Guiding Principles

1. Support agency missions and strategic goals
2. Use public and commercial benchmarks and best practices
3. Employ life-cycle cost-benefit analysis
4. Promote full and appropriate utilization
5. Dispose of unneeded assets
6. Provide appropriate levels of investment
7. Accurately inventory and describe all assets
8. Employ balanced performance measures
9. Advance customer satisfaction
10. Provide for safe, secure and healthy workplaces

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III. Asset Management Plan – Required Components

Each Real Property Asset Management Plan must include:

1. Integrated Guiding Principles
 - Support agency missions and strategic goals
 - Use public and commercial benchmarks and best practices
 - Employ life-cycle cost-benefit analysis
 - Promote full and appropriate utilization
 - Dispose of unneeded assets
 - Provide appropriate levels of investment
 - Accurately inventory and describe all assets
 - Employ balanced performance measures
 - Advance customer satisfaction
 - Provide for safe, secure and healthy workplaces
2. Agency-Specific Owner's Objectives
3. Periodic Evaluation of All Assets
4. Prioritized Operations and Maintenance and Capital Plans
5. Identified Resource Requirements to Support Plans
6. "Building Block" Asset Business Plans in Agency Portfolio Context
7. Continuous Monitoring and Feedback Mechanism
8. Consideration of Socio-Economic-Environmental Responsibilities
9. Adequate Human Capital Support of Asset Management Organization
10. Common Government-wide Terminology

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IV. Asset Management Plan – “Shelf Document”

The “Shelf Document” provides a template for Agencies to follow and insert their organizational data and any unique features of their real property asset management program.

Agency Asset Management Plans shall be reviewed and approved by the Office of Management and Budget prior to being finalized and implemented.

“Shelf Document” – Table of Contents

Section 1: Introduction pp.

- *Section 1 describes the plan and presents any unique aspects of how information is presented.*

Section 2: Support of Agency Missions and Strategic Goals pp.

- *Addresses Principle 1- Support Agency Missions and Strategic Goals*
- *Addresses Template Item 2 - Agency-Specific Owner’s Objectives*
- *Addresses Template Item 9 – Adequate Human Capital Support of Asset Management Organization*

2.1 Agency’s Mission pp.

2.1.1 Real Property Organization’s Mission

2.2 Human Capital and Organization Infrastructure pp.

2.3 Real Property Asset Management Decision-Making pp.

2.4 Owner’s Objectives pp.

Section 3: Acquisition of Real Property Assets pp.

- *Addresses Principle 2 - Use Public and Commercial Benchmarks & Best Practices*
- *Addresses Principle 3 - Employ Life-Cycle Cost-Benefit Analysis*
- *Addresses Principle 4 - Promote Full and Appropriate Utilization*
- *Addresses Principle 6 - Provide Appropriate Levels of Investment*
- *Addresses Principle 8 - Employ Balanced Performance Measures*
- *Addresses Principle 9 - Advance Customer Satisfaction*

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- ❑ *Addresses Principle 10 - Provide For Safe, Secure, & Healthy Workplaces*
- ❑ *Addresses Template Item 4 - Prioritized Capital Plan*
- ❑ *Addresses Template Item 5 - Identified Resource Requirements to Support Capital Plan*
- ❑ *Addresses Template Item 7 - Continuous Monitoring and Feedback Mechanisms*
- ❑ *Addresses Template Item - 8 Consideration of Socio-Economic-Environmental Responsibilities*

3.1 Capital Plan for Major Projects pp.

3.1.1 New Construction Major Projects

3.1.2 Repair and Alterations Major Projects

3.1.3 Acquisition of Major Leases

3.2 Acquisition of Leases Below a Critical Threshold pp.

3.3 Acquisition Performance Measures and Continuous Monitoring pp.

3.3.1 Federal Real Property Council Measures

3.3.2 Agency-Specific Measures

3.4 Acquisition Initiatives pp.

- ❑ *Section 3.4 presents an overview of the Agency's prioritized actions to improve acquisition efforts with a timeline looking three years out, consistent with the President's Management Agenda.*

Section 4: Operations of Real Property Assets pp.

- ❑ *Addresses Principle 2 - Use Public and Commercial Benchmarks & Best Practices*
- ❑ *Addresses Principle 3 - Employ Life-Cycle Cost-Benefit Analysis*
- ❑ *Addresses Principle 4 - Promote Full and Appropriate Utilization*
- ❑ *Addresses Principle 6 - Provide Appropriate Levels of Investment*
- ❑ *Addresses Principle 7 - Accurately Inventory and Describe All Assets*
- ❑ *Addresses Principle 8 - Employ Balanced Performance Measures*
- ❑ *Addresses Principle 9 - Advance Customer Satisfaction*
- ❑ *Addresses Principle 10 - Provide For Safe, Secure, & Healthy Workplaces*
- ❑ *Addresses Template Item 3 - Periodic Evaluation of All Assets*
- ❑ *Addresses Template Item 4 - Prioritized Operations and Maintenance Plan*
- ❑ *Addresses Template Item 5 - Identified Resource Requirements to Support O&M Plan*
- ❑ *Addresses Template Item 6 - "Building Block" Asset Business Plans in Agency Portfolio Context*
- ❑ *Addresses Template Item 7 - Continuous Monitoring and Feedback Mechanisms*
- ❑ *Addresses Template Item 8 - Consideration of Socio-Economic-Environmental Responsibilities*

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4.1 Inventory and Describe Assets	pp.
4.1.1 Historic Preservation Requirements	
4.2 Asset Documentation	pp.
4.3 Asset Business Plans	pp.
4.4 Periodic Evaluation of Assets	pp.
4.5 Operations & Maintenance Plan	pp.
4.6 Plan for Basic Repair & Alteration Needs	pp.
4.7 Capital and Operating Resource Requirements	pp.
4.8 Operations Performance Measures and Continuous Monitoring	pp.
4.8.1 Federal Real Property Council Measures	
4.8.2 Agency-Specific Measures	
4.9 Operations Initiatives	pp.
□ <i>Section 4.9 presents an overview of the Agency's prioritized actions to improve operations efforts with a timeline looking three years out, consistent with the President's Management Agenda.</i>	
Section 5: Disposal of Unneeded Assets	pp.
□ <i>Addresses Principle 4 - Promote Full and Appropriate Utilization</i>	
□ <i>Addresses Principle 5 - Dispose of Unneeded Assets</i>	
□ <i>Addresses Principle 8 - Employ Balanced Performance Measures</i>	
□ <i>Addresses Template Item 7- Continuous Monitoring and Feedback Mechanisms</i>	
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5.1 Tools to Support Decision-Making	pp.
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5.3.2 Agency-Specific Measures	

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5.4 Disposal Initiatives

pp.

- *Section 5.4 presents an overview of the Agency's prioritized actions to improve disposal efforts with a timeline looking three years out, consistent with the President's Management Agenda.*

Note: The italicized text provides examples and brief guidance on minimum expectations of the content to be addressed in each section. It also identifies where agencies need to enter their agency-specific information into this "Shelf Document."

Attachments 1 – X *(as needed)*

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Section 1. Introduction

This is the *(Agency name)*'s Asset Management Plan as required by Executive Order ("EO") 13327, "Federal Real Property Asset Management." This plan is guided by the principles of the Federal Real Property Council ("the Council") established by EO 13327. The Council's ten guiding principles, applicable to Federal real property asset management, include:

1. Support agency missions and strategic goals (*Reference Page #'s*)
2. Use public and commercial benchmarks and best practices (*pp.*)
3. Employ life-cycle cost-benefit analysis (*pp.*)
4. Promote full and appropriate utilization (*pp.*)
5. Dispose of unneeded assets (*pp.*)
6. Provide appropriate levels of investment (*pp.*)
7. Accurately inventory and describe all assets (*pp.*)
8. Employ balanced performance measures (*pp.*)
9. Advance customer satisfaction (*pp.*)
10. Provide for safe, secure, and healthy workplaces (*pp.*)

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

1. Integrated Guiding Principles (*pp.*)
2. Agency-Specific Owner's Objectives (*pp.*)
3. Periodic Evaluation of All Assets (*pp.*)
4. Prioritized Operations and Maintenance & Capital Plans (*pp.*)
5. Identified Resource Requirements to Support Plans (*pp.*)
6. "Building Block" Asset Business Plans in Agency Portfolio Context (*pp.*)
7. Continuous Monitoring and Feedback Mechanism (*pp.*)
8. Consideration of Socio-Economic-Environmental Responsibilities (*pp.*)
9. Adequate Human Capital Support of Asset Management Organization (*pp.*)
10. Common Government-wide Terminology (*pp.*)

The page numbers following each of the Council's principles and template items above provides a cross reference with *(Agency name)*'s Asset Management Plan. (*Reading the identified pages will provide OMB and other agencies a sense of how each of the Council's principles and template items are addressed by the agency.*)

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

Section 2 addresses *(Agency name)*'s mission 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 describes how *(Agency name)*'s plans for and acquires real property assets, develops its capital plan, identifies its prioritized acquisition list each fiscal year, measures the effectiveness

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of its acquisition results, and identifies key initiatives to improve financial management and acquisition performance.

Section 4 describes how *(Agency name)*'s operates its real property assets, addressing its inventory system, its Operations and Maintenance Plans, its Asset Business Plans or "Building Block" Plans and its periodic evaluation of assets. Additionally, operational measures are described as well as key initiatives that are underway to improve operational performance.

Section 5 describes how *(Agency name)* disposes of unneeded real property assets, measures the effectiveness of its redeployment actions and identified key initiatives to improve the pace of disposition as well as its ability to dispose of difficult, environmentally challenged properties. Lists of *(Agency name)*'s recent disposals are provided as a frame of reference. Plans for disposals of assets in current and future years are attached/will be completed during *(timeframe)*.

Section 2. Support of Agency Missions and Strategic Goals

Investment, operational, and disposal decisions 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 agency missions, two elements are needed – 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 *(Agency name)*'s mission, human capital, and decision-making framework.

2.1 Agency Mission

(Agency name)'s mission is...*(insert Agency Mission Statement)*.

(Agency name) ensures that its real property asset management is integrated with and enables its mission work by ...*(insert discussion of integration effort)*.

(Agency name)'s goals in its Strategic Plan address prudent asset management *(if applicable)*.
(Agency name)'s strategic goals include...*(insert Agency goals)*.

2.1.1 Real Property Organization Mission

The *(Real Property organization or Unit name)* of *(Agency name)* provides real property assets in support of the agency's overall mission for... *(Briefly describe the number of programs, the number of employees associated with programs, and the locations of the programs...for example, the number of cities and states throughout the United States and countries throughout the world...insert mission statement)*.

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2.2 Human Capital and Organization Infrastructure

(Agency name) accomplishes its mission through a network of ... (Briefly describe agency structure, i.e. central office, number of regional offices, number of field offices or program areas).

Describe the overall Agency reporting structure. The (Title of Agency Head) leads the agency. (Title of Leaders) for the (number of) regional offices report directly to the (Title of Agency Leader). See Attachment 1 for (Agency name)'s organizational chart.

Briefly describe the reporting structure of the Real Property Asset Management portion of the organization. (Agency name) has (number of) associates located in the Central Office and the regional and field offices that contribute to real property asset management that supports the overall agency mission. (Agency name) understands the importance of having a competent workforce with the appropriate Real Property skills and training to support (Agency name)'s core competencies, goals, and mission. Attachment 2 provides a description of the (Agency name) Real Property core competencies. (Agency name) supports continuous learning to strengthen these Real Property core competencies and to keep aware of and import applicable industry trends, benchmarks, and best practices. See Attachment 3 for (Agency name)'s Real Property Organization chart.

2.3 Real Property Asset Management Decision-Making

At (Agency name), real property asset management decisions are made at both the central and regional offices. Describe whether decision-making is centralized or decentralized within the organization. Funding levels of projects and program areas determine the level within the organization at which real property decisions are made. Decisions to recommend projects above (dollar threshold, if appropriate) are made at the highest levels within (Agency name).

Briefly describe the decision making process at the national/centralized level. (List Agency Leadership that makes up an Investment Committee) act as an investment committee that decides which major/prospectus capital investments should be recommended for funding consideration.

Briefly describe the decision-making process at the sub-level, such as the regional level/program area. In the regions, (list appropriate Regional Leadership) are responsible for managing the day-to-day operations and for shaping reinvestment decisions for the real property assets in their portfolios. Briefly describe the decision-making process at the field office or facility level, including the manner in which the agency routinely uses performance measurement and inventory data in its decision-making. For example, Asset Business Teams (ABT) are generally responsible for a geographic territory. These teams are comprised of realty specialists, property managers, asset managers, account managers, and project managers, among others, who manage the individual assets. The property managers located in the field offices are responsible for most of the routine property management work. Realty Specialists are responsible for assignment of customers in Federal space and in existing leased space or acquiring additional leased space. Asset managers are responsible for leading the Asset Business Team to review performance data and inventory data, such as vacancy and operating cost data to formulate reinvestment plans for below-prospectus projects as well as helping to develop prospectus-level projects for major modernizations or reinvestments to submit to the Central Office.

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2.4 Owner's Objectives

(Agency name) has established a set of qualitative owner's objectives specific to its portfolio. Quantitative owner's objectives are expressed in (Agency name)'s long-term outcome goals and performance targets discussed in Section 4. (Agency Name)'s qualitative owner's objectives include: *(Insert Agency's owner's objectives)*

For example:

- *Assets must support a current Federal mission need*
- *Assets must be economically sustainable*
- *Assets must meet serviceability standards and customer needs*
- *Physical condition will be maintained to reflect market standards*
- *Target reinvestment to performing assets*
- *Asset level business plans and strategies must be updated annually*

These Owner's Objectives are the foundation for developing a portfolio or asset level strategy. (Agency Name)'s asset management framework involves understanding and balancing customer needs/risks with market dynamics *(as applicable)* and the condition/performance of its assets.

Section 3. Planning and Acquisition of Real Property

During the acquisition phase, (Agency name) translates mission needs into discrete requirements, marshals the necessary resources and sees that the necessary real property assets are delivered.

(Agency name)'s acquisitions are driven by mission-driven requirements. When a requirement is received or developed, (Agency name) looks to use existing Government-owned assets first before seeking to add square footage to the federal inventory. If there are no suitable solutions, (Agency name) has three main alternatives - building a new Federal asset, buy an existing asset, or leasing a new asset from the private sector *(as applicable)*.

To determine the acquisition method, (Agency name) considers: How many assets are needed, how quickly the asset is needed, how long the asset is needed, and how specialized the asset is, or how complicated the build out is to determine the acquisition approach that is most appropriate. Each of these factors has a significant impact on the cost of alternatives and thus the feasibility of the project acquired either by construction, purchase, or leasing *(as appropriate)*.

3.1 Capital Plan for Major Projects

(Briefly describe the funding process for the Agency's capital construction and leasing program). (Agency name) requires Congressional approval or direct appropriations for capital projects or leases over *(describe size or dollar threshold)*.

(Agency name)'s (Agency's Real Property Asset Management Organization) plays a key role in securing the necessary resources to maintain current real property assets, acquire new or replacement assets that meet the evolving needs of the agency, and preserving the historical and cultural assets placed in (Agency name)'s trust, *as applicable*. A copy of (Agency name)'s *prioritized capital plan for FY2005* can be found in Attachment 4. Components of (Agency

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name)’s Capital Plan include New Construction, Repair and Alterations (R&A)¹ and Leasing (*as applicable*) and are discussed below.

3.1.1 New Construction Major Projects

The new construction program addresses program requirements that serve a Federal need that cannot be readily met with existing Federal assets or assets available in the private sector. The prioritization of these projects is done in close coordination with the customer or program area with the requirement. *Briefly describe how Agency sets priorities further.*

(Describe which offices work together to develop the project). The project team performs due diligence to determine the best way to meet the agency’s mission needs using *(describe tools/studies used to develop project scope and budget, such as feasibility studies).*

(Describe analysis and studies performed before design work) to plan for a successful project and ensure the most cost-effective alternative is selected. These studies define the project and present an evaluation of alternatives to meet mission requirements and alternative cost estimates, construction efforts, and phasing.

(Describe analysis and studies, if different than those for design work, performed prior to construction) are completed prior to the construction phase of a project to provide more detailed cost estimates, implementation options, design directives, and scheduling and phasing plans.

(Briefly describe what studies consider.) For example, a feasibility study addresses the following:

- *Customer/mission issues including moves and phasing*
- *Physical plant and structure issues including life-cycle costing, building systems and envelopes, fire protection and life safety, security requirements, seismic safety, and telecommunications and IT*
- *Legacy activities such as art in architecture, design excellence, historic preservation, sustainability, and environmental issues*
- *Project implementation including cost estimates for various alternatives, procurement methods, project management plans, and capital program support*

(Describe any other methods used to develop specialized projects or exceptions to the methods described above).

(Briefly describe how the studies are used or any additional analysis used to develop project rankings and determine funding). For example, using information from feasibility studies, *(Agency name)* performs additional analysis using tools such as *(insert additional decision-making model/analysis)* to determine if it is more advantageous to the government to lease space, construct a new building or renovate an existing building, as applicable.

¹ For purposes of this “Shelf Document,” the term Repair and Alterations (R&A) is synonymous with the term “repair needs” as referenced in the Inventory Data Elements and Performance Measures Definitions section of this Guidance.

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3.1.2 Repair and Alterations Major Projects

(Briefly describe the funding process for major R&A or modernization projects and how the agency analyzes and ranks these projects). For example, (Agency name) performs the analysis and develop the projects for submittal to (Deciding organization's name). (Agency name) prioritizes and packages the projects for the annual budget submittal using a decision-making models/analysis (include description) to help with project ranking. (List the criteria used for ranking projects.) For Example:

- *Economic Justification*
 - *Internal Rate of Return*
 - *TAPS Analysis – describe more generically*
 - *Adherence to the Portfolio Strategy*
- *Asset Infrastructure*
 - *Life Safety*
 - *Project management*
 - *Systems*
 - *Building Image*
 - *Historic Preservation*

(Briefly describe how project rankings are subject to further scrutiny from Senior Leadership based upon technical sufficiency, financial viability, agency considerations and consideration to carry out socio-economic-environmental responsibilities.) Once the final project rankings are established, the budget submittal is completed based upon the amount of funding that is available. Remaining projects will be cued up for submittal the following year, or alternative methods of meeting the need, such as leasing, will be explored.

3.1.3 Acquisition of Major Leases

(Describe the funding process for major leasing projects and how the agency formulates the requirements). For example, (Agency name) acquires leased space when existing government space and new construction are not viable alternatives. (Agency name) performs the scoring analysis and develops the projects for submittals to (Deciding organization's name). (Agency name) ensures 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. Projects meeting all applicable criteria are included in (Agency name)'s capital program request to OMB and Congress.

3.2 Acquisition of Leases Below a Critical Threshold

(Agency name) acquires leases below prospectus level from the private sector when leasing is the only practical answer to meeting Federal needs. (Describe who performs the leasing transactions and if they are performed in-house or acquired through some other method. For example, these actions are performed by (Title) or brokers managed by the (Agency name). Requirements for space over 10,000 square feet are advertised in local newspapers or the Federal business opportunities webpage at www.fedbizopps.gov. Space requirements less than 10,000 square feet are usually handled by more informal canvassing of the market and contacts with potential offerors.

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(Agency name) solicits offers on a competitive basis, negotiates with offerors, and for most acquisitions makes awards to the lowest priced acceptable offer. Some solicitations also consider trade-offs between price and other factors.

3.3 Acquisition Performance Measures and Continuous Monitoring

(Briefly describe the key performance measures used to measure the effectiveness of the acquisition phase of the life- cycle of asset management and the use of these measures to influence business decisions). For example, these measures are tracked and used for multiple purposes including (Agency name)'s Strategic Assessment, Strategy and Action Plans, Program Assessment and Rating Tool submittals, its Performance Accountability Report, its Congressional Justification submittal, and individual asset decisions.

(Briefly describe how the agency performs continuous monitoring and any feedback mechanisms and incorporates use of performance measurement results and inventory trend data into its decision-making). For example, (Agency name) uses key measures in conjunction with agency goals in quarterly General Performance Reviews (GPR's) where senior managers monitor performance and progress toward meeting key initiatives associated with the President's Management Agenda and the agency scorecard. These sessions provide an opportunity to shape direction and allow for midcourse corrections for both programs and projects, influence asset strategies and inform investment decisions.

3.3.1 Federal Real Property Council Acquisition Measures

(Hold pending development of Council measures for acquisition).

3.3.2 Agency Specific Measures

(Describe the key agency performance measures used to measure the effectiveness of the acquisition portion of the life cycle of asset management). For example, (Agency name) measures the effectiveness and cost competitiveness of project delivery for construction and leasing projects through a series of measures that track project schedule, scope, and budget. These measures include:

Construction Acquisition Measure

(Agency name) uses an earned value method to track construction project to ensure they remain on schedule and on budget. (Give a more detailed description of the measure)

Leasing Acquisition Measure (as appropriate)

(Agency name) uses various strategies to keep leasing costs at or below market levels include comparing lease offers to industry benchmarks, using market surveys to comparison shop for best prices, 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.

Customer Satisfaction Surveys/Measures

(Agency name) also assesses customer satisfaction with the acquisition processes through a variety of surveys. The Ordering Official Survey examines the satisfaction of approving

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officials within agencies. The Realty Transaction Survey measures the effectiveness of the real estate transaction. Finally, (Agency name) tracks tenant satisfaction with newly constructed assets to ensure that the end users are satisfied with the asset.

A summary of long-term outcome goals (or quantified owner's objectives), associated performance measures and targets are provided in Attachment 5.

3.4 Acquisition Initiatives

(Present an overview of the Agency's prioritized improvement goals and related actions, with a timeline looking three years out). For example:

(Agency name) is striving to improve the delivery of on time, within budget, within scope capital projects. To accomplish this, (Agency name) has five specific initiatives underway to improve planning and delivery of acquisition projects and to improve financial and program management. The initiatives address (1) improving the design phase of the project, (2) improving the construction phase of the project, (3) improving the first impressions of the work environment, (4) improving due diligence assessment during the design and construction phases, and (5) improving and consolidating capital program policy guidance.

(Then list agency initiatives and milestones relating to the acquisition phase.) For example:

New Construction and Repair and Alterations Due Diligence Initiative

To enhance due diligence associated with new construction and R&A work, (agency name) has established a design management evaluation process that assesses: adherence to congressionally approved project scopes and applicable design standards; implementation of specific design initiatives including blast resistance and mitigation, glass fragmentation, LEEDS certification, etc.; value engineering, pricing and an evaluation of the construction cost.

Milestones

- *Q1 of FY05, implement Quality Assurance Reviews and Independent Cost Estimates for capital projects.*
- *Q4 of FY05, perform due diligence evaluations for 20 active capital projects, with reviews at the final concepts, design development, and construction documents phases for each project.*
- *Q2 of FY05, update P100 guidance. It will be published and distributed at the national Project Management conference and reflect lessons learned from our ongoing building program, the latest research, new legislation and policy, client needs, and the advice of (agency name) Subject Matter Experts.*
- *Q4 of FY06, perform due diligence evaluations for 20 active capital projects.*
- *Q4 of FY07, perform due diligence evaluations for 20 active capital projects.*

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Section 4. Operations of Real Property

The operations phase of (Agency name)'s real property assets involves making decisions regarding maintenance and reinvestment as well as monitoring administration of leases (*as applicable*) and servicing agency needs. Critical information is needed on all assets to support operational decision-making.

4.1 Inventory and Describe Assets

(Describe the agency's inventory system and the key data fields that are housed within the inventory system. Also describe how the data fields in the inventory system relate to the guidance from the Federal Real Property Council's Inventory Working Group.) For example, (name of system) includes key fields on the number, size, location, use, type, occupants, and age of the assets and tracks all space and assignments in (Agency name)'s assets. It is an automated database that is tied into core systems (including the accounting system) that tracks payments to private sector landlords for leased locations and is the billing system for generating rent bills to tenant agencies at the building or lease level. (Name of system) contains all of the key data fields outlined by the Federal Real Property Council's Inventory Working Group (with the exception of) (Agency name) is working with the Council to ensure its data fields and naming conventions are in alignment with the common government-wide terminology under development.

(Briefly describe the agency's inventory.) For example, (Agency name)'s inventory consisted of (number of) assets with (number of) square feet or applicable unit of measurement. (Further characterize the agency's inventory.) For example, the inventory is split between government-owned properties and properties leased from the private sector. The owned inventory constitutes (percentage) of the total rentable square footage, but less than (percentage) of the locations in the portfolio.

4.1.1 Historic Preservation Requirements

(Briefly describe the agency's processes for addressing historic preservation requirements.) For example, To comply with the National Historic Preservation Act of 1966, as amended, and Executive Orders 11593, 13006, and 13287, (Agency name) has developed an agency order and electronic handbook laying out the historic preservation requirements and processes. (Further describe or refer to an agency document that describes compliance responsibilities in support of applicable laws and Executive Orders, defines professional standards required by employees responsible for agency's preservation actions, and outlines processes, standards and approaches for effectively integrating Federal stewardship goals into the agency's real property asset management activities.

4.2 Asset Documentation

(Briefly discuss how the agency documents the assets in its inventory) For example, (Agency Name) maintains key documentation for all real property assets in a file including a map, a copy of the title, a metes and bounds survey, a legal description of the property, documented environmental liabilities, historic significance, an Americans with Disabilities Act (ADA) survey,

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documented fire life safety issues, as built or CAD drawings, and a housing plan showing the tenants within the asset or facility (insert other items as necessary).

4.3 Asset Business Plans

(Briefly discuss how the agency uses asset business plans and at what “building block” level they are maintained). For example, (Agency name) uses an automated Asset Business Plan called (System name). This web-based system allows asset business teams to store information on each asset (or “building block”). It is automatically linked to key information systems and includes sections that cover the building profile, performance measure information, financial information from the (accounting system name), a discussion section for financial matters, customer issues, and operational issues, a strategic plan for the asset, an action plan to implement the strategic plan, a housing plan, and an investment plan for capital expenditures downloaded from (system name). A sample ABP can be provided upon request.

4.4 Periodic Evaluation of Assets

(Briefly discuss how the agency assesses the value of its assets) For example, As fiduciary agents, (Agency name) performs cyclical evaluations of its real property assets.

(Briefly discuss how the agency tracks asset value). For example, (Agency name) tracks the value of its assets in several ways. (Agency name) tracks Fair Market Value, by appraising its inventory every five-years, to quantify the taxpayers’ equity in the assets. (Agency name) also tracks Functional Replacement Value and Book Value as indications of the relative value of the portfolio.

(Discuss how the agency assesses the condition of its assets). For example, (Agency name) uses a Physical Condition Survey adopted from the private sector. Every two years a team of (Agency name) associates including the (List titles) inspect the asset to assess the current condition and reinvestment needs of the asset and document changes in condition over time using a series of questions contained in the Physical Condition Survey. This also provides (Agency name) an opportunity to review the utilization of the asset as (List team members, i.e. Property Manager, Asset Manager, Realty Specialist) walk the building.

(Briefly discuss how the agency assesses the financial performance of its assets) For example, (Agency name) tracks private sector financial indicators such as Revenue, Operating Expenses, Overhead, Funds From Operations (FFO), Net Operating Income (NOI), and Return On Equity (ROE) (list other operating measures tracked by the agency) for its portfolio of assets and for each individual asset (describe at what “building block” level the agency tracks financial performance). Current performance is compared against performance goals from private sector benchmarks, previously established performance criteria, or individual performance measure goals.

(Describe how these evaluations, in addition to performance measurement results and building inventory data, are used to develop an overall strategy for the asset and how the strategy is used in developing an O&M and Capital plan). For example, (Agency name) uses these data and assessments to update Asset Business Plans and strategies to revise holding period as necessary. The strategy then becomes the basis for formulating the annual operating budget and capital reinvestment plan.

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4.5 Operations and Maintenance Plan

(Briefly describe the annual Operations and Maintenance Plan and its key components). For example, (Agency name) maintains Operations & Maintenance (O&M) plans at the building or facility level (specify at what level O&M plans are formulated).

Each asset should have a building specific operating plan in place. The O&M plan contains a list of contacts and contractors, an inventory of equipment and key building systems, standard operating procedures for equipment, an operating schedule, a maintenance schedule, a testing schedule, an inspection schedule, a quality assurance plan, and an operating budget for the year. Throughout the year (Agency name) compares actual expenses and energy consumption to budgeted amounts and industry benchmarks (such as Building Owners and Managers Association or BOMA Experience Exchange Report data for cleaning, maintenance, and utility costs), identifies potential problems and adjusts the O&M plan accordingly. (Agency name) uses the O&M plan in conjunction with a history of maintenance and usage to help formulate capital requirements to feed into the capital plan.

4.6 Plan for Basic Repair and Alterations Needs

(Describe the agency's plan for basic R&A needs and at what "building block" level the plan is formulated). For example, (Agency name) has developed a capital plan for basic R&A requirements for each asset (or "building block"). The R&A projects in these plans either do not exceed the prospectus threshold or are deemed as recurring in nature; i.e., cyclic painting or a minor repair of defective building systems, such as mechanical, plumbing, electrical, fire safety and elevator system components.

(Describe where in the organization projects are formulated and prioritized). For example, These projects are formulated at the regional level by the (list the organization or group). They begin with an assessment of the condition of the asset. This can be done through the Physical Condition Survey, Building Evaluation Reports, or other methods (list as necessary). Once the deficiencies or planned work items have been identified, the (organization or group) discusses and prioritizes the work items for a given asset (or "building block"), considering the following technical criteria:

- *Customer urgency*
- *Physical urgency based on building conditions (asset infrastructure needs, which can include ADA, seismic, asbestos abatement, HVAC, fire-life health safety, security, roof repairs and elevators)*
- *Economic justification (in terms of financial return, life-cycle costs, and present value cost)*
- *Project timing and execution (ability to deliver the project)*
- *Historical significance and community considerations*
- *(List additional criteria as needed)*

(Group or Organization Name) also consider the amount of funding that is available and the overall strategy for the asset. If there is not a long-term customer need or the strategy is a short-term hold, reinvestment will be held to a minimum. If the asset is a long-term hold, reinvestment will be funded to ensure the quality and condition of the asset is maintained at the appropriate

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level to meet a continuing mission/customer need. This would include all preventative maintenance, necessary upgrades and enhancements to the asset and systems.

(Group or Organization Name) then prioritize the work items for their entire portfolio of assets and develop a priority list that will be reconciled with the other programs or assets. Finally a (describe the level within the organization i.e. regional/national/program) prioritization process is completed. Each time, similar factors are considered until the regional capital plan is completed for a given year. The work items that comprise the capital plan are loaded into the (System Name).

(Briefly describe how funds are allocated to each region/program/facility). For example, Funds are allocated to the (organizational level) based upon the size, age, type, and performance of their portfolio for the work items on their plan. The (organization)'s capital plan is designed to be approximately (percentages) of their budget allocation to allow for flexibility on projects that may not be awarded in a given year. In addition, (organizations) have a goal of obligating (percentages) of their funds on projects that are in the prioritized capital plan for that year.

4.7 Capital and Operating Resource Requirements

(Briefly describe the funding process and how funds are requested to support the operational and capital plans). For example, Based upon appropriations, (Agency Name) allocates its budget by first ensuring that all operating expenses are funded. These include all of the contract costs for leases and operating expenses in the O&M Plan for buildings/assets such as cleaning, maintenance, and utilities. It also includes additional contractual obligations for purchase contracts and all overhead items like salaries, training, travel, IT, and other contracts necessary to help (Agency name) run its business. The remaining dollars (amount) are divided between the major and minor R&A programs to fund the capital plan.

The (System name) that tracks short-term work items needed in (Agency name)'s government-owned buildings indicates there is currently (dollar value) billion in Repair and alterations needs. The Agency's assessment tool, such as the Physical Condition Assessment shows that the owned inventory has a long-term reinvestment liability of (dollar value). (Insert agency strategy to address funding R&A needs). For example, because the overall reinvestment needs of the portfolio exceed the ability of the fund to pay for them, (Agency name) began a major restructuring effort to ensure the portfolio consists mainly of strong income producing properties that can support their reinvestment needs. By continuing workout strategies for non- and under-performing assets and continuing to focus reinvestment dollars on the performing asset in the portfolio, (Agency name) continues to move toward an optimized portfolio of leased and owned assets that can cover their operating costs and reinvestment needs.

4.8 Operations Performance Measures and Continuous Monitoring

(Briefly describe the key performance measures used to measure the effectiveness of the operation phase of the life cycle of asset management including each of the Council's First Tier Measures for operations).

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4.8.1 Federal Real Property Council Measures

Condition Index

(Agency name) uses the Condition Index (CI). Condition surveys are performed on a two-year cycle to help quantify the R&A needs of the facility. These needs are then compared to the Functional Replacement Value (FRV), or the Plant Replacement Value (PRV), of the Facility that is calculated annually. As the Council further defines its version of CI, (Agency name) will work to ensure consistency with the Council's standards.

Facility Utilization Index

(Agency name) is consistent with the Council's latest standards by tracking the percent of office space occupied versus the design amount. The vacancy rate derived from this calculation is tracked on an asset level and used as a part of (Agency name)'s annual performance measures. As the Council further defines its version of utilization, (Agency name) will work to ensure consistency with the Council's standards.

Operating Costs

(Agency name) is consistent with the Council's latest standards by tracking recurring maintenance and repair costs, utility costs, cleaning and janitorial costs, and roads/grounds expenses at the asset level. These operating costs are then benchmarked to the private sector for office and office-like space and used as a part of the (Agency name)'s annual performance measures. As the Council further defines its version of operating costs, (Agency name) will work to ensure consistency with the Council's standards.

Mission Dependency

(Agency name) is consistent with the Council's latest standards by categorizing its assets into the following categories: Mission Critical; Mission Dependent, Not Critical; or Not Mission Dependent. As the Council further defines its version of mission dependency, (Agency name) will work to ensure consistency with the Council's standards.

4.8.2 Agency Specific Measures

(Briefly describe any additional agency specific performance measures used to measure the effectiveness of the Operations portion of the life cycle of asset management). For example, (Agency name) measures the effectiveness of its real property asset management operations through a series of measures that track financial performance, asset condition, and operating efficiency. These measures include:

Financial Performance

(Briefly describe any measures used to track financial performance) For example, (Agency name) has several key performance measures designed to track financial performance. These measures include two bottom-line measures of performance, Funds From Operations (FFO) and Net Operating Income. Both are designed to show the overall profitability of the asset and how effectively (Agency name) recovers costs and

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how efficiently operates its facilities. Another profitability measure (Agency name) uses is the percent of assets with a positive FFO. (Agency name) has found that rather than focusing solely on a macro level, aggregate number, it needed to drill down to the individual asset level to ensure that each asset is performing and that strong performing assets are not carrying unnecessary under-performing assets. (Agency name) examines its operating expenses on a building-by-building basis. (Agency name) also uses Return On Equity (ROE) to measure the return each asset is achieving based upon its value. The ROE measure ensures that the taxpayer's equity is being put to highest and best use.

Asset Condition

(Briefly describe any measures used to track the condition of the Agency's assets). For example, (Agency name) uses the Facility Condition Index (FCI) and a goal of 2% of the functional replacement value (FRV) for reinvestment. These indicators are used in the annual tiering process to segment the owned portfolio of assets into performance categories or tiers. (Agency Name) also tracks/will track a recapitalization rate for assets.

Operating Efficiency

(Briefly describe any measures used to track the operating efficiency of the agency's assets). For example, Cleaning, Maintenance, and Utility costs are tracked on a per square foot basis and benchmarked against private sector standards from the Building Owners and Managers Association (BOMA) Experience Exchange Report. Finally, (Agency name) tracks energy consumption as a measure of operational efficiency. By tracking the BTU consumption per GSF over the 1985 baseline, (Agency name) is able to maintain a close handle on the operational efficiencies of its buildings.

A summary of the long-term outcome goals, performance measures and targets are provided in Attachment 5.

4.9 Operations Initiatives

(Present an overview of the Agency's prioritized improvement goals and related actions, with a timeline looking three years out). For example:

(Agency name) is striving to improve its operations and asset management efforts, resulting in a higher performing portfolio. To accomplish this, (Agency name) has six specific initiatives underway. The initiatives include (1) developing an Asset Business Calendar and Desk Guide, (2) analysis and segmentation of the leased portfolio, (3) development of a 5-year capital forecasting and investment outlook, (4) improving inventory information for building systems and equipment, (5) standardization of O&M contracts, and (6) restructuring the owned portfolio.

(Then list agency initiatives and milestones relating to the operations phase.) For example:

Asset Business Calendar and Desk Guide

(Agency name) is developing an asset business calendar to layout the appropriate life-cycle programmatic actions that should take place throughout the calendar year (i.e., timing for completing Asset Business Plans, Capital plan development, O&M plan development, and the

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periodic evaluation of assets) for effective asset management. (Agency name) is also developing a desk guide that will complement the asset business calendar and provide guidance for the activities described in the calendar covering life-cycle asset management.

Milestones

- *Q2 of FY05, issue a draft asset business calendar.*
- *Q3 of FY05, issue a draft asset management desk guide.*
- *Q4 of FY05, issue the final asset business calendar and asset management desk guide.*

Section 5. Disposal of Unneeded Real Property

5.1 Tools to Support Decision-Making

(Briefly describe the Agency's tools and use of performance measurement results and building inventory data to support disposal decisions). For example, When an asset no longer meets the customer/mission needs of an agency based on performance results and trend data, (Agency name) pursues redeployment, demolition or replacement. (Agency name) uses the Retention and Disposal (R&D) Study as a primary tool to explore the viability of retaining an asset. The driving factors considered in the R&D Study include:

- *Current and long range customer mission needs;*
- *Community considerations and local planning objectives;*
- *Stewardship issues such as historic preservation, and national locational policy (e.g., Executive Orders 12072 and 13006);*
- *Available alternative housing solutions; and*
- *Costs associated with retaining and operating specific buildings (using performance and building inventory data) versus relocating clients, acquiring new space, and disposing of the assets.*

(Agency name and organization) use R&D Studies along with other analysis and programmatic considerations, to make final determinations about retention or disposal of a particular asset.

Once (Agency name) decides to report property excess to the needs of the government, (Agency name) prepares a Report of Excess (ROE). The ROE contain salient "due diligence" information (i.e.: metes and bounds survey, historic data, environmental studies, title information etc.). The ROE, with supporting documentation, is submitted to the Office of Real Property Disposal operating unit assigned to a PBS regional office for processing and closure.

5.2 Disposal Process

(Briefly describe any mandatory screenings or disposal process the agency must follow). For example, (Agency name) follows the legislatively mandated process set forth the 1949 Act for the real properties available for disposal by using a 4-step process:

- *Screening Federal agencies for possible continued Federal need by another agency;*

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- *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;*
- *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.*

5.3 Disposal Performance Measures and Continuous Monitoring

(Briefly describe the key performance measures used to measure the effectiveness of the disposal phase of the life cycle of asset management including each of the Council's First Tier Measure for disposal.)

5.3.1 Federal Real Property Council Disposal Measures

Disposal Index

As the Council and OMB further defines its version of the disposal index (Agency name) will work to ensure consistency with the Council's standards.

5.3.2 Agency Specific Measures

(Describe the key agency performance measures used to measure the effectiveness of the disposal phase of the lifecycle of asset management and how they relate to the Council's measure).

For example, in the last phase of the asset's life cycle, (Agency name) tracks the cycle time for disposals. (Agency name) also uses a measure of projected disposals versus actual to ensure that underutilized assets are quickly redeployed from the inventory. Attachment 5 provides a summary of long-term outcome goals, performance measures and targets.

Attachment 6 provides a summary of disposal for recent disposals as a frame of reference regarding the volume of assets leaving (Agency name)'s inventory. The FY 2005 list is under development and will be completing during (indicate timing).

5.4 Disposal Initiatives

(Present an overview of the Agency's prioritized improvement goals and related actions, with a timeline looking three years out). For example:

(Agency name) is striving to improve and expedite disposal of unneeded assets as well as address environmentally challenged properties. To accomplish this, (Agency name) has three specific initiatives underway. The initiatives include: (1) conduct a pilot to use Early Transfer Authority for a specific asset; (2) bundled disposal of a depot segment; and (3) partnering with agencies in disposing of Brownfields sites.

(Then list agency initiatives and milestones relating to the disposal phase.) For example:

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Early Transfer Authority (ETA)

(Agency name) is pursuing maximum use of Early Transfer Authority (ETA) for any of (Agency name)'s real property assets that are environmentally challenged. The Federal Government has legislative authority allowing the transfer of real property to a local community through negotiated sale or to a developer by public sale prior to environmental clean-up being completed. ETA requires concurrence by the Governor of the state where an asset is located with identification of funding, a completion schedule, and responsibilities set forth in a deferral covenant that is placed in a deed and removed once cleanup is complete.

Milestones

- *Q1 of FY05, complete the environmental assessment.*
- *Q2 of FY05, obtain the Governor's agreement.*
- *Q3 of FY05, negotiate property with local community/sell in market place.*
- *Q4 of FY05, transfer property with covenant agreement in deed.*
- *Q1 of FY06, assess progress of the pilot project and develop guidelines, protocol and process for reuse for other (Agency name) properties in the near future.*

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V. Inventory Data Elements and Performance Measures Definitions

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.

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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.
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. 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-

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patient clinics. 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.
4. Reclamation and Irrigation: Canals, laterals, pumping stations, storage, and diversion dams.

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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.
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.

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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

Definition:

1. Owned: The Federal Government has fee simple interest for the real property.
2. Leased: The rights to use the real property 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.
3. Otherwise Managed:
 - A. State Government-Owned – A U.S. state government holds title to the real property but rights for use have been granted to a Federal Government entity in other than a leasehold arrangement.
 - B. Foreign Government-Owned – A foreign government holds title to the real property but rights for use have been granted to a Federal Government entity in other than a leasehold arrangement.

4. Status

Definition: Buildings, structures and land parcels will have one of the following attributes:

- 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.
- Outgranted/Outleased: Use has been granted to another entity.

5. Historical Status

Definition: Buildings and structures that 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; or
5. Non Applicable (N/A).

6. Reporting Agency

Definition: Agency reporting the property to the Government Services Administration (GSA). (Use the Agency Bureau Code list maintained by GSA).

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7. Using Organization

Definition: 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:

No.	Structure Name	Unit of Measure
1	Administrative Structure (other than buildings)	Each
2	Aircraft Pavement	Square Yards
3	All Others	Each
4	Communication Lines	Miles
5	Distribution Lines	Linear Feet
6	Fences and Walls	Linear Feet
7	Fish and Wildlife Structures	Each
8	Open Storage	Square Yards
9	Outdoor Recreational Facilities	Each
10	Piers, Wharfs, and Bridges	Square Yards
11	POL Pipelines	Miles
12	PowerStation	Each
13	Railroad Lines	Miles
14	Roads	Lane Miles
15	Sidewalks and Parking Lots	Square Yards
16	Storm Drainage	Linear Feet
17	Training Ranges	Each
18	Treatment Plants – Water, Sewer, Industrial	Each
19	Water Storage	Each
20	Waterworks – Dams, Locks, Canals, Seawalls, etc.	Each

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9. Utilization (Performance Measure #1)

Definition: The state of having been made use of, i.e., the rate of utilization. Utilization will be captured as a percent utilization on a scale of 0% to 100%. The following categories and percent utilization will be 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

1. *Offices* – ratio of occupancy to current design capacity.
2. *Warehouses* – ratio of gross square feet occupied to current design capacity.
3. *Hospitals* – ratio of occupancy to current design capacity.
4. *Laboratories* – ratio of active units to current design capacity
5. *Housing* – housing will be measured as a percent of individual units that are occupied. 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.

Initially, Utilization will need to be reported only for the five real property categories listed above. Agencies should report the utilization category (over-utilized, utilized, under-utilized, not utilized) to the government-wide database. Agencies should maintain the percent data for each asset for future reference.

Agencies will have flexibility in judgment for determining current design capacity. Current design capacity is defined as the maximum capacity of which an asset, facility or system can operate, regardless of statutory, regulatory, contractual or other conditions or restrictions.

Agencies may use their best judgment for determining utilization of laboratories when the data is not available to calculate utilization in accordance with the definition stated above.

10. Value

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

Formula: Value = Unit x Unit Cost x Overhead Factor

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The result is adjusted by area cost and inflation, as appropriate. Only buildings and structures will be required to have a functional/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) (also known as functional replacement value). The CI will be calculated annually, will be reported on an Agency or Department-wide basis, will be reported as a “percent condition” on a scale of 0% to 100%, and will be calculated as $(1 - \text{\$repair needs}/\text{\$PRV}) \times 100$. The higher the CI the better the condition the constructed asset is in.

“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” (or functional replacement value) is the cost of replacing an existing asset at today’s standards.

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

12. Mission Dependency (Performance Measure #3)

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

1. Mission Critical – without constructed asset or parcel of land, mission is compromised;
2. Mission Dependent, Not Critical – does not fit into *Mission Critical* or *Not Mission Dependent* categories; or
3. Not Mission Dependent – mission unaffected.

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

Actual 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

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4. Roads/grounds expenses (includes grounds maintenance, landscaping and snow and ice removal from roads, piers and airfields).

14. Main Location

Either of the following will be reported for the constructed asset or parcel of land:

1. Street address; or
2. Latitude and longitude (if no security concerns).

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.

16. City

17. State

18. Country

19. County

20. Congressional District

21. ZIP Code

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, 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

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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