



UNITED STATES
DEPARTMENT OF THE INTERIOR
Director of Budget

APR 9 2008

Memorandum

To: Bureau Budget Officers

Subject: 2011 Budget Guidance -- Attachment G

Attached please find instructions (Attachment G) related to the development of the FY 2011-FY 2015 Five-Year Deferred Maintenance and Capital Improvement Plans. Data formats will also be provided to you electronically.

The initial Five-Year Plan submission for construction projects is due June 1, 2009 and the Five-Year Plan submission for deferred maintenance projects is due July 1, 2009. Please submit those plans consistent with the data formats and requirements contained in the attached guidance. Additionally, bureaus should assume that the FY 2011 and out-year requests for construction and deferred maintenance will be funded at the same level as the President's budget levels that were included in the FY 2010 Five-Year Plans.

We are issuing Attachment G significantly earlier than in prior years in order to better enable bureaus to comply with the guidance. The changes in this year's guidance reflect input from the bureaus obtained at the two January 2008 training sessions in Washington, DC and in Denver, CO, as well as input received from the Asset Management Team.

General edits were made to clarify instructions and exhibits. The major changes in this year's guidance include:

- Objectives of the Five-Year Plans: Clarified the use and objectives of the API/FCI chart and the Department's overall asset management goals to acknowledge the direction provided by Executive Order 13327 "Federal Real Property Asset Management", February 5th, 2004, (pages 5 through 7).
- FY 2011 – FY 2015 Budget and Five-Year Plan Schedule: Date for submittal of the Project Completion Report is moved to December 15th from November 4th to allow bureaus time to close financial reporting for the year prior to submitting the report (page 8).
- Project Completion Goals: Inserted new section to provide guidance on project completion goals (page 10).
- Data Requirements:
 - Changed requirement from submitting all five years of the Five-Year Plan in project data sheet format to a requirement to submit only the first year of the Five-Year Plan in that format (page 11).

- Sets a threshold for submittal of construction and deferred maintenance projects; only construction and deferred maintenance projects with estimated costs of \$100,000 or greater must include a Project Data Sheet in the DOI submission. Construction and deferred maintenance projects with project costs below the threshold are submitted only in the summary form on Exhibit 4 to DOI, but are to be reviewed and approved by the bureau's Washington Office (page 11).

Required Deferred Maintenance and Capital Improvement Analysis:

- Requirement added for the submittal of a Recreation Fee program Five-Year Plan for the Fish and Wildlife Service, Bureau of Land Management, Bureau of Reclamation, and National Park Service for projects equal to or greater than \$100,000 (page 12).
- Project Prioritization: Inserted new section to clarify how projects should be prioritized. First priority projects are those that are greater than 50% health and safety per the ranking factors (page 17).
- Project Planning and Design Requirements: Inserted new section to specify cost estimate classes that must be achieved prior to requesting full funding for deferred maintenance and construction projects (page 17).
- Exhibit 2a, Project Data Sheet: Modifications include (page 33): Code Compliance Capital Improvement ranking category score increased to 4 points from 3.

Questions on this should be directed to Rita Jankovich in the Office of Budget (202-208-4967) or to Bill Hamele (208-5704) in the Office of Acquisition and Property Management.

Attachment

cc: Director, Office Procurement and Acquisition Management
Chief Information Officer
Director, Office of Financial Management
POB Analysts

Pam Haze

**DEPARTMENT OF THE INTERIOR
FACILITIES DEFERRED MAINTENANCE AND CAPITAL IMPROVEMENTS**

The Department of the Interior (DOI) owns and operates over 163,000 buildings and structures, 123,000 miles of roads, and a wide variety of other constructed assets. These facilities serve nearly 464 million visitors annually. They provide schooling for over 44,000 Native American children in 184 schools and a place of work for DOI employees. The value of these assets is measured in billions of dollars. Many are considered priceless for their historical significance. As the steward of these assets, DOI is committed to improving the maintenance of these existing facilities and making the capital investments in new facilities that are essential to its mission. To this end, the facilities maintenance and construction management practices described in this Attachment have been instituted Department-wide.

This Attachment includes the following:

1. Changes in Attachment G guidance from guidance issued for FY 2011 – FY 2015.
2. Guidance for developing the Five-Year Deferred Maintenance and Capital Improvement Plan.
3. Common Definitions for Maintenance and Construction Terms, Exhibit 1a.
4. Common Definitions for Facility Maintenance and Construction Terms, Exhibit 1b.
5. Project Data Sheet, Exhibit 2a.
6. Definition of Project Data Sheet Data Elements, Exhibit 2b.
7. Deferred Maintenance vs. Capital Improvements in the 5-Year Plan Submission, Exhibit 3.
8. Summary Project Data Sheet, Exhibit 4.
9. Project Completion Report, Exhibit 5.
10. Definitions of Data Elements for Summary Project Data Sheet (Exhibit 4) & Completion Report (Exhibit 5), Exhibit 6.

Changes in Attachment G guidance from the FY 2011 – FY 2015 guidance are listed below:

- Objectives of the Five-Year Plans: Clarified the use and objectives of the API¹/FCI chart and the Department's overall asset management goals to acknowledge the direction provided by Executive Order 13327 "Federal Real Property Asset Management", February 5th, 2004, (pages 5 through 7).
- Five-year Plans and the Capital Planning and Investment Control Process: Inserted new section to clarify the programmatic link between the Five-Year Planning process and the Capital Planning and Investment Control process (page 7).
- FY 2011 – FY 2015 Budget and Five-Year Plan Schedule: Requirement modified to only require projects in the first year of the Construction Five-Year Plan be documented with a Project Data Sheet (page 7).
- FY 2011 – FY 2015 Budget and Five-Year Plan Schedule: Removed requirement to submit project data sheets that have been changed because only the first year of the five-year plan will be submitted in that format (page 8).
- FY 2011 – FY 2015 Budget and Five-Year Plan Schedule: Requirement modified to only require projects in the first year of the Deferred Maintenance Five-Year Plan be documented

with a Project Data Sheet (page 8).

- FY 2011 – FY 2015 Budget and Five-Year Plan Schedule: Date for submittal of the Project Completion Report is moved back to December 15th from November 4th to allow Bureaus time to close financial reporting for the year prior to submitting the report (page 8).
- Project Completion Goals: Inserted new section to provide guidance on project completion goals (page 10).
- Data Requirements:
 - Changed requirement from submitting all five years of the Five-Year Plan in project data sheet format to a requirement to submit only the first year of the Five-Year Plan in that format (page 11).
 - Sets a threshold for submittal of construction and deferred maintenance projects; only construction and deferred maintenance projects with estimated cost \$100,000 or greater must include a Project Data Sheet in the DOI submission. Construction and deferred maintenance projects with project cost below the threshold are submitted only in the summary form on Exhibit 4 to DOI, but are to be reviewed and approved by the bureau's Washington Office (page 11).
 - Provides new direction for submittal of Project Data Sheets for projects that are implemented in phases over two or more years (page 11).
- Required Deferred Maintenance & Capital Improvement Analyses:
 - Requirement added for the submittal of a Recreation Fee program Five-Year Plan for the Fish and Wildlife Service, Bureau of Land Management, Bureau of Reclamation, and National Park Service for projects >\$100,000 (page 12).
 - Changed the word "allocated" in the first sentence of the section to "programmed" (page 11).
- Five-Year Funding Levels and General Guidance on Project Lists: Clarified language to make clear that the requirement to support accessibility compliance work is 5percent of available funding (page 12).
- Categories of Facilities Maintenance and Construction Needs:
 - Updated reference to the correct transportation funding law, SAFETEA LU (page 13).
 - Clarified example of power supply project that qualifies as a critical mission deferred maintenance need (page 14).
 - Added repair of existing energy systems as an example under Other Deferred Maintenance Need (page 15).
 - Added accessibility compliance as an example of Code Compliance Capital Improvement Need (page 15).
- Interior Budget Priorities:
 - Edits place greater emphasis on funding assets with high asset priority index values and mission capability sustaining infrastructure. These edits acknowledge direction provided by Executive Order 13327 "Federal Real Property Asset Management", February 5th, 2004, and the Federal Real Property Council (page 15).

- Modified the project scoring example to include the API at 25 percent in the project score calculation (page 16).
- **Project Prioritization:** Inserted new section to clarify how projects should be prioritized. First priority projects are those projects that are greater than 50 percent health and safety per the ranking factors (page 17).
- **Project Planning and Design Requirements:** Inserted new section to specify cost estimate classes that must be achieved prior to requesting full funding for deferred maintenance and construction projects (page 17).
- **Common Definitions of Maintenance and Construction Terms:**
 - Definition of “Value Engineering” added (page 24).
 - Definition of “Value Engineering Concept Stage” added (page 24).
 - Definition of “Value Engineering Design Stage” added (page 25).
 - Reference to the Office of Acquisition and Property Management website added to provide the location of the Department’s Asset Code List (page 26).
- **Exhibit 2a, Project Data Sheet:** Modifications to the Project Data Sheet include (page 33):
 - Code Compliance Capital Improvement ranking category score is increased to four points from three point.
 - “Revision Statement” data field removed.
 - “Value Engineering” data field added to track application and compliance with value engineering requirements in Department Manual 369.
 - “Planned Funding in FY__” field removed. It is redundant to the “Requested in FY__ Budget” field.
 - “Planning Funds Requested FY__ \$__” field added.
 - “Design Funds Requested FY__ \$__” field added.
 - “Estimate Good Until FY__” field revised to “Estimate Escalated to FY__”.
 - “Planned Funding FY” changed to “Programmed Funding FY”
- **Exhibit 2b, Project Data Sheet:**
 - Checklist added for Project Data Sheet preparers to ensure the accuracy of the form (page 34).
 - Implemented minor edits to clarify written direction provided for Project Data Sheet data fields (pages 34-40).
 - Specified in the definition of “Project Description” that if funds other than those appropriated by Congress are used to implement the project, the type and amount of funds should be noted in this section (page 35).
 - Eliminated the definition of “Revision Statement” as it has been removed from the project data sheet (page 36).
 - Increased “Code Compliance” ranking factor to 4 points from 3 (page 36).
 - Instructions for completing the new field “VE Required” added (page 36).
 - Added new formula to calculate total project score that includes API at 25 percent (pages 36, 37).
 - Deleted “DM-Deferred Maintenance Project” as an estimate category (page 38).
 - Changed field “Estimate Good Until” to “Estimate Escalated to FY: __” and modified direction for completing the field (page 38).

- Deleted instructions for the field “Planned Funding FY__” as that field has been removed from the Project Data Sheet (page 39).
- Added instructions for field “Planning Funds Received in FY: __ \$ __” as it is a new field on the Project Data Sheet (page 39).
- Added instructions for field “Design Funds Received in FY: __ \$ __” as it is a new field on the Project Data Sheet (page 39).
- Exhibit 5, Project Completion Report: Modifications to Project Completion Report Include (page 43):
 - Column heading “APPR Amount (\$000)” changed to “APPR Amount and Other Funds (\$000)”.
 - Column titled “Completion Date (mm/yy)” added to “Exhibit”.
- Exhibit 6:
 - Clarified the definition of “Plan Fund FY” (page 44).
 - Changed the title of the data field “Appropriated Amount (\$000)” to “Appropriated Amount and Other Funds (\$000)” and changed the direction for completing the field accordingly (page 46).
 - Added instructions to complete the “Completion Date” data field in Exhibit 5 (page 46).

Asset Priority Index (API)

The API is a measure of the importance of a constructed asset to the mission of the installation where it is located. API is tied to a constructed asset, not a project. The numeric range is from One (1), for little or no importance, to One Hundred (100), for very important. In the FRPP this is known as Mission Dependency Index (MDI) and constructed assets are categorized as shown below:

- Mission Critical – without constructed asset mission is compromised.
- Mission Dependent, Not Critical – does not fit “Mission Critical” or “Not Mission Dependent”
- Not Mission Dependent – mission unaffected

FIVE-YEAR DEFERRED MAINTENANCE AND CAPITAL IMPROVEMENT PLAN

OBJECTIVES OF THE FIVE-YEAR PLAN

The updating of the Five-Year Deferred Maintenance and Capital Improvement Plan (the Five-Year Plan) is an important step in the improvement of DOI's infrastructure for the next millennium. The Five-Year Plan update in support of the FY 2011 budget starts with FY 2011 and covers the five-year period through FY 2015. The plan will continue to be updated annually. The requirement to submit completion reports for projects approved during prior plans continues. The completion of FY 2001 through FY 2009 Deferred Maintenance and Capital Improvement Projects will be reported at the end of FY 2009.

Development of the FY 2011 – FY 2015 Five-Year Plan will help us better understand DOI's accumulated deferred maintenance needs and changes to Bureau maintenance needs since submission of the FY 2010 – FY 2014 Five-Year Plan. The projects in the Five-Year Plan will be added to all remaining deferred maintenance projects to comply with the Federal Accounting Standard Advisory Board (FASAB), Accounting for Property, Plant, and Equipment Number 6. It also will aid in Departmental planning for future capital improvements.

Through the use of a set of common definitions for facilities management terms in this Department-wide planning process, DOI has been able to present a more consistent and credible view of its budgeted resources and capital investments, goals, needs and priorities to the Administration and the Congress. With establishment of definitions and framework for the Five-Year Plan, the Department can now turn its attention to the implementation of a DOI-wide assessment of facilities condition, updating the facilities inventory, and tracking the completion of projects to monitor Bureau progress toward addressing accumulated deferred maintenance needs.

The ultimate success of improving the stewardship of constructed assets will be measured by the ability to direct the Department's limited resources to high priority assets, reduce accumulated deferred maintenance for DOI facilities, and sustain the long-term mission delivery capability of its asset portfolio. To ensure the sustainability of that accomplishment, annual maintenance should be adequately funded so that essential maintenance is no longer deferred. The planning and performance measurement processes described here will help establish that the funding level and the projects that comprise the five-year plan are appropriate.

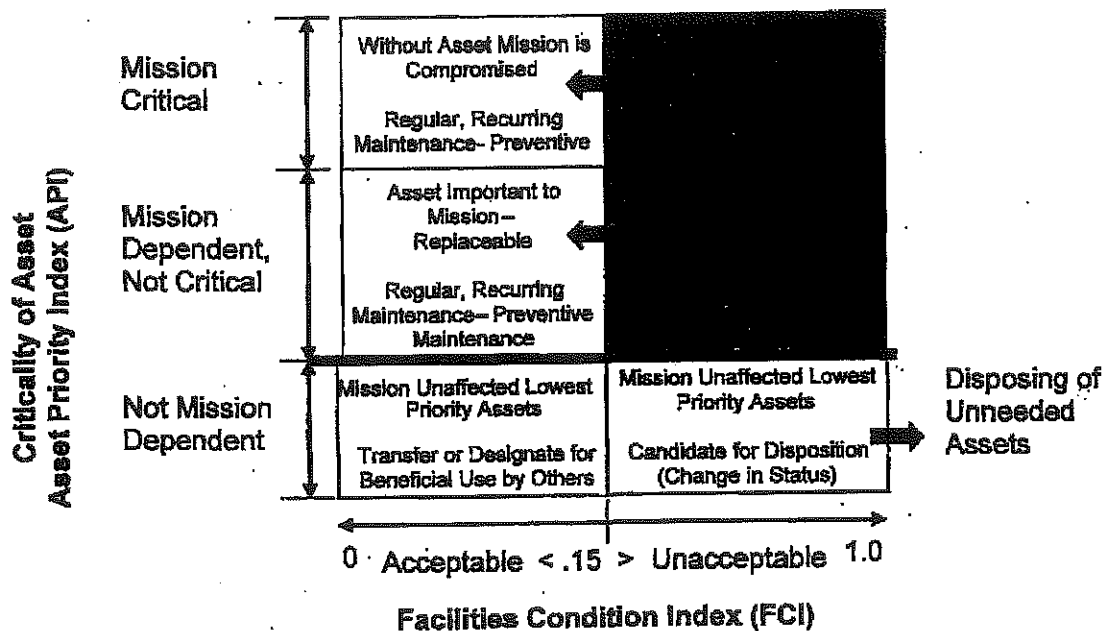
The 5-Year Deferred Maintenance and Capital Improvement Plan is a critical element in the implementation of the DOI Asset Management Plan, Bureau Asset Management Plans, and Site-Specific Asset Business Plans. The 5-Year Deferred Maintenance & Capital Improvement Plan focuses on projects that stabilize, restore, or replace constructed assets that are mission critical or mission dependent and are in poor condition.

Project focus should be on the highest priority mission critical and mission dependent constructed assets with emphasis on critical health and safety need. Attachment G sets forth a mechanism to rank these projects for funding using established criteria. Categories for ranking

projects include Critical Health Safety, Critical Resource Protection, Energy, Critical Mission, Accessibility, and Other Deferred Maintenance.

All constructed assets, in submitted projects, must have a Facility Condition Index (FCI) which indicates the deferred maintenance need of the asset. The FCI is a key data element in the Federal Real Property Profile (FRPP), to which all Bureaus input their inventory of Buildings and Structures. All constructed assets, in submitted projects, must have an Asset Priority Index (API) which indicates the importance of that asset to the organization’s mission. The API is another key data element in the FRPP.

The Department’s goal is to focus its limited resources on the upper right quadrant of the “API/FCI Analysis” chart below. This quadrant contains the constructed assets that are most important to mission delivery and that are in the worst condition. There will be situations where funding outside of this quadrant is warranted, such as in situations of critical health and safety concerns at lower priority assets used by the public and employees. Managers must exercise judgment in determining the most effective use of resources when health and safety concerns are at issue.



API/FCI Analysis Chart

The chart helps the Department implement the requirements of Executive Order 13327 “Federal Real Property Asset Management”, issued in 2004. The Executive Order directs Agencies to fund projects based upon asset priority. In previous fiscal years, the Department’s ranking formula prioritized projects based upon the elimination of deferred maintenance; this exclusive focus on deferred maintenance does not meet the intent of the Executive Order or the direction

provided by the Federal Real Property Council. Accordingly, the project ranking formula has been modified to integrate API with the existing scoring factors that focus on the elimination of deferred maintenance. The new scoring formula will provide higher project scores to high priority assets in poor condition, ensuring that elimination of deferred maintenance will take place first at those high priority assets. The revised formula is provided on page 16 and 17 of this document.

FIVE-YEAR PLANS AND THE CAPITAL PLANNING AND INVESTMENT CONTROL PROCESS

The Five-Year Plans are the foundation for the capital planning and investment control (CPIC) process that the Department uses to implement major capital asset acquisitions. Major capital asset acquisitions require special management attention because they have high development, maintenance, or operating costs; they are inherently high risk; or because they have a significant role in the administration of agency programs, finances, property, or other resources.

Development and maintenance of the five-year plan will help bureaus identify major capital asset acquisitions early in the project planning process and enable application of the appropriate CPIC process elements. It is important to note that a project data sheet is required for every proposed project, including major capital asset acquisition projects, but the CPIC process elements are only required for major capital acquisitions.

Only projects with estimated costs greater than \$2 million, or that possess a high degree of risk or are of unique importance, are defined as major capital asset acquisitions and are required to participate in the full CPIC process and complete an OMB Exhibit 300. Once the project data sheet has been incorporated into the five-year plan, these projects must complete an OMB Exhibit 300 form. Projects of estimated cost greater than \$10 million must complete the OMB Exhibit 300 form and submit it to the Department for review and approval. Projects of estimated cost between \$2 million and \$10 million must complete the OMB Exhibit 300 form and submit it to the Bureau's capital investment review board for review and approval.

Please see version 2.0 of the Department's Construction Capital Planning and Investment Control Guide for detail on the CPIC process (<http://www.doi.gov/pam/CPICGuide71707.pdf>).

FY 2011 – FY 2015 BUDGET AND FIVE-YEAR PLAN SCHEDULE

Bureaus are to submit FY 2011 – FY 2015 Five-Year Deferred Maintenance and Capital Improvement Plan information based on the following schedule:

June 1, 2009. Bureaus will submit to the Department two (2) copies of the Construction Portion of their FY 2011 – FY 2015 Five-Year Deferred Maintenance and Capital Improvement Plans. Bureaus will retain the original plan. This submission will consist of the following:

- Complete descriptions of all FY 2011 construction projects, using the prescribed Project Data Sheet (Exhibit 2a)

- A summary by year of all FY 2011 - FY 2015 construction projects (using the Summary Project Data Sheet (format) in Exhibit 4, hard copy and electronically in MS Excel). For this submission, Bureaus have the option of either presenting separately each of the four out-years or providing one list in priority order that adds to the total funding level for the out-years. Whichever method is chosen, each list must be presented in priority order by project score.

July 1, 2009. Bureaus will submit to the Department two (2) copies of the **Deferred Maintenance Portion** of their FY 2011-2015 Five-Year Deferred Maintenance and Capital Improvement Plans. Bureaus will retain the original plan. This submission will consist of:

- Complete descriptions of all FY 2011 deferred maintenance projects, using the prescribed Project Data Sheet (Exhibit 2a).
- A summary by year of all FY 2011 - 2015 deferred maintenance projects (using the Summary Project Data Sheet (format) in Exhibit 4, hard copy and electronically in MS Excel). For this submission, Bureaus have the option of either presenting separately each of the four out-years or providing one list in priority order that adds to the total funding level for the out-years. Whichever method is chosen, each list must be presented in priority order by project score.

September 1, 2009. Bureaus will submit four (4) corrected and approved copies of Bureaus FY 2011-2015 Five-Year Deferred Maintenance and Capital Improvement Plans to the Department. Plans should include copies of all FY 2011 Project Data Sheets for projects costing greater than \$100,000 and Summary Project Data Sheets for FY 2011 – FY 2015. DOI will submit one copy to the Office of Management and Budget (OMB). Bureaus will present separately each of the four out-years at the 2010 funding level. Whichever method is chosen, each list must be presented in priority order by project score.

November 2, 2009. Additionally, Bureaus will submit to the Department, two (2) copies of their final FY 2010 project list (in Five-Year Plan format) reflecting any changes based on FY 2010 Congressional appropriations. Plans should include copies of all 2010 Project Data Sheets for projects costing greater than \$100,000 and summary sheets for FY 2010 - FY 2014.

December 15, 2009. Bureaus will submit two (2) copies of Bureaus FY 2009 Project Completion Report (using the format in Exhibit 5, in hard copy and electronically in MS Excel). This report updates the completion of FY 2001 through FY 2009 project lists reflecting, accomplishments, status, and changes. Plans should include copies of all FY 2011 Project Data Sheets and Summary Project Data Sheets for FY 2011 – FY 2015.

January 4, 2010. Through Bureau Directors and Assistant Secretaries, Bureaus will submit three (3) copies of their final FY 2011 – FY 2015 Five-Year Plans to the Office of Budget. The plans should reflect FY 2011 President's Budget estimates. Plans should include copies of all 2011 Project Data Sheets and summary sheets for FY 2011 – FY 2015.

This submission is to include a summary chart after the title page displaying both totals by program and year. In addition, Bureaus are to submit the analysis of total deferred maintenance vs. capital improvements (see Exhibit 3). This submission will consist of complete descriptions

of each FY 2011 project and a summary of FY 2011 – FY 2015.

Additionally, for the Department records, Bureaus are to submit three (3) copies of complete project descriptions for FY 2011 – FY 2015.

February 2, 2010. After final Departmental approval, Bureaus will furnish ten (10) copies of their FY 2011 - FY 2015 Five-Year Deferred Maintenance and Capital Improvement Plans for submission to Congress.

ANNUAL UPDATE

In accordance with the timetable described above, DOF's Five-Year Plan must be updated annually. This is required so that the budget request will continue to reflect a five-year picture of the Bureaus' deferred maintenance and capital improvement needs. The annual update presents the opportunity for Bureaus to adjust their project priorities based on newly identified needs or previously identified needs that have become critical during the past year. There may also be deferred maintenance needs in the out-years of the Five-Year Plan that, during the current year, have been addressed through annual maintenance or other means and need to be removed. Five-Year Plans are to be reviewed annually for updating and the addition of a new fifth year. Any proposed projects from FY 2010 that Congress does not fund are expected to be integrated into the project listing for FY 2011.

Similarly, with these annual updates of the Five-Year Plan in the FY 2011 budget, the Department will report completions for those projects funded in FY 2001 through FY 2009 and any changes to those lists based on the following criteria:

- 1) Work already completed,
- 2) Unfunded emergency work that required immediate attention,
- 3) Changes resulting from unforeseen site conditions, and
- 4) Work that no longer needs to be accomplished.

To accomplish this, use the Project Completion Report Form (Exhibit 5). A summary of all the various considerations is required.

PROJECT COMPLETION GOALS

The Department's objective is to complete all construction, rehabilitation, and repair projects in a timely and efficient manner to utilize available resources to the greatest possible benefit. Bureaus should develop project schedules to meet the below project completion goals.

- Estimated project cost of \$10 million or greater – Schedule one year for project planning, one year for design, and no more than two years for construction.
- Estimated project cost of \$2 million to \$10 million – Schedule one year for planning and design and no more than two years for construction.
- Estimated project cost below \$2 million – Schedule one year for planning and design and one year for construction.

Bureaus are to make funds available for planning and design work one or two fiscal years prior to requesting full project funding to implement construction, rehabilitation, and repair activities. This will allow for a full definition of project scope and cost, which will help minimize the project cost and schedule variances that the Department has experienced in recent fiscal years and ensure available funds are employed as efficiently as possible. It will also enable bureaus to meet the minimum estimate class requirements for individual projects contained in the "Controlling Project Schedule and Cost Variance" section of this document. The annual

completion report (Exhibit 5) will provide the information needed to document project cost and schedule accomplishment.

DATA REQUIREMENTS

Projects in the first year of the Five-Year Plan, Bureaus must submit project information and justification on a Project Data Sheet (Exhibit 2a). A Project Data Sheet must be submitted for all construction projects in the first year of the Five-Year Plan. A Project Data Sheet must be submitted for all deferred maintenance projects with an estimated cost \$100,000 or greater in the first year of the Five-Year Plan; projects below this threshold should be included in the summary schedule, Exhibit 4.

Projects that are implemented in phases over two or more years should display the cost of all project phases on a single Project Data Sheet. For each year a phase of the project requests funding, the project data sheet should be revised to describe the work to be completed with the funds being requested.

To facilitate project review, a Summary Project Data Sheet (Exhibit 4) will be prepared and submitted for each year of the Five-Year Plan. Each of the five years will be presented separately by year with projects listed in priority order by score. . Forward electronic copies on a CD-ROM. The data fields required for this electronic submission are shown in Exhibit 4 and are to be prepared in MS Excel. All electronic submittals will be sent as part of the official Bureau submission.

For all projects briefly state how the project will meet DOI and Bureau Strategic Plan goals and objectives and the DOI and Bureau Asset management Plans and the Site Specific Asset Management Plans.

Detailed descriptions of the data elements on the Project Data Sheet and Summary Project Data Sheet are provided in Exhibits 2b and Exhibit 6. Both the Project Data Sheet (Exhibit 2a) and Summary Project Data Sheet (Exhibit 4) will be part of DOI's submission to the OMB and the Congress.

REQUIRED DEFERRED MAINTENANCE & CAPITAL IMPROVEMENT ANALYSES

Bureaus are to prepare Exhibit 3 to record funds "programmed" to deferred maintenance work versus capital improvements in the Five-Year Plan. For each account and year, provide the following:

- Dollars and percentage of each ranking category and its total.
- Total number of projects by year.
- Summary of the same information showing totals for all five years.

In addition to the hardcopy submission, an electronic copy is required. Both submissions should duplicate one another and shall be formatted as an MS Excel file (Windows 98 or more recent version). Format is available from DOI by e-mail or diskette. Other software such as Lotus may

be used for this purpose providing it can be translated into MS Excel. A separate table should be provided in the format of Exhibit 3 for each of the following Five-Year Deferred Maintenance and Capital Improvement Plan submissions:

| | |
|------|---|
| BLM | MLR Maintenance, O&C Maintenance, Wildland Fire, Construction, Recreation Fee |
| USGS | Maintenance |
| FWS | Refuge Maintenance, Hatchery Maintenance, Recreation Fee |
| NPS | Repair and Rehab, Construction, Recreation Fee |
| BIA | FI&R, Construction |
| BOR | Construction, Maintenance, Recreation Fee |

All recreation fee projects with estimated cost greater than \$100,000 will be included in the Five-Year Plans submitted for recreation fee projects.

FIVE-YEAR FUNDING LEVELS AND GENERAL GUIDANCE ON PROJECT LISTS

Initially Bureaus should assume FY 2011 and out-years FY 2011 – FY 2015 will be funded at the President's Budget levels in the FY 2010 Five-Year Plans.

For dam safety projects, rather than prioritizing dams according to these guidelines, the land management Bureaus and BIA should follow the Technical Priority Rating List. Bureaus are to cite the DOI Dam Safety rank when a dam is included in the Five-Year Plans. Similarly, the Bureau of Reclamation should continue progress on the Department's Dam Safety Priority List. For other aspects of its maintenance and construction programs, the Bureau of Reclamation should submit information on the procedures and processes that it has in place to ensure that it does not develop a backlog of critical deferred maintenance.

Projects that primarily are for seismic rehabilitation should be included in the Five-Year Plans in the order of the Bureaus' Seismic Rehabilitation Priority Ranking Lists.

Projects for compliance with the Architectural Barriers Act of 1968 or the Rehabilitation Act of 1973 should equal at least 5 percent of each year's available funding regardless of total rank.

Bureaus should be able to identify those work components in their Five-Year Plan projects that are related to upgrading security and combating terrorism at mission essential facilities, monuments and dams.

Projects with energy conservation elements should be able to be identified for reporting to DOI's Energy Management Program. The Office of Acquisition and Property Management will issue separate guidance on required reporting of FY 2010 data related to energy conservation components in the Five-Year Plan projects.

Construction projects, for which a Capital Asset Plan, Exhibit 300, is required to be submitted to the Department, must be accompanied by a completed Project Data Sheet including Five-Year

Plan ranking score.

In order to reduce the time required by the Bureaus and the Department in reviewing and approving the Five-Year Plan projects, the Bureaus shall:

- Indicate projects that have received Departmental approval and have no subsequent changes in scope, score/ranking or cost. See Project Data Sheet (Exhibit 2a) and Summary Project Data Sheet (Exhibit 4) for indicator box; and
- Resubmit projects for Departmental review in the order of the initial submission. Resubmitted projects will ultimately be presented in new rank order in the final list. This is necessary because it will enable Departmental reviewers to easily locate changed projects for reconsideration.

CATEGORIES OF FACILITIES MAINTENANCE AND CONSTRUCTION NEEDS

Projects listed in the Bureaus' Five-Year Plans are to be identified in one or more of the categories below.

Critical Health and Safety Deferred Maintenance Need. A facility deferred maintenance need that poses a serious threat to public or employee safety or health. Examples:

- A public building that is diagnosed to be at high risk for structural failure.
- Compliance with Notices of Violation (Occupational Safety and Health Administration (OSHA), Environmental Protection Agency (EPA), etc.).
- Implementation of court-ordered repair or clean-up schedules.
- Safety deficiencies at "High Hazard" and "Significant Hazard" dams that if not corrected may cause the structure to fail, resulting in public or employee injury or death.
- Road projects (non-SAFETEA_LU eligible) to correct serious safety deficiencies.
- Repair of a failing fire alarm and/or existing sprinkler system.
- Repair of a radio tower that must be climbed to perform equipment maintenance, if climbing the tower is an unacceptable safety hazard due to the tower's condition/design.

Critical Health and Safety Capital Improvement Need. A condition that poses a serious threat to public or employee safety or health and can only be reasonably abated by the construction of some capital improvement.

Examples:

- Construction of new facilities to comply with a notice of violation.
- Construction of additional vault toilets at a recreational site that has experienced increased visitation resulting in the overflow of existing vault toilets and/or visitors using other than provided facilities.
- Installation of a fire alarm system in a public building where one did not previously exist.

Critical Resource Protection Deferred Maintenance Need. A facility deferred maintenance need that poses a serious threat to natural or cultural resources.

Examples:

- Deficiency that poses the risk of serious decline in a fish or wildlife resource.

- Repairs to a building housing a museum collection, which is threatened because of the poor building condition.
- Repair of a sewage system that has breached and is leaking into a perennial stream system.
- Repairs to cultural/historic facilities and or fabric to prevent loss.

Critical Resource Protection Capital Improvement Need. A condition that poses a serious threat to natural or cultural resources.

Examples:

- Dike construction to keep wetlands from draining resulting in the loss of endangered species habitat.
- Installation of a fire sprinkler system for the protection of a building or its contents where the system did not previously exist.
- Construction of a structure to protect petroglyphs and pictographs from deterioration.

Critical Mission Deferred Maintenance Need. A facility deferred maintenance need that poses a serious threat to a Bureau's ability to carry out its assigned mission.

Examples:

- Replacement of a deteriorated generator that supplies power to mission critical assets.
- Repair of deferred maintenance items at a visitor center or other public facility that if not accomplished will quickly compromise the public's investment in the structure.

Energy Policy, High Performance, Sustainable Building Capital Improvement Need. Energy Policy Act of 2005 or the guiding principles of the Memorandum of Understanding (MOU) for High Performance and Sustainable Buildings Deferred Maintenance and/or Capital Improvement Needs.

Examples:

Energy Conservation Projects.

- Projects that meet the intent of the Energy Policy Act of 2005.
- Sustainability projects.

Project components could include but not limited to: incorporation of renewable energy technologies – photovoltaics, wind technologies, ground source heat pumps, passive solar heating, biomass, etc.; incorporation of energy efficient technologies – motion detections systems, lighting retrofits, high efficiency heating, ventilation, and air-conditioning (HVAC) systems, energy management control systems, water saving technologies, individual building utility meters, upgrade building insulation, windows, doors, procuring Energy Star or FEMP-recommended products, additional costs to design buildings to 30% below American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) standards in accordance with the Section 109 of the Energy Policy Act of 2005 (Public Law 109-58), incorporation of sustainable design principles to siting, design, and construction of all new and replacement buildings.

Other Deferred Maintenance Need. A facility deferred maintenance need that will improve public or employee safety, health, or accessibility; complete unmet programmatic needs and

mandated programs; protection of natural or cultural resources or to a Bureau's ability to carry out its assigned mission.

Example:

- Facility repair or rehabilitation to increase program efficiency.
- Repair or maintenance of existing energy systems or system components.

Note: Needs identified under this category should be coded to enable retrieval of those needs addressing health, safety, accessibility requirements ("unfunded requirements").

Code Compliance Capital Improvement Need. A facility capital improvement need that will meet compliance with codes, standards, and laws.

Examples:

- Compliance with Federal, state, and/or local building codes.
- Providing accessibility to comply with the Architectural Barriers Act of 1968 or the Rehabilitation Act of 1973.

Other Capital Improvement Need. Other capital improvement is the construction of a new facility or the expansion or rehabilitation of an existing facility to accommodate a change of function or new mission requirements.

Examples:

- Construct a visitor's center at a new national park.
- Major alteration to a school dormitory to convert its function to academic classroom use.

INTERIOR BUDGET PRIORITIES

The Department of the Interior has two priorities for the management of real property assets: 1) sustaining the long-term mission delivery capability of its asset portfolio by directing investment and maintenance funds to highest priority assets to eliminate deferred maintenance at these assets and improve their facility condition index; and 2) reducing accumulated deferred maintenance on existing facilities before constructing other facilities to lower asset FCI values. To ensure that both priorities are addressed when developing the budget and the Five-Year Deferred Maintenance and Capital Improvement Plans, bureaus will use the revised project scoring methodology provided in this attachment. The revised methodology integrates the Asset Priority Index (API) with the existing ranking categories to ensure that assets that are a priority also receive the priority in the scoring process. The new scoring methodology enables the five-year plans to better support implementation of the API/FCI Analysis Chart displayed on page four of this document and the Department's overall asset management program, which was developed to comply with Executive Order 13327 "Federal Real Property Asset Management".

Projects involving critical health and safety components of work should be coordinated with the bureaus' safety managers, and management discretion must be used to ensure health and safety issues are addressed promptly. New capital improvement projects that do not address health and safety or resource protection issues should be reviewed carefully before funding is provided, and any such project receiving funds must meet a high priority need.

Total project score is calculated by combining both the API Score and the Ranking Category Factor Score, as shown below. The API score is the API of the asset multiplied by 10. If more than one asset is covered by the project, use the average API among the assets covered by the project to compute API Score.

The ranking factors to be applied are:

| | |
|--|----|
| Critical Health and Safety Deferred Maintenance (CHSdm) | 10 |
| Critical Health and Safety Capital Improvement (CHSci) | 9 |
| Critical Resource Protection Deferred Maintenance (CRPdm) | 7 |
| Critical Resource Protection Capital Improvement (CRPci) | 6 |
| Energy Policy, High Performance, Sustainable Buildings CI (EPHPBSci) | 5 |
| Code Compliance Capital Improvement (CCci) | 4 |
| Critical Mission Deferred Maintenance (CMdm) | 4 |
| Other Deferred Maintenance (Odm) | 3 |
| Other Capital Improvements (Oci) | 1 |

Based on these weight factors, a Ranking Category Factor Score is calculated as:

$$(\%CHSdm \times 10) + (\%CHSci \times 9) + (\%CRPdm \times 7) + (\%CRPci \times 6) + (\%EPHPBSci \times 5) + (\%CCci \times 4) + (\%CMdm \times 4) + (\%Odm \times 3) + (\%Oci \times 1) = \text{Ranking Factor Score}$$

NOTE: The total of the percentages for a project must equal 100%.

The API Score is equal to: Asset API multiplied by 10 = API Score.

The Total Project Score = (.75*Ranking Factor Score) + (.25*API Score)

The ranking factor score formula may appear to be complex. However, it is designed to accommodate all types and sizes of projects, from the simple to the complex. It can be easily adapted to personal computer spreadsheet software for ease of computation. It places the highest priority on maintaining the mission delivery capability of the Department's highest priority assets (through inclusion of the API) and reducing facility-related Critical Health and Safety and Critical Resource Protection deferred maintenance needs. Capital improvement projects for assets with high API scores that eliminate substantial amounts of deferred maintenance receive a higher rank score than projects that have a low API score and do not address deferred maintenance needs. As Bureaus reduce the accumulated deferred maintenance on assets with high API scores, funding will be directed to lower priority deferred maintenance and new capital improvement projects. Complex projects including many items of work involving both maintenance and capital improvements may have portions of the project in several of the ranking categories. Smaller, less complex projects may include work in only one or two of the ranking categories. An example project and its TOTAL SCORE calculation are shown below:

Sample Project: Rehab Headquarters Office Facility to Meet Codes - \$165,000

The asset's API is 90.

The rehabilitation is to correct critical health and safety deficiencies by:

- (1) Providing a fire alarm system, which is currently lacking for the new headquarters office annex building,
- (2) Providing fire suppression systems for storage rooms in the old headquarters office building,
- (3) Installing a fume hood and,
- (4) Installing an eye wash station. To comply with the requirements for the National Electrical Code, the project includes replacing and repairing the portions of the electrical system in the old headquarters office building.

The percentage of this project in the categories might be 70% CHSdm and 30% CCci.
The project's TOTAL SCORE would be: $(70 \times 10) + (30 \times 3) = 790$.

The API Score is $90 \times 10 = 900$

The Ranking Category Factor Score is: 70% CHSdm and 30% CCci. or: $(70 \times 10) + (30 \times 4) = 820$.

Total Project Score = $\{.75 \times 820\} + \{.25 \times 900\} = 840$

PROJECT PRIORITIZATION

Projects shall be prioritized into two priority tiers. The first priority tier consists of all projects that have a Ranking Category Factor Score of 50% or more in health and safety (combined percentage for capital improvement and deferred maintenance) per the ranking categories on the project data sheet. These projects will be identified and displayed at the top of the project list in order of project score.

The second priority tier is comprised of all projects not included in the first priority tier. This group of projects will be displayed in order of descending total project score beneath the first priority tier projects.

All first priority tier projects are a higher priority for funding and completion than second priority tier projects. The project list will display all first tier priority projects at the top, in order of descending Ranking Category Factor Score, and then display all second priority tier projects, in order of descending total project score

PROJECT PLANNING AND DESIGN REQUIREMENTS

The following requirement to achieve a minimum cost estimate class prior to requesting full project funding in the President's budget will result in more thorough project planning and design and will also limit the potential for cost and schedule variance. The Department will improve its project planning and design in order to limit the occurrence of cost and schedule

variances on deferred maintenance and capital improvement projects. Performance in this area is targeted for improvement in order to ensure that the greatest possible benefit is realized with available funds. Diverting funds to address costs imposed by project schedule and cost variances is inefficient and not supportive of the Department's mission.

Minimum Estimate Class to Achieve Before Requesting Full Project Funding

| Estimated Project Cost | Estimate Class (see exhibit 2b for definitions of cost estimate classes) |
|--------------------------|---|
| \$2 million or greater | Class B |
| \$500,000 to \$2 million | Class C |
| Less than \$500,000 | Class D |

Bureaus should make funding available to fund project planning and design prior to requesting the full project amount. Project development schedules must include time to receive design funds and achieve the specified estimate prior to requesting full project funding. Bureaus should plan to achieve the more rigorous estimate class if a project will potentially cross into a higher cost threshold as project planning becomes more detailed and complete.

CONDITION ASSESSMENTS

The validity of the Five-Year Plan is dependent upon the Bureaus having accurate and complete facilities information. In order to assure that the most critical needs are being addressed, it is essential that the Bureaus have a complete inventory of their constructed assets and identify the cost of correcting the deferred maintenance needs associated with those assets.

In addition, accumulation of facility data will provide the necessary information for compliance with the Federal Accounting Standard which requires annual reporting of deferred maintenance of fixed assets (FASAB Number 6, Accounting for Property, Plant, and Equipment). The Department has chosen condition assessments as the method to be used for determining the deferred maintenance for each class of constructed asset.

In line with the Government Performance and Results Act (GPRA) concept of performance-based budgeting, performance measurement in facilities management are to be anchored to inventory and condition assessment data. Budget formulation, allocation, and execution will influence a change in asset condition. The capability to measure that change, particularly by specific asset category, is essential for reporting accomplishments in the year-end GPRA report and the FASAB requirement.

On December 2, 1999, the Department issued formal guidance for conducting Facilities Condition Assessments Surveys (FCAS) to the Bureaus. Implementation of these guidelines will achieve Department-wide consistency in determining the physical condition of constructed assets by:

1. Initiating a uniform methodology and a core data set for the facility condition assessments to ascertain the deferred maintenance and repair needs of all existing facilities and validate facility inventories.
2. Ensuring that the condition assessments are conducted by competent and qualified personnel using uniform, comprehensive survey criteria.
3. Developing automated systems that accurately document facilities needs; can be easily reviewed and updated by field and regional staffs; and are capable of being aggregated to any Bureau and Department level. Documentation should include standard need descriptions and associated cost estimating procedures.
4. Establishing for each Bureau a cyclic/recurring condition assessment process where on-site inspections are conducted at a minimum every five years by qualified personnel and annually by local staff to determine the condition and accuracy of the inventory and deferred maintenance needs.

In order to provide greater objectivity and consistency Department-wide in the ranking of Five-Year Plan projects, in conducting FCAS, for each identified deficiency, Bureaus are to categorize the deficiency using the Categories of Facilities Maintenance and Construction Needs described on page 8. This deficiency categorization is to be based on the percentage of the cost estimate for abatement of the deficiency.

It is understood that it will take a multi-year effort (begun in FY 2000) for the Bureaus to accomplish complete condition assessments on all of their constructed assets. Over time the process of cyclical condition assessments will provide better facility needs data and will improve the quality of the Five-Year Plans.

COMMON DEFINITIONS FOR MAINTENANCE AND CONSTRUCTION TERMS

The following definitions have been adapted from those developed for the February 1998 study team report entitled, "Facilities Maintenance Assessment and Recommendations," from information developed by the Federal Real Property Council (FRPC) and from descriptions developed by the Facilities Management Systems Partnership (FMSP) Work Group on "Work Types." Definitions are summarized in Exhibit 1b.

Acceptable Condition. (See Condition/Performance Indicators/Metrics.)

Asset Priority Index. (See Condition/Performance Indicators/Metrics.)

Capital Improvement

The construction, installation, or assembly of a new asset, or the alteration, expansion, or extension of an existing asset to accommodate a change of function or unmet programmatic needs, or to incorporate new technology. This may include major renovation of an existing asset in order to restore and/or extend the life of the asset without a change of function. This includes constructed asset deficiencies where there is non-compliance to codes (e.g. life safety, ADA, OSHA, environmental, etc.) and other regulatory or Executive Order compliance requirements. Includes engineering and/or contracted A&E services that support planning, design, and execution of deferred maintenance activities.

- **New Construction** – The erection, installation, or assembly of a new asset.
- **Alteration (for change of function, without expansion)** – Work to change the function of and existing facility or any of its components. The capacity or size of the facility is not expanded. Deferred maintenance of the original facility may be reduced or eliminated by an alteration.
- **Expansion** – Increasing the capacity or size of a facility to serve needs different from, or significantly greater than, those originally intended. Expansion is considered a capital improvement activity because it is creating a new (i.e. expanded) asset. Deferred maintenance needs on the original facility may be reduced or eliminated through an expansion.

Condition Assessment

Periodic inspection by qualified personnel to fully determine and document the condition of a constructed asset and identify maintenance needs.

Constructed Asset

A separate and individual building, structure, or other constructed real property improvement.

Constructed Asset Component

A component is a building subsystem, major item of equipment, or other portion of a major facility.

Current Replacement Value (CRV)

The standard industry cost and engineering estimate of materials, supplies, and labor required to replace a facility or item of equipment at existing size and functional capability. This includes current costs for overhead, planning/design, construction, and construction management. Alternatively, it is the standard estimate for a Government-purchased replacement of like capability. Replacement cost may also be estimated by accounting methods which inflate the original cost and costs of any subsequent capital improvements to current year using established price indices. Historic structures and inherited facilities (with zero acquisition costs) pose unique problems for estimating replacement costs.

Deferred Maintenance (DM)

Maintenance that was not performed when it should have been or when it was scheduled and which, therefore, was put off or delayed for a future period (Adapted from FASAB No. 6). This DOES NOT include constructed asset deficiencies where there is non-compliance to codes (e.g. life safety, ADA, OSHA, environmental, etc.) and other regulatory or Executive Order compliance requirements. It does include engineering and/or contracted A&E services that support planning, design, and execution of deferred maintenance activities.

- **Deferred Corrective Maintenance** – Work to restore a damaged, broken, or worn-out asset, asset component, or item of IBE to normal operating condition.
- **Deferred Recurring Maintenance** – Planned preventive maintenance activity that recurs on a periodic and scheduled cycle of greater than 1 year, but less than 10 years that was not completed as scheduled.
- **Deferred Component Renewal** – Planned preventive maintenance activity that recurs on a periodic and scheduled cycle greater than 10 years that was not completed as scheduled.
- **Deferred Demolition** – Dismantling and removal, or surplus of a deteriorated or otherwise unneeded asset or item of IBE including necessary clean-up work.
- **Deferred Rehabilitation** – Renovation of an existing asset or any of its components in order to restore and/or extend the life of the asset. Because there is no expansion or change of function the work primarily addresses deferred maintenance.
- **Deferred Replacement** – Substitution or exchange of one existing asset, asset component, or item of IBE, for another having the capacity to perform the same function.

Facility

Depending on context could be a constructed asset, a group of constructed assets or an installation. Recommend that this term not be used.

Facility Condition Index. (See Condition/Performance Indicators/Metrics.)

Installation

An operational unit comprised of one or more constructed assets and the associated land. Examples of typical DOI installations could include parks, refuges, research centers, detention centers, recreation sites, large dams, schools, office locations, etc.

Maintenance

Maintenance to repair unscheduled and scheduled deficiencies during the time period in which they occur. This includes preventive maintenance for buildings, structures, and installed building equipment (IBE) as recommended by the manufacturer. It also includes engineering and/or contracted Architectural and Engineering (A&E) services that support planning, design, and execution of maintenance activities.

- **Corrective Maintenance** – Unscheduled maintenance repairs to correct deficiencies during the year in which they occur.
- **Preventive Maintenance** – Scheduled servicing, repairs, inspections, adjustments, and replacement of parts that result in fewer breakdowns and fewer premature replacements and achieve the expected life of constructed assets and IBE. These activities are conducted with a frequency of 1 year or less.
- **Recurring Maintenance** – Preventive maintenance activities that recur on a periodic and scheduled cycle of greater than 1 year, but less than 10 years.
- **Component Renewal** – Preventive maintenance activities that recur on a periodic and scheduled cycle of greater than 10 years.
- **Emergency Maintenance** – Maintenance activities that are unscheduled repair, to include call outs, to correct an emergency need to prevent injury, loss of property, or return asset to service. These repairs are initiated within a very short time period from which the need is identified, usually within hours.
- **Demolition** – Dismantling and removal, or surplus of a deteriorated or otherwise unneeded asset or item of IBE, includes necessary clean-up work, during the year in which the need occurred.
- **Mobile Equipment Maintenance** – All corrective, preventive, emergency, replacement, etc., maintenance done on mobile equipment assets, those assets directly contributing to the Real Property / Facility Maintenance mission.

Need

Need is a maintenance, capital improvement, or other programmatic or operational requirement which can be satisfied by a single unit of work. It can be documented by a work order, task order, etc.

Operations

Activities related to the normal performance of the functions for which a facility or item of Installed Building equipment (IBE) is intended to be used. Costs such as utilities (electricity, water, sewage), fuel, janitorial services, window cleaning, rodent and pest control, upkeep of grounds, vehicle rentals, waste management, periodic condition assessments, the Facilities Maintenance Management System (FMMS), miscellaneous engineer services not attributable to a specific project and personnel costs associated with the performance of these functions are generally included within the scope of operations and are not considered maintenance costs.

Administrative

Activities associated with general administrative support functions, travel, training, meetings, leave, supervision, budget formulation, FMMS, etc.

Facilities Operations

Work activities performed on a recurring basis throughout the year which intends to meet routine, daily operational needs. Typical work includes janitorial and custodial services, snow removal, solid waste removal, operation or purchase of utilities (water, sewer, and electricity), grounds keeping, etc.

- **Operational Maintenance** – Activities related to the normal performance of the functions for which an asset or item of equipment is intended to be used.
- **Custodial Maintenance** – Activities associated with general day-to-day care and cleaning operations necessary to operate a constructed asset, installation, or program to include housekeeping duties such as restroom cleaning and sanitization, floor waxing, vacuuming and window cleaning; rodent and pest control; and lawn mowing.
- **Trash Removal** – Activities associated with the Solid waste disposal of hazardous and non-hazardous waste and debris such as boxes, scrap wood, garbage, solvents, paints and other unusable items. Also includes recycling products e.g. copy paper, cans, bottles, etc.
- **Snow Removal** – When snow, ice and/or freezing rain develops, or any unsafe conditions which may have been caused by thawing and re-freezing, snow removal requirements shall be implemented. Snow removal shall include treatment for removing snow from sidewalks, walkways, driveways, parking lots and roadways requiring the use of special mechanized equipment and/or trucks, chemicals designed to melt snow or ice, and sand.
- **Water Order** – A request to deliver water to a water user.
- **Environmental Clean Up** – Activities related to the cleanup efforts of a large scale, complex environmental contamination usually associated with issues as hazardous waste, petroleum products, etc.

Inspections Operations

Regularly scheduled inspections consisting of observations and/or measurements needed to determine the physical and functional condition of the bridge, to identify any changes from initial or previously recorded conditions, and to ensure that the structure continues to satisfy present service requirements.

- **Annual Condition Assessment** – Annual inspection by qualified personnel to determine and document the condition of an asset or item of equipment and identify maintenance needs.
- **Comprehensive Condition Assessment** – Periodic inspection, conducted at least once every five years, by qualified personnel to fully determine and document the condition of an asset or item of equipment and identify maintenance needs.
- **Installed Building Equipment Inspection** – Required inspections on fixed equipment assets to include State, local, federal, or local government/management required inspections, e.g., emissions, safety.
- **Mobile Equipment Inspection** – Required inspections on mobile equipment assets, that directly contribute to the Real Property / Facility Maintenance mission, to include State, local, federal, or local government/management required inspections, e.g., emissions, safety.
- **Dam Safety Inspections** – Periodic inspections or assessments, in accordance with

Department Manual, Part 753 (Dam Safety and Security Program), by qualified personnel to fully determine and document the condition of the dam and related geologic features. This includes high, significant and low hazard dams. This includes Formal, Intermediate and Special Safety Evaluation of Existing Dams (SEED), and other inspections of the dam (day, weekly, monthly and annual).

- **Bridge Safety Inspections** – Regularly scheduled inspections consisting of observations and/or measurements needed to determine the physical and functional condition of the bridge, to identify any changes from initial or previously recorded conditions, and to ensure that the structure continues to satisfy present service requirements.
- **Seismic Safety Inspections** – A periodic inspection by qualified personnel involving a comprehensive study to determine how a building or structure will respond during a major seismic event. The seismic inspection process evaluates the structural integrity of a building or structure based on a defined level of seismicity and level of performance. Seismic inspections include Rapid Visual Screening, Nonstructural Hazards Quantification, seismic rehabilitation and seismic evaluations.
- **Environmental Compliance Surveys** – Inspections conducted in accordance with 40 CFR Protection of Environment to determine enforcement and compliance activities for air, water, pesticides, toxics, and radiation.
- **Safety Inspections** – A periodic inspection by qualified personnel of any asset, installation, facility, construction site, other area, workplace, or environment where work is performed by employees of the agency to assure safe and healthy working conditions exist. These inspections may be conducted to inspect and investigate according to 29 CFR 1960, Subpart D, Inspection and Abatement. Inspectors shall investigate such places of employment and all pertinent conditions, structures, machines, apparatus, devices, equipment, and materials therein, and to question privately any agency employee, any agency supervisory employee, and/or any official in charge of an establishment to assure safe and healthy practices are conducted.
- **Accessibility Inspections** – A standardized physical inspection of an asset, facility, site or program component to evaluate its accessibility, as determined by performing measurement tasks against standard accessibility codes such as Uniform Federal Accessibility Standards (UFAS) and ADA.

Project

A single planned undertaking of capital improvement and/or maintenance to satisfy one or more needs.

Unacceptable Condition. (See Condition/Performance Indicators/Metrics.)

Value Engineering

Also termed Value Analysis, Value Management, and Value Methodology, Value Engineering (VE) is an organized team effort directed at analyzing the functions of processes, systems, equipment, facilities, services, and supplies for the purpose of achieving the essential functions at the lowest life-cycle cost consistent with required performance, reliability, quality, and safety. These organized efforts can be performed by in-house Agency personnel and/or by contractor personnel.

Value Analysis Concept Stage

Value analysis occurs at the conceptual/schematic stage of project development and considers project scope, need, alternatives, and cost. All the various solutions or alternatives available to meet the identified need are considered and a preferred alternative is selected. Recommendations provided by the analysis to develop the selected alternative have a high probability of being included in subsequent stages of project development. At the conclusion of the analysis, project scope is well defined and major activities required for further project development have been identified.

Value Analysis Design Stage

Value analysis at the design stage occurs when the design process is approximately 30% - 50% complete. A thorough review of existing design documents and plans identifies value in alternatives and modifications. Major asset components are identified and reviewed for performance, reliability, quality, and value. Analysis provides recommendations for modifications to design to enhance value.

FACILITY AND EQUIPMENT TYPES

A complete list of all Departmental asset types and their associated asset codes and definitions is available at the following site: <http://www.doi.gov/pam/assetmanage.html>.

Administrative Site

Area or land, used and/or set aside for program purposes (such as office complex, housing, fire station, fire lookout, work camp, schools, cultural landscapes, communication site, or historical/interpretive site) bounded by a more or less defined perimeter, or established boundary.

Bridge

A structure erected over a waterway or other obstruction, such as roads or railways and having a track/passageway for traffic or other moving loads (i.e., pedestrian, animal, vehicular, etc.).

- **Road Bridge** – A structure including supports erected over a depression or an obstruction, such as water, highway, or railway, and having a track or passageway for carrying traffic or other moving loads, and having an opening measured along the center of the roadway of more than 20 feet between under croppings of abutments or spring lines of arches, or extreme ends of openings for multiple boxes. May also include multiple pipes, where the clear distance between openings is less than half of the smaller contiguous opening (AASHTO).
- **Culvert Bridge** – Multiple box culverts or multiple pipe structures underneath roadbeds to allow passage of water. Pipe structures must be 20 feet or greater from the outside pipe edges.
- **Trail Bridge** – Spanning structure designed to be used by pedestrians, animals, bicycles, all-terrain vehicles (ATVs), etc.

Building

- **General** – Buildings are defined as any structure with a roof and commonly enclosed by walls, designed for storage, human occupancy, or shelter for animals, distinguished from other structures not designed for occupancy (such as fences or bridges). Buildings include offices, warehouses, post offices, hospitals, prisons, schools, housing and storage units. IBE or fixed equipment, that is permanently attached to and a part of the operation of the building, and cannot be removed without cutting into the walls, ceilings or floors, is also included. Examples of fixed equipment include plumbing, heating and lighting equipment, elevators, central air conditioning systems and built-in safes and vaults.
- **Historic General** – Historic buildings, structures, and monuments owned and maintained for their historic significance (excluding historic housing).
- **Housing** – Buildings predominantly used as dwellings, such as apartment houses, single houses, row houses, dormitories, barracks, etc.
- **Historic Housing** – Historic houses owned and maintained for their historic significance and used for residency.

Dam

This is any artificial barrier, including appurtenant works, used to impound or divert water.

Dam Hazard Classifications

The classification for a dam is based on the potential consequences of failure. In other words, on potential loss of life and damage to downstream property that failure of the dam would probably cause. Such classification is related to the amount of development downstream of a dam. There are three classifications: High – Significant – Low.

- **High Hazard** is a downstream hazard classification for dams in which more than 6 lives would be in jeopardy and excessive economic loss (urban area including extensive community, industry, agriculture, or outstanding natural resources) would occur as a direct result of dam failure.
- **Significant Hazard** is a downstream hazard classification for dams in which 1-6 lives are in jeopardy and appreciable economic loss (rural area with notable agriculture, industry, or work sites, or outstanding natural resources) would occur as a result of dam failure.
- **Low Hazard** is a downstream hazard classification for dams in which no lives are in jeopardy and minimal economic loss (undeveloped agriculture, occasional uninhabited structures, or minimal outstanding natural resources) would occur as a result of failure of the dam.

Equipment – Installed Building Equipment (IBE)

Installed Building Equipment (Real Property) are items that are affixed or built into a constructed asset and become an integral part of the constructed asset, e.g., utilities systems. IBE is within the scope of Attachment G.

Equipment – Mobile

Equipment that is mobile and directly contributes to the Real Property / Facility Maintenance mission. Equipment-Mobile is within the scope of Attachment G. These are primarily utility systems-related.

Fence

A physical barrier or boundary used as protection or confinement for humans and/or wildlife. This may include barbed wire, split rail, chain link, wooden, stone, electric, etc.

Hydro Power System

Station where flowing water energy is converted into electric energy. This includes:

- **Hydroelectric Plant.** – A facility where the force of water is used to produce electric energy. Normally uses a dam.
- **Electric Distribution System.** – Facilities designed for the delivery of electric energy to customers. Includes high voltage transmission lines, substations and distribution lines.

Interpretive Display

These specialized structures are used to provide interpretive or educational information to visitors. Maintenance is related to the structure and associated signs but not the content of display material.

Marina

Marina facilities are primarily for marine operations that may include piers, jetties, seawalls,

docks, bulkheads, boat launch, harbor masters office, restrooms, picnic area, parking, etc.

Monitoring Network

This is a network of monitoring instruments such as seismic and earthquake monitors, stream and flood forecast gauges, mercury manometers, motion detectors, and observation wells. See equipment above.

Radio Infrastructure Definitions

- **Cabinet** – An outdoor freestanding metal enclosure in various sizes, weatherproof and non-weatherproof, which houses the radio electronics equipment. Does not have space to permit human occupancy and equipment is serviced through access doors. Normally bolted to a concrete pad. Antenna, grounding and power distribution systems are fed into the enclosure at a designed entry point.
- **Concrete Pad** – A formed pour of reinforced concrete used to support a radio structure, portable building or tower structure.
- **Container** – An enclosure, or storage building, which was manufactured as a shipping or storage container and does not contain any internal power distribution, lighting or grounding systems. Does have space to permit human occupancy. On site modifications (e.g., to add internal power distribution, lighting or grounding systems) have been done to make the enclosure usable as a radio structure. Normally bolted to a concrete pad or pillars.
- **Hut** – An enclosure or building which was specifically manufactured as a telecommunications structure and contains all the necessary internal power distribution, lighting or grounding systems. May or may not have HVAC. Does have space to permit human occupancy. Normally bolted to a concrete pad or pillars. Antenna, grounding and power distribution systems are fed into the enclosure at a designed entry point.
- **Pole** – An antenna support structure normally mounted to a building facade, roof or other structures. Typically round tubing usually made of wood, aluminum, iron, carbon fiber, or other materials with a diameter from 1 to 4 inches with a length less than 10 feet and usually includes a manufactured mounting system often used to hold wires, cabling for power, radio and other communication systems. Not designed to permit climbing by a person.
- **Shed** – An enclosure or building, usually of wood, which was constructed on site and does not contain any internal power distribution, lighting or grounding systems. Does have space to permit human occupancy. On site modifications (e.g., to add internal power distribution, lighting or grounding systems) have been done to make the enclosure usable as a radio structure. Normally bolted to a concrete pad or pillars.
- **Tower** – An antenna support structure normally mounted to a concrete pad or pillar. Designed to permit climbing by a person. May be self supporting or guyed. Configured with 3 or more legs latticed together or as a solid monopole. Height ranges from 10 to 2,000 feet.

Road

- **Paved** - Improved surfaces constructed of paving materials used for vehicular transportation.
- **Unpaved** - Graded, drained surfaces other than pavement (i.e., stone, gravel, etc.) used for vehicular transportation.

Trail and Boardwalk

A marked path or course that is used primarily for pedestrians, animals, bicycles, ATVs, etc.

- **Paved** - Improved paths or courses constructed with paving materials.
- **Unpaved** - Designated natural paths or courses.
- **Boardwalk** - A structure to facilitate access across wet areas, sensitive habitat or plant communities, or areas physically difficult to cross.
- **Water Trail** - Designated natural waterways used for travel.

Tunnel

This is a structure constructed by excavating through natural ground to convey traffic, water or house conduits, or pipes.

Utility Systems

These include HVAC, sewage, water and electrical systems when they serve several buildings and/or other structures of an installation. When these systems serve a single building, which is reported separately, include the utility systems cost in the cost of the building. Report structures and facilities used in the production of its own power requirements. This category also 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; and electrical substations, standby or auxiliary power plants, lighting structures, and conduits.

- **Access Control** - The locking/security mechanisms used to monitor, on-site or remotely, access and prevent unauthorized access to a radio equipment enclosure, subsystem or antenna support structure.
- **Fuel System** - A system of pipes, pumps, valves, and regulators for the purpose of distributing fuel from a source to points of use is a fuel system.
- **Grounding System** - This is the system used to provide a common electrical reference for all the electronics equipment within and around a radio structure. This common system is also a protection device for personnel and equipment which may be susceptible to surges of electrical energy. Based on the Motorola R56 Standard for grounding systems.
- **HVAC** - Systems that control the ambient environment (temperature, humidity, air flow, and air filtering) and must be planned for and operated along with other data center components such as computing hardware, cabling, data storage, fire protection, physical security systems and power.
- **Lighting System** - The system used to provide illumination of the work areas within and around the radio equipment enclosure, subsystem or antenna support structure.
- **Power Distribution** - Electricity distribution is the penultimate process in the delivery of electric power, i.e. the part between transmission and user purchase from an electricity provider. It is generally considered to include medium-voltage (less than 50kV) power lines, low-voltage electrical substations and pole-mounted transformers, low-voltage (less than 1000V) distribution wiring and sometimes electricity meters.
- **Power-Generating Facilities** - Facilities that contain engines, turbines, generators, alternative energy sources and associated control equipment for the purpose of electrical current generation.

commercially line fed from a distant location. On site sources may be a combination of fossil fuel generators, photo voltaic cells, wind turbine or hydroelectric generators, and storage battery cells.

- **Telecommunication System** – This is an external system that supports building infrastructure requirements for communications. It includes but is not limited to radio, telephone, intercom, emergency equipment, security and safety systems, low or high water level alarms, etc. May include cabling, wiring, radio base stations, repeaters, antennas, satellite dishes and switching devices.
- **Wastewater Collection System** – This consists of pipes, sewage lines, manholes, vaults, septic tanks, pumps, and other works necessary for the collection, treatment, and disposal of wastewater.
- **Water Distribution System** – This may be an open or closed system used to distribute water by gravity or pressure from a collection point to use point(s).

Water Management Facility

- **Dike/Levee** – A dike or levee is a water detention/retention structure or retaining wall that impounds bodies of relatively shallow water or protects facilities from flood runoff, or to create or restore wetland habitat. Levees are generally earthen structures designed to retain water within a floodway and protect adjacent areas.
- **Diversion Dam** – This is a dam built to divert water from a waterway or stream into a different watercourse.

CONDITION/PERFORMANCE INDICATORS/METRICS

In addition to the GPRA goal measurement of completed projects mentioned in the Annual Update section on page 6 of this Attachment, improvement of DOI's facilities management programs may be measured several ways. These (4) four metrics are required data elements for each asset entered into the FRPP. At present Utilization is only required for offices, hospitals, warehouses, laboratories, and housing.

Asset Priority Index (API)

The API is a measure of the importance of a constructed asset to the mission of the installation where it is located. API is tied to a constructed asset, not a project. The numeric range is from One (1), for little or no importance, to One Hundred (100), for very important. In the FRPP this is known as Mission Dependency Index (MDI) and constructed assets are categorized as shown below:

- **Mission Critical** – without constructed asset mission compromised.
- **Mission Dependent, Not Critical** – does not fit "Mission Critical" or "Not Mission Dependent."
- **Not Mission Dependent** – mission is unaffected.

Facility Condition Index (FCI)

FCI = DM/CRV. FCI is the ratio of accumulated Deferred Maintenance (DM) to the Current Replace Value (CRV) for a constructed asset. FCI is a calculated indicator of the depleted value of a constructed asset. The range is from Zero (0), for a newly constructed asset, to One (1.0),

FCI = DM/CRV. FCI is the ratio of accumulated Deferred Maintenance (DM) to the Current Replace Value (CRV) for a constructed asset. FCI is a calculated indicator of the depleted value of a constructed asset. The range is from Zero (0), for a newly constructed asset, to One (1.0), for a constructed asset with a DM value equal to its CRV. Acceptable ranges vary by Asset Type, but as a general guideline, the FCI should be held below .15 for a facility to be considered to be in acceptable condition. An acceptable rating for BIA schools should be held below 0.10. Constructed assets are categorized as shown below:

- **Acceptable** – meets established maintenance standards, operates efficiently, and has a normal life expectancy. Scheduled maintenance should be sufficient to maintain the current condition, or, meets minimum standards but requires additional maintenance or repair to prevent further deterioration, increase operating efficiency, and to achieve normal life expectancy.
- **Unacceptable** – does not meet most maintenance standards and requires frequent repairs to prevent accelerated deterioration and provide a minimal level of operating function. In some cases this includes condemned or failed facilities.

In the FRPP, this is known as Condition Index (CI) and is calculated thus, $CI = (1 - FCI) \times 100$.

Utilization (UI)

Utilization is the extent to which a constructed asset is used. Utilization is a ratio of actual usage to designed usage, with a range from 0% to 100%. Acceptable ranges vary by Asset Type. Constructed assets are categorized as shown below:

- **Over-Utilized**
- **Utilized**
- **Underutilized**
- **Not Utilized**

Annual Operations & Maintenance Costs (O&M)

Annual O&M includes the following:

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

In the FRPP, this is known as Annual Operating Costs.

| COMMON DEFINITIONS FOR FACILITIES MAINTENANCE AND CONSTRUCTION TERMS | | |
|--|--|--|
| A full definition of these terms can be found in exhibit 1a | | |
| <p>Operations Activities related to the normal performance of the functions for which a facility or item of equipment is intended to be used. Costs such as utilities (electricity, water, sewage), fuel, janitorial services, window cleaning, rodent and pest control, upkeep of grounds, vehicle rentals, waste management, periodic condition assessments, the PMMS, miscellaneous engineer services not attributable to a specific project and personnel costs associated with the performance of these functions are generally included within the scope of operations and are not considered maintenance costs.</p> | <p>Maintenance Maintenance to repair unscheduled and scheduled deficiencies during the time period in which they occur. This includes preventive maintenance for buildings, structures, and installed related equipment as recommended by the manufacturer. Includes engineering and/or contracted A&E services that support planning, design, and execution of maintenance activities.</p> | <p>Deferred Maintenance Maintenance that was not performed when it should have been or when it was scheduled and which, therefore, was put off or delayed for a future period. This Does Not include facility deficiencies where there is non-compliance to codes and other regulatory or Executive Order compliance requirements. Includes engineering and/or contracted A&E services that support planning, design, and execution of deferred maintenance activities.</p> |
| <p>Annual Condition Assessment Comprehensive Condition Assessment Fixed Equipment Inspection Mobile Equipment Inspection Dam Safety Inspections Bridge Safety Inspections Seismic Safety Inspections Environmental Compliance Surveys Safety Inspections Accessibility Inspections Operational Maintenance Custodial Maintenance Trash Removal Snow Removal Water Order Environmental Clean Up Administrative Activities</p> | <p>Corrective Maintenance Preventive Maintenance Recurring Maintenance Component Renewal Emergency Maintenance Demolition Mobile Equipment Maintenance</p> | <p>Deferred Corrective Maintenance Deferred Recurring Maintenance Deferred Component Renewal Deferred Demolition Deferred Rehabilitation Deferred Replacement</p> |
| <p>Capital Improvement The construction, installation, or assembly of a new asset, or the alteration, expansion, or extension of an existing asset to accommodate a change of function or unmet programmatic needs, or to incorporate new technology. This may include major renovation of an existing asset in order to restore and/or extend the life of the asset without a change of function. This includes facility deficiencies where there is non-compliance to codes and other regulatory or Executive Order compliance requirements. Includes engineering and/or contracted A&E services that support planning, design, and execution of deferred maintenance activities.</p> | <p>New Construction Alteration (for change of function, without expansion) Expansion</p> | |

DEFERRED MAINTENANCE AND CAPITAL IMPROVEMENT PLAN
FY 2010 – 2014

| | | | |
|--|----------------------------------|---|----------------------|
| [Bureau Name] PROJECT DATA SHEET | | Total Project Score/Ranking: | |
| | | Programmed Funding FY: | |
| | | Funding Source: | |
| Project Identification | | | |
| Project Title: | | | |
| Project No.: | | Unit/Facility Name: | |
| Region/Area/District: | | Congressional District: | State: |
| Project Justification | | | |
| DOI Asset Code: | Real Property Unique Identifier: | API: | FCL-Before: |
| 1. _____ | | | |
| 2. _____ | | | |
| 3. _____ | | | |
| Project Description: | | | |
| Project Need/Benefit: | | | |
| Ranking Categories: Identify the percent of the project that is in the following categories of need. | | | |
| % Critical Health or Safety Deferred Maintenance (10) | | % Energy Policy, High Performance Sustain Bldg CI (5) | |
| % Critical Health or Safety Capital Improvement (9) | | % Critical Mission Deferred Maintenance (4) | |
| % Critical Resource Protection Deferred Maintenance (7) | | % Code Compliance Capital Improvement (4) | |
| % Critical Resource Protection Capital Improvement (6) | | % Other Deferred Maintenance (3) | |
| | | % Other Capital Improvement (1) | |
| Capital Asset Planning Required? (Y or N): | | | Total Project Score: |
| VE Required (Y or N): | Type: | Scheduled (YY): | Completed (YY): |
| Project Costs and Status | | | |
| Project Cost Estimate (This PDS): | | Project Funding History (Entire Project): | |
| Deferred Maintenance Work: | \$'s _____ % _____ | Appropriated to Date: | \$'s _____ |
| Capital Improvement Work: | \$'s _____ % _____ | Requested in FY _____ Budget: | \$'s _____ |
| Total: | \$'s _____ % 100% | Future Funding to Complete Project: | \$'s _____ |
| | | Total: | \$'s _____ |
| Class of Estimate (circle one): A B C D | | Planning and Design Funds | |
| Estimate Escalated To FY: _____ (yy) | | Planning Funds Received in FY _____ \$ _____ | |
| | | Design Funds Received in FY _____ \$ _____ | |
| Dates: | | Project Data Sheet | DOI Approved: |
| Construction Start/Award: (QTR/YY) _____/_____/_____ | | Prepared/Last Updated: _____/_____/_____ | YES NO |
| Project Complete: (QTR/YY) _____/_____/_____ | | mm/yy | |
| Annual Operation & Maintenance Costs (\$s) | | | |
| Current: | Projected: | Net Change: | |

PROJECT DATA SHEET

Project Data Sheet Quality Checklist

Ensure that each PDS meets the checklist below prior to submittal:

- The standard PDS format is used.
- All fields have been populated.
- Data has been verified as accurate for all fields.
- Spelling and grammar have been checked.
- The project score is calculated properly.

Project Data Sheet Data Elements

Project Score/Ranking

This is to be the same number as shown in the "Total Project Score" block in the Project Justification section of the Project Data Sheet. The "Ranking" number is developed by the bureau to list all projects within a fiscal year in priority order.

Planned Funding FY

The fiscal year in which a project is planned for funding.

Project Title

A brief (100 characters or less) title of the project. The location and facility name of the property should not be included as there are other categories for those. Use descriptive words to indicate the action(s) being taken.

Examples:

Drinking Water Upgrade

Rehabilitate Unsafe Historic Residence

Retrofit Existing Oil & Paint Storage Building

Project No.

The identification code used to distinguish this project from all others within a Bureau. The code can be any combination of characters and numbers. The current form will accommodate approximately 16 characters.

Unit/Facility Name

The name of the unit, facility, or location at which the project will be implemented.

Region/Area/District

The Region, Area, or District within which a project is located.

Congressional District

The Congressional District in which the facility is located.

State

Two letter postal abbreviation for the state in which the facility is located.

Project Justification

DOI Asset Code:

DOI Facilities Asset Code (8 digits). List an Asset Code for each constructed asset that is involved in this project. The asset codes are found in the standard Department asset code list.

Real Property Unique Identifier:

The number used in the FRPP to identify a specific constructed asset. List an FRRP Identifier for each constructed asset that is involved in this project.

API:

The Asset Priority Index of the constructed asset. List the API for each constructed asset that is involved in this project.

FCI-Before:

The FCI of the constructed asset(s) involved in the project, calculated using the most current deferred maintenance and current replacement values figures available. List an FCI for each constructed asset that is involved in the project.

FCI-Projected:

Projected FCI of the constructed asset(s) after project completion. Calculated by subtracting from the current deferred maintenance (before the project) the amount of deferred maintenance eliminated by the project, and then dividing that value by the CRV. List an FCI for each constructed asset that is involved in this project.

Project Description

The project description must include a statement of the identified problem(s), its impact, and the prescribed solution. It must be written to support the percentage in each ranking category included in the project. This section may be used to provide additional details on the property to be improved, the specific tasks to be accomplished, and the deficiencies to be corrected. For deferred maintenance projects, reasons for the project should be provided, with a brief explanation of safety, resource, or mission risks and benefits. Project duration and timing or project phases may also be discussed here. If an asset is being Repaired By Replacement, disposition of the existing asset must be addressed and cost included in the project cost. If funds other than those appropriated by Congress are used to support the project, the source of funds and amount should be identified in the project description.

Project Need/Benefit

Justify here the primary safety, resource, or mission needs to be satisfied and benefits to be gained with project accomplishment. These should relate directly to the problem or risk expressed in the project description. Also, state the quantifiable GPRA outputs (measures) and ultimate outcomes that this project will help achieve. For all projects, briefly state how the

project will meet DOI and Bureau Strategic Plan goals and objectives and the DOI and Bureau Asset Management Plans and the Site Specific Asset Business Plans.

Ranking Categories

Identify the percentage of a project's work, based upon dollar value, that is in each of the categories listed below. These categories are described early in this guideline. The percentages must add to 100% and support the narrative in the "Project Description" and "Project Need/Benefit" sections.

- Critical Health and Safety Deferred Maintenance Needs
- Critical Health and Safety Capital Improvement Needs
- Critical Resource Protection Deferred Maintenance Needs
- Critical Resource Protection Capital Improvement Needs
- Energy Policy, High Performance, Sustainable Buildings Capital Improvement Needs
- Code Compliance Capital Improvement Needs
- Critical Mission Deferred Maintenance Needs
- Other Deferred Maintenance Needs
- Other Capital Improvements

Capital Asset Planning

OMB requires preparation of a Capital Asset Plan and Justification (Exhibit 300 in OMB Circular A-11) for major capital acquisitions. The Department has determined that Exhibit 300s should be prepared for any construction project whose total project cost is \$10 million or greater. For more details, see the Capital Planning and IT Investment in the general management guidance section of the FY 2009 Budget Guidance. Enter "YES" or "NO."

VE Required

Indicate whether a value engineering study is required for this project per Department Manual Part 369, OMB Circular A-131, and Public Law 104-106.

Type: Enter "C" for conceptual/planning VE analysis and "D" for a VE analysis performed on a design that is 15% - 40% complete. If both types of VE analysis will be performed, enter "C; D".

Scheduled: Enter the fiscal year the VE analysis is scheduled. If both a conceptual and design VE analysis will be performed, enter both dates, such as "FY12; FY14".

Completed: Enter the fiscal year the VE analysis was completed. If both conceptual and design VE is performed, enter both completion dates, such as "FY12; FY14".

Total Project Score

The total project score is provided by the formula: The Total Project Score = (.75*Ranking Factor Score) + (.25*API Score). The Ranking Factor Score is provide by applying the ranking factors below in the equation at the bottom of the list:

| | |
|---|----|
| Critical Health and Safety Deferred Maintenance (CHSdm) | 10 |
| Critical Health and Safety Capital Improvement (CHSci) | 9 |

| | |
|---|---|
| Critical Resource Protection Deferred Maintenance (CRPdm) | 7 |
| Critical Resource Protection Capital Improvement (CRPci) | 6 |
| Energy Policy, High Performance, Sustainable Buildings C I (EPHPSBci) | 5 |
| Code Compliance Capital Improvement (CCci) | 4 |
| Critical Mission Deferred Maintenance (CMdm) | 4 |
| Other Deferred Maintenance (Odm) | 3 |
| Other Capital Improvements (Oci) | 1 |

Based on these weight factors, projects are to be ranked using the following calculation:

$$(\%CHSdm \times 10) + (\%CHSci \times 9) + (\%CRPdm \times 7) + (\%CRPci \times 6) + (\%EPHPBci \times 5) + (\%ACdm \times 4) + (\%CMdm \times 4) + (\%Odm \times 3) + (\%Oci \times 1) = \text{TOTAL PROJECT SCORE}$$

Project Cost and Status

Project Cost Estimate (This PDS)

This applies only to the project or portion of a project requesting funds in this Project Data Sheet.

Deferred Maintenance Work

This is the estimated cost of the proposed project that addresses deferred maintenance needs. For those projects addressing both deferred maintenance as well as capital improvement needs, it includes only those costs addressing deferred maintenance. The estimate should include the cost of project planning, design, other direct and indirect cost if the Bureau typically funds these activities in the project cost. Labor costs should only be included when a contractor accomplishes the project.

Capital Improvement Work

This is the estimated cost of a proposed project that addresses capital improvement needs. For those projects addressing both capital improvements as well as deferred maintenance needs, it includes only those costs addressing capital improvements. It should include all planning, design, value engineering, construction management, and construction costs for which the bureau typically funds in the project cost.

Total

Cost of deferred maintenance portion plus cost of capital improvement portion of a project. This number must equal the amount of funding requested by the Project Data Sheet (the "Requested in FY __ Budget" data field).

Class of Estimate

Use the following to indicate the status of current cost estimate for the project:

A – Working Drawings and Specifications Complete – This estimate is based on complete quantity take-off from completed construction drawings and on specifications ready for a competitive bid. It reflects the best available estimate of construction costs based on a

competitive bid situation.

B – 40% Design Complete – This estimate is based on the development of the selected alternative and tentative bid schedule items, either lump sum or unit price. It uses quantities based on design drawings. At the end of project planning, the project should be developed in sufficient detail to demonstrate that the design will fulfill the functional and technical requirements of the project. This is the first time in the planning and design process where a project construction cost estimate is accurate enough to support a budget request. Projects with estimated cost of more than \$10 million must have at least a class B estimate completed prior to requesting funding in the President's budget.

C – Planning Complete – This estimate is a conceptual cost estimate based on square footage or other unit cost of similar construction. The project identification/feasibility process should result in a description of facility goals, objectives, and needs and the information needed to evaluate the feasibility of the project and provide a preliminary project cost range and initial project schedule. This description is used to request future planning and engineering design funds only. The engineering design process is considered approximately 15 percent complete at end of this phase and the estimate is within -15 to +25 percent of project cost. Projects with estimated cost of \$500,000 - \$10 million must have at least a Class C estimate completed prior to requesting funding in the President's budget.

D – Pre-Planning – This estimate is based on a tentative project design, with project size and complexity that is still experiencing significant development.

Estimate Escalated to FY: ___(yy) - This is the date (by year) to which the cost estimate has been escalated. Cost estimates will be escalated to the year in which project construction, repair, or rehabilitation is projected to begin. To escalate project estimates, average the three most recent years of the RS Means locality cost index that covers the location of the projects. Use this average index value to escalate project cost to the appropriate year. The Bureau of Reclamation will escalate project cost per the controlling statute.

Project Funding History (Entire Project)

This section lists all costs associated with a project over its entire development. It includes all funds requested, including those from previous fiscal years and funds to be requested in future fiscal years.

Appropriated to Date

This is the total amount of funds that have been appropriated to this project from all funding sources up to, but not inclusive of, the current request document by this Project Data Sheet. This applies primarily to capital improvement (construction) projects; for deferred maintenance projects only funds actually obligated up through the date of current Project Data Sheet request should be entered here.

Requested in FY ___ Budget

This is the President's Budget request.

This is the budget year and amount of funding being requested by this Project Data Sheet. This should be the same cost that is entered in the "Total" space in the "Project Cost Estimate (this PDS) block of the Project Data Sheet.

Future Funding to Complete Project

This is all funding required in out-years; show all funds necessary to complete the total project.

Total

The sum of the amounts entered in the "Appropriated to Date", "Requested in FY__ Budget", and "Future Funding to Complete Project" data fields.

Planning Funds Received in FY: ___ \$ ___

Specify the fiscal year planning funds were received and the amount received. The fiscal year should be in "yy" format and the "\$" in thousands. If no planning funds are received, enter "NA" for the fiscal year.

Design Funds Received in FY: ___ \$ ___

Specify the fiscal year design funds were received and the amount received. The fiscal year should be in "yy" format and the "\$" in thousands. If no design funds are received, enter "NA" for the fiscal year.

Dates:

These are spaces to put the scheduled dates in this block.

Construction Start

This is the projected date (by quarter and fiscal year) construction is planned to begin.

Project Complete

This is the date (by quarter and fiscal year) the project is scheduled to be complete. For contracted projects, it is not the contract close-out date or end of warranty.

Project Data Sheet Prepared/Last Updated

This is the date (mm/yy) that the last significant alteration of data was made on this Project Data Sheet. For most projects whose data are entered at the field level with only insignificant changes at the Regional and National levels, this would be the latest date the responsible facility personnel enter new data or verify data from previous years. For projects which are corrected or updated at Regional or National levels, this would be the latest date that a record had been (significantly) changed.

DOI Approved

This indicates whether the project has received Departmental review and approval. Enter "Yes" if the project has been reviewed and approved by the Department and has not experienced

subsequent changes in scope, score/ranking, or cost since that approval. Enter "No" if the project is new or there have been subsequent changes in scope, score/ranking, or cost since last reviewed and approved by the Department.

Annual Operations & Maintenance Costs (\$s)

Current:

Annual O&M dollars currently spent to maintain this asset(s). Enter the value recorded in the bureau's last annual Federal Real Property Profile submittal. If the project is for construction of a new asset, enter zero.

Projected:

Annual O&M dollars projected to maintain this asset(s) resulting from this project. If the project is for construction of a new asset, enter the estimated annual O&M costs that would be incurred once the asset is complete and functioning as designed.

Net Change:

Current O&M cost minus Projected O&M cost.

EXHIBIT 3 **Deferred Maintenance vs Capital Improvement in the Five-Year Plan**
(\$000)

Bureau: _____
 Appropriation: _____
 Date: _____

| | Critical HS DM | Critical RP DM | Critical Mission DM | Critical Other DM | Total DM | Critical HS CI | Critical RP CI | Critical EP/HPB CI | Code Comp. CI | Other CI | Total CI | Total DM & CI | | | | | | | | | | |
|--------------------------|----------------|----------------|---------------------|-------------------|----------|----------------|----------------|--------------------|---------------|----------|----------|---------------|-------------|----|-------------|----|-----------------|----|------------|----|-------|----|
| | | | | | | | | | | | | | Critical HS | | Critical RP | | Critical EP/HPB | | Code Comp. | | Other | |
| | | | | | | | | | | | | | DM | CI | DM | CI | DM | CI | DM | CI | DM | CI |
| FY 2011 | | | | | | | | | | | | | | | | | | | | | | |
| \$ | | | | | | | | | | | | | | | | | | | | | | |
| % | | | | | | | | | | | | | | | | | | | | | | |
| No. of projects | | | | | | | | | | | | | | | | | | | | | | |
| FY 2012 | | | | | | | | | | | | | | | | | | | | | | |
| \$ | | | | | | | | | | | | | | | | | | | | | | |
| % | | | | | | | | | | | | | | | | | | | | | | |
| No. of projects | | | | | | | | | | | | | | | | | | | | | | |
| FY 2013 | | | | | | | | | | | | | | | | | | | | | | |
| \$ | | | | | | | | | | | | | | | | | | | | | | |
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| No. of projects | | | | | | | | | | | | | | | | | | | | | | |
| FY 2014 | | | | | | | | | | | | | | | | | | | | | | |
| \$ | | | | | | | | | | | | | | | | | | | | | | |
| % | | | | | | | | | | | | | | | | | | | | | | |
| No. of projects | | | | | | | | | | | | | | | | | | | | | | |
| FY 2015 | | | | | | | | | | | | | | | | | | | | | | |
| \$ | | | | | | | | | | | | | | | | | | | | | | |
| % | | | | | | | | | | | | | | | | | | | | | | |
| No. of projects | | | | | | | | | | | | | | | | | | | | | | |
| Total 5 Year Plan | | | | | | | | | | | | | | | | | | | | | | |
| \$ | | | | | | | | | | | | | | | | | | | | | | |
| % | | | | | | | | | | | | | | | | | | | | | | |
| No. of projects | | | | | | | | | | | | | | | | | | | | | | |

EXHIBIT 4 (BUREAU NAME)

SUMMARY PROJECT DATA SHEET

DEFERRED MAINTENANCE PLAN OR CAPITAL IMPROVEMENT PLAN

| Plan Fund Year | DOI Score | Region/Area | Unit/Facility | State | Cong. Dist. | Project # | Project Title | Ranking Categories | | | | | | | | Total DMCI | | Orig. Cost Est (\$000) | DOI Appr. (Y or N) | |
|----------------|-----------|-------------|---------------|-------|-------------|-----------|---------------|--------------------|--------|---------|---------|-----------|-------|-------|------|------------|----------------------|------------------------|--------------------|--|
| | | | | | | | | % CHSdm | % CHSd | % CRPdm | % CRPpl | % EPHPSBd | % OdM | % CCd | % Od | % DM | % CI | | | |
| Tier 1 | | | | | | | | | | | | | | | | | | | | |
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| Tier 2 | | | | | | | | | | | | | | | | | | | | |
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Definitions of Data Elements for**SUMMARY PROJECT DATA SHEET (Exhibit 4)**

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COMPLETION REPORT (Exhibit 5)**Plan Fund FY**

The Plan Fund FY field is the fiscal year in which a project received funding. If a project is delayed and remains unfunded at the time that Exhibit 5 is completed, enter "NO" in the "Project Status" column of the form. When the project receives funding, change the "Plan Fund FY" to the year the funding was received.

DM or CI

Is this project Deferred Maintenance (DM) of Capital Improvement (CI).

DOI Score

The result of the calculation after applying the weight factors for the Ranking Categories. The weighting factors to be applied are:

| | |
|--|----|
| Critical Health and Safety Deferred Maintenance (CHSdm) | 10 |
| Critical Health and Safety Capital Improvement (CHSci) | 9 |
| Critical Resource Protection Deferred Maintenance (CRPdm) | 7 |
| Critical Resource Protection Capital Improvement (CRPci) | 6 |
| Energy Policy, High Performance, Sustainable Buildings CI (EPHPSBci) | 5 |
| Code Compliance Capital Improvement (CCci) | 4 |
| Critical Mission Deferred Maintenance (CMdm) | 4 |
| Other Deferred Maintenance (Odm) | 3 |
| Other Capital Improvements (Oci) | 1 |

Based on these weight factors, projects are to be ranked using the following calculation:

$$(\%CHSdm \times 10) + (\%CHSci \times 9) + (\%CRPdm \times 7) + (\%CRPci \times 6) + (\%EPHPSBci \times 5) + (\%ACdm \times 4) + (\%CMdm \times 4) + (\%Odm \times 3) + (\%Oci \times 1) = \text{TOTAL SCORE}$$

Region/Area/District

The Region, Area, or District within which a project is located.

Unit/Facility Name

The name of the unit, facility, or location at which the project is to be implemented.

State

Two letter postal abbreviation for the state in which the facility is located.

Cong Dist

The Congressional District in which the facility is located.

Project #

The identification code used to distinguish this project from all others within a Bureau. The code can be any combination of characters and numbers.

Project Title

A brief (100 characters or less) title of the project. The location and facility name of the property should not be included as there are other categories for those. Use descriptive words to indicate the action(s) being taken.

Examples:

Drinking Water Upgrade
Rehabilitate Unsafe Historic Residence
Retrofit existing Oil & Paint Storage Building

Proj Cat

Was this project in the original Plan submitted to Congress or did it come from somewhere else?

Use the appropriate symbol:

SYMBOL

| | |
|--|------|
| All Original Projects submitted to Congress | Plan |
| Congressional Add Project | CO |
| Other Added Projects (*) | O |
| Emergency Replacement Project (**) | ER |
| Replacement Project for other than an emergency (**) | OR |

* There must be an accompany narrative explaining the circumstances for the add.

** There must be an accompany narrative explaining the circumstances causing the change. Cite listed project that has been displaced and identify displaced project with appropriate Status Code.

Ranking Categories

| | | |
|------------|---|--|
| % CHSdm | = | Critical Health and Safety Deferred Maintenance |
| % CHSci | = | Critical Health and Safety Capital Improvement |
| % CRPdm | = | Critical Resource Protection Deferred Maintenance |
| % CRPci | = | Critical Resource Protection Capital Improvement |
| % EPHPSBci | = | Energy Policy, High Performance, Sustainable Buildings Capital Improvement |
| % CCci | = | Code Compliance Capital Improvement |
| % CMdm | = | Critical Mission Deferred Maintenance |
| % Odm | = | Compliance and Other Deferred Maintenance |
| % Oci | = | Other Capital Improvements |

Identify the percentage of the projects work that is in each of the categories described early in this guideline. The percentages must add to 100%.

Orig Cost Est (\$000)

This is the estimated cost of the project when it went to Congress. The estimate should include the cost of project planning, design, other direct and indirect cost if the Bureau typically funds

Final Project Cost (\$000)

This is the amount that the project actually cost.

DOI Appr

This indicates whether the project has received prior Departmental review and approval. Mark "Y" if the project has been reviewed and approved by the Department and has no subsequent changes in scope, score/ranking or cost since that approval. Mark "N" if the project is new or there have been subsequent changes in scope, score/ranking or cost since last reviewed and approved by the Department.

Completion Date

Enter the date the project was completed in "mm/yy" format. This is the date the work on the project is completed. For contracted projects, it is completed on-site construction and not the contract close-out date or end of warranty. This field is only populated if the project is complete; leave it blank if the project is not completed.

Proj Status

This field should only be completed for projects that are uncompleted. Enter project status as of the last day of the fiscal year.

| | <u>SYMBOL</u> |
|---|---------------|
| For projects that did not receive appropriations | NO |
| Project work deferred to out-year for funding (***) | D |
| Work no longer needs to be accomplished (***) | N |
| Project delay due to disputes, changes to the project resulting from (***) unforeseen site conditions or concealed conditions in existing structures. | DL |
| Project planning and engineering design in progress | PD |
| Construction contract awarded (Use only if on-site construction has not begun.) | CA |
| On-site construction started: either by force account, grant, or contract | CS |

*** State in the narrative the circumstances causing the change.

Narrative

Include additional information to clarify the project as necessary.

Department of the Interior
Site-Specific Asset Business Plan (ABP) Model Format Guidance

I. Purpose

The Site-Specific Asset Business Plan (ABP) model format provided in this guidance is to aid the bureaus' asset managers in structuring the requirements of the ABP that best support the Bureau Asset Management Plan (AMP). The model format is a tool that defines the general criterion that needs to be reflected in an ABP.

This tool is designed to ensure that bureaus of the Department of the Interior (DOI) have the flexibility necessary to structure ABPs that best meet their mission needs and conforms to the nature of their assets and management structure. The ABP can be adjusted to fit each bureau's organization, program or management structure. Bureaus may prepare an ABP at the field unit, campus and/or regional level. For example, the National Park Service has prepared a pilot ABP at the major national park unit level and the U.S. Geological Survey plans to prepare an ABP for their science center campuses.

II. Structure of this Guidance

This Guidance is comprised of the following components:

- I. Purpose
- II. Structure of the Guidance
- III. Defining an ABP
- IV. Timeframe for ABP Development
- V. Elements of an ABP
 - A. *Strategic Asset Planning*
 - B. *Asset Prioritization*
 - C. *Operations & Maintenance*
 - D. *Project Development*
 - E. *Asset Disposition*
- VI. Systems ABP Support
- VII. Reference Documents
- VIII. Attachments

III. Defining an ABP

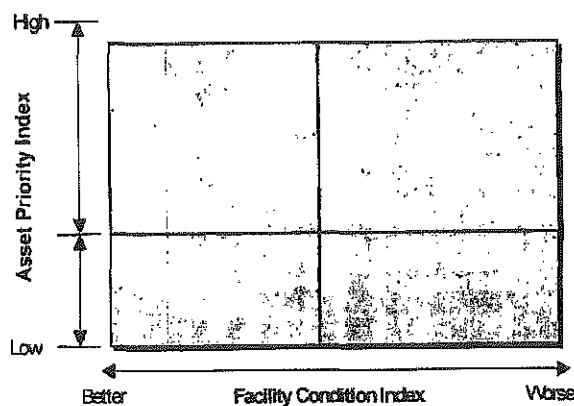
Field employees are on the front lines of a real property life-cycle asset management program and are often the most knowledgeable regarding the condition and components or sub-systems of an asset. They know how important an asset's function is to enabling the mission of the bureau. These front-line employees are responsible for the operation, maintenance and use of these assets ensuring that they are maintained in a safe and efficient manner over their useful life and utilized effectively in support of the bureau's mission.

The ABP will promote a proactive management approach to effectively address and articulate the life-cycle issues and characteristics of a site's asset portfolio. The ABP will also implement the requirements of the Federal Real Property Council (FRPC) and Executive Order 13327 on Federal Real Property Asset Management. ABPs will be developed for field facilities and units.

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At a minimum, ABPs will cover all assets reported in the FRPC's Federal Real Property Profile and all General Services Administration (GSA) assigned facilities. It may also be developed as a decision-making tool to be used during the acquisition process.

An ABP provides facility and regional managers with a micro-level view of a site's assets. The ABP projects a 5 to 10-year snapshot of the assets using the performance metrics of the Asset Priority Index (API), the Facility Condition Index (FCI), utilization, and Operations and Maintenance (O&M) costs to help make informed investment decisions that drive budget distribution.



An ABP is to be used as an annual action plan to help direct resources where they are needed the most: to the assets that best support Department and bureau missions. For example, managers of owned facilities would use the API and the FCI to help make resource allocation decisions (see the adjacent Diagram). For GSA or leased space, managers would use API in conjunction with other metrics such as utilization and/or cost per square foot to ensure that non-owned assets are being utilized effectively.

Standardized business practices are utilized to the extent possible in developing and managing an ABP that help facility staffs manage work orders¹, create staffing plans, package and schedule projects and make decisions about changing or renewing leases or Occupancy Agreements. The overarching goal is to operationalize the Bureau AMP, linking strategy to execution, thereby improving asset portfolio performance.

Articulating the performance metrics helps facility managers detail their business case that results in more efficient spending and enhanced funding opportunities. Desired outcomes of the ABP are:

- Maintaining the good condition of current inventory;
- Using existing assets effectively;
- Making informed decisions regarding acquisitions; and
- Streamlining the portfolio through asset disposition.

¹ Work orders are defined as a set of tasks necessary for the maintenance and/or repair of assets throughout the life-cycle of that asset and are essential elements of maintenance management. Work orders may be prescriptive to the routine maintenance of the asset, reactive to events that damage the asset, or predictive component renewal, thus they track both events that have occurred and work that has been performed.

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Bureaus will develop and utilize the ABP as the third-tier plan for implementing life-cycle asset management principles. Bureaus will develop ABPs for their individual management areas based on portfolio guidance and methodology contained in the second-tier Bureau AMP². The bureau AMP, supported by the ABPs, serves as a building block to update the first-tier DOI AMP.

IV. Timeframe for ABP Development

The bureaus' initial AMP is to be submitted to the Department's Senior Real Property Officer (SRPO)³ by June 1, 2006. This first Bureau AMP will provide a framework, strategic vision and plan of action for effective management that is to be reflected in each ABP. The DOI AMP Implementation Plan calls for each bureau to develop site-specific ABP that will follow the DOI guidance by the first quarter of FY 2007. Starting in FY 2007, asset management plans, practices and accomplishments described in the ABPs will provide the basis for Bureau AMP updates.

V. Elements of an ABP

As with the Bureau AMP, an ABP presents a strategy at the field level that is to be employed by managers at the site to:

- Manage and oversee all bureau real property assets, whether owned, leased, or obtained from GSA or elsewhere;
- Maximize the asset's contribution toward accomplishing the diverse missions of the Department and each bureau; and
- Implement the bureau and Department's strategic goals, and maximize utilization, effectiveness, and efficiency.

An ABP embodies the following principles:

- Recognizes that real property assets are integral to bureau and Department missions;
- Reflects a full life cycle (planning to disposition) approach;
- Complies with Departmental and bureau business practices and policies including the guidance developed in support of the Department's AMP and Executive Order 13327;
- Ensures full and appropriate use of retained assets and the identification and disposal of unneeded assets; and
- Uses applicable industry standard benchmarks and best practices.

² The guidance and structure for Bureau AMP was issued by the Asset Management Team in September of 2005 and can be found at <http://www.doi.gov/pam/AMPTemplate092105.pdf>.

³ The SRPO is also the Department's Senior Asset Management Officer.

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An ABP should have the following five components:

- A. *Strategic Asset Planning* – Strategic asset planning is a process that recognizes changes in mission priorities and the functional needs of assets over time.
- B. *Asset Prioritization* – The prioritization of assets helps managers focus funding to optimize portfolio performance.
- C. *Operations & Maintenance* – For DOI owned and operated assets, the development, prioritization, and management of O&M requirements helps to improve portfolio performance by identifying the true requirement for properly maintaining, operating, and sustaining assets at the constructed asset level. For other assets, the focus is on rental costs and efficiency.
- D. *Project Development* – The planning, prioritization, scheduling, funding, and management of all real property projects are part of the project development process. Key project development focus is on maximizing effective use of all real property assets and making the business case whether to change the real property asset in some way to accommodate changes in program requirements. Deferred maintenance and component renewal projects represent a large piece of project development specifically relating to DOI owned and operated real property assets.
- E. *Asset Disposition* – Disposition of an asset results in a change in its status that is accomplished through either employing a disposal option such as sale, demolition, deconstruction or transfer or a retention option such as alteration for another use, doing nothing/hazard prevention or interim leasing. Initiating a disposition program for the asset portfolio ensures that managers are able to properly identify assets that may no longer support the mission, and that could become potential candidates for disposal, thereby freeing up resources for other uses. This applies to all assets, whether owned, or obtained from GSA, leased, or acquired through another means.

A. Strategic Asset Planning

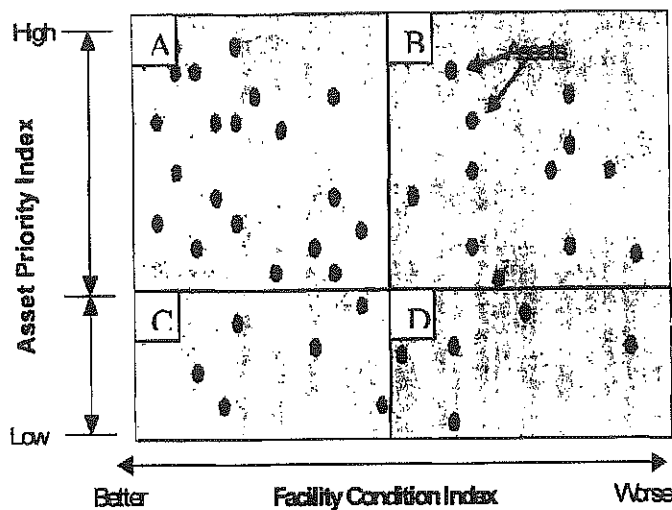
Planning over 5 to 10-years will identify the resources necessary to maintain mission critical assets in good or fair condition. It will also identify project funding necessary to improve the condition of high priority assets and the resources required to operate and maintain that condition over the 5 to 10-year time period, and identify low priority or non-mission critical assets that are candidates for disposition.

Strategic asset planning encompasses all components of the life cycle asset management process and is used as a roadmap to manage, maintain and invest in the asset portfolio. The process of inventorying assets includes assigning Current Replacement Values (CRV), determining mission need and conducting annual and comprehensive condition assessments. As part of that process, a site will be able to develop a 5 to 10-year strategic Site-Specific Asset Business Plan. This plan should be based on the information derived from the other four elements of an ABP: asset prioritization using the API, project development using the API and FCI, O&M using work types including the metric of dollars per unit of measure, and asset disposal using API, FCI, utilization and other factors.

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The 5 to 10-year plans contain information at a site level that essentially states the means by which a facility manager intends to undertake projects and meet O&M requirements. Embedded in the concept of the 10-year plans is the idea that planning for all asset work types over the expected design life provides a window into the total cost of facilities ownership. Through FRPC performance measures—such as the FCI, API, cost per square foot for O&M, and the facility utilization index — facility and asset managers can better make effective resource decisions in an environment of continually constrained budgets.

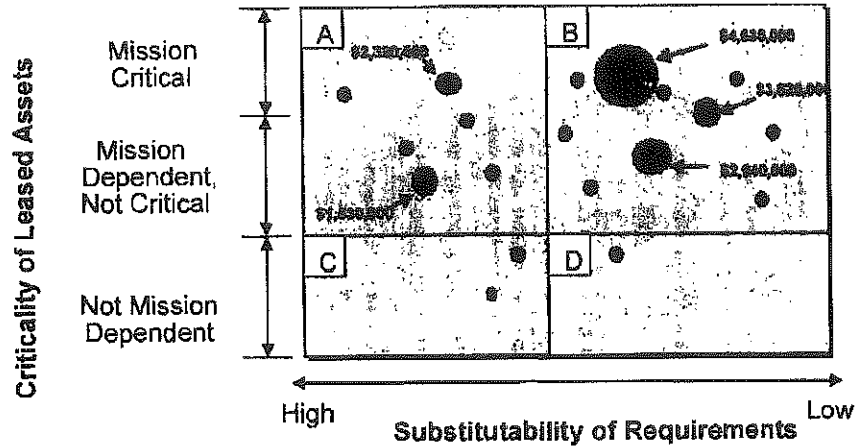
B. Asset Prioritization



This aspect of an ABP explores the relationship among a site's assets. Prioritizing assets based on their importance to mission is one of, and the most significant criteria used in determining where to focus funds. Identifying work orders related to these high priority assets is required to ensure each dollar of funding is spent in the most efficient way. The adjacent diagram shows an example of a distribution of assets at a site. This chart can be a useful tool in presenting the prioritization of owned assets.

For GSA or leased assets, API can be combined with cost, utilization or substitutability metrics to guide planning and decision making on effective use of non-owned assets. A similar quadrant chart as presented above can be developed to identify high-priority assets. Because leased assets are not evaluated for condition, the quadrant chart axes must be modified. One solution is to make the x-axis the "Substitutability of Requirements" component of the API score and the y-axis the "Mission Dependency" component of the API score. (See the following diagram.) In this scenario, the circle diameter would represent annual operating expenses, including rent and O&M. Using this modification, assets in quadrant B are considered most important to the site and/or bureau because they are both "critical" and difficult to "substitute."

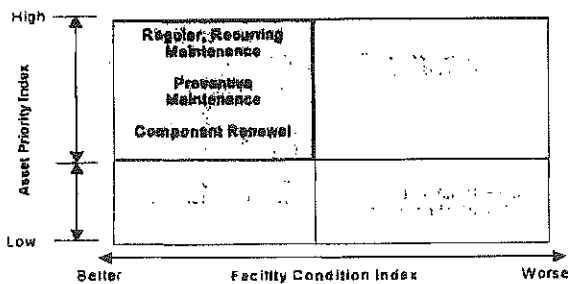
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The use of the API helps managers identify the most important assets, and therefore, provides a logical continuum for which to direct limited funding. In addition, the use of the API is not only important in developing deferred maintenance and component renewal projects. It is equally important when planning for operations, recurring maintenance, and preventive maintenance and changes in asset status (e.g., expansion, consolidation, and disposal).

Fundamental to prioritization is a complete and accurate inventory of a site's assets which includes conducting an API analysis and condition assessments, and developing other asset performance metrics such as utilization, cost per rentable square foot, and asset substitutability. Ultimately, the API when combined with the FCI are two of the most important tools available for managing the total cost of asset ownership because they can be used for making funding decisions for every key work type. The use of the FCI helps managers identify which assets have the greatest repair need.

C. Operations & Maintenance (O&M)



The work types of asset O&M are explored in this part of an ABP. Determining all O&M costs is a key step in life cycle execution and funding processes. The basic management philosophy behind the adjacent diagram is simple: take care of the most important assets already in good condition to prevent them from deteriorating.

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Managing O&M requires an adequate understanding of what is required to fully fund all O&M activities. In many respects, exorbitant deferred maintenance costs are indicative of historically inadequate O&M budgets. By better defining O&M requirements, facility managers can better arm themselves with a more powerful business case in regard to the importance of fully funding O&M work activities. O&M costs can be broken down into the following work types:

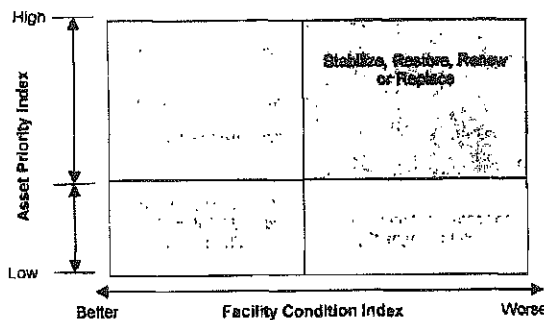
| Work Type | Work Type Code | Description | Examples |
|------------------------|----------------|--|---|
| Facility Operations | FO | Work activities performed on a recurring basis throughout the year, which intends to meet routine, daily operational needs | Annual Lease costs, GSA-assigned space costs, janitorial and custodial services, snow and sand removal, solid waste removal, operation or purchase of utilities (water, sewer, and electricity), grounds keeping, etc. |
| Facilities Maintenance | FM | <p>Emergency Maintenance: Unscheduled maintenance repair, to include call outs to correct an emergency need to prevent injury, loss of property, or return asset to service. These repairs are initiated within a very short time period from when the need was identified, usually within hours.</p> <p>Preventive Maintenance: Scheduled servicing, repairs, examinations, adjustments, and replacement of parts that result in fewer breakdowns and fewer premature replacements and achieve the expected life of facilities and equipment. These activities are conducted with a frequency of 1 year or less.</p> <p>Corrective Maintenance: Unscheduled maintenance repairs to correct deficiencies during the year in which they occur.</p> <p>Recurring Maintenance: Preventive maintenance activities that recur on a periodic and scheduled cycle of greater than 1 year, but less than 10 years.</p> <p>Component Renewal: Preventive maintenance activities that recur on a periodic and scheduled cycle of greater than 10 years.</p> | <p>Downed power lines, flooded facilities, downed trees causing a hazard to pedestrian or vehicle traffic, etc.</p> <p>Preventive Maintenance examinations, lubrication, and minor adjustment.</p> <p>Replace glass windowpanes, repair cracks in walls, replace damaged signage, minor door and window repair, etc.</p> <p>Painting, caulking, sealing, carpet replacements, etc.</p> <p>Removal and replacement of primary systems such as HVAC units, roof coverings, exterior enclosure and windows, etc.</p> |

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| Work Type | Work Type Code | Definition | Examples |
|----------------|----------------|--|---|
| Inspections | IN | Periodic inspections by qualified personnel to fully determine and document the condition of an asset or item of equipment and identify maintenance needs. | Condition assessments; equipment, dam, bridge, seismic safety, environmental compliance, safety and accessibility inspections, etc. |
| Administrative | AD | Activities associated with general administrative support functions, travel, training, meetings, leave, supervision, budget formulation, etc. | To support documenting administrative needs, plans, and accomplishments that generally support maintenance activities, but are not asset or field station specific. |

The requirements of component renewal, an activity listed under the Facility Maintenance work type noted in the chart above, must be identified and included as part of the project development process over a five to ten year period. Planning an asset's component renewal requirements over time helps to prevent equipment failure and the resultant expensive repair and rehabilitation costs. Replacing a component at the end of its design life is a proactive approach to managing assets.

D. Project Development



In this part of the ABP, business practices related to owned real property assets are used to bundle deferred maintenance work orders and component renewal requirements over a 5 to 10-year period to convert them into projects to manage maintenance backlog, or in the case of component renewal, to effectively manage the life cycle of assets. Doing so requires the identification of deferred maintenance priorities including Critical Health

Safety, Critical Resource Protection, Critical Mission, Compliance and Other Deferred Maintenance, together with Component Renewal and in some cases minor Capital Improvements as part of a larger deferred maintenance project. This area focuses on decisions that stabilize, restore or replace assets that are mission critical or mission dependent but are in poor condition.

A strategy for maximizing investment dollars is the use of bundling work orders. Two common methods for reviewing and bundling work orders are:

- (1) Bundling of work orders by asset, or the asset-level approach; (such as bundling the total repair requirements for an individual asset and doing a complete renovation) and
- (2) Bundling of work orders associated by asset components or the component-level approach, (such as repairing all the roofs at a site). If the component-level approach is

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used, the completed work and costs must be reported back to the individual constructed asset.

Using work order bundling provides a mechanism for sorting through the detailed data.

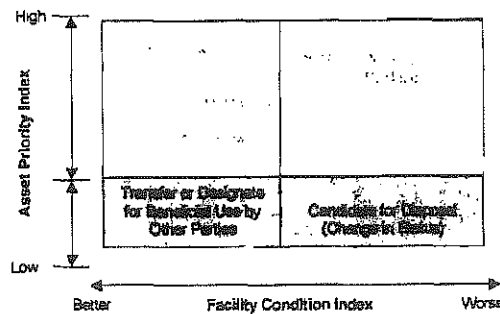
Component renewal projects can be created following a process that is similar to the prioritization processes used for deferred maintenance work order bundling. Component renewal work orders are an important element of life cycle management. Replacing a component at the end of its design life is a proactive approach to managing assets. Understanding component renewal needs also is a critical aspect of documenting and accounting for total life cycle costs, or the total cost of facilities ownership.

During project development, it may be deemed necessary to consider replacing an asset rather than improve, repair, restore or stabilize it. Direct leases, new GSA space assignments or capital improvements that include new construction and alterations or expansion, may be a better solution to maintaining an asset's function rather than investing in deferred maintenance reduction. These projects normally need more lead time and more extensive planning and may involve additional land as the asset footprint may change.

Project Development is the best methodology for compilation of the DOI 5-Year Deferred Maintenance & Capital Improvement Plan (5-Year Plan). Project focus should be on the highest priority assets and the assets with the greatest need. The 5-Year Plan provides a mechanism to rank these projects for funding using established criteria. The 5-Year Plan will rank these projects by Critical Health Safety, Critical Resource Protection, Critical Mission, Compliance and Other Deferred Maintenance categories. Projects that are completed ahead of schedule, rewritten due to a significant change in scope or no longer required will be re-ranked annually.

In addition, each year, the bureaus will develop a five-year space plan, identifying projects with the highest priorities and greatest needs for GSA space assignments and direct leasing actions, steps that will be taken to reduce space and/or lease costs, potential opportunities for furthering collocation with other entities, and critical requirements in reaching stated objectives.

E. Asset Disposition (Changing the Status of an Asset)



Highlighted in this area is the recognition that an asset no longer supports the mission of the site or bureau or that has reached the end of its useful life. It is at this point in an asset's life-cycle that a manager should consider asset disposition. In this part, the disposition of an asset is considered which can result in:

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- The disposal of an asset and removal from the inventory; or
- Retention of the asset with a change in its status within the inventory.

The disposition of an asset requires a pro-active process, beginning with asset selection using the performance metrics. Each asset that is considered for disposition must go through the process described in the diagram above.

Given the nature of the demands and constraints placed on DOI organizations, there simply are not enough resources to adequately fund all assets in the inventory. The business case for disposal is clear: limited resources to fully support even the most important assets, an overextended asset inventory put severe strain on O&M budgets. Reducing deferred maintenance backlog is not a realistic endeavor if a substantial portion of the asset inventory will never receive project funding. Finally, a smaller asset inventory makes the achievement of FCI goals more attainable (due to reduced replacement values).

One important issue surrounding asset disposition is the concern that a bureau could inadvertently dispose of an asset that has historical or other significance. Therefore, each asset that is considered for disposal must go through the process described in the attached diagram. A Departmental disposition policy has been developed to assist with the asset disposition process.

When it is decided that an asset is still needed to meet critical mission needs but its condition is such that replacement is the best option for the government, the bureau should do the following:

- Include in the replacement project budget and plan, the planned method of disposal and any associated costs or anticipated proceeds from transfer or sale, and
- With funding available for disposal, dispose of the original asset. This process ensures that the deferred maintenance on the original asset is actually eliminated.

Assets of historic significance that require preservation treatment are exceptions to the disposal requirement.

Systems ABP Support

Plans will be formulated and maintained utilizing the Facility Management System (FMS) and the Financial and Business Management System (FBMS). These web-based information systems allow bureau staff to store and manipulate data about each asset and each asset type in the real property inventory. The FMS and FBMS will be automatically linked with asset inventory information; performance measures data, and financial and accounting information.

References Documents

Asset Management Plan - July 2005

Asset Management Plan Template

Asset Priority Index Guidance

Sustainment Cost Template for Constructed Assets

Attachment

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11/19/05

DOI ASSET DISPOSITION PROCESS

Process Overview/ Tasks/Areas of Focus

