

## Federal Real Property Asset Management

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**Overall Status Score:** **Green** (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

**Explanation:** Achieving these goals will result in the right-sizing of the HHS portfolio of assets by building on and refining current policy, process, and reporting to establish a methodology that institutionalizes the use of performance measures in daily decision making. Further it will demonstrate that the use of performance measures and accurate data results in the most effective and efficient management of the portfolio while ensuring that the mission of HHS is met. These accomplishments will elevate the Department from its current yellow status to green status by evidencing that the management of the Agency's portfolio of assets is consistent with the Agency's strategic plan, asset management plan, and the performance measures established by the Federal Real Property Council (FRPC) and as required in Executive Order 13327 – Federal Real Property Asset Management.

### GREEN Standards for Success

Agency:

√ Meets all Yellow Standards for Success;

√ Established an OMB-approved three-year rolling timeline with date certain deadlines by which agency will address opportunities and determine its priorities as identified in the asset management plan (Q4 FY 06);

√ Demonstrated steps taken toward implementation of asset management plan as stated in yellow standards (including meeting established deadlines in three-year

timeline, meeting prioritized management improvement actions, maintaining appropriate amount of holdings, and estimating and optimizing cost levels) (3Q FY 09);

√ Accurate and current asset inventory information and asset maximization performance measures are used routinely in management decision-making (such as reducing the amount of unneeded and underused properties) (3Q FY 09);  
AND

√ The management of agency property assets is consistent with the agency's overall strategic plan, the agency asset management plan, and the performance measures established by the Federal Real Property Council (FRPC) as stated in the Federal Real Property Asset Management Executive Order (3Q FY 09).

### **YELLOW Standards for Success**

Agency:

√ Has a Senior Real Property Officer (SRPO) who actively serves on the Federal Real Property Council (1Q FY 05);

√ Established asset management performance measures, consistent with the published requirements of the Federal Real Property Council (3Q FY 05);

√ Completed and maintained a comprehensive inventory and profile of agency real property, consistent with the published requirements of the Federal Real Property Council (1Q FY 06);

√ Provided timely and accurate information for inclusion into the government-wide real property inventory database (1Q FY 06); AND

√ Developed an OMB-approved comprehensive asset management plan that (1Q FY 06):

- Complies with guidance established by the Federal Real Property Council (FRPC)
- Includes policies and methodologies for maintaining property holdings in an amount and type according to agency budget and mission
- Seeks to optimize level of real property operating, maintenance, and security costs

## **KEY MILESTONES for the Department of the Health and Human Services**

### **FY 2008 – Fourth Quarter**

#### **Right Workforce** (Human Resource Strategy)

- Action: Selection of staff to fill essential roles in the Office for Facilities Management and Policy (OFMP) including: 1) Real Property Asset Management Program Officer, 2) Safety Officer, and 3) Senior Facilities Manager, SW. An Environmental & Historic Preservation Officer was selected in 3Q to replace prior detailee and permanently staff the position.  
Results/Use: New staff will be available to oversee program needs identified in the Human Resource Management Plan.  
*Deliverable:* Environmental & Historic Preservation Officer reporting for duty in 4Q FY08. Selection will be made for three positions identified above.

#### **Right Size** (Portfolio Management)

- Action: Report final results on meeting HHS FY08 disposal target.  
Results/Use: This information is used by the Senior Real Property Officer (SRPO) to maintain oversight of the HHS portfolio through assessment of the Operating Divisions (OPDIVs) quarterly progress on planned disposal actions. As a long term strategy, disposal of poor performing and under utilized assets should result in overall improvement in utilization, condition and operating costs. Although this is the final FY quarter report, it may not reflect the total FY disposals because reporting by the OPDIVs is a month prior to the end of the quarter. The 2Q confirmation report captures actual fiscal year disposals.  
*Deliverable:* Final Annual Report for Real Property Portfolio Planned Actions.
- Action: Finalize FY 2009 Board approved candidate property list for disposition/demolition/lease consolidation actions for constructed assets, including the number and value of these assets, and determine the FY 2009 disposal target.  
Results/Use: The candidate property list will be used to assess quarterly progress toward meeting the disposal target and to demonstrate overall right-sizing of the HHS inventory by disposing of poor performing or under utilized assets. Disposal of poor performing and under utilized assets should result in overall improvement in utilization, condition and operating costs.  
*Deliverable:* FY 2009 Report of HHS Real Property Portfolio Planned Actions.
- Action: OFMP on behalf of the SRPO to evaluate (trending) previous quarter's data to track OPDIV progress towards meeting Departmental performance targets to "right size" the HHS portfolio of assets. Through trending OFMP first assesses progress towards achieving the current FY targets within the Real Property Asset Management Plan (RAMP), and then evaluates if there has been measurable improvement in performance measures compared to the previous quarter and if the current FY target remains achievable.

Results/Use: The trending information is provided to the OPDIVs and is used by OFMP and the OPDIV to determine 1) if each OPDIV is demonstrating improvement in performance measures generally and 2) if additional milestones are necessary to further achievement of the RAMP goals. The OPDIV also compares the results of completed RAMP and 3-Year Timeline (TYTL) milestones to actual status and determines if reprioritization of projects and/or new milestones are required to remain consistent with overall RAMP goals. OPDIV specific necessary actions are captured on internal scorecards and/or updates to the TYTL.

*Deliverable:* SRPO specific progress report to OPDIVs and examples of new milestones and progress in completing.

- Action: Tiger Team will develop and SRPO will implement use of templates to demonstrate the link among daily decision making, results, and accurate inventory data including the four major FRPC performance measures.

Results/Use: This status report will include a summary of the OPDIVs Real Property Planning & Guidance Process documents, and the templates which will be used to provide examples of daily decision making. Through implementation of the use of these templates, HHS will provide in subsequent quarters specific examples of daily decision making that demonstrate the use of the appropriate inventory and performance measures data to right-size the HHS portfolio.

*Deliverable:* Status Report

- Action: Improve the use of the Performance Assessment Tool (PAT) by developing additional instructions and guidance for required analyses.

Results/Use: Improvement in PAT analyses performed by OPDIVs to insure that sustainment, improvement, and mission driven decisions are based on correct data leading to proper asset management and to capture planned actions on the TYTL that are the projected results from these decisions.

*Deliverable:* PAT Guidance to the OPDIVs.

### **Right Cost** (Appropriate Stewardship)

- Action: Department audits the operating cost of one campus of one land-holding OPDIV per year — operating hours, air exchanges, heating/cooling set points, etc.

Results/Use: The report will be used to make specific Operations and Maintenance (O&M) recommendations for the audited campus and will also be used to provide lessons learned to all the HHS OPDIVs. It is the intention to identify actions that will lower operating cost while maintaining appropriate environmental condition for the building's occupants and equipment.

*Deliverable:* Audit report/recommendations including an emphasis on actions that are budget neutral and improve or at a minimum maintain operating costs.

- Action: Prepare OMB budget submissions based on Technical Guidance for preparing a current services budget.

Results/Use: As part of the annual budget submission, the SRPO reviews the OPDIVs planned capital investments, resource allocations to maintain existing inventory, and overall management of real property assets to ensure that OPDIVs are making the appropriate decisions to meet evolving program requirements and to achieve the best return on investment. This results in OPDIV budget submissions that reflect the prioritized needs consistent with the Agency strategic plan, RAMP, and performance

measures.

*Deliverable:* OPDIVs OMB Budget Submissions with supporting documentation.

- Action: Utilize HHS Life Cycle Cost Analysis (LCCA) tool for construction projects submitted in the FY10 budget cycle.

Results/Use: The LCCA tool demonstrates that analysis of alternatives resulted in the selection of the best alternative based on life cycle cost, OPDIV mission, and regulatory requirements.

*Deliverable:* HHS FPAA's evidencing use of tool.

### **Right Condition** (Improve Facility Condition)

- Action: Review and update of OPDIV Sustainment / Improvement Plan (CI Tables) as part of the budget cycle.

Results/Use: OPDIVs annually update their long term strategy to improve CI and achieve the HHS long term goal of every facility having a CI of 90 or better. The SRPO reviews and concurs with incorporation of the long term strategy in the budget submission. The CI Tables also reflect the anticipated short term results prior to the Budget Year, which may result in the SRPO identifying needed OPDIV corrective actions.

*Deliverable:* Final OPDIV CI Tables for OMB Budget Submission.

- Action: Assessment of CI by building type, rebaseline of CI targets based on building type, and prioritization of CI targets based on building type.

Results/Use: The assessment will be used to determine if HHS should: 1) Establish CI targets by building type (both interim and final); 2) Prioritize the improvement of CI by building type; 3) Rebaseline the CI by building type; and 4) Begin to track progress of CI targets by building type. This effort should result in prioritizing improvement actions by building and establish updated CI goals and interim targets.

*Deliverable:* Revised RAMP long term strategy for improvement of CI.

### **Right Data** (Improve Information Management)

- Action: OPDIVs certify 1) the accuracy and completeness of portfolio data in ARIS; 2) completion of OPDIV TYTL goals/milestones/targets; and 3) as necessary, revise and/or add new milestones to remain consistent with overall RAMP goals.

Results/Use: In providing the quarterly validation and certification, the SRPO has implemented a process that assures OPDIV data is more accurate, thereby improving the day-to-day decision process and the feedback from the results. The tables with each certification statement correspond with the TYTL and capture the status of OPDIV milestones to ensure that the critical goals and milestones are being met to right size the OPDIV and ultimately the HHS portfolio of assets. From the certification tables, OFMP consolidates information quarterly which is used to provide a snapshot of the agency status in meeting targets established in the RAMP such as the quarterly disposition progress report. Also included with the certifications are any PAT analyses that were either required as part of the OPDIV's internal scorecard or were self initiated by the OPDIV. Together these tools provide a means for the SRPO to effectively oversee the HHS portfolio of assets through tracking. The tracking leads to adjusting practices or highlight of best practices for implementation by the OPDIVs to maintain constant

progress toward meeting the goals of the RAMP.

*Deliverable:* Signed Certification Statement with required supporting documentation for completion of goals and milestones, and new planned actions, as appropriate, to ensure goals remain consistent with strategic plan, RAMP and performance measures.

- Action: Update ARIS Guidance to: 1) Establish consistent standards for data; 2) Document process and procedures; and 3) Increase OPDIV access to the data for producing necessary reports needed for day-to-day decision making.

Results/Use: The updated ARIS Guidance will be an improved resource for ARIS users that will provide the OPDIVs with the necessary direction to accurately capture their real property inventory data.

*Deliverable:* Updated Guidance document.

- Action: Provide ARIS training to OPDIVs.

Results/Use: The training will provide the OPDIVs the opportunity to learn about changes to the ARIS Guidance document. Many of the guidance changes being made are to clarify situations, which resulted in data being improperly or incompletely entered into ARIS. This training will increase the consistency and accuracy of the data entered in ARIS, leading to improved and consistent asset management decisions being made by the OPDIVs, OFMP, and the SRPO.

*Deliverable:* Training Course Abstract

## **FY 2009 – First Quarter**

### **Right Workforce** (Human Resource Strategy)

- Action: All new OFMP staff selected in 4Q FY08 will report for duty in or before 1Q FY09.

Results/Use: New staff will be available to oversee program needs identified in the Human Resource Management Plan.

*Deliverable:* Status report on OFMP Staffing.

- Action: Evaluate the long term strategy for staffing of OFMP and develop realignment of resources as needed.

Results/Use: With the recent and upcoming additions of staff to the OFMP, an evaluation is needed prior to advertising additional position(s), to determine the additional skills that are needed to effectively provide oversight of the HHS real property portfolio. This evaluation will provide recommended changes as appropriate to the OFMP organizational chart.

*Deliverable:* Status report on OFMP Staffing.

### **Right Size** (Portfolio Management)

- Action: Report quarterly progress toward meeting HHS FY09 disposal target.

Results/Use: This information is used by the SRPO to maintain oversight of the HHS portfolio through assessment of the OPDIVs quarterly progress on planned disposal actions. As a long term strategy, disposal of poor performing and under utilized assets should result in overall improvement in utilization, condition and operating costs.

*Deliverable:* Status report.

- Action: Revise TYTL Format incorporating HHS roles and responsibilities; short, medium and long terms goals; and revisions for FY09 and FY10 and adding milestones for FY11.

Results/Use: The TYTL is used throughout the year to monitor progress toward completing planned actions that are necessary to achieve and maintain green status for real property asset management. The annual update of the timeline incorporates new milestones defined throughout the last 12 months as part of the ongoing analysis of inventory and performance measures data to ensure a focus on overall improved asset management.

*Deliverable:* FY 2009 Revised TYTL

- Action: OFMP on behalf of the SRPO to evaluate (trending) previous quarter's data to track land holding OPDIV progress towards meeting Departmental performance targets to "right size" the HHS portfolio of assets. Through trending OFMP first assesses progress towards achieving the current FY targets within the RAMP, and then evaluates if there has been measurable improvement in performance measures compared to the previous quarter and if the current FY target remains achievable. Beginning in the 1Q FY09, the trending information will be captured by building type to assess progress in achieving the updated HHS long term strategy.

Results/Use: The trending information is provided to the OPDIVs and is used by OFMP and the OPDIV to determine 1) if each OPDIV is demonstrating improvement in performance measures generally and 2) if additional milestones are necessary to further achievement of the RAMP goals. The OPDIV also compares the results of completed RAMP and TYTL milestones to actual status and determines if reprioritization of projects and/or new milestones are required to remain consistent with overall RAMP goals. OPDIV specific necessary actions are captured on internal scorecards and/or updates to the TYTL.

*Deliverable:* SRPO specific progress reports to OPDIVs and examples of new milestones and progress in completing.

- Action: Issue an addendum to the HHS Facilities Program Manual that incorporates all templates, instructions and guidance implemented to date and that integrates all current asset management requirements.

Results/Use: This addendum will include all requirements addressed in the latest update of the RAMP, the revised long term strategy for CI, the new guidance for PAT analysis, current PMA initiatives on real property and OMB A-11 to ensure that OFMP, the SRPO and the Capital Investment Review Board have complete information on which to base capital investment decisions

*Deliverable:* Addendum to the HHS Facilities Program Manual.

### **Right Cost** (Appropriate Stewardship)

- Action: Each OPDIV identifies all sources of O&M funding.

Results/Use: This is the first step in implementing the HHS Operation and Maintenance Cost Implementation Guidance that provides the long term strategy for capturing more accurate O&M cost data.

*Deliverable:* Status Report

### **Right Condition** (Improve Facility Condition)

- Action: Each landholding OPDIV must annually maintain and report a CI for each owned constructed asset (began 1Q 06 and to continue each 1Q thereafter). For purposes of determining CI, OPDIVs are required to perform a visual assessment of each owned constructed asset at a frequency of no greater than five years. In the off-years of the visual assessment cycle the CI may be calculated by way of a desk-top assessment.  
Results/Use: At a minimum, the OPDIVs annually evaluate and update the CI data. The data is incorporated into the OPDIV's decision making process to evaluate and prioritize the repair of deficiencies. As part of oversight of the HHS portfolio, the SRPO uses the data to track progress toward CI goals and to identify needed OPDIV corrective actions as appropriate.  
*Deliverable:* OPDIVs verify and maintain their CI data for import into ARIS and FRPP databases and provide this data to correlate with the annual FRPP upload.
- Action: As part of the implementation of templates to demonstrate the link among daily decision making, results, and accurate inventory data, the Tiger Team will develop a summary reporting format and/or capture specific examples to demonstrate successes in improving CI. Currently, OPDIVs capture in the individual project documentation improvement to CI as a result of a specific project.  
Results/Use: Key examples and/or a summary report would demonstrate the results of the expenditures and record successes in improving CI. Challenges and problems would be included with an emphasis on actions that are budget neutral and may improve CI or at a minimum maintain CI.  
*Deliverable:* Summary report and/or specific examples capturing sustainment and/or improvements of CI.

### **Right Data** (Improve Information Management)

- Action: OPDIVs certify 1) the accuracy and completeness of portfolio data in ARIS; 2) completion of OPDIV TYTL goals/milestones/targets.  
Results/Use: In providing the quarterly validation and certification, the SRPO has implemented a process that assures the OPDIV data is more accurate, thereby improving the day-to-day decision process and the feedback from the results. The tables with each certification statement correspond with the TYTL and capture the status of OPDIV milestones to ensure that the critical goals and milestones are being met to right size the OPDIV and ultimately HHS portfolio of assets. From the certification tables, OFMP consolidates information quarterly which is used to provide a snapshot of the agency status in meeting targets established in the RAMP such as the quarterly disposition progress report. Also included with the certifications are any PAT analyses that were either required as part of the OPDIV's internal scorecard or were self initiated by the OPDIV. Together these tools provide a means for the SRPO to effectively oversee the HHS portfolio of assets through tracking. The tracking leads to adjusting practices or highlight of best practices for implementation by the OPDIVs to maintain constant progress toward meeting the goals of the RAMP.  
*Deliverable:* Signed Certification Statement with required supporting documentation for completion of goals and milestones, and new planned actions, as appropriate, to ensure goals remain consistent with strategic plan, RAMP and performance measures.

- Action: Perform “desktop” validation on ARIS data in preparation of the annual upload to ARIS and finally FRPP.  
Results/Use: The “desktop” validation provides a means to check the ARIS data to assure that an accurate and current data set is transferred to FRPP.  
*Deliverable:* Report all required inventory and performance data accurately and completely to the FRPP no later than December 15<sup>th</sup>.
- Action: Implement the common Federal transfer screening format.  
Results/Use: HHS will require the use of the common Federal transfer screening format which is currently being developed. This will provide a means for HHS to report excess property across federal agencies and screen excess property that might meet a HHS need.  
*Deliverable:* HHS implementation plan.

## **FY 2009 – Second Quarter**

### **Right Size** (Portfolio Management)

- Action: Confirm all assets that exited HHS portfolio in FY08.  
Results/Use: This report confirms the assets that were disposed of during the previous fiscal year and the extent to which the disposal target was met. The disposals demonstrate overall right-sizing of the HHS inventory by disposing of poor performing or under utilized assets. Disposal of poor performing and under utilized assets should result in overall improvement in utilization, condition and operating costs.  
*Deliverable:* Confirmation report.
- Action: Report quarterly progress toward meeting HHS FY09 disposal target.  
Results/Use: This information is used by the SRPO to maintain oversight of the HHS portfolio through assessment of the OPDIVs quarterly progress on planned disposal actions. As a long term strategy, disposal of poor performing and under utilized assets should result in overall improvement in utilization, condition and operating costs.  
*Deliverable:* Status report.
- Action: Complete a revision of the HHS Real Property Asset Management Plan to include an evolution of HHS Asset Management processes since the initial plan and to incorporate OMB approved TYTL reflecting right workforce, right size, right cost, right condition and right data activities.  
Results/Use: The approved RAMP is the primary reference used by the SRPO, OFMP and the OPDIVs in administering HHS real property portfolio.  
*Deliverable:* OMB approved FY 2009 HHS RAMP
- Action: SRPO annual analysis of data to track OPDIV progress towards meeting Departmental performance targets to “right size” the HHS portfolio of assets. SRPO provides to OPDIVs as part of the Budget Technical Guidance. Based on the results demonstrated in the data analysis, OPDIVs address anomalies and define any necessary actions for improvement. These actions may include budget neutral methods for improving utilization, condition and operating costs.  
Results/Use: From the data analysis the OPDIVs provide a report highlighting key TYTL milestones that were achieved, challenges and obstacles that hindered achievement of specific performance targets, as well as necessary actions for improvement to demonstrate both immediate and long term improvement in real property asset

management. The OPDIV compares the results of completed RAMP and TYTL milestones to actual status and determines if reprioritization of projects and/or new milestones are required to remain consistent with overall RAMP goals. After a thorough review by the SRPO, these reports and the planned actions are summarized and captured in the SRPO's Consolidated Corrective Action Plan in the 3Q.

*Deliverable:* SRPO Annual Analysis of Data.

- Action: Utilization Improvement Plan – review and update annually as required by results of the annual SRPO analysis of data.  
Results/Use: From the analysis the SRPO identifies those assets under or not utilized. Each OPDIV completes a PAT analysis on the under performing assets, and includes the results in the OPDIV report to the SRPO. If needed, the Utilization Improvement Plan is updated to capture necessary actions to dispose of under performing assets.  
*Deliverable:* Report of review and any changes.
- Action: Review and analyze lease performance based on data obtained from leased space performance summaries.  
Results/Use: The performance summaries measure right pricing, right sizing, timely acquisition, and consolidation/collocation opportunities. The analysis is the basis for revising current policy and guidance, amending reporting requirements, enhancing management's ability to use collected data in daily decision making, identify OPDIV specific corrective actions and provide the Leased Space Workgroup with lessons learned and best practices opportunities.  
*Deliverable:* Analysis and Report.
- Action: Through specific examples demonstrate the use of appropriate inventory and performance measures data in daily decision making and the achievement of results consistent with the RAMP goals.  
Results/Use: The examples provide evidence that the OPDIVs use accurate and current inventory and performance measures data in daily decision-making, that the information results in smarter short and long term decisions, and that progress is demonstrated in achieving the goals and objectives of the TYTL.  
*Deliverable:* Report with specific examples.

#### **Right Cost** (Appropriate Stewardship)

- Action: Department incorporates all aspects of real property as it relates to the budget with an analysis of data into budget technical guidance and provides to each HHS OPDIV.  
Results/Use: From this guidance the OPDIVs develop necessary actions to address short term strategy to improve performance measures and through the budget process the OPDIVs develop specific goals to address a long term strategy for appropriately managing their real property assets, which get captured in the annual update of the TYTL  
*Deliverable:* Pre-Budget Technical Guidance

#### **Right Condition** (Improve Facility Condition)

- Action: Department analyzes FRPC data, including sustainment funding reports, and issues pre-budget guidance for FY11, encouraging a mix of divestitures, consolidations

and capital improvements, taking into account the CI goals and milestones established the previous year.

Results/Use: The analysis is provided to the OPDIVs and is used by the OPDIVs to prepare necessary actions as part of the OPDIV's Action Plan to address the FRPC performance targets. These OPDIV plans are incorporated into the SRPO's Consolidated Corrective Action Plan in the 3Q. The OPDIVs also use the analysis to develop specific goals to address a long term strategy for appropriately managing their real property assets, which get captured in the annual update of the TYTL.

*Deliverable:* Pre-budget Technical Guidance

### **Right Data** (Improve Information Management)

- Action: OPDIVs certify 1) the accuracy and completeness of portfolio data in ARIS; 2) completion of OPDIV TYTL goals/milestones/targets.

Results/Use: In providing the quarterly validation and certification, the SRPO has implemented a process that assures the OPDIV data is more accurate, thereby improving the day-to-day decision process and the feedback from the results. The tables with each certification statement correspond with the TYTL and capture the status of OPDIV milestones to ensure that the critical goals and milestones are being met to right size the OPDIV and ultimately the HHS portfolio of assets. From the certification tables, OFMP consolidates information quarterly which is used to provide a snapshot of the agency status in meeting targets established in the RAMP such as the quarterly disposition progress report. Also included with the certifications are any PAT analyses that were either required as part of the OPDIV's internal scorecard or were self initiated by the OPDIV. Together these tools provide a means for the SRPO to effectively oversee the HHS portfolio of assets through tracking. The tracking leads to adjusting practices or highlight of best practices for implementation by the OPDIVs to maintain constant progress toward meeting the goals of the RAMP.

*Deliverable:* Signed Certification Statement with required supporting documentation for completion of goals and milestones, and new planned actions, as appropriate, to ensure goals remain consistent with strategic plan, RAMP and performance measures.

## **FY 2009 – Third Quarter**

### **Right Workforce**

- Action: Assessment of the overall effect of OFMP's increased staff level.  
Results/Use: The status report will be used to determine if the OFMP is adequately staffed to support the role of the SRPO and an appropriate mix of technical expertise is available to lead and direct the Department in functional areas of expertise and to more effectively manage the HHS portfolio of assets.  
*Deliverable:* Status Report

### **Right Size** (Portfolio Management)

- Action: Report quarterly progress toward meeting HHS FY09 disposal target.  
Results/Use: This information is used by the SRPO to maintain oversight of the HHS portfolio through assessment of the OPDIVs quarterly progress on planned disposal

actions. As a long term strategy, disposal of poor performing and under utilized assets should result in overall improvement in utilization, condition and operating costs.

*Deliverable:* Status report.

- Action: Establish FY10 candidate real property list for disposition/ demolition/ lease consolidation actions for constructed assets.
- Results/Use: The candidate property list will be used to assess quarterly progress toward meeting the disposal target and to demonstrate overall right-sizing of the HHS inventory by disposing of poor performing or under utilized assets. Disposal of poor performing and under utilized assets should result in overall improvement in utilization, condition and operating costs.

*Deliverable:* FY 2010 Report of Projected HHS Real Property Portfolio Planned Actions.

- Action: OPDIVs provide report based on 2Q SRPO analysis; SRPO provides Department Consolidated Corrective Action.  
Results/Use: OPDIV Action Plans identify milestones that were completed, review progress towards achieving FRPC targets, identify challenges and obstacles hindering achievement of goals, and define necessary actions both short and long term to maintain progress in achieving the overall RAMP goals.  
*Deliverable:* SRPO Consolidated Corrective Action Plan with OPDIV Reports.
- Action: OFMP on behalf of the SRPO to evaluate (trending) previous quarter's data to track land holding OPDIV progress towards meeting Departmental performance targets to "right size" the HHS portfolio of assets. Through trending OFMP first assesses progress towards achieving the current FY targets within the RAMP, and then evaluates if there has been measurable improvement in performance measures compared to the previous quarter and if the current FY target remains achievable.  
Results/Use: The trending information is provided to the OPDIVs and is used by OFMP and the OPDIV to determine 1) if each OPDIV is demonstrating improvement in performance measures generally and 2) if additional milestones are necessary to further achievement of the RAMP goals. The OPDIV also compares the results of completed RAMP and TYTL milestones to actual status and determines if reprioritization of projects and/or new milestones are required to remain consistent with overall RAMP goals. OPDIV specific necessary actions are captured on internal scorecards and/or updates to the TYTL.

*Deliverable:* SRPO specific progress reports to OPDIVs and examples of new milestones and progress in completing.

- Action: Department audits the utilization of at least one lease of one non-land holding OPDIV per year.  
Results/Use: The utilization audit provides a check that the OPDIV is properly capturing the utilization for their assets in addition to the opportunity to validate the space and occupants within ARIS.

*Deliverable:* Audit summary report.

- Action: Through specific examples demonstrate the use of appropriate inventory and performance measures data in daily decision making and the achievement of results consistent with the RAMP goals.  
Results/Use: Measurable change in the portfolio is demonstrated that is consistent with overall Agency strategic plan, RAMP, and performance measures.

*Deliverable:* Report with specific examples.

### **Right Data** (Improve information Management)

- Action: OPDIVs certify 1) the accuracy and completeness of portfolio data in ARIS; 2) completion of OPDIV TYTL goals/milestones.

Results/Use: In providing the quarterly validation and certification, the SRPO has implemented a process that assures the OPDIV data is more accurate, thereby improving the day-to-day decision process and the feedback from the results. The tables with each certification statement correspond with the TYTL and capture the status of OPDIV milestones to ensure that the critical goals and milestones are being met to right size the OPDIV and ultimately the HHS portfolio of assets. From the certification tables, OFMP consolidates information quarterly which is used to provide a snapshot of the agency status in meeting targets established in the RAMP such as the quarterly disposition progress report. Also included with the certifications are any PAT analyses that were either required as part of the OPDIV's internal scorecard or were self initiated by the OPDIV. Together these tools provide a means for the SRPO to effectively oversee the HHS portfolio of assets through tracking. The tracking leads to adjusting practices or highlight of best practices for implementation by the OPDIVs to maintain constant progress toward meeting the goals of the RAMP.

*Deliverable:* Signed Certification Statement with required supporting documentation for completion of goals and milestones, and new planned actions, as appropriate, to ensure goals remain consistent with strategic plan, RAMP and performance measures.

- Action: Onsite validations are conducted by the OFMP and the OPDIVs to field verify the data in ARIS. On-site validations will be conducted as opportunities arise, mainly in conjunction with Facility Condition Assessments; desktop validations are completed continuously. The OPDIVs are expected to verify their entire inventory over a three- or four-year cycle.

Results/Use: The validation report is used to correct/update ARIS data, and identifies assets that require PAT evaluations based on the FRPC performance measure(s). The Verification and Validation forms used by the OPDIVs are submitted with their quarterly Certifications, and results of the validations are summarized into an annual report.

*Deliverable:* Report

### **On-going**

- Complete the milestones identified within the three year timeline.
- Continue the PMA Scorecard yellow initiatives associated with maintaining the FRPC standards.
- Upon implementing the use of templates to demonstrate daily decision making and results in 4Q FY 2008; HHS will be able to demonstrate using key examples that HHS has a process of using the Right Data in the daily decision making that provides continual improvement of the management of HHS portfolio toward the Right Size, Right Condition, and Right Cost.

### **FY 2010**

**Overall Status Score: GREEN** (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2010.***)

**Explanation:** These goals are reasonably aggressive because they maintain the Department in green status (anticipated to be achieved in FY 2009) by showing that the management of agency property assets is consistent with the agency's overall strategic plan, the agency asset management plan, and the performance measures established by the Federal Real Property Council (FRPC) as stated in the Federal Real Property Asset Management Executive

## **KEY RESULTS - We Would Be Proud to Achieve by 4Q FY 2010**

**Right Workforce Results:** Ensure that the Office for Facilities Management and Policy can effectively support the role of the Senior Real Property Officer with an adequate workforce to lead and direct the Department in functional areas of expertise and to more effectively manage the HHS portfolio of assets. (OFMP Staffing Status 1Q FY09 update and 3Q FY09 assessment)

**Right Size Results:** Utilize the Performance Assessment Tool to identify properties for the appropriate disposition actions and initiate disposal of excess owned and leased underutilized and non-mission dependant property. (Trending of FRPC measures are reviewed quarterly and PAT requirement captured on internal scorecards quarterly as necessary)

### **Improvement Strategies:**

- Achieve and maintain less than 5% underutilized constructed assets via consolidation, disposal.
- Use any new asset management flexibilities legislation as appropriate for disposal of excess assets.

**Right Cost Results:** HHS is concerned that the current level of funding is not adequate to sustain the current condition of the existing HHS portfolio. The repair component of O&M cost is linked to the CI and until sustainment level of funding is available repair costs will not stabilize. This will affect HHS's ability to meet O&M cost interim targets and delay reaching the HHS O&M cost goal. This issue is described in the HHS 3Q FY 2008 deliverable, Assessment of HHS Performance Targets. HHS will strive to incrementally improve O&M Cost through the strategies below:

### **Improvement Strategies:**

- Implement the HHS Operation and Maintenance Cost Implementation Guidance to improve the O&M Cost data as follows:
  - Each OPDIV identifies all sources of O&M funding (1QFY09).
  - HHS and the OPDIVs devise a method for capturing the amount of funding expended on O&M work in a given fiscal year (1QFY10).
  - OPDIVs implement the method for capturing the amount of funding expended for O&M work starting in FY 2011.
  - Use the previous years O&M expenses to make an appropriate distribution of funds at the constructed asset level starting in FY 2012. Thereby being able to better forecast the funding necessary for O&M and determining the funding available to address BMAR.

- HHS is exploring linking O&M cost to condition index and building type. The first step will be to conduct market research to identify available data to conduct an analysis of the link between O&M Cost and condition Index. If information is not available to make the link, HHS may consider contracting (if a source is available) to obtain the data necessary to make this link. If this is feasible, HHS will be a position to set goals and interim targets based on the CI and building type. HHS would also be able to provide a correlation between improving CI and decreases in O&M cost.
- Provide guidance to OPDIVs that incremental reduction in O&M costs should be achieved via procedure changes (conservation), and through appropriate choices in the selection of equipment used for repairs (efficiency).
- Incrementally reduce O&M costs through replacement of facilities with new facilities that meet the Guiding Principles for Sustainable Buildings.
- Using the more accurate data that will result from the HHS Operation and Maintenance Cost Implementation Guidance, link the O&M cost data to making better real property asset management decisions that incrementally improve FRPC measures.

**Right Condition Results:** In the HHS 3Q FY 2008 deliverable, Assessment of HHS Performance Targets, it was shown that current funding is below sustainment level which makes improving the CI a challenging task. HHS remains very concerned that we may not achieve interim targets, and may only be able to take small steps in improving condition. HHS is adamantly against changing targets just to ensure that we can meet them. HHS will strive to incrementally improve CI through the strategies below:

**Improvement Strategies:**

- Use condition index data and other factors in the daily decision making process to manage the limited funding to incrementally improve the CI. (Templates to capture essential elements of the OPDIVs daily decision making process are being developed and implemented in 4Q FY08. Specific examples will be provided in 1Q FY09.)
- Increase the overall portfolio CI when possible by aggressively pursuing disposition of the assets in poor condition. This can be accomplished through appropriations to replace deteriorating and poor performing assets. (4Q Finalize FY09 candidate property list)
- Continue to improve the CI data through building condition assessments and use this data to make better real property asset management decisions. (1Q update of CI and reoccurring assessments.)
- Examine current building operations procedures to determine if efficiencies can be realized. (4Q audit of operating cost for a campus)