

Title 3 —

Executive Order {XXXXX} of {Month Day, 2014}

The President

Asset Management

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 305 and section 306 of title 5, United States Code, and in order to best realize the value of Federal assets, it is hereby ordered as follows:

Section 1. Policy. It is the policy of the United States that Federal agencies manage and utilize assets in an efficient, effective and economical manner with an asset life perspective to achieve their organizational missions in a transparent and accountable manner across their lifecycle.

Section 2. Fundamental Principles. Asset management is governed by four fundamental principles:

- (a) Value: assets provide value to the agency and the American public.
- (b) Alignment: asset management translates agency missions into technical and financial decisions, plans and activities regarding assets and asset management.
- (c) Leadership: leadership and organizational values, goals and objectives are determinants of value realization.
- (d) Assurance: asset management provides assurance that assets will fulfill their required purpose.

Section 3. Goals for Agencies. In implementing the policy set forth in Section 1 of this order, the head of the each agency shall:

- (a) establish an agency asset management system in alignment with details set forth in ISO 55000 and ISO 55001 standards on Asset Management;
- (b) develop an agency Strategic Asset Management Plan (SAMP) that specifies how asset management performance goals and objectives are organized to achieve the agency's strategic plan;
- (c) apply systematic resource management strategies that explicitly align asset management system goals and objectives in measure to agency goals and objectives;
- (d) demonstrate proactive asset management strategies that consider risk and the total cost of ownership in resource decision making;
- (e) establish asset management strategies that integrate all decision making and

management disciplines to optimally utilize assets to achieve agency goals and objectives;

Section 4. Duties of Heads of Agencies. In implementing the policy set forth in Section 1 of this order, the head of each agency shall:

- (a) translate agency missions into a set of operating standards used to govern asset management system goals and objectives;
- (b) implement a system of standards, metrics and measures to evaluate and monitor asset performance in support of resource decision making;
- (c) report progress achieving goals and objectives established in the SAMP with OMB as part of annual budget submissions;
- (d) direct senior leadership and evaluate their performance, in part, based on their ability to integrate and align decision making and resource management activities with the goals and objectives established in the SAMP.

Section. 5. Duties of the Office of Management and Budget. In implementing the policy set forth in Section 1 of this order, the Director of Office of Management and Budget (OMB) shall issue instructions to the heads of Agencies concerning:

- (a) periodic evaluation of agency implementation of this order;
- (b) budget and appropriations matters relating to implementation of this order;
- (c) development of legislative initiatives that seek to improve Federal asset management;
- (d) required elements of an agency's SAMP.

Section. 6. Duties of the General Services Administration. In implementing the policy set forth in Section 1 of this order, the Administrator of General Services shall:

- (a) update the Federal Management Regulations, including guidance covering the asset management life cycle;
- (b) update Federal Real Property Council guidance;
- (c) submit a comprehensive review of Federal policies and regulations effected by this executive order to the Director of OMB by the one year anniversary of its signing.

Section. 7. Definitions

- (a) 'Asset' is an item, thing or entity that has potential or actual value to the agency working on behalf of the American public inclusive of personnel property, real property, information technology, intellectual capital, resources, and financial holdings.
- (b) "Asset Management" is the coordinated activity of an organization to realize value from assets.
- (a) "asset life" is the period from *asset* creation to asset end-of-life.
- (a) "life cycle" is the stages involved in the management of an *asset*.

THE WHITE HOUSE,

Month Day, 2014