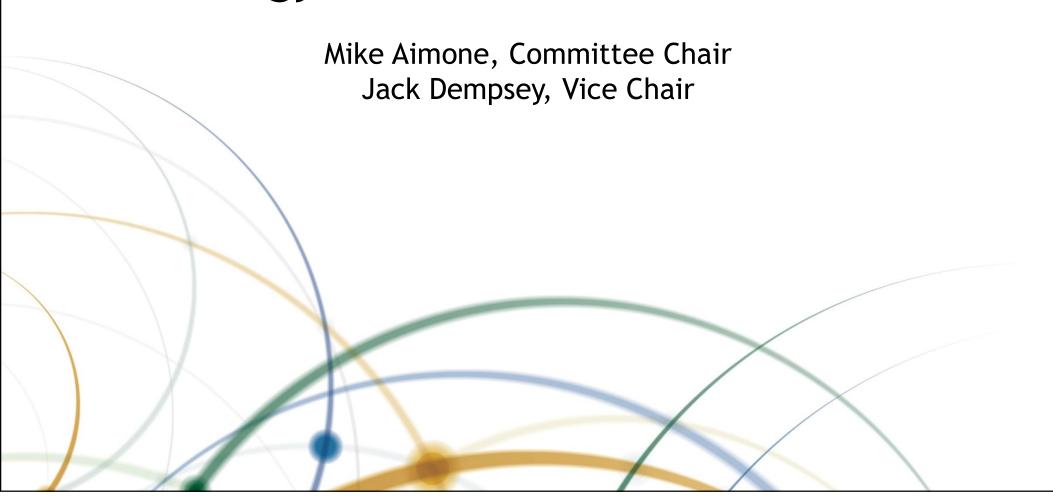


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BOARD ON INFRASTRUCTURE AND THE CONSTRUCTED ENVIRONMENT FEDERAL FACILITIES COUNCIL

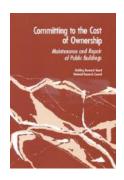
A Strategy to Renew Federal Facilities



Prospectus Review

Relevant Academy Sources

- Committing to the Cost of Ownership 1990,
 Routine M&R resourced at 2-4% of portfolio replacement value
- Stewardship of Federal Facilities 1998, Establishing a framework for strategic planning
- Outsourcing Management Functions for the Acquisition of Federal Facilities - 2000, details outsourcing practices while maintaining control & oversight
- Intelligent Sustainment and Renewal of Department of Energy Facilities and Infrastructure - 2004, intelligent facility management is intended to enable achievement of mission objectives
- Investments in Federal Facilities 2004, Applying private-sector best practices to Federal assets
- Core Competencies for Federal Facilities Asset Management
 Through 2020 2008, Details strategies to evolve the Fed workforce
 anticipating changes in management requirements and expectations
- Predicting Outcomes of Investments in M&R of Federal Facilities
 2012, Methods to predict or quantify the outcomes anticipated from investments in facilities maintenance and repair







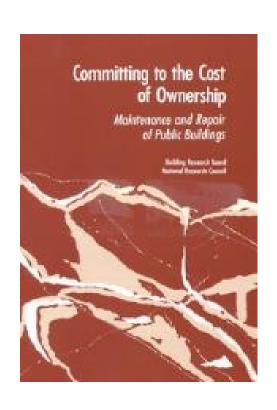
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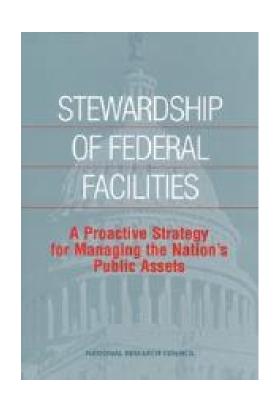


Committing to the Cost of Ownership (1990)



"...M&R budgets should be structured to identify explicitly the expenditures associated with routine M&R requirements and activities to reduce the backlog of deferred deficiencies. An appropriate budget allocation for routine M&R for a substantial inventory of facilities will typically be in the range of 2 to 4 percent of the aggregate current replacement value of those facilities... In the absence of specific information upon which to base the M&R budget, this funding level should be used as an absolute minimum value. Where neglect of maintenance has caused a backlog of needed repairs to accumulate, spending must exceed this minimum level until the backlog has been eliminated."

Stewardship of Federal Facilities (1998)



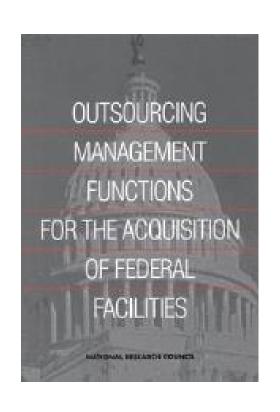
"The ownership of real property entails an investment in the present and a commitment to the future."

"...despite the millions of stakeholders and the expenditure of hundreds of billions of taxpayer dollars in federal facilities, we have not been good stewards of our public buildings. The continuing deterioration of federal facilities is apparent to the most casual observer and has been documented by numerous studies. Still, little has been done to check the decline, and few people in the government are willing to accept responsibility for it.."

"We have a significant opportunity to strategically redirect federal facilities management and maintenance practices for the twenty-first century."

Set foundations for the Federal Real Property Council and total ownership cost analysis.

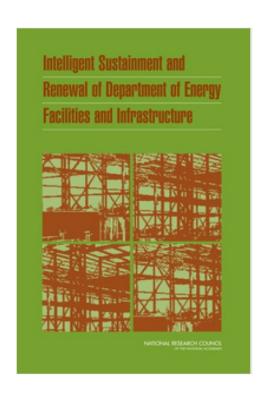
Outsourcing Management Functions (2000)



"The underlying premises of business process reengineering are: (1) the essential areas of expertise, or core competencies, of an organization should be limited to a few activities that are central to its current focus and future profitability, or bottom line; and (2) because managerial time and resources are limited, they should be concentrated on the organization's core competencies."

"Public-sector organizations...have no bottom line comparable to the profitability of a business enterprise. The missions of governmental entities are focused on providing services related to public health, safety, and welfare; one objective is to do so cost effectively, rather than profitably. Thus, public practices are often very different from private-sector practices. They entail different risks, different operating environments, and different management systems."

Intelligent Sustainment of DoE Facilities and Infrastructure (2004)



Congressional initiated reporting an evaluation of DoE's facility and infrastructure management strategy.

"Determining when to repair, renovate, replace, or surplus a facility is a complex decision driven by mission requirements, facility condition, available funds, and the legal/regulatory framework, among other factors. The committee believes that a life-cycle systems model is appropriate for these decisions and has provided an example that could be tailored to the requirements of DOE."

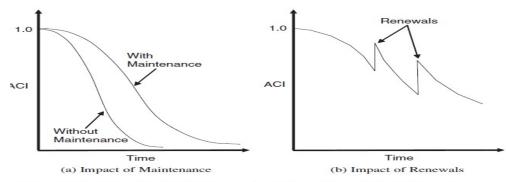
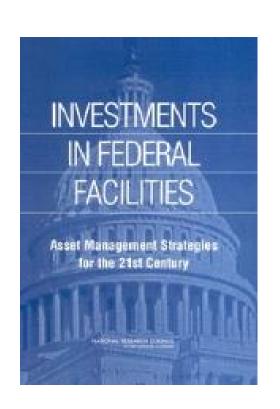


FIGURE 4-2 Impact of maintenance and renewals on the asset condition index.

Investments in Federal Facilities (2004)

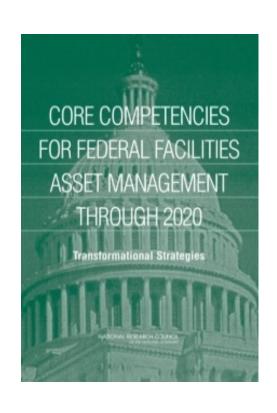


Federal Real Property placed on GAO High Risk List (2003)

"The committee concluded that there is no single solution from the private sector that could apply to all federal facilities investment and management, nor should we expect that one will be found. Nevertheless, there are private-sector principles, policies, and practices integral to successful facilities investment and management decisions that appear suitable for conversion into equivalent federal precepts"

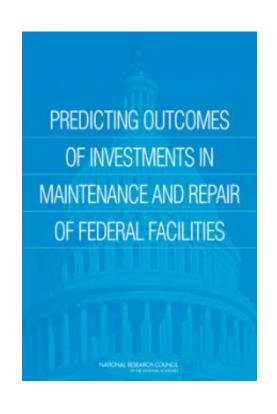
"In further recognition of this complex environment, the committee has outlined an implementation program that suggests how elected officials and the many dedicated and competent career public servants might together develop legislation and guidelines to improve public investment in federal facilities."

Core Competencies for Federal Facilities Asset Management (2008)



"The goal of facilities asset management is to give an organization the work environments it needs to achieve its missions by optimizing available resources. This can best be done by integrating people, places, processes, and technologies to optimize the value of facilities throughout their life cycles—that is, from planning, design, and construction through operations and maintenance, renewal, and ultimately disposal. Effective facilities asset management requires a professional workforce with both hard and soft skills and capabilities in business—including technical disciplines, communications, negotiation, critical thinking, and leadership—and in enterprise knowledge, defined as a profound understanding of an organization's missions, culture, clients, and relationships."

Predicting Outcomes in the Maintenance & Repair of Federal Facilities (2012)



"Several recent developments provide an opportunity and a foundation for implementing more strategic and more cost-effective investment practices for maintaining and repairing federal facilities."

"Recognition of the multifaceted value of facilities has, in turn, resulted in more strategic facilities management practices that focus on entire portfolios of facilities and treat them as assets to organizations. Federal agencies have been implementing portfoliobased management processes, although the level of sophistication varies. With a few exceptions, agencies

sophistication varies. With a few exceptions, agencies have not yet adopted more strategic, portfolio-based practices for linking maintenance and repair investments to their overarching missions."

Advanced knowledge based facility assessments supporting OSD's policy implementing SMS/BUILDER

A Strategy to Renew Federal Facilities (2020)



Statement of Task:

- Identify a methodology for federal agencies to generate strategies to renew their facilities and infrastructure.
- Address both asset life cycle and real property portfolio management.
- Make clear how alignment with the agency's mission, goals and objectives is established.
- Focus on the "how" and not the "what"
- Include communication and advocacy strategies

Scheduled Plan of Action:

- Study Commissioned April 2019
- Discovery May 2019 to February 2020
- Writing December 2019 to May 2020
- Review June 2020 to August 2020
- Publication August/September 2020