



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240



Memorandum

To: Bureau Senior Asset Management Officers
Bureau Budget Officers

From: Michael Keegan *Michael Keegan 11/26/07*
Associate Director, Facility and Property Management
Office of Acquisition and Property Management

Subject: **Capital Planning and Investment Control 2008 Schedule for Construction Projects (including 2010 Budget Development)**

Executive Order 13327 "Federal Real Property Asset Management" and OMB Circular A-11 require that Federal agencies continue to strengthen planning, budgeting, and overall management of asset investments. As articulated in the Department's Asset Management Plan, we are adhering to a Capital Planning and Investment Control (CPIC) program that provides bureau supervisors and managers the tools to make wise investments in buildings, structures, and linear and fleet assets that contribute to the Department's mission. The cornerstone of our CPIC program is a portfolio-based investment structure implemented through the FY 2008 CPIC process and development of the FY 2010 – FY 2014 Five-Year Deferred Maintenance and Capital Improvement Plan (Five-Year Plan).

The Asset Management Team will continue to serve as the Department's Executive-Level Investment Review Board for construction projects. The important dates for submitting CPIC documentation in calendar year 2008 are provided in the attachment for the:

- Quarterly reporting updates for major approved projects having Exhibit 300s;
- Exhibit 300s for all major ongoing and proposed projects. Major projects are those with cost \$10 million or greater (excluding operation and maintenance costs), are multi-year projects, or are projects of special interest to OMB; and,
- The Five-Year Plan, as defined in Attachment G of the Annual Department of the Interior Budget Guidance.

It is important that all proposed major FY 2010 projects include accurate estimates for operation and maintenance (O&M) costs. These costs are documented in "Part 1 – Summary of Spending for Project Stages" of Exhibit 300 and Project Data Sheets for the Five-Year Plan. Estimated O&M costs are important for determining an asset's total life cycle ownership cost and must be factored into bureau investment decisions.

Quarterly reporting updates and Exhibit 300s should be sent to Bill Hamele of the Office of Acquisition and Property Management. If you have any questions about the CPIC schedule, please call Mike Keegan, Associate Director for Facility and Property Management, at (202) 208-3347 or have your staff call Bill Hamele at (202) 208-5704 or Bob Jarcho at (202) 208-3329.

Attachment

cc: Nina Rose Hatfield
Asset Management Team
Asset Managers' Partnership
Non-IT CPIC Coordinators
Bureau Assistant Directors for Administration
Director, PAM
Director, PFM
Director, POB
Director, PPP

**Construction Project Exhibit 300's, Quarterly Report,
and Five-Year Plan Submission Dates**

- January 7, 2008 Bureau Five-Year Deferred Maintenance and Capital Improvement Plans (Five Year Plan) are due to the Office of Budget (POB). Three copies are to be submitted of the final FY 2009 – 2013 Five Year Plans, adjusted for final FY 2009 President's Budget numbers.
- January 25, 2008 Quarterly Reports are due to the Office of Acquisition and Property Management (PAM) for the 1st quarter, ending Dec. 31st. Exhibit 300s for ongoing projects must be updated to reflect FY 2009 passback direction and FY 2008 estimates, based on a 2008 enacted appropriation or 2008 budget if there is no enacted appropriation. Submit quarterly reports for all approved projects. A *Corrective Actions Report* must accompany any project that reports a variance at or in excess of 5 percent in cost and/or schedule. (The Quarterly Reporting Tool can be viewed at <http://www.doi.gov/pam/QuarterlyReportGuidance61605.pdf> as a PDF file. It also will be sent electronically as an Excel Spreadsheet file to your bureau's CPIC Coordinator so it can be provided to and used by project managers of major projects.)
- Provide an updated Exhibit 300 to PAM for each project with Departmental Asset Management Team (AMT) and OMB approval of requested base line changes requested in the October quarterly reporting submission.
- February 1, 2008 Bureau Five Year Plans for FY 2009 – 2013 are due to the Office of Budget (POB) after final Department of the Interior (DOI) approval for submission to Congress. Submit an electronic copy with 10 paper copies.
- March 3, 2008 Updated Exhibit 300s for all major projects approved for FY 2009 and for prior years are due to PAM.
- April 11, 2008 Exhibit 300s for all FY 2010 projects with cost \$10 million or greater (excluding operation and maintenance costs), are multi-year projects, or are projects of special interest to OMB, are due to PAM.
- April 18, 2008 Quarterly Reports are due to PAM for the 2nd quarter, ending March 31st. Submit quarterly reports for all approved projects. A *Corrective Actions Report* must accompany any project that reports a variance at or in excess of 5 percent.
- Provide an updated Exhibit 300 to PAM for each project with Departmental Asset Management Team (AMT) and OMB approval of requested base line changes requested in the January quarterly reporting submission.

**Construction Project Exhibit 300's, Quarterly Report,
and Five-Year Plan Submission Dates**

- May 21-22, 2008 Department and Bureau CPIC Coordinators review and provide recommendations on Exhibit 300s for all FY 2010 planned new major projects and prior year approved projects with FY 2010 funding requirements that have a cost \$10 million or greater (excluding operation and maintenance costs), are multi-year projects, or are projects of special interest to OMB. The CPIC Coordinators' recommendations are provided to the AMT.
- June 2, 2008 Construction portion of the bureaus FY 2010-2014 Five-Year Deferred Maintenance and Capital Improvement Plans (Five-Year Plan) are due to the Office of Budget (POB). Refer to Attachment G, "Facilities Deferred Maintenance and Capital Improvements," issued in the fall of 2007.
- June 25, 2008 The AMT convenes to evaluate and certify the DOI investment portfolio of proposed FY 2010 major investments, including those approved in prior years. The AMT serves as the Department's Executive-Level Investment Review Board for major construction projects. At this meeting and other AMT meetings scheduled every six weeks throughout 2008, the AMT will evaluate the portfolio of major projects in progress and certify necessary change of baseline for major projects at variance.
- July 1, 2008 Deferred Maintenance portion of the bureaus FY 2010-2014 Five-Year Deferred Maintenance and Capital Improvement Plans (Five-Year Plan) are due to POB. Refer to Attachment G, "Facilities Deferred Maintenance and Capital Improvements," issued in the fall of 2007.
- July 18, 2008 Quarterly Reports are due to PAM for the 3rd quarter, ending June 30th. Submit quarterly reports for all projects. A *Corrective Actions Report* must accompany any project that reports a variance at or in excess of 5 percent.
- Provide an updated Exhibit 300 to PAM for each project with Departmental Asset Management Team (AMT) and OMB approval of requested base line changes requested in the April quarterly reporting submission.
- August 11, 2008 Final Exhibit 300s for FY 2010 projects are due to PAM. This includes all Exhibit 300s with 2010 funding, including those approved in prior years.
- September 2, 2008 Corrected and approved Bureau FY 2010-FY2014 Five-Year Plans for Deferred Maintenance and Capital Improvement incorporating comments from the Office of Budget and the Office of Acquisition and Property Management are due to POB for transmittal to OMB.

**Construction Project Exhibit 300's, Quarterly Report,
and Five-Year Plan Submission Dates**

- October 24, 2008 Quarterly Reports are due to PAM for the 4th quarter, ending September 30th. Submit quarterly reports for all approved projects. A *Corrective Actions Report* must accompany any project that reports a variance at or in excess of 5 percent in cost and/or schedule.
- Provide an updated Exhibit 300 to PAM for each project with Departmental Asset Management Team (AMT) and OMB approval of requested base line changes requested in the July quarterly reporting submission.
- November 3, 2008 Bureau FY 2010 Deferred Maintenance and Capital Improvement Project Lists (in Five-Year Plan format) reflecting any changes based on FY 2008 Congressional appropriations are due to POB.
- November 4, 2008 Bureaus submit two copies of the FY 2008 Completion Report to PAM. The direction provided in Attachment G and the format provided by Exhibit 5 of Attachment G will be used. The Completion Report will cover FY 2000- FY 2008.
- December 19, 2008 Bureaus FY 2010 deferred maintenance and capital improvement lists (in Five-Year Plan format) reflecting the 2010 President's Budget numbers are due to POB.