

Department of the Interior Asset Management Plan, Version 3.0



June 2008

Asset Management Partnership



**Department of the Interior
Asset Management Plan, Version 3.0**

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The Asset Management Plan Three-Year Rolling Timeline is available to DOI Managers as a separate companion document to this Asset Management Plan.

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EXECUTIVE SUMMARY

The Department of the Interior's (DOI) Asset Management Plan (AMP) presents DOI's strategic vision and plan of action for compliance with the President's Executive Order (E.O.) 13327 on Federal Real Property Asset Management and the methodology of asset management for:

- Owned and leased buildings;
- Structures;
- Linear assets;
- Motor vehicle fleet; and
- Non-Stewardship land used for administrative purposes.¹

The DOI AMP embraces the principles of the Federal Real Property Council (FRPC) established by E.O. 13327. The AMP is structured to meet the form, and content of the E.O. and other FRPC requirements. It is intended to be a tool for managers throughout DOI, providing the roadmap to continue the transition from a project-centric to a portfolio-centric management approach. This transition to a portfolio-based approach is improving the management of DOI's constructed assets and through the implementation of the AMP will better ensure that managers:

- Make effective business and operational investment decisions on assets that contribute to the mission and strategic goals;
- Manage assets to optimize utilization, improve effectiveness and efficiency, and promote regulatory compliance and stewardship;
- Optimize the portfolio of owned and leased assets, including space management and fleet composition and utilization;
- Build on and utilize historical accomplishments and current methodology to promote improvements in asset management;
- Manage heritage assets² in a way that considers the preservation of historic, archaeological, architectural, and cultural values; and
- Sustain the long-term mission delivery capability of the asset portfolio by directing investment and maintenance funds to the highest priority assets.

Since its issuance in June of 2005, the Department-wide implementation of the DOI AMP emphasizing a portfolio-centered approach has helped strengthen the management of DOI's

¹ Non-stewardship land is considered to be the land associated with constructed assets such that it would be impractical to try to separate for sale.

² Heritage assets are "property, plant, and equipment that are expected to be preserved indefinitely and possess one or more of the following characteristics: 1) historical or natural significance 2) cultural, educational, or aesthetic value; or 3) significant architectural characteristics. Heritage assets include assets that are National Historic Landmarks, listed in the National Register of Historic Places (NRHP), or eligible for listing in the NRHP. The definition of heritage assets is consistent with that of historic property used in E.O. 13327 and E.O.13287, and defined in the National Historic Preservation Act, as amended.

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vast asset inventory. The DOI FY 2007 inventory³ has approximately 48,000 buildings and 115,000 structures, an increase of nine percent over the number of assets reported for FY 2006. At the approximately 2,400 DOI operating locations across the United States, Puerto Rico, U.S. territories, and freely associated states. The inventory includes over 3,200 bridges and tunnels, just under 100,000 miles of highways and roads, about 1,200 dams, over 1,600 education and associated buildings at almost 200 schools and dormitories as well as nearly every type of asset found in a local community. Many of these assets are heritage assets, which have historic or cultural significance that not only support DOI's mission, but also are part of the critical and core mission.

The AMP will guide DOI in the creation of a consistent, current inventory in the Financial and Business Management System (FBMS). It is currently guiding Interior in the reporting and maintenance of DOI inventory data residing in the OMB-sponsored Federal Real Property Profile (FRPP) and in the development of a Single Platform Facility Maintenance Management System (FMMS) database. Importantly, the AMP is helping to guide DOI managers on how to affordably and reasonably maintain and sustain the portfolio to achieve the DOI mission and outcome goals encompassing the four major responsibilities of:

- Resource protection;
- Resource use;
- Recreation; and
- Serving communities.

The use of performance metrics is a key ingredient to managing DOI's portfolio. The AMP requires the continued and enhanced use of common industry performance metrics, such as first-tier metrics for asset condition, utilization, operating costs, mission dependency and second-tier metrics. The AMP is supplemented by policy, guidance, tools and other actions such as:

- Standard guidance that focuses on life-cycle costs and the portfolio covering planning, operation, maintenance and the disposal of assets;
- Standard policy and procedures for heritage assets, which are expected to be preserved indefinitely;
- Bureau AMPs, Site-Specific Asset Business Plans, and internal real property scorecards; Updated Policy on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management.
- A strengthened capital planning and investment control (CPIC) process with governance of the portfolio and individual projects and assets;
- Development of Five Year Construction and Deferred Maintenance plans by each bureau to prioritize projects;
- A current Departmental Value Analysis policy to improve the quality and cost effectiveness of construction, repair, and rehabilitation and renovation projects;
- An updated Disposition Policy (going through final Department-wide clearance);
- An updated Space Management Departmental Manual chapter and Space Management Handbook to assist space managers to effectively and efficiently acquire, utilize, manage and dispose of space;

³ As reported in the Federal Real Property Profile

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- An updated Fleet Management Departmental Manual chapter and Fleet Management Handbook to assist fleet managers to effectively and efficiently acquire, utilize, manage and dispose of motor vehicles;
- A current real property asset inventory with data elements and performance metrics in the FRPP that will be supported by FBMS and Single Platform FMMS;
- The FRPP Performance Assessment Tool and the DOI List of Candidate Assets for Disposition to aid in right-sizing the DOI real property portfolio;
- A framework for management accountability of real property assets;
- Dashboard of performance indicators as a tool to illustrate progress in strengthening the DOI portfolio of real property assets; and
- The identification and update of actions to implement the AMP in the DOI Asset Management Program Rolling Three-Year Timeline.

In meeting the requirements of the AMP and the E.O., the DOI bureaus will increase their capability to capture and analyze key portfolio and project-specific information and performance metrics, and plan and implement cost-effective actions to improve the condition of assets and right-size the portfolio. Strategies and investments will benefit from the application of best practices and the knowledge gained from lessons learned.

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1. INTRODUCTION

This Department of the Interior's (DOI) Asset Management Plan (AMP) establishes a strategic direction for the management of assets within the DOI real property asset portfolio. The DOI AMP addresses the life-cycle requirements of owned and leased buildings, structures, linear assets the motor vehicle fleet, and non-Stewardship land used for administrative purposes⁴

The AMP embraces the principles of the Federal Real Property Council (FRPC) established by Executive Order (E.O.) 13327 on Federal Real Property Asset Management. The FRPC's ten guiding principles, applicable to Federal asset management, include:

1. Support Agency Missions and Strategic Goals by aligning real property decisions with the agency's strategic mission.
2. Use Public and Commercial Benchmarks and Best Practices to assess Federal agency asset management performance.
3. Employ Life-Cycle Cost-Benefit Analyses to justify asset management and acquisition decisions.
4. Promote Full and Appropriate Utilization by operating the property asset to its maximum capacity during its useful economic life (determined by using the Government's financial accounting standards) while satisfying the occupying agency's mission requirements.
5. Dispose of Unneeded Assets by redeploying, demolishing, or replacing the asset when it fails to support the agency's mission.
6. Provide Appropriate Levels of Investment by making and prioritizing capital investment decisions, such as whether to construct, alter, repair, and/or acquire space to meet changing agency needs.
7. Accurately Inventory and Describe All Assets by submitting real property data at the constructed asset level (e.g., each building/structure within a complex) as defined by the Federal Real Property Council.
8. Employ Balanced Performance Measures to track progress toward achieving real property management objectives and enable benchmarking against public and private sector organizations.
9. Advance Customer Satisfaction by promoting productive work spaces and focusing on the tenant's needs, primarily changing space requirements.
10. Provide for Safe, Secure, and Healthy Workplaces by implementing standard policies and procedures, documenting asset conditions, and developing action plans and strategies to support a productive workforce.

Importantly, DOI is using the FRPC guiding principles to manage and optimize the real property portfolio. The guiding principles promote:

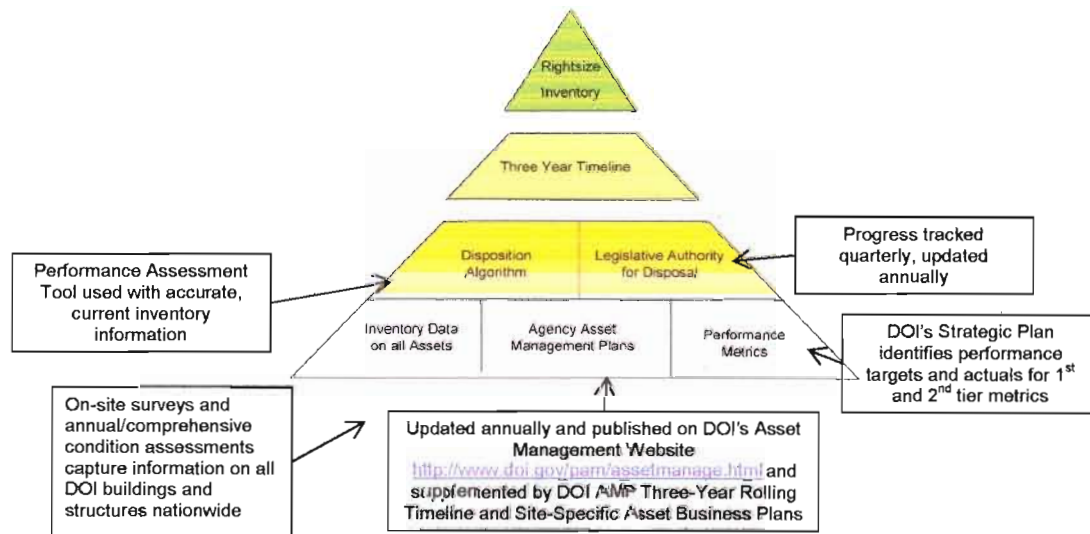
- Sound real property asset management decisions;
- Creation of healthy and productive workplaces;
- Reduction of costs associated with managing real property assets;
- Disposition of unneeded Federal real property;

⁴ Non-stewardship land is considered to be the land associated with constructed assets such that it would be impractical to try to separate for sale.

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- Repair and maintenance of deteriorating facilities;
- Incentives to improve real property asset management;
- Assembling and maintaining reliable real property data;
- Increasing the efficiency and maximizing the performance of the portfolio of Federal real property assets that they manage
- Strategic use of limited budgetary resources to maximize asset management

DOI embraces the Federal Real Property Asset Management Initiative Framework, illustrated below, which highlights the process of achieving success in Real Property Asset Management. The Department uses this framework as a guide on its path to reaching a right sized Inventory and ultimately achieving Green.



This DOI AMP is comprised of the following five sections.

Section 1 – Introduction describes the overall approach and content of this plan.

Section 2 – Support of Agency Missions and Strategic Goals addresses human capital and organizational structure, decision-making framework, and objectives.

Section 3 – Planning and Acquisition of Assets describes how DOI plans for and acquires owned and leased buildings, structures, linear assets and fleet, develops a capital plan, identifies a prioritized acquisition list each fiscal year, measures effectiveness, and identifies key initiatives to improve financial management and acquisition performance.

Section 4 – Operations of Assets describes how DOI operates owned and leased buildings, structures, linear assets and fleet, addressing the inventory system, Operations and Maintenance Plans, Bureau Asset Management Plans, Site-Specific Asset Business Plans or “Building Block” Plans, and periodic evaluation of assets using tools such as the Dashboard of Performance Indicators and the FRPP Performance Assessment Tool. Additionally,

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operational measures are described, as well as key initiatives that are underway to improve operational performance.

Section 5 – Disposal of Unneeded Assets describes how DOI disposes of unneeded assets, measures the effectiveness of redeployment actions and identifies key initiatives, such as the multi-year List of Candidate Assets for Disposition, to improve the pace of disposition as well as its ability to dispose of difficult, environmentally challenged properties.

The AMP also includes the following:

- Description of sustainable buildings design, and energy and water management requirements in Section 2;
- Description of historic preservation requirements in Section 4;
- DOI's Government Performance and Results Act (GPRA) Strategic Plan Asset Management Performance Measures in Section 7;
- General description of the bureaus' missions and programs in Section 8;
- References to the detailed Asset Management Rolling Three-Year Timeline of actions and initiatives identified at the end of Sections 2 through 5 of this AMP. The Rolling Three-Year Timeline, which was updated in Q2 '08, is a companion document to this AMP;
- Listing of sections in the AMP referencing Facility Condition Index (FCI), Asset Priority Index (API), and Capital Planning and Investment Control (CPIC) in Section 9;
- Dashboard of Performance Indicators, with actual measures and targets, as a tool to illustrate and help assess progress in strengthening the DOI portfolio of real property assets in Section 10; and
- Glossary of Terms in Section 11.

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2. SUPPORT OF AGENCY MISSIONS AND STRATEGIC GOALS

To facilitate integrating real property asset management decisions with agency missions, two elements are needed – a clear understanding of the agency’s mission that drives the allocation and use of all available resources (human , physical , financial and technology/information capital) and an effective decision-making framework. DOI’s AMP, as required by E.O. 13327 and updated annually, presents DOI’s strategic vision and plan of action for strengthening the management of assets.

The inter-bureau Asset Management Partnership developed and is responsible for maintaining elements of this plan. The Department and bureaus at all levels are responsible for its implementation. The AMP establishes a strategy to:

- Manage and oversee Interior’s owned and leased assets;
- Maximize the use and contribution of these assets toward accomplishing the Department’s diverse missions; and
- Support the Department’s strategic goals, maximize utilization, effectiveness, and efficiency.

2.1 Agency Mission

The Department’s 2007-2012 Strategic Plan presents DOI from an enterprise perspective, as one entity, with a single over-arching plan driven by cross-cutting programs and multi-bureau and many multi-agency goals and objectives. The updated and revised DOI Government Performance and Results Act (GPRA) Strategic Plan for FY 2007-2012 was released at the end of 2006, superseding the DOI 2003-2008 Plan.

DOI’s mission has been organized into four areas of responsibility:

- Resource Protection -- Protecting the Nation’s natural and cultural resources including heritage assets⁵;
- Resource Use -- Managing resources to promote responsible use and sustain a dynamic economy;
- Recreation -- Providing recreation opportunities for the public; and
- Serving Communities -- Safeguarding lives, property and assets, advance scientific knowledge, and improve the quality of life for communities we serve.

Each of these mission areas has several related end-outcome results-oriented goals. Supporting the outcome goals are intermediate goals and measures that serve as strategies for achieving the stated outcomes. These outcome goals guide programs and services administered by one or more of the Department’s bureaus and offices. Each goal is supported by quantitative performance measures with specific performance targets. Many of the DOI 2007-2012 GPRA Strategic Plan goals include performance measures for prudent asset management. A list of these asset management-oriented goals and metrics can be found in Section 7 of this AMP.

⁵ Heritage assets, including historic buildings and structures, archeological sites, and cultural landscapes, are generally expected to be preserved indefinitely.

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including National Parks, National Wildlife Refuges, National Wilderness Areas, National Monuments, and other protected resources is placing greater demands on facilities and other assets, including heritage assets, as well as the programs and organizations for which they are used. In addition, DOI occupies lease space at an approximate annual cost of \$300 million and maintains a fleet of 37,000 motor vehicles of which about 3,300 are alternative fuel vehicles (AFV).

The execution of asset management varies among the bureaus. Throughout DOI, however, all facilities will be constructed, operated, and maintained in a manner consistent with all health and safety standards and in compliance with all appropriate codes for safety, security, and accessibility. The Department and bureaus are actively implementing the Federal Real Property Council (FRPC) ten guiding principles and requirements. In addition, DOI actively supports and seeks innovative ways to implement sustainable building design, energy and environmentally-related Administration and legislative mandates. It is DOI policy that prudent sustainable building design, energy efficient and environmentally-sound principles are being applied as DOI programs build, operate, and maintain facility and equipment assets.

The current state of the major bureau programs as articulated from the individual bureau-specific Asset Management Plans are as follows:

- Bureau of Land Management's (BLM) – The goal of BLM's asset management property program is to ensure proper stewardship of owned and leased constructed assets (buildings, bridges, roads, utility systems, and other facilities and infrastructures) to enable BLM to successfully manage 264 million acres of public lands. BLM asset managers are responsible for the identification of space leasing requirements, the contractual compliance of the lessor, and development of a five-year space leasing plan. BLM asset managers are also responsible for the management of personal property assets, including GSA-provided and DOI-owned fleet and heavy equipment assets which support the constructed assets. The BLM program ensures protection of critical resources, public and administrative access, as well as uses ranging from recreation to commercial activities.
- Bureau of Reclamation (BOR) – BOR's management of land and constructed assets is an integral component and activity in the Denver Office, each region, and area office. Current and accurate land records (rights-of-way/easements) are imperative for an organization that is responsible for operating and maintaining a water and power infrastructure throughout the seventeen western states.
- U.S. Geological Survey (USGS) – Responsibility for facility construction and maintenance, space acquisition, and leasing all reside within the Office of Management and Services. The headquarters Office of Management Services sets USGS policy for real property management; carries out strategic facilities planning; develops 5-year plans for construction and deferred maintenance; and allocates funds for rent, operations and maintenance, deferred maintenance, and capital improvement. In each of the USGS's three regions, a counterpart Branch of Management Services oversees the acquisition, disposal, and operation of owned, leased, and GSA-provided space in that region. Local USGS science centers can acquire property within threshold limits and with the advice and consent of the regional Branch of Management Services. Major acquisitions are approved by regional investment review boards and the bureau Investment Review Board.

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- Fish and Wildlife Service (FWS) – FWS integrated its real property program with its facility and equipment maintenance program. Property management decisions are decentralized and are normally made at the Regional or Washington, D.C. offices depending upon the scope of the decision. Space management issues for larger or consolidated offices are made in the Regional or Washington offices of contracting and facilities management. The decision-making process is dependent upon receiving information from the condition assessment process, the asset priority index tool, the DOI five-year plan scoring system, and issues such as office space utilization. Major construction projects are reviewed by the Investment review board at the Washington office.
- National Park Service (NPS) – The majority of the bureau’s asset management Program responsibilities reside within the Associate Directorate for Park Planning, Facilities, and Lands (PPFL). Divisions within PPFL each play a role in supporting asset data, life cycle Asset management business practices, and the working groups. The functions of each PPFL divisional office can also be aligned with a different phase of an asset’s life cycle.

Park Facility Management Division (PFMD) is responsible for the development and general program direction of integrated operational engineering, facility management, and maintenance for all facilities and equipment within the NPS. PFMD develops the policies, tools, and techniques necessary for parks to effectively care for an asset over its useful life. PFMD responsibilities also include managing the reconstruction and rehabilitation budgets for the Service, establishing NPS infrastructure standards, and providing executive liaison with federal, state, and county agencies on infrastructure issues. The Construction Program Management (CPM) Division is responsible for the development and coordination of policies and activities related to major capital construction improvements. CPM coordinates reviews of construction projects by the Development Advisory Board (DAB).

NPS responsibility for acquiring direct or GSA-provided space, space management, acquisition, and allocation of funds for rent is centralized at the Washington, D.C. office. This office also oversees the disposal of real properties identified by parks to ensure that: 1) not utilized, under utilized, excess, and surplus properties are disposed of in accordance with the appropriate policies and procedures; and 2) the annual real property inventory certification of properties owned and/or commercially leased by the NPS meets all GSA reporting requirements. All of these functions reside under the Office of the Comptroller, Washington, D.C. Property Office. Parks and Regions initiate the planning and approval processes at the unit level. The Property Office also sets policies and procedures pertaining to space management and the management of real properties.

- Bureau of Indian Affairs (BIA) – BIA asset management is administered through the Office of the Deputy Assistant Secretary for Management (DAS). This Office leads the CPIC Bureau Investment Review Board (BIRB). Within this office, the Chief Financial Officer directs the Division of Real Property functions for Space Management and Vehicle Usage.

This Division provides policy guidance for both GSA-provided space and direct leasing while maintaining the integrity of the asset inventories and disposal/transfer/sell procedures. Also, within this Office of the DAS, the Director of the Office of Management

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Support Services directs the Deputy Director, Office of Facilities Management and Construction. This Office: 1) maintains the Facilities Management Information System (FMIS); 2) provides the strategic planning functions for all BIA constructed assets to the BIRB, conducts Condition Assessments; 3) provides facility condition index data management; 4) develops 5-Year construction, improvement, and repair plans; 5) maintains the construction in progress data integrity; and 7) coordinates application of the asset priority indices with major program offices as well as the Division of Property Management.

Each bureau also maintains a program to manage its heritage assets. Bureau asset managers consult with cultural resource experts to develop strategic plans and guidelines to manage and maintain bureau cultural resources. This development process takes into consideration the unique needs of heritage assets, which are very different from non-heritage assets, especially with respect to life-cycle. Maintenance on and treatment of heritage assets, however, involves similar procedures as for non-heritage assets but with special emphasis on using historically appropriate materials and workmanship.

In all DOI Bureaus, the focus of the property program is to ensure proper stewardship of heritage and non-heritage buildings and structures that support the accomplishment of Bureau missions. The programs ensure protection of critical resources, public and administrative access, as well as uses ranging from recreation to commercial activities.

2.2 Organization Infrastructure

The Secretary of the Interior leads the agency and is supported by assistant secretaries, bureau directors, and other senior officials. Through the Assistant Secretary – Policy, Management and Budget (PMB), Department-wide facility and property management oversight activities and functions are consolidated to better position the Department to comply with the provisions of the E.O. 13327. Under the Assistant Secretary – PMB, the Deputy Assistant Secretary for Business Management and Wildland Fire is the designated DOI's Senior Real Property Officer (SRPO) and is responsible for implementing DOI's asset management planning process that meets the form, content, and other requirements established by the Federal Real Property Council and Executive Order 13327. The SRPO with the support of the Office of Acquisition and Property Management (PAM)⁶ provides executive level leadership for the Department in the following DOI asset management program areas of:

- Real property asset management;
- Government furnished quarters and space management;
- Energy efficiency, water conservation and renewable energy programs; and
- Motor vehicle fleet management and alternative fuel vehicles (AFV); and

2.2.1 Asset Management Program Leadership

The Deputy Assistant Secretary for Business Management and Wildland Fire, is DOI's designated Senior Real Property Officer (SRPO). PAM serves the SRPO by coordinating policy development, promoting business professionalism through program evaluation and

⁶ The Deputy Assistant Secretary for Business Management and Wildland Fire and PAM are also responsible for executive-level leadership in the areas of acquisition policy and oversight; Federal assistance (grants and cooperative agreements); museum and personal property management; and the integrated charge card program; and electronic commerce and related automated systems.

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guidance, guiding and monitoring capital planning, and supporting program and bureau operations in all of its functional areas.

Consistent with the designation of an SRPO, each bureau in DOI has established an organization structure to manage real property assets in support of the bureau's mission. Each bureau has a designated Senior Asset Management Officer (SAMO) to oversee the asset management program, and ensure its alignment with the bureau's unique mission and Departmental strategic goals. The official titles of the SAMOs vary from bureau to bureau. The SAMOs are the bureaus' Deputy Directors, Associate Directors, or Chief Financial Officers.

Each bureau's unique mission, history, and management culture influence its respective organizational structure, number and type of offices established at the headquarters, regional, and local levels, the functions performed in those offices, and the level of real property management responsibility delegated to them. Although different in execution, the bureaus' real property organizations are driven by a commitment to support DOI and the bureaus' mission and carry out the DOI GPRA Strategic Plan and this Asset Management Plan (AMP). This has prompted one bureau, Bureau of Land Management, to re-organize its asset management structure for increased communication and better coordination of asset management requirements. While not all bureaus have undertaken this level of change, all bureaus continue to improve communication across organizational boundaries through the implementation of the bureau-specific AMPs and site-specific Asset Business Plans (ABP).

2.2.2 Intra-Departmental Governance and Coordination

To bridge those differences and increase intra-agency efforts to work toward management excellence including common asset management goals, DOI has established a hierarchy of intra-agency councils to insure coordination within the Department. At the executive level, there is the Management Executive Council (assistant secretaries, and bureau directors) and the Management Initiatives Team (deputy assistant secretaries, and bureau deputy directors). The Asset Management Team (AMT) is a standing and chartered committee, comprised of the SAMOs from each bureau under the authority of the Management Initiatives Team (MIT).

The primary purpose of the AMT is to direct, evaluate and oversee Department-wide efforts to meet Interior's asset management goals and objectives for property assets. The AMT serves as the DOI asset management investment review board (IRB). It presides over the DOI Asset Management Program and implementation of activities necessary to strengthen the DOI-wide management of real property assets and is responsible for major real property investment decisions and initiatives.

IRB asset management activities at the Department-level, through the AMT, and in the bureaus is fundamental to successful to asset program governance and project management in DOI. The IRBs, in each bureau, are formally established through charters and comprised of representation from mission programs, acquisition, budget, planning, construction, space, fleet, human resources and other areas ensure a balanced and enterprise approach to program and investment decisions. These executive-level investment committees decide on portfolio-wide issues or on individual investments to determine which major/prospective investments should

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be recommended for funding consideration. (See 2.4.2 of this AMP for further elaboration on the IRBs.)

The AMT and the bureaus asset management programs are supported by the Department's Asset Management Partnership, Space Management Partnership, and Heritage Asset Partnership, comprised of mid-level management representatives from each bureau and the Department, brings together the subject matter experts on heritage and non-heritage asset management and space management.

Formally established by charters signed by the SRPO, the three Partnerships provide invaluable forums to coordinate and collaborate among the bureaus on common initiatives, issues and concerns. With the direction from the AMT, the Partnerships recommend policies and procedures, provide guidance, and advise on management issues concerning the Department-wide asset management program effort. Their activities include

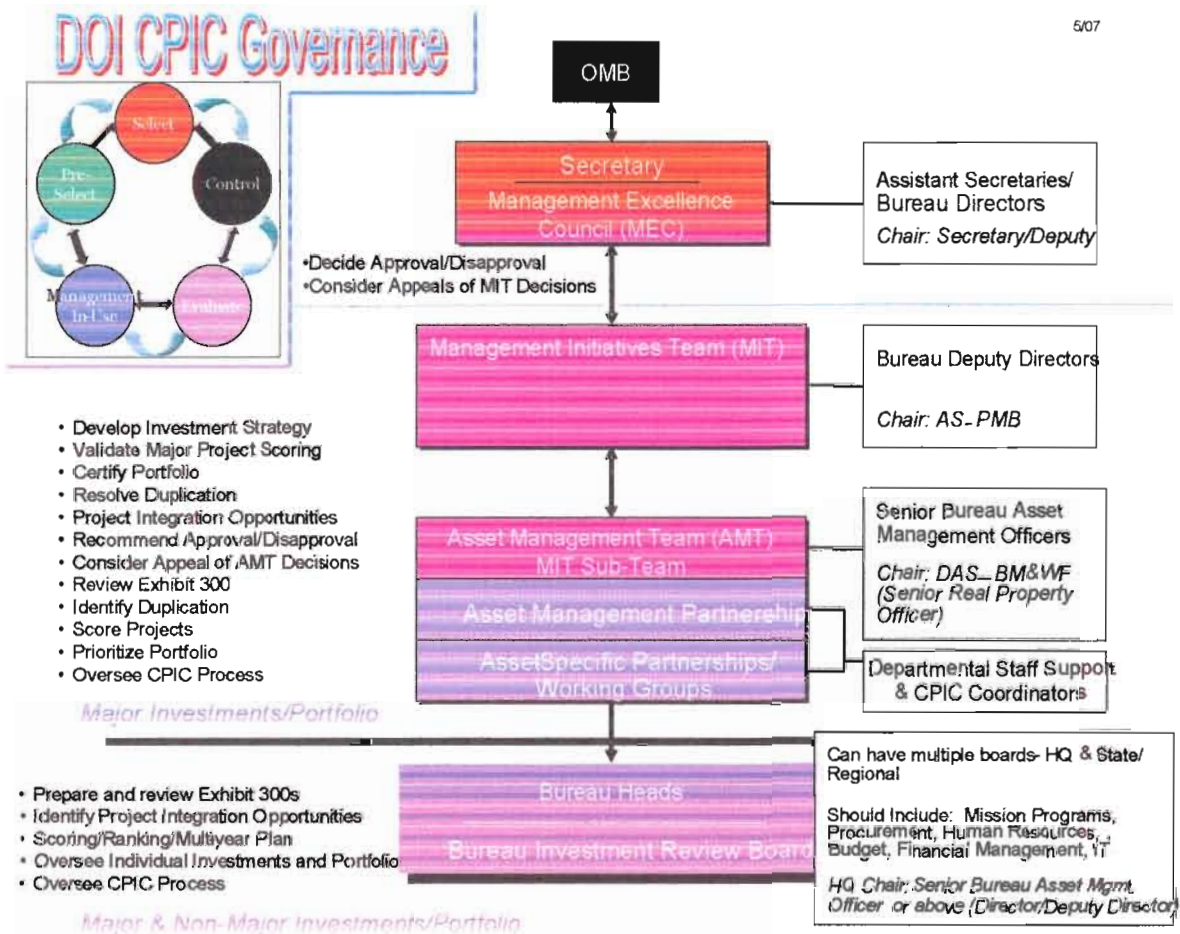
- Maintaining a significant intra-departmental communication network to foster a more unified asset management program;
- Periodically reviewing asset management policies and procedures;
- Exploring ways to share expertise and data management throughout the Department to maximize efficiency and minimize costs;
- Exploring innovative practices and methodologies and emerging technologies for Department-wide adoption;
- Ensuring communication with other Federal agencies including centralized management agencies and other government and non-government organizations to seek advice and foster input on policy issues, assure compliance with requirements, and share information; and
- Assisting with the establishment of educational, training, and career development programs.

The three partnerships coordinate and work together to support the AMT. With guidance from the Department, they continue to work on a number of initiatives that will be used to improve asset management, Department-wide. Policies, guidance and procedures have been prepared and updated to help ensure that asset management-related decisions support mission-related needs. Significant focus has been on establishing and maintaining program governance through investment review processes at the bureau and Department levels and to establish a multi-year planning process that will be the basis for a Department-wide strategy to guide decision-making to take advantage of opportunities to improve the condition and utilization of assets and the cost to operate and maintain them and dispose of unneeded assets.

2.2.3 Governance Hierarchy

DOI's overall management hierarchy is depicted in the following diagram.

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2.3 Human Capital Management

DOI's Strategic Human Capital Management Plan, which can be found at http://www.doi.gov/pfm/human_cap_plan, provides a framework for human capital management and development in Interior. It explores the demographic features of DOI's workforce, its geographic dispersion, and the wide diversity of skills needed to fulfill the Department and bureaus divergent missions. The Plan also describes external and internal "drivers" that are shaping the extent, complexity, and volume of our work. In support of asset management, DOI has addressed human capital needs by conducting Facilities and Asset Management Conferences in past years. DOI is planning to conduct a Facilities and Asset Management Conference in a timeframe still to be determined. Past conferences have been joint efforts with the U.S. Forest Service and Indian Health Service. As appropriate, DOI will continue this tradition of collaboration with other Federal agencies.

The Department and the bureaus have taken steps to help ensure uniform application of sound business practices. Bureaus have recognized the impact that the new requirements have had on their field managers and have developed comprehensive asset management training tailored to the facility manager. The National Park Service has implemented a training program to certify their facility managers to improve the skills within their bureau. The Bureau of Land

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Management, Bureau of Indian Affairs, Fish and Wildlife Service, and the U.S. Geological Survey have all developed and implemented Asset Management Specific training.

In addition, DOI is implementing the direction of the Office of Federal Procurement Policy of April 25, 2007 that establishes a “Federal Acquisition Certification Program and Project Managers” program requiring the certification for program and project managers that are assigned to major acquisitions as defined in OMB Circular A-11, Part 7, exhibit 300, “Planning, Budgeting, Acquisition, and Management of Capital Assets”. DOI University has established a curriculum to facilitate project management training. The bureaus are training managers to become certified and are assigning them to major construction investments,

Project Managers (PM) are crucial elements for managing the day-to-day operations of individual investments and for making decisions to ensure that IRB direction is implemented and that program goals and objectives are met in their portfolios. The PMs integrated skill set addresses such areas as project planning, scope management, cost, schedule, performance, risk, and organizational management. Perhaps the greatest project management challenge is identifying risks and then executing management techniques that mitigate the risks to ensure timely and successful project completion. Increasing DOI emphasis is on the development and assignment of qualified PMs with the necessary skills and management practices in place better ensure successful investment development and implementation.

The Department will continue to identify and implement best practices and opportunities to share resources and expertise among the bureaus and to partner with other agencies to create economies of skill. Economies of skill stemming from common approaches, common language, and common requirements permit the redeployment of human resources within and between organizations to meet critical needs. The Service First program, a current partnership between DOI and the United States Forest Service of the U.S. Department of Agriculture, is an example of DOI working with another agency to seek cost-effective solutions to common critical needs and concerns. This program has been underway since 2003 and the following objectives have been initiated:

- Integrate fuel reduction plans, targets, and implementation efforts in support of healthy forests;
- Align Federal Activities Inventory Reform Act inventories and coordinate all out-year competitive sourcing studies;
- Coordinate all information technology investments for compatibility of systems and applications;
- Implement the collocation plan; and
- Align priorities in the minerals and energy policies.

2.4 Asset Management Decision-Making

The DOI’s portfolio-based approach to asset management provides managers at all levels the tools such as the Dashboard of Performance Indicators and the Federal Real Property Profile (FRPP) Performance Assessment Tool to make wise investments, including informed choices for funding, in owned and leased buildings, structures, linear, fleet assets and non-stewardship lands that contribute to the mission. The goal of this portfolio-based approach to asset management is to achieve management excellence and effective mission delivery. To

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accomplish this goal, DOI managers must be able to address the following questions in managing the portfolio of covered assets, throughout the life-cycle of individual assets:

- Can we ensure that assets are strategically aligned with program goals and objectives?
- Can we realign assets in response to change?
- Can we ensure the best value when investing in assets?
- Can we measure the value?
- Can we determine the future use, needs, or the replacement of assets?⁷

Through the AMT, the bureau investment review boards (IRB) and the framework in the DOI Capital Planning and Investment Control Guide established to review asset investments, the bureaus are evaluating and prioritizing investments, basing investment decisions on cost-benefit, and developing five-year plans that provide a context for investment decisions and budgets. The IRBs review the investment portfolio and make decisions using the DOI or bureau Five-year Deferred Maintenance and Construction Plan and major project business cases that are the basis for the annual budget request. Decisions are made considering the mission related needs, strategic goals, return on investment, cost and schedule, and risk. IRBs are empowered to compare all investments and proposals to select those that best fit with the strategic business direction, needs, and priorities of the Department and the bureaus.

In addition, the Department conducted program evaluations in FY 2007 on bureau's progress in meeting the requirements of Executive Order 13327 and implementing the DOI Asset Management Plan issued July of 2005. The bureaus are implementing recommendations resulting from the program evaluations. Follow-up evaluations of the bureau programs are planned for FY 2010.

The information provided through these program evaluations and other management and training forums have been utilized to identify opportunities for improvement as well as to identify best practices and lessons learned. The Department's initiatives for space, energy and water and fleet management have also established an important and complementary framework for making investment decisions leading to more effective asset management. Through several management initiatives and actions combined with the DOI asset management program, managers throughout DOI are better able to ensure the right mix of cost effective and efficient owned and leased assets in DOI's asset portfolio, including space and fleet.

2.4.1 Elements of Asset Management Decision-Making

The strategy and plan of action presented in this AMP is structured around the development of a consistent approach to:

- Asset management, inventory and valuation,
- Improving the overall condition and size of the portfolio, and properly sustaining it over time; and

⁷ It is important to note that the questions listed above do not, in most cases, easily lend themselves to heritage assets. Authorities to protect these assets clearly indicate their 'cross-mission value' and any decisions regarding these assets should keep that in perspective. Similarly, any estimate of the 'value' of a heritage asset must consider its intrinsic value and not be limited to a cost analysis only. Heritage assets are, by definition, assets that are unique and that cannot be replaced. Any decision-making process must take into account the special needs of this asset type.

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- The use of performance metrics, such as the Federal Real Property Council first-tier metrics of asset condition, mission dependency; operating costs; and utilization.

DOI's accomplishments to date and actions both planned and currently underway are the building blocks for the strategies to strengthen asset management that are presented in this section.

This AMP, which is updated annually, is written to serve as a forward-looking, strategic document building on program accomplishments. It serves as a tool for real property asset managers nationwide to strengthen asset management. This AMP is updated with accomplishments and tasks that further the DOI Asset Management Program.

Key to accomplishing the DOI Asset Management Program goals is the 1) annual update of the DOI AMP, 2) annual update of the Bureau AMPs, and 3) the refinement and annual update of Bureau Site-Specific Asset Business Plans (ABP). These three-tiered plans drill down to key management information, performance measures, initiatives and decision-making at the facility level and extend to individual assets. Best Practices that are illustrated within these plans. They provide a comprehensive view of real property assets through mission organization structure and support; asset inventory, condition and valuation; total cost of ownership; program management, training, etc.

In recognition of the importance of managing the portfolio to support DOI's many and diverse missions and its strategic goals, the elements of asset management decision-making are described below.

2.4.1.1 Contribution to Mission

The Department's maturing asset management program and investment management process is better ensuring that investments are aligned with Departmental and bureau program missions and strategic goals. This linkage results in the prioritization of constructed assets based on the degree to which the investments support mission needs and the achievement of strategic goals. For DOI owned and leased real property assets, the Asset Priority Index (API)⁸ is one tool that helps provide a clearer link to mission for each existing and proposed building and structural asset in the portfolio.

The Department, through the AMT, issued the DOI Asset Priority Index Guidance articulating a framework for the consistent application of API within DOI. DOI will continue to refine, as appropriate, this DOI API framework, criteria and weighting. The DOI and bureau-specific performance indicators are to be used by managers at all levels to track progress and trends related to this metric.

DOI's API framework has two important components that identify priority; mission dependency criteria and asset substitutability. Mission dependency⁹ criteria relate an asset's contribution to an organization's individual strategy and values based on Departmental and bureau mission and outcome goals. Asset substitutability is the degree to which a comparable substitute asset exists to fulfill the functional requirements or purpose of that asset. An API

⁸ API used by each bureau to determine the "Mission Dependency" value of the assets reported in the FRPP.

⁹ Mission Dependency may also be referred as Asset Criticality.

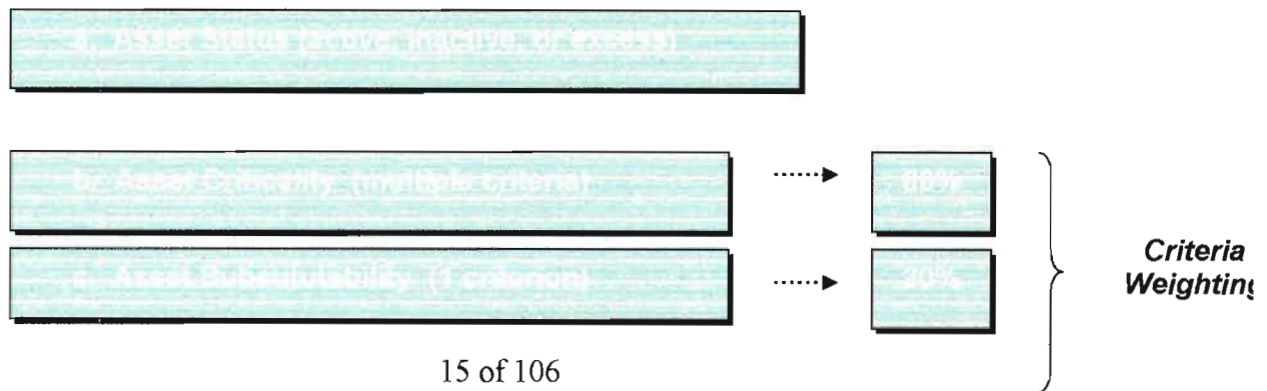
20% weighting given to substitutability. Standards for API have been developed to guide Interior and bureau-level scoring processes that reflect the mission of each individual organization. API scores are based on a 0-100 point scale.

The structure for API within Department and the bureaus is as follows:

- The first step in the API process is for each bureau to classify each asset according to the following three FRPC prescribed asset status categories (active, inactive, or excess) and then score each asset (unless asset has been disposed).
- Each Bureau API has a 0-100 point score that maps to the FRPC-defined categories for mission dependency. API provides each Bureau a guide in determining the relative priority of assets (i.e., mission critical, mission dependent not critical, not mission dependent) and the need to keep and maintain assets necessary to accomplish the overall specific site and Bureau mission. The API rating will allow the bureaus to identify and consider assets for disposal (low API rating) while also assisting in targeting funding towards assets with a high API rating.
- 80% of the 100-point score is reserved for criteria that reflect the bureau's unique mission. For example in the National Park Service (NPS), these include visitor satisfaction and resource protection. In the U.S. Geological Survey, they include short and long-term support for scientific goals. All bureaus have criteria that are appropriate for their mission (education, science, land management, etc.).
- 20% of the 100-point score is reserved for the concept of asset substitutability. Asset substitutability encourages asset managers to consider how "substitutable" an asset may be. For example, if an asset is unique and no comparable facility exists, the asset would receive the maximum score for "no substitute." If there are many similar assets in close proximity, the asset would score lower on asset substitutability. Heritage assets, by definition, are unique, and, therefore, are not substitutable based on their historical or cultural uniqueness.

API, as the measure for mission dependency, is being used with the other FRPC (Federal Real Property Council) performance metrics (condition index, utilization and operation and maintenance cost) as well as other management and resource factors. It is also used in concert with the existing Deferred Maintenance and Construction Five-Year Plans in which bureaus submit a project data sheet for out-year projects. One of the required elements for the Five-Year Plan is establishing an API score for the project. The following chart provides a good example of a basic interpretation of the API.

Criteria for Mission Dependency and Asset Sustainability



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With the continued focus by DOI on fleet management and space management, the AMP provides for a special emphasis on these program areas.

For vehicles, DOI is moving toward optimizing the utilization of the fleet. The size of the fleet is being better optimized by linking decisions about acquisition, leasing, replacement cycles and disposal with strategic goals and mission needs. Based on the Department's fleet management strategy, bureaus have formulated and are implementing fleet management plans that are the framework for improved fleet management.

For space, the Department has implemented a Department-wide multi-year space planning process in which the DOI 5-Year Space Management Plan is created from the annual bureau submissions. This multi-year strategic plan is ensuring that facility acquisitions, lease renewals, GSA-provided space and relocations are driven by mission-related needs and that priority is placed on collocation, consolidation, and improved partnership relationships. Using information provided by the bureaus on current and future year lease plans, anticipated lease expirations, GSA-provided space renewals, and relocations, the Department is identifying opportunities for collocation, consolidation and other actions to improve space utilization and mission support.

2.4.1.2 Asset Inventory

The Department presently maintains an inventory of owned and leased buildings, structures, and linear assets, including listings of all DOI owned, occupied (through cooperative agreement or collocation), and leased assets in a mix of bureau-specific databases which is reported into the FRPP. Since the FRPP is currently a Department inventory of record for real property assets, bureaus will continuously update the FRPP throughout the year. On a quarterly basis, the Department will check the FRPP to verify dates of the last update to bureau data on the asset inventory and the nature of the updates. As a prerequisite to updating the FRPP, the bureaus must report the nature and extent of the updates and Identify and justify anomalies between current year reporting and previous year reporting on inventories identify anomalies. DOI will compare, at the end of each quarter, the current status of the data on the inventory against the previous quarter to monitor the extent of the bureaus' updates.

Inventory reporting will be further enhanced through the development of the standardized Single Platform Facility Maintenance Management System (FMMS) and the Financial and Business Management System (FBMS)¹⁰. These web-based information systems will allow bureau staff to store and manipulate data about each asset and each asset type in the real property inventory. The Single Platform FMMS will interface with the FBMS and will provide the bureaus and Department with a method to collect and analyze comparable facility information in a fast and efficient way. The FMMS and FBMS will exchange information including asset inventory information, performance measures data, and financial and accounting information.

¹⁰ The FBMS is a single, integrated tool that will help Interior's bureaus to manage their many unique missions. FBMS will help bureaus to manage a variety of administrative functions, including: Accounts Receivable, Accounts Payable and Project Systems, Budget Formulation, Budget Execution, Personal Property, Real Property, Fleet, Core Financials, Acquisition, Travel, Financial Assistance, and Enterprise Information Management. FBMS will also interface with the Federal Personnel and Payroll System (FPPS), the Bankcard system, and the Quarters Management Inventory System (QMIS).

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The Single Platform FMMS represents a critical and significant tool to support facilities management and is a cornerstone in the strategy to improve the management of the Department's constructed assets. This system is an important tool for improvement of the overall condition of the constructed assets, better allocation and utilization of the limited resources dedicated to maintaining those assets, and providing accurate and timely information to the Office of Management and Budget, the Congress, and the public.

The core functions of the Single Platform FMMS include the following:

- The ability to capture cost of current and deferred maintenance as well as capital improvement costs for all constructed assets and relate them back to unique asset numbers assigned from FBMS. Each work order, upon completion, will contain materials, contract, and burdened labor costs to enable capture of the full costs of activities. This capability will allow the DOI, bureau and field sites to develop asset-based maintenance histories on all constructed assets.
- The ability to record the complete history of maintenance and capital improvement activities accumulated over time for each individual constructed asset to enable documentation of full life-cycle costs.
- The ability to record individual components of constructed assets identified in FMMS so that component renewal costs can be planned and monitored.
- The ability to record maintenance deficiencies identified through condition assessments in FMMS in the form of work orders. Scheduling of condition assessments may also be accommodated within the FMMS.
- The ability to calculate the Facility Condition Index for individual constructed assets through comparison of Deferred Maintenance Costs with Current Replacement Values.
- Accumulate deferred maintenance and capital improvement needs information in such a way as to allow preparation of Five-Year Deferred Maintenance Plans and Five-Year Construction Plans as required by Attachment G to DOI budget guidance.
- Provide Five-Year DM and Construction Completion Reports as required by Attachment G to DOI budget guidance.
- Provide a mechanism to store job plans and associated materials needed to implement a preventative maintenance program.
- Provide data standardization to assist in the utility of FMMS and, to the extent feasible, data sharing (e.g., job plans, standardized definitions, value lists, and business processes associated with the data standardization).
- Ensure the use of the Standard DOI Asset List and the standard definitions and codes for Work Types and Work Status.
- Provide a Cost Estimating linking capability.

The Single Platform FMMS will have the electronic capability to report all required data elements for DOI-owned buildings and structures portion of the government-wide Federal Real Property Profile (FRPP) to the FBMS. The FBMS will be the system of record for completing this report; however, data elements will be drawn from FMMS.

The FBMS will contain all fields necessary for real property inventory reporting in the FRPP. Data elements for property records in the FBMS include key fields on the number, size, location, use, type, occupants, and age of the assets. The FBMS will be the system of record for the 24 FRPP data elements of the FRPP that DOI and other Federal agencies will report for

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their real property assets. Inventory data for DOI-constructed assets (i.e., those maintained by DOI), including the assets associated FCI rating, will be uploaded to FBMS from the FMMS.

Because of the integration of financial and asset management functions within the FBMS, the real estate module will directly accrue all financial information associated with a facility, asset, or rental unit, including labor, contracts, rental income, materials, supplies and utilities. In addition, once the interface with the Single Platform FMMS is complete, the system will be able to collect all costs associated with work orders generated in the FMMS. This capability will allow DOI to understand and provide a brief description of each owned and operated asset, current use, location, major subsystems and components, and other general information. The extent of information required will be appropriate to the size of the investment, management, and reporting requirements. This information will be required for new assets that are evaluated as part of portfolio management.

The extensive inventory of DOI-owned and GSA-provided fleet vehicles and heavy equipment will also be maintained and managed within FBMS. FBMS will also allow DOI bureaus to locate heavy equipment and bureau contacts on a real-time basis in response to emergencies such as wildfires and hurricanes. This will result in the decrease of the current response time of upwards of 5 days to a FBMS-generated response of a few hours. In addition, using FBMS as a fleet management tool, DOI will improve the data quality of its annual inventory reporting through GSA's Federal Automotive Statistical Tool system (FAST). FBMS will also enable DOI to continue to use the Exhibit 54 to report its rented space inventory and budgetary requirements.

2.4.1.3 Asset Condition

DOI has developed, is using, and continues to refine, as appropriate, the asset condition assessment processes that rigorously support the investment strategies for improving and maintaining the portfolio. The condition assessments identify and validate the condition of facilities and lead to the identification of maintenance needs. This tool assists managers in establishing maintenance schedules, and estimating budgetary requirements for cyclical and deferred maintenance.

The condition assessments, integrated with the use of the FMMS creates the ability to plan, schedule, and conduct maintenance and to properly define the scope and cost of repair, improvement, replacement operations, recurring and preventive maintenance¹¹, and component renewal activities in the future. The DOI and bureau-specific Dashboard of Performance Indicators, to be used by managers at all levels, track progress and trends related to this metric.

Comprehensive assessments include examination of assets for issues related to non-functioning building components and equipment, accessibility, deferred maintenance, historic preservation, fire management, energy conservation, environmental code and life safety code compliance. The desired end state for the condition assessment program with the Single Platform FMMS is to facilitate integrated, collaborative data collection that provides information on all necessary facets of management requirements for the asset.

¹¹ Condition assessments should ideally be conducted as an integral part of preventive maintenance activities.

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With the collaboration of the Asset Management Partnership and the Heritage Asset Partnership during FY 2008, DOI completed a major revision to the Policy on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management to establish an enhanced standard and consistent methodology for determining the condition of constructed assets through the application of Facility Condition Index (FCI)¹². The methodology will institute a common method to estimating the cost of repairing asset deficiencies as documented during the condition assessment phase. The methodology does not cover cultural and maintained landscapes, and maintained archeological sites since they are not reported into the FRPP and do not use FCI to measure condition.¹³

Either contractors or internal bureau staff will perform the assessments depending on the level of expertise required. As outlined in the revised policy, the DOI standardized practices will be used industry-accepted cost estimating guidelines, such as R.S. Means or Whitestone Research to the maximum extent possible. For heritage assets, industry standards will rarely reflect the cost of using historically accurate materials and workmanship, and specialists may need to be consulted.

Articulating asset condition enables bureau managers to address a major asset management question, “What is the condition of my portfolio?” The relative condition of owned assets is measured using the Facility Condition Index (FCI), which is an accepted industry metric for determining the relative condition of constructed assets at a specific point in time. FCI and the other performance metrics such as the Asset Priority Index (API), the Facility Utilization Index (FUI), and Operations and Maintenance (O&M) costs help asset managers make informed investment decisions that drive budget prioritization and the distribution of resources.

To calculate the FCI of an asset, the Deferred Maintenance (DM) costs are divided by the Current Replacement Value (CRV). The CRV of assets enables managers to answer the question, “What would it cost to replace my individual assets or the portfolio?” In calculating FCI, only those asset components and substructures that directly contribute to the integrity and the functionality of the constructed asset as planned and designed are to be factored into FCI. All bureaus will use the common standard CRV and DM methodology for buildings and structural assets. The CRV and DM for these assets will be calculated using the same factors applied from the same industry standard cost databases to the maximum extent possible or, if industry standards are not available, using other common standard factors defined in the DOI Policy.

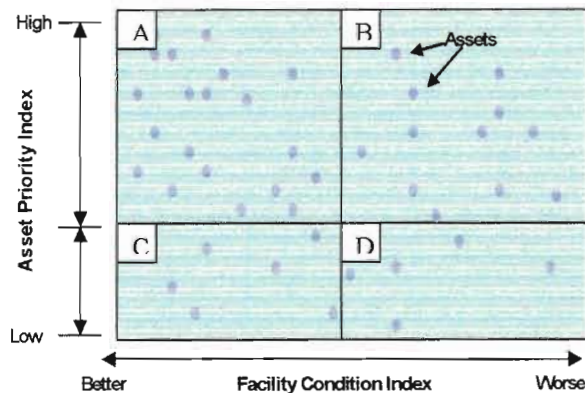
¹² Facility Condition Index (FCI) is calculated for assets by dividing the cost of Deferred Maintenance by the Current Replacement Value. The result of this algorithm is a value between 0 and 1. An asset with an FCI of 0 is in excellent condition and an asset with a rating of 1 is in very poor condition. The FCI rating is used as the value to report condition of an asset in the Federal Real Property Profile (FRPP). Condition of an asset is reported in the FRPP as the “Condition Index” performance metric. Condition Index (CI) as reported in the FRPP for each asset is calculated by using the following algorithm; $CI = (1 - FCI \text{ rating}) \times 100$. An asset with a CI of 100 is in excellent condition and an asset with a rating of 0 is in very poor condition.

¹³ The intent of the EO was to capture information in the FRPP on constructed assets and lands improved as result of constructed assets.

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Consistent application of CRV and DM calculation methodology across bureaus is the Department's primary goal. Realizing this goal will lead to valid comparison of Facility Condition Index (FCI) for assets in the Department's portfolio.

Second tier metrics to complement DOI policy can also be applied to aid in assessing the condition of a type asset. For roads and trails, second-tier metrics such as deferred maintenance per mile may be useful in conjunction with the FCI to properly categorize condition as acceptable and unacceptable. In addition, Facility Reliability Rating (FRR), an indicator of overall reliability, can be applied to dams as a second-tier measure in conjunction with FCI and the other metrics reported by DOI at the individual asset level in the Federal Real Property Profile (FRPP)¹⁴.



The FCI is being used with a fully developed Asset Priority Index (API) that rates each existing or proposed owned and leased asset in the inventory based on its importance in carrying out the DOI mission and achieving strategic goals as shown in the adjacent diagram. With baseline FCIs established from the existing data, bureaus can prepare to answer another question, "What is the targeted condition for a specific asset or asset type, such as Trails?" These FCI target ranges will vary based on asset type and bureau mission.

Using the two metrics of API and FCI will help bureau managers set acceptable baseline FCI ranges.

In addition to FCI, failure of a critical system or asset component of critical assets can be considered as justification for an asset investment even though the cost of repair does not render the asset in unacceptable condition. Criticality of components of critical assets plays a role in asset management decision-making on other assets where a critical component represents a small portion of the assets CRV. For instance, a \$2 million elevator replacement on an asset with CRV of \$100 million would result in an FCI of .02 which managers not responsible for the operations and maintenance of the asset might consider in acceptable condition and not qualify the asset or project for funding. However, if the failure of the elevators resulted in making the asset unusable, an asset manager will still be justified in correcting the deficiencies on this critical subsystem.

An asset may not have any critical or serious deficiencies (acceptable condition) but still be unacceptable because the asset does not meet functional requirements. This is usually not reflected in the "condition" of an asset, but rather in the "operational status" of the asset. For example the adaptive use of an office building as a maintenance facility may not meet the

¹⁴ Performance metrics reported into the FRPP are FCI (or condition index), mission dependency, annual operating costs and utilization. These metrics, reported into the FRPP by all Federal agencies are referred by the Federal Real Property Council as first-tier metrics. Second-tier metrics are agency-level based measures to be used in conjunction with the first-tier metrics to measure asset performance.

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functional requirements for a maintenance operation even though the FCI of the building is acceptable.

When considering heritage assets, a condition assessment based on FCI must also take into account the intrinsic value of the asset. Such a process emphasizes the unique needs of the heritage asset, particularly historic structures and buildings with respect to their maintenance needs. It also emphasizes the use of historically accurate materials and workmanship when rehabilitation, restoration, or stabilization is necessary for long-term maintenance.

It is more difficult to conduct a FCI-based condition assessment on other heritage asset types due to their different life cycles that are founded on being maintained indefinitely. The condition values for these heritage assets are determined through a consistent approach devised by professional cultural resource specialists using a combination of industry standards such as RS Means and cultural resource criteria. The Department will continue to work with bureaus to refine the approach to assess condition for other types of heritage assets.

To achieve this result, the Department is increasingly:

- Adapting industry-based performance measures for portfolio management of owned and leased assets;
- Utilizing a common FCI scale by asset type for overall condition rating;
- Coordinating with leasing authorities to establish appropriate performance measures; and
- Adopting the use of FCI to ensure critical components of critical assets are addressed.

See Section 5 of the AMP for the list of other sections in this document that discuss FCI and API.

2.4.1.4 Asset Valuation

In DOI, the CRV and DM for assets, including those that are considered to be heritage, is calculated for the purpose of calculating the FCI, which is an indicator of the asset's condition and serves as a performance measure for condition improvement. In doing so, overall CRVs on all assets should not be used for any other purpose (i.e., appraisal value, reproduction value, acquisition costs for capitalization and depreciation, etc.). The CRV, as well as DM, for condition assessment purposes is a Class "C" estimate¹⁵. In the case of a building, a Class "C" estimate is an approximation of the construction cost based on the cost per square foot of a similar constructed building.

CRV is defined as the standard industry cost and engineering estimate of materials, supplies, and labor required to replace a facility or item of equipment at its existing size and functional capability, and to meet current regulatory codes. The CRV estimates should not be used for any other purpose than to calculate FCI and reporting data to FRPP (i.e., not for program or budget formulation, project level cost estimates, appraisal value, reproduction value,

¹⁵ Class "C" estimate is an approximation based on the square foot costs of similar construction. It does not include the cost of support utilities and structures, such as water and electrical utilities or sidewalks and conduits.

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acquisition costs for capitalization and depreciation, etc.).¹⁶ Estimates for the actual replacement of individual facilities and projects must incorporate a higher level of detail and accuracy than the CRV estimates used to calculate FCI provide. Estimates for actual replacement cost or project cost should achieve a Class A or Class B estimate prior inclusion of the project in a budget request.

The CRV of assets enables managers to answer the question, “What would be the estimated cost to replace my individual assets or the portfolio?” DOI refined its capability to evaluate each owned and operated asset to determine its CRV. DOI’s portfolio of assets required the formulation policies tailored to the unique attributes for different type of assets. DOI has established CRV policies for the following types of assets:

- Non-heritage buildings;
- Non-heritage structures;
- Heritage assets;
- Road assets; and
- Dams, water distribution systems, and power assets.

For purpose of reporting the value of an asset in the FRPP, the CRV for assets is used. The detailed guidance on calculation on CRV for the above mentioned asset types is found in the Policy on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management

a. Factors and Considerations in Calculating CRV

CRV for non-heritage assets includes all the costs necessary to reconstruct an asset as it currently exists, without modification or improvements. The cost of planning/design, and project management must be included in the CRV. Special study costs, such as geotechnical, hydraulic, and hydrologic, permits, and applicable taxes and special assessments should also be included in the value. Indirect costs, which include salaries and benefits for government employees, are covered by annual appropriations and will not be included in CRV estimates.

In most instances, there should be a relationship between the CRV of an asset and the cost identified to replace an asset in a maintenance budgeting and planning system. However, in the event that an asset is to be replaced, a more detailed cost estimate to support the maintenance budgeting and planning system, including cost estimates to supporting the contracting/ bidding process may be necessary. This estimate should include a detailed time and materials estimate to replace the asset and should be of sufficient detail to insure that appropriate funding is available for completion of the project.

Because accurate, valid cost estimating is complicated, DOI bureaus must provide required training to allow cost estimating tools to be used properly or deploy simple-to- use cost estimating tools. When a bureau or organization is restricted to the development of cost

¹⁶ As noted in the Federal Real Property Council Real Property Inventory - User Guidance for FY 2007 Reporting, Plant Replacement Value (PRV). which is the same as CRV. is used for reporting the “value” of an asset in the Federal Real Property Profile and is defined as the cost of replacing the existing constructed asset at today’s standards,

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estimates from architecture, engineering or facility management professionals, a range of tools are available. DOI bureau managers are currently using cost estimating resources ranging from books from R.S. Means, computerized tools such as Costworks, Win Estimator, or Timberline which employ R.S. Means databases of both single items and assemblies made up of required building components to develop cost estimates. These methods require construction or repair estimating knowledge normally possessed by maintenance and construction professionals.

Since the current replacement value for an asset depends on several factors that can change rather quickly, the Bureau of Land Management and the National Park Service have developed models for this calculation. Their models are only used for calculating the current replacement value to be used in the facility condition index. The models are based on the average cost for a specific asset type and unit of measure. This provides a bureau-wide standard that can be applied consistently.

If the cost estimating is to be done by a person without adequate training, the estimating tool must be configured using models of assets that include all required components. An example of this is a model of a house, would include assemblies for foundation, building walls windows and doors, interior finishes such as drywall, paint and carpet, electrical distribution and fixtures, plumbing systems, HVAC systems and roofing systems.

By asking basic questions about the number of square feet, number of bathrooms, quality of windows doors and roofing, a standard building can be estimated based on standard construction techniques and material requirements. An example of this is the Cost Estimating Software System (CESS) employed by the National Park Service, a specially tailored version of Timberline estimating software using R.S. Means cost data. This tool uses pre-made assemblies which removes most of the requirement of technical knowledge in cost estimating and ensures that all costs likely for the repair or replacement are included in a reliable Class "C" estimate.

b. Heritage Assets

Heritage assets, including many multi-use assets, are unique, irreplaceable, and have intrinsic value beyond the basic cost of the materials and the labor used to build them. They are properties or resources valued because of their historical or cultural associations and/or as sources of historical or scientific information. Heritage assets, including historic buildings and structures, archeological sites, and cultural landscapes, are generally expected to be preserved indefinitely and thereby generally require a different process of life cycle management than for non-heritage assets.

It is Department of the Interior policy to manage heritage assets in ways that preserve their cultural, historical, and scientific values. This policy is mandated by Federal law, such as the National Historic Preservation Act (NHPA) and the Archaeological Resources Protection Act (ARPA) and executive orders such as EO 13287 "Preserve America." In addition, the Secretary of the Interior's Standards for the Treatment of Historic Properties provide guidance on the preservation and protection of historic buildings and structures.

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These statutes, EOs, and standards identify the Federal Government's lead role in preserving, protecting, maintaining, and using its historic properties. Therefore, a CRV for many heritage assets should focus both on the replacement of the asset and maintaining its integrity and historic values for the public over its lifetime.

For historic structures and buildings, a CRV based on standard industry construction costs will not completely and accurately reflect the cost of replacing the asset using historically accurate materials and workmanship. Instead, the use of a replacement-in-kind CRV estimate—one that captures the costs associated with using historically accurate construction techniques and materials—allows for recognition of the true cost estimates associated with heritage asset reconstruction and maintenance.

Due to the complexities of lifecycle management for other heritage asset types, calculation of a CRV using the basic constructs utilized for non-heritage assets is not recommended. The Department will continue to work with the Heritage Asset Partnership to refine the approach to determine a condition index for these heritage assets.

A pertinent example of a CRV that considers replacement-in-kind costs involves replacing the roof of a CCC cabin. Once the maintenance is defined, the needed materials are identified by a professional with historical or cultural resources expertise and the historically accurate items secured from an appropriate vendor. The roof is repaired in a manner consistent with roofing techniques of the era.

Another example involves repointing and repairing cracks in the stone walls of an ancient pueblo structure in a national park where it is illegal to remove local sands from the park lands to create an appropriate mortar mixture. In this case, the park cultural resources experts, including tribal craftsmen, must find appropriate local materials outside the park boundaries, transport those materials into the park and determine the costs for these activities. As well, they must thoroughly document the prehistoric structure prior to repair and document it after repair to facilitate monitoring in the future.

Recognition of costs associated with various types of repair and rehabilitation as noted above, in both the numerator and denominator of the FCI, is necessary to ensure that the calculated FCI for relevant heritage assets is accurate and reflective of their unique intrinsic value.

2.4.1.5 Improving the Condition of the Asset Portfolio and Properly Sustaining It Over Time – Life-Cycle Management

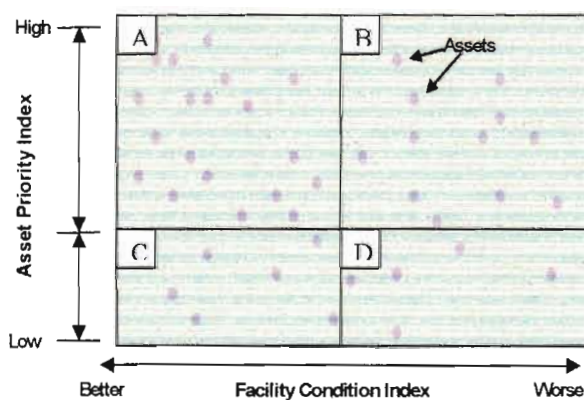
The Department's portfolio approach to asset management is based on industry standard life-cycle principles that include planning and design, acquisition, sustainability, and disposal where appropriate. The Department and bureaus utilize five year plans to prioritize and budget for component renewal, cyclic maintenance, and annual operations costs based on life-cycle needs to allow forecasting annual funding requirements. The Single Platform FMMS will provide the system support to manage these processes at the individual facility and complex level. In addition, the Department's Capital Planning and Investment Control (CPIC) process, discussed in Sections 2.3.2 and 2.3.3, incorporates a Department-wide national review of major

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investments. (See Section 5 of the AMP for the list of other sections of this document that discuss CPIC.)

With deployment of FBMS, the tools available to asset managers will significantly improve. FBMS and FMMS business tools will work together to facilitate the determination of these life-cycle needs. Procedures will be developed to specify whether the life-cycle costing applies to asset life-cycle or component life-cycle. Sustainment strategies should identify operations and maintenance costs, disposal costs, equipment replacement needs, and component renewal costs. FCI and API are important components already available to Interior in implementing and executing an asset management planning process that incorporates life-cycle principles.

Department-wide standards in the [DOI Asset Priority Index Guidance](#) have been developed to guide Interior and bureau-level scoring processes to reflect the mission of each individual organization. API scores fall within a 0-100 point scale. Mission dependency and operations criteria comprise 80 percent of the total weight. Asset substitutability equals 20 percent. (See 2.4.1.1 of this AMP for an expanded discussion of API)



Incorporation of API into the Department's life-cycle and portfolio-based approach ensures that the highest priority mission critical assets are incorporated into the five-year planning decision-making. The use of API enhances managers' ability to maximize spending on bureau mission critical assets at the critical periods in the assets life-cycle.

Under this procedure, bureaus will first sort assets into four categories, high API/ acceptable FCI, high API/unacceptable FCI, low API/ acceptable FCI, and low API/unacceptable FCI:

- Assets with high API and acceptable FCI should be maintained with practices that protect the government's investment;
- Assets with high API and unacceptable FCI should be considered for major rehabilitation or demolition and replacement. If the asset's API is high principally because another asset cannot be substituted for it (e.g., a heritage asset) repair and rehabilitation activities will be the priority;
- Assets with low API and acceptable FCI should be considered candidates for transfer or beneficial use by other parties; and
- Assets with low API and unacceptable FCI should be considered for disposal.

These indices are to be used to determine the prioritization for projects to be included in DOI's Five-Year Deferred Maintenance and Construction Plan starting with the FY 2009 to FY 2013 plan as instructed in [2011 Budget Guidance \(Attachment G\) for Five-Year Deferred Maintenance and Construction Plan](#). This will accomplish the following:

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- Assist in directing resources where they are needed most, based on mission need and strategic goals;
- Assist in identifying lower priority assets that should be considered for excess if they no longer support the DOI mission;
- Effectively manage the life-cycle of every asset;
- Assist in maturing the Department's focus from project formulation and execution to one of life-cycle asset management where the planning focus is not about projects and project funding, but rather the effect the project will have on the asset throughout its life-cycle; and
- Adopt and utilize other performance measures that will enhance the Department's ability to be predictive regarding future management of the asset portfolio, e.g., the Secretary of the Interior's Standards for the Treatment of Historic Properties, component renewal index (CRI) and/or dollar per square foot (\$/SF) for operations and maintenance.

In addition, The U.S. Geological Survey, the National Park Service and the Bureau of Reclamation have developed and implemented preventive maintenance programs that have standard maintenance protocols and schedules for performing routine maintenance. Performing preventive maintenance reduces equipment and structural failures reducing lifecycle costs and allowing a facility manager to predict equipment replacement.

2.4.2 Current Decision-Making Process

In most of the Department's bureaus, real property asset management decisions are made in a hierarchical process that starts at the local field office level, is reviewed and prioritized at the regional level, and is reviewed and prioritized at the national level. Investment review and prioritization at each of these levels results in the formulation of multi-year plans, such as the Deferred Maintenance and Construction Five-Year Plan and the Five-Year Space Management Plan. These plans set the framework for decisions about funding levels for projects and programs.

The [DOI Construction Capital Planning and Investment Control Guide, Version 2.0](#) which was updated in FY 2007 and to be updated again in FY 2008, provides the framework for this process and guidance on thresholds for construction projects. Decisions to recommend construction projects between \$2 and \$10 million are made at the director-level of the bureaus. Projects above \$10 million, or other special interest projects, are made at the highest levels within DOI.

Each bureau and the Department have investment review boards (IRB). The Development Advisory Board (DAB) within NPS and the Bureau Investment Review Board (BIRB) within BIA are examples of executive-level investment committees that decide which major/-prospective capital investments should be recommended for funding consideration. In the bureaus, regional or local leadership is responsible for managing the day-to-day operations and for shaping reinvestment decisions for the real property assets in their portfolios.

IRB membership includes representation from throughout the Department or bureau including but not limited to mission programs, acquisition, budget, planning, construction, space, fleet, human resources, and other areas to ensure a balanced and enterprise approach to investment

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decisions. The use of the broad based group ensures full engagement at the management level and decision-making that considers mission support needs and strategic goals of the organization.

The bureau IRBs report to the bureau head or the deputy head that approves projects and plans. The bureau IRBs are chaired at a level no lower than the bureau’s Senior Asset Management Officer. Accordingly, the bureau IRBs make funding recommendations on proposed projects and current space investments to the bureau heads.

The Department utilizes IRBs at the technical, managerial, and policy levels. The Asset Management Team (AMT) that is chaired by the DOI Senior Real Property Officer serves as the DOI construction IRB. The AMT is a sub-team of the Management Initiatives Team (MIT) that is chaired by the Assistant Secretary – Policy, Management and Budget and reports to the Management Executive Council (MEC) that is chaired by the Secretary or Deputy Secretary. The AMT, as the Department-level IRB, is responsible for setting performance goals and assessing how well investments meet the goals, as well as addressing identified strategic and mission needs. The MIT and MEC oversee actions/decisions of the AMT by validating its decisions and serving as appeal boards for decisions of the AMT.

The Department and bureau IRBs review the investment portfolio and make decisions using the five-year plans and business cases, i.e., Exhibit 300s, which are the basis for the annual budget request. Decisions are made considering the mission related needs, strategic goals, return on investment, cost and schedule, etc. The following chart depicts the roles and responsibilities of the IRBs.

Investment Review Boards	Primary Responsibilities
Secretary	<ul style="list-style-type: none"> • Decide Approval/Disapproval • Consider Appeals of MIT Decisions
Management Excellence Council (MEC)	
Management Initiatives Team (MIT)	<ul style="list-style-type: none"> • Develop Investment Strategy • Validate Major Project Scoring • Certify Portfolio • Resolve Duplication
Asset Management Team (AMT), an MIT Sub-team (The Asset Management Partnership and the Asset-Specific Partnerships/Working Groups provide staff support to the AMT)	<ul style="list-style-type: none"> • Project Integration Opportunities • Recommend Approval/Disapproval • Consider Appeal of AMT Decisions • Review Exhibit 300 • Identify Duplication • Score Projects • Prioritize Portfolio • Oversee CPIC Process

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Investment Review Boards	Primary Responsibilities
<p>Bureau Heads</p> <hr/> <p>Bureau Investment Review Boards</p>	<ul style="list-style-type: none"> • Prepare and review Exhibit 300s • Identify Project Integration Opportunities • Scoring/Ranking/Multi-year Plan • Oversee Individual Investments and Portfolio • Oversee CPIC Process

2.4.3 Moving to Portfolio-based Decision-Making

DOI actively manages a portfolio of capital investments in order to maximize the return on investment to the taxpayer and the Federal government at an acceptable level of risk. The AMP outlines the process whereby DOI is moving from the current reliance on a project-based review process to a life-cycle, asset-based portfolio management process. Effective capital planning within DOI requires improved long range planning and a disciplined budget process as the basis for managing a portfolio of assets to achieve performance goals and objectives with minimal risks, lowest life-cycle costs, and greatest benefits to the business of the bureaus and the Department overall.

The Department has developed and continues to refine its approach to establishing a more consistent, structured, performance-based, integrated approach to its Capital Planning Investment Control (CPIC) process. This process is defined in the [DOI Construction Capital Planning and Investment Control Guide, Version 2.0](#). As DOI's portfolio-based approach matures, the Department and the bureaus will continue to improve their ability to manage risks and returns of capital assets throughout the life-cycle necessary to ensure that DOI's investments are well conceived, cost-effective, and support strategic mission and business goals. The CPIC analysis of these investments is a living tool that will be continually revisited, refined and updated and is articulated in a business case. The extent of the business case and the details provided in the business case is commensurate with the cost and impact of the investment on the organization and mission.

A well defined, effective CPIC process, compliant with the guidance and direction set forth in the Capital Programming Guide V 2.0¹⁷, a supplement to Office of Management and Budget (OMB) Circular A-11, helps ensure that DOI will achieve its mission and goals. The DOI CPIC process, as set forth in this DOI Construction CPIC Guide, complies with appropriate administrative mandates, laws and regulations.

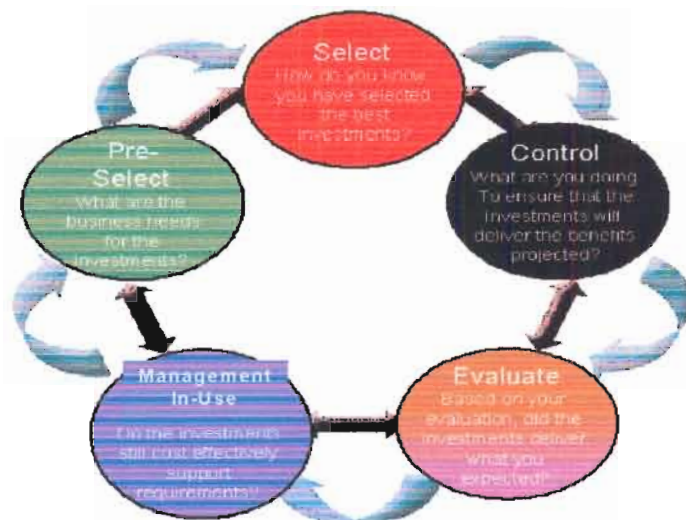
This DOI CPIC Guide identifies the processes, activities and outputs necessary to ensure that DOI's construction investments are well conceived, cost-effective, and support the DOI and bureau missions and business goals. This Guide is based on direction and guidance from the

¹⁷ The Capital Programming Guide V 2.0, issued in June 2006, is a supplement to Office of Management and Budget Circular A-11, Part 7: Planning, Budgeting, and Acquisition of Capital Assets and can be found at <http://www.whitehouse.gov/omb/circulars/a11/current_year/part7.pdf>.

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Office of Management and Budget (OMB) (and the Capital Programming Guide), United States Congress and the General Accountability Office (GAO).

Within DOI, the CPIC objectives are achieved through the five phases noted in the CPIC process as depicted in the following diagram; pre-select, select, control, evaluate, and management in-use.



The executive governance structure is the cornerstone of the Department's CPIC process for managing and assigning accountability for the life-cycle of the portfolio of assets and the individual assets that comprise the portfolio. The governance structure is multi-tiered, comprised of bureau and the Department's IRBs.

Governance relies on the following activities:

- Identifying project integration opportunities – resource sharing, co-location opportunities;
- Ranking/prioritizing projects in multi-year plans;
- Overseeing and monitoring the process for managing the portfolio of individual assets; and
- Establishing portfolio investment strategy and performance objectives and goals.

As part of the governance process, the bureaus have flexibility in the design of their internal CPIC process, but must assure that needs have been analyzed and evaluated by their construction IRBs. The bureaus' IRBs support the criteria and performance goals and establish bureau-specific criteria and goals that complement and support those of the Department. The criteria and goals are being or will be used in making investment decisions.

The bureau IRB approves those investments that best meet bureau needs. Individual project proposals are assessed and prioritized. In line with Departmental budget planning and CPIC guidance, proposed projects are:

- Reviewed by the bureau IRB and submitted for the consideration of the bureau head;
- Approved or disapproved by the bureau head and, as appropriate, the multi-year plan is revised with bureau heads certifying project approvals and strategic plans; and
- Forwarded by the heads of bureaus and offices to the Department's IRB when projects are deemed major including projects with a life-cycle cost of over \$10 million, projects that are

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at high risk (e.g., may exceed budget, schedule, and/or scope), and projects that are of unique interest to the Secretary, OMB and/or the Congress.

Departmental governance in the planning and budgeting phase focuses on:

- Convening of IRB meetings to review and recommend portfolio priorities, based on the five-year plans;
- Identifying major Department-wide or multi-bureau ongoing projects relative to cost and schedule, investment decisions on acquisitions and portfolio strategies, performance, outcomes and criteria;
- Conducting IRB and Secretary's review and approval of IRB portfolio recommendations; Providing feedback on the portfolio to reflect approved individual major project asset acquisitions (OMB Exhibit 300s) and the overall Five Year Plan with major and non-major projects; and
- Approving the portfolio of investments that will be submitted to OMB as part of the annual budget request and to report milestone changes.

DOI is shifting from project funding to a portfolio-based approach, with a much stronger emphasis on life-cycle management, by utilizing tools and methodologies such as FBMS, FMMS, CPIC, the Five Year Deferred Maintenance and Construction Plans, API, and improved asset management guidelines. The planning is becoming focused on asset investments, whether owned, leased, or GSA-provided. The bureaus' IRBs identify project integration, and space collocation and consolidation opportunities to score and rank investments and for multi-year planning. This shift is occurring during a transition period and involves extensive management commitment.

DOI will facilitate this transition through the use of a full suite of tools relating to asset priority, asset inventory, asset condition, asset valuation, and life-cycle management. DOI will use these tools and develop metrics to be implemented at the field, regional, bureau headquarters, and Departmental levels to improve the performance of individual assets and the overall asset portfolio.

By building on the current best practices and proven CPIC processes used throughout DOI (i.e., the Five-Year Deferred Maintenance and Construction Plan, capital planning and governance through IRBs), an enhanced portfolio management process will better ensure that each bureau and Departmental-level IRB collectively analyzes and compares all investments and proposals to select those that best fit with the strategic business direction, needs, and priorities of the bureau. In addition, DOI will have practical limits on funding, the risks it is willing to take, and the length of time for which it will incur costs on a given investment before benefits are realized.

To address these practical limits, portfolio management will use categories to aid in investment comparability and cost, schedule, benefit, and risk oversight. Once all investments within the portfolio are categorized, investments and proposals can be compared to one another within and across portfolio categories.

Portfolio management is an integral component of the CPIC process; however, portfolio management cannot be accomplished without first establishing an investment foundation.

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Building an investment foundation, by using a maturity model such as the General Accountability Office's Information Technology Investment Management maturity model as described in the DOI Construction CPIC Guide, requires that DOI first establish asset investment management processes to ensure that:

- An investment is selected based on established selection criteria;
- An investment proposal is business driven;
- The IRB establishes and maintains an asset inventory of current investments; and
- The IRB oversees these investments.

With maturity and experience in establishing an investment foundation, DOI will continue to move forward with developing a complete investment portfolio. Based on the GAO maturity model cited above, the DOI asset portfolio is based on:

- Ensuring the alignment of the various IRBs;
- Developing portfolio selection rating and ranking criteria that supports DOI's divergent missions and strategic goals;
- Conducting continuous analysis of each investment at every phase of its life-cycle;
- Developing portfolio performance measures; and
- Strengthening the analysis of investment proposals to incorporate, in a more consistent fashion, the degree that investments support mission and business needs and goals.

During this transition to a portfolio-centered approach, the CPIC process at the individual investment level will continue to consider underlying assumptions, the alternatives, acquisition strategies, a full range of costs and benefits, and the potential risks to their organizations. This analysis ensures that the project objectives are clearly defined, performance goals are established, and the life-cycle costs of proposed assets are calculated. The life-cycle costs include the costs of operations and maintenance as well as any other operational requirements resulting from the investment decision.

As part of its analysis process, the DOI will include, where appropriate, the evaluation of ways to dispose, disengage, or exit from facilities investments and include disposal costs in facilities life-cycle cost to help select the best solution to meet the requirement. Through DOI's performance based system for all employees, there is an organizational and individual linkage of accountability, responsibility, and authority when making and implementing facilities investment decisions.

2.5 Asset Management Objectives

DOI has established a set of objectives specific to assets that comprise its portfolio. These objectives will be used to establish a strategy to manage and oversee DOI-owned and leased assets to maximize their contribution toward accomplishing the Department's diverse missions. These objectives include:

- Aligning investments with strategic missions and business goals and outcomes;
- Ensuring adherence to Federal and Department-wide investment life-cycle management principles and standards;
- Instituting consistent Department-wide objectives, goals, and performance measures;
- Analyzing baseline information;

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- Evaluating prioritizing, acquiring, managing, and disposing of owned and leased assets based on a range of current and future business, technical, and workforce goals, issues and factors and strategic goals;
- Balancing the value of the asset portfolio and individual assets with current and potential risks;
- Seeking sound, efficient, and effective solutions to address asset management needs;
- Maximizing return on investment for the cost of operating and maintaining assets;
- Incorporating planning and management requirements for historic property under E.O. 13287 of March 3, 2003, and the National Historic Preservation Act of 1966, and for environmental management under E.O. 13148 of April 21, 2000; and
- Ensuring the proper and effective stewardship of heritage assets by using appropriate performance measures that recognize their uniqueness and long-term preservation mandate.

These objectives lay the foundation for developing a portfolio or asset level strategy. They are driven by increasing demands for accountability and associated reporting requirements; the need to link asset decisions to mission support, strategic goals, and cost benefit considerations; the need to share information and gain economies of skill; and ever increasing demands by the public for access to heritage assets. DOI's asset management framework involves understanding and balancing customer and mission requirements and the need to maintain condition/performance of its assets with fiscal discipline and resource considerations.

In the past, bureau missions and program variations have resulted in the bureaus developing and operating separate efforts that respond to Departmental standards. Changing circumstances, including recent legislation, administration initiatives, new technologies, and anticipated budget constraints, has resulted in the DOI Asset Management community adopting this Department-wide AMP. Bureau-level AMPs, guided by the Department's AMP, have been written to support mission accomplishment for the nine bureaus.

2.6 Asset Management Tools

Two cornerstone systems that support implementation of DOI's AMP are the Financial and Business Management System (FBMS) and the Facility Maintenance Management System (FMMS). FMMS is a tool to improve the efficiency of day-to-day life-cycle management, while FBMS will provide the financial and business management information associated with facility assets. These systems will be electronically linked in order to share data and streamline data gathering and reporting.

The consolidation of many independent information systems into two electronically linked systems provides improved efficiencies that will allow DOI to make better decisions on the management of DOI's portfolio of assets. Executive Order 13327 requires the development of a national database to track and share information on real property assets. DOI will work closely with the Office of Management and Budget (OMB), General Services Administration (GSA), and the rest of the Federal community to coordinate DOI systems with existing and proposed national systems, such as the Federal Real Property Profile (FRPP).

2.6.1 FBMS

Access to accurate and timely financial and property management information from FBMS will provide an improved opportunity to fully manage all DOI owned and leased assets. FBMS is

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an integrated tool that will help Interior's bureaus manage their many unique missions. An integrated web-based suite of software applications, FBMS will manage a variety of administrative functions, including: Budget Formulation, Budget Execution, Personal Property, Real Property, Fleet, Core Financials, Acquisition, Travel, Financial Assistance, and Enterprise Information Management. By improving financial and business processes and incorporating state-of-the art technology, FBMS enables DOI to become a more effective and efficient business management organization. As a web-based computer tool, it allows information to be entered and queried at any level of the organization.

FBMS will:

- Standardize business processes and provide one automated tool to facilitate accountability, management, and financial reporting for all real property, both capitalized and non-capitalized, including land, buildings and structures both owned and leased;
- Provide the ability to track operation and maintenance expenses at the constructed asset level and to identify available space; track physical inventories; manage space utilization; manage quarters units (housing), including occupancy, receivables, expenses, and rent calculations; acquisitions; and disposals;
- Interface with DOI's Facility Maintenance Management System (FMMS) to link information regarding maintenance with the accountability and financial data; and
- Track energy consumption and accomplish associated reporting requirements.

FBMS is the official repository of information on property owned or leased by the Department, including GSA-provided space and will report inventory data into the FRPP. Each item is assigned a unique property identification number and all financial transactions throughout the life of that asset are associated with that number. All transactions are electronically stored in a manner that preserves an audit trail. The application will contain all fields necessary for DOI's financial statements and government-wide real property inventory reporting. Data elements for property records in FBMS include key fields on the number, size, location, use, type, occupants, and age of the assets. FBMS will include the 24 key data elements required by the Federal Real Property Council which each agency will report for each of its Real Property assets.

From the standpoint of managing real property, the strength of FBMS lies in its integrated approach to tracking inventory/ownership information and relating it to financial management. Additional advantages for management of real property are provided through linkage of FBMS to a leading commercial maintenance management software system designated the FMMS.

2.6.2 FMMS

The deployment of a standardized Single Platform FMMS is the cornerstone to DOI's efforts to better manage owned and operated facilities. A standardized FMMS builds on the financial management strengths inherent in FBMS by adding a robust capability to manage data on the condition, maintenance, and improvement of real property assets. Interface with FBMS to link information regarding maintenance with the accountability and financial data

The Single Platform FMMS is an important tool for managing facility assets Department-wide with a focus towards improving the overall condition of the constructed assets and assuring better allocation and utilization of the limited resources dedicated to operating and maintaining

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these assets. The FMMS will better enable DOI to provide accurate and timely information to the Office of Management and Budget (OMB), the Congress, and the public regarding the condition, repair, and improvement of real property assets.

In FY 2001, the Department adopted MAXIMO™ as the software for DOI's FMMS. MAXIMO™ is currently being used by BLM, Bureau of Reclamation (BOR), USGS, FWS, NPS, BIA (Irrigation Projects and Safety of Dams), and NBC (for facilities maintenance management of the Main and South Interior Buildings in Washington, D.C.). Initially, bureaus were allowed to implement the system with bureau specific configurations and platforms. The bureaus accomplished this while continuing their compliance with Departmental standards for data requirements and business practices.

In a memorandum dated August 17, 2004, from the Assistant Secretary – Policy, Management and Budget, the Department was directed to implement a MAXIMO™ Departmental single platform configuration to increase standardization, reduce operating costs, and enable the development of a single interface with FBMS. The latest release of the fully web-based version of MAXIMO™ software makes it possible for Interior to operate with a single platform solution. This will result in better control of data standards, easier analysis of Department-wide asset information, and a more efficient and effective interface between DOI's FMMS and the Financial and Business Management System (FBMS).

Bureaus are currently transitioning to a new single platform MAXIMO™ application that is being phased concurrent with the phased implementation of FBMS. FMMS in its new single platform configuration will be implemented in the Fish and Wildlife Service, Bureau of Land Management, and U.S. Geological Survey in 2009, Office of the Secretary, Bureau of Indian Affairs and the National Park Service in 2010, and the Bureau of Reclamation in 2011

2.7 Environmental Management

Environmental compliance remains a high priority for the Department and each bureau/office is responsible for developing and implementing its own environmental auditing and environmental management systems (EMS) program. Environmental auditing is the systematic, documented, periodic, and objective review of facility operations and practices related to meeting environmental compliance. Departmental Manual Chapter 515 DM 2 requires Bureau and Offices to conduct environmental audits of their facilities. Environmental auditing is an integral part of an EMS program.

An EMS provides a systematic framework to identify and address environmental impacts of an agency's activities, ensures compliance with regulatory requirements, and provides opportunities for continuous environmental improvement and innovation. An EMS accomplishes this through a continual cycle of planning, implementing, monitoring, and reviewing an agency's processes and actions to enhance both environmental and organizational goals. As a management tool, an EMS assists in achieving continuous improvement of environmental goals and is required by Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management."

EMS's reduce an organization's environmental "footprint" by promoting continuous environmental improvement in its day-to-day activities and are required by Department Manual

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Chapter 518 DM 4. Furthermore, the Secretary issued a Secretarial Memorandum to Heads of Bureaus and Offices in April 2007, to achieve results and make progress on meeting the goals of E.O. 13423.

Finally, an on-going environmental auditing and EMS program provide feedback in gauging overall environmental compliance of lands and facilities managed by DOI.

2.7.1 Environmental and Disposal Liabilities

The Department's bureau facility personnel should be routinely evaluating property and facility inventories and conducting reconnaissance of the resources that fall within their jurisdiction, custody, or control to identify areas where releases of hazardous substances or petroleum may have occurred. If physical conditions indicate that a potential release of hazardous substances or petroleum may have occurred, appropriate bureau environmental personnel should be notified. During reconnaissance activities, physical indicators (such as stained soil, illegal dumps, or sheen) of potential hazardous-substance or petroleum releases should be observed and noted.

The release or suspected release of hazardous substances or petroleum will be confirmed through the due care process by or under the oversight of an environmental professional with the appropriate credentials to properly make this determination. If the results of due care indicate that it is likely that contamination is present at a concentration that requires further study or future cleanup, the location will become an Environmental and Disposal Liability (EDL) site. If, however, contamination is not present, the level of contamination is not significant enough to warrant study or cleanup, or cleanup is warranted but the volume is not significant and can be accomplished under current routine operation and maintenance or infrastructure costs then the location is not an EDL.

In order to ensure that all Department bureaus and offices identify and report EDL sites consistently, bureau-specific EDL identification processes must follow the Department's Handbook "Environmental and Disposal Liabilities Identification, Documentation and Reporting Handbook v1.1" (currently being revised). At the Departmental level, the Office of Environmental Policy and Compliance (OEPC) is responsible for maintaining and enhancing the Department's Environmental Database to record EDL sites and their associated liabilities to the Department, and to provide guidance to the bureaus' environmental management personnel. The Office of Financial Management is responsible for coordinating with OEPC and the bureaus' accounting personnel, consolidating the individual liabilities, and for ensuring that the Department's total liability is recognized or disclosed according to generally accepted accounting principles.

2.7.2 Asbestos Cleanup Cost Liability

On September 28, 2006, the Federal Accounting Standards Advisory Board (FASAB) established a requirement that federal entities account for all asbestos-related cleanup and disposal costs as an environmental liability. Technical Release 2006-1, Recognition and Measurement of Asbestos-Related Cleanup Cost, provided general guidance on the reporting requirements and a deadline for compliance of September 30, 2009. Bureaus must be able to report data on their buildings and structures that may have Asbestos Containing Materials (ACM) in accordance with approved Office of Financial Management guidance. This

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information will then be used to determine the liabilities associated with any ACM in bureaus' buildings and structures. This information will be reported to the Office of Financial Management for inclusion in the Department's quarterly and annual financial statements.

2.8 Energy and Water Management

Efficient and effective energy and water management are key aspects of asset management planning. Energy and water conservation techniques and initiatives are met with enthusiasm, as they compliment the Department's overall mission of preserving and protecting the nation's natural and cultural resources.

The Energy Policy Act of 2005 (EPA05) and Executive Order (EO) 13423, Strengthening Federal Environmental, Energy, and Transportation Management, and the Energy Independence and Security Act of 2007 set forth energy and water management goals and strategies. These public laws and executive orders require the annual reduction in energy intensity in all facilities relative to our 2003 baseline and progressively increasing our consumption of renewable energy resources. DOI and the bureaus are required to:

- Implement utility metering for electricity, natural gas, water and steam in all appropriate buildings;
- Design new buildings to be 30 percent more energy efficient than relevant codes, if life-cycle cost effective;
- Reduce water consumption annually in all facilities relative to a 2007 baseline;
- Conduct energy and water audits in 25 percent of buildings annually; and
- Incorporate sustainable design principles in new and existing buildings.

The Department is committed to achieving these energy and water reduction goals. Conserving energy and investing in energy reduction measures makes good business sense and allows limited resources to be reinvested in Bureau facilities. Dramatic fluctuations in the cost of energy significantly impact already constrained operating budgets, providing greater incentives to conserve and seek ways to lower energy consumption. These include investments in cost-effective renewable energy sources, energy efficient technologies and high performance building designs.

The Department is assisted by the coordination and collaboration of the Department Energy Conservation Committee (DECC), comprised of mid-level management representatives from each bureau and the Department, which brings together subject matter experts on energy and water management. The DECC serves as a conduit for information to the bureaus and makes policy recommendations on current and planned DOI-wide and government-wide activities and a feedback loop from the bureaus on facility management energy initiatives to implement related legislation and executive orders.

2.9 Sustainable Buildings

DOI is committed to environmental stewardship through sustainable building construction, renovation, operation, and maintenance. E.O. 13423 on Strengthening Federal Environmental, Energy, and Transportation Management requires federal agencies to design, construct, and operate federal buildings in accordance with the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings (Guiding Principles). The Guiding Principles are:

1. Employment of integrated design principles;

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2. Optimization of energy efficiency and use of renewable energy;
3. Protection and conservation of water;
4. Enhancement of indoor environmental quality; and
5. Reduction of environmental impacts of materials.

DOI must incorporate the Guiding Principles into 15% of the DOI building inventory by 2015.

Created by the multi-disciplinary DOI Sustainable Buildings Implementation Team, the DOI Sustainable Buildings Implementation Plan provides background, policy, roles and responsibilities, milestones, and initiatives necessary to accomplish DOI's sustainable buildings vision.

DOI Sustainable Buildings Implementation Team brings together subject matter experts across the building management community. The Team has representatives from each Bureau, and the Department. The Team serves as a conduit for information to the bureaus, makes policy recommendations on current and planned DOI-wide and government-wide activities, and a feedback loop from the bureaus on facility management energy initiatives to implement related legislation and executive orders.

DOI Sustainable Buildings Implementation Plan creates policy and plans for buildings with a Current Replacement Value of \$2,000,000 and above in the following four areas:

1. New construction and major renovations will meet the Guiding Principles, relevant statutory requirements, and be certified by a sustainable building rating system;
2. Existing buildings will use the DOI Sustainable Operations and Maintenance Checklist to achieve and maintain compliance with the Guiding Principles;
3. New leases will comply with the Guiding Principles; and
4. Unneeded real property assets will be disposed as appropriate.

DOI will track, measure and report compliance with E.O. 13423 requirements. A copy of the DOI Sustainable Buildings Implementation Plan, and a list of the DOI Sustainable Buildings Implementation Team membership is available www.doi.gov/greening.

2.10 Program Leadership, Human Capital, Policy and Decision-Making Initiatives

DOI and the bureaus support a number of programs and have completed and initiated a number of initiatives and actions to strengthen program leadership and improve the competency of the workforce, policy and decision-making and governance. (The comprehensive compilation of accomplished initiatives/actions is provided in Detailed Asset Management Rolling Three-Year Timeline of actions.)

These initiatives and actions are in concert with policies and guidance established in the:

- API framework, criteria, and weighting to guide Department and bureau-level scoring processes that reflect the missions of each individual organization.
- DOI Asset Priority Index Guidance articulating a framework for the consistent application of API within DOI;
- Sustainment Cost Template to assist bureaus in developing their Deferred Maintenance and Construction 5-Year Plans;

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- DOI Policy on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management;
- DOI Utilization Guidelines;
- Operations and Maintenance Costs Methodology; and
- Active participation in the Asset Management Partnership, the Space Management Partnership, and the Heritage Asset Partnership.

The following are some of the significant initiatives to be accomplished over the next fiscal year and the target dates (quarter) for completion. (The comprehensive compilation of planned initiatives/actions is provided in Detailed Asset Management Rolling Three-Year Timeline of actions.)

The Department of the Interior will:

- Conduct quarterly internal Departmental scorecard meetings to evaluate DOI and bureau progress in implementation of the AMP. *Q4 '08 Q1 '09, Q2 '09, Q3 '09*
- Measure DOI progress in annual reporting data into the FRPP on each of the FRPC performance measures relative to the baseline and prepare bureau assessment comparing baseline to FY '07 and FY '08 performance. *Q1 '09*
- Update Performance Plans for DOI's SES-level managers to reflect implementation of the AMP and supporting activities including assuring the accuracy of FRPP. *Q2 '09*
- Update the DOI Asset Management Plan. *Q3 '09*

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3. PLANNING AND ACQUISITION OF REAL PROPERTY

Planning provides managers at all levels of the Department with the foundation for successful portfolio management and the acquisition of all construction projects. The planning or the pre-select and select phases of the DOI Capital Planning and Investment Control (CPIC) methodology, defines the business needs for potential investments and determines that the best investments are selected. The acquisition or the control phase of the DOI CPIC methodology, translates mission needs into discrete requirements, marshals the necessary resources to acquire assets that meet requirements, and receives/constructs the assets.

Several of the bureaus with the largest number of assets develop planning documents for each management unit with significant public participation and input. These documents, in addition to stating the mission of the management unit, include identification of the needed structures on the land, such as visitor centers, employee housing, and maintenance shops that are necessary for the successful operation of the unit.

For instance, Bureau of Land Management develops Resource Management Land Use Plans/Special Area Management Activity Plans, Fish and Wildlife Service develops Comprehensive Conservation Plans for National Wildlife Refuges, National Park Service develops General Management Plans, and Bureau of Reclamation develops a variety of Resource Management Plans. Because of their intrinsic value, many bureaus also develop management plans for heritage assets located on their units. In some cases, these assets are as or more important to proper unit management as any other asset type.

When a space requirement is received or developed, DOI and bureaus attempt to use Government-owned assets (including existing GSA-provided space options) first before seeking to add new square footage to the Federal inventory. If there are no suitable solutions using an existing Government asset, DOI has several acquisition alternatives such as lease of a new asset from the private sector, buy or transfer an existing asset, build a new Federal asset or receipt of a donation.

To determine the most appropriate acquisition approach, DOI considers a variety of criteria including:

- What is the best way to provide the needed functionality to meet mission requirements;
- How many assets are needed;
- How quickly the asset is needed;
- How long the asset is needed;
- How specialized is the asset;
- What is the environmental condition of the asset; and
- What are potential impacts of the acquisition on heritage assets?

Additionally, DOI considers mission-fit and the long-term total cost of ownership. Because so much of the Department's mission is tied to the management of land and resources, asset acquisition decisions must take into account suitability and location of facilities to support resource management and long-term management requirements. Each of these factors has a significant impact on the alternatives and feasibility of the project acquired either by construction, purchase, transfer, or leasing.

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By evaluating these factors, the Department can determine the acquisition method and incorporate appropriate planning models to meet the needs of the Department.

3.1 Five-Year Deferred Maintenance and Construction Plan

DOI's Five-Year Deferred Maintenance and Construction Plan is an essential component in the DOI's CPIC methodology and guides the identification of projects in the pre-select phase of the DOI Capital Planning and Investment Control (CPIC) methodology. The Five-Year Plan is used to prioritize capital projects for repairs, alterations, and new construction. All projects with estimated cost greater than \$100,000 must be submitted in a bureau's Five-Year Plan prior to the project receiving funding, regardless of whether the projects involves new construction, repair, or alterations.

Prior to the inclusion of projects into the Five-Year Deferred Maintenance and Construction Plan, assets in the portfolio are considered for their importance and contribution to mission. Life-cycle decisions are made to maximize the effectiveness of available maintenance and repair funding. In developing their Five-Year Deferred Maintenance and Construction Plans, the bureaus rank and prioritize projects with highest emphasis on critical deferred maintenance needs in health and safety, resource protection, and bureau mission. The ranking and prioritization is applied to major and minor projects regardless of the estimated cost of the project or the value of the individual assets that comprise the project.

Projects involving critical health and safety components of work are coordinated with the bureaus' safety managers. New capital improvements not addressing significant health and safety or resource protection needs are only funded in exceptional situations. The bureaus perform the analysis and develop the projects for submittal to the DOI's Office of Budget and Office of Acquisition and Property Management for review, comment, and normally inclusion in DOI's Five-Year Plan.

To provide greater consistency Department-wide, projects are ranked using a weighting process based on the percentage of the work (total project dollars) that falls in each of the following 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 C I (EHPBSci) 5
- Critical Mission Deferred Maintenance (CMdm) 4
- Compliance and Other Deferred Maintenance (C&Odm) 3
- Other Capital Improvements (Oci) 1

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

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

This ranking formula is designed to accommodate all types and sizes of projects, from the simple to the complex. It places the highest priority on facility-related Critical Health and

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Safety and Critical Resource Protection deferred maintenance needs in that order. Capital improvement projects that eliminate substantial amounts of deferred maintenance receive a higher rank score than projects that do not address deferred maintenance needs.

As bureaus reduce the accumulated deferred maintenance in these categories, funding is directed to lower priority deferred maintenance and new capital improvement projects. Complex projects, including many items of work involving both maintenance and capital improvements, can 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

Additional details on DOI project scoring is provided in the [2011 Budget Guidance \(Attachment G\) for Five-Year Deferred Maintenance and Construction Plan](#).

3.2 Capital Plan for Major Projects

There are several ways to obtain needed functionality to support the Department's divergent missions. This section discusses planning methods for acquiring new construction, repair and alterations, and leases for major projects. To determine which acquisition method would be most cost effective and suitable to meet DOI's requirements, the Department is following the CPIC methodology, as discussed in Sections 2.4.2 and 2.4.3 of this AMP that includes an alternatives analysis. This process allows the Department to compare the present value cost of buildings by repair and alteration, new construction, and lease alternatives.

The CPIC process provides the framework for the planning, prioritization, and decision making for the acquisition and construction of assets. Through the process, described in the [DOI Construction Capital Planning and Investment Control Guide, Version 2.0](#), major projects are evaluated and based on investment review board decision making incorporated into the budget request.

DOI's Assistant Secretary for Policy, Management, and Budget plays a key role in securing the necessary resources to maintain current real property assets, acquire new or replacement assets that meet the evolving needs of the agency, and preserve the historical and cultural assets placed in DOI's care.

3.2.1 New Construction of Major Projects (\$2 Million and above)

The program for new construction addresses requirements serving a Federal need that cannot be readily met with existing Federal assets or assets available in the private sector. The Department follows the requirements for capital asset planning with a CPIC process that considers investments at the bureau and Department level. Currently, DOI requires capital or major construction projects, having design and construction costs of \$2 million and above, to be reviewed and approved by a bureau IRB. Projects over \$10 million in design and construction, or that meet other significant criteria defined in the DOI Information Technology and Construction Capital Planning and Investment Control Guide, Version 2.0, must be reviewed and approved by both the bureaus' and the Department's IRBs.

Project sponsors prepare a business case for all major projects of \$2 million and above in the form of an OMB Exhibit 300. The business case is evaluated through the bureau governance

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process featuring the bureau investment review boards. For major projects over \$10 million, the business case is evaluated through the bureau and Departmental governance process.

DOI is continually improving the CPIC process and supporting procedures to create a more structured, rigorous, and repeatable process for managing portfolios and assets throughout their life-cycle. The DOI Construction CPIC Guide is being continually updated. The current process for construction projects has yielded useful results in the selection of projects. DOI will continue to place enhanced emphasis on tracking projects' earned value as a critical measure to ensure that they are within budget, schedule, and scope. The quarterly reporting tool is assisting management at all levels to better track the progress of ongoing projects. This quarterly report will be supplemented by electronic tools used for major information technology projects such as eCPIC, development of an earned value management guide for construction projects and a variance and change of baseline report.

DOI's CPIC process will continually be re-evaluated resulting in periodic updates to the DOI Construction CPIC Guide. The CPIC process will address the life-cycle period in determining the full cost of each type of asset covered in the AMP, better use of earned value, enhanced quarterly reporting on project status, and improved business cases to be used for both projection selection and execution. DOI and bureaus will also establish CPIC review requirements for facility projects, whether constructed, leased, GSA-provided, purchased, or received through donation or transfer. Central to the CPIC review of projects is the multi-year strategic planning for new major construction projects that emphasize the organization's mission, goals, objectives, and resources necessary for achieving the organization's objectives.

Strategic planning through the DOI Five-Year Deferred Maintenance and Construction Plan satisfies the organization's requirements and helps position the portfolio to meet mission needs. The primary objectives of strategic planning within DOI are to:

- Align projects with strategic missions, business goals, and outcomes within an enterprise (Department-wide) portfolio;
- Establish the long term direction to be followed by the bureaus and the Department for making sound investments and cost effective use of constructed assets in support of missions and programs;
- Serve as the basis for requests to OMB for funding necessary to support mission and program needs; and
- Ensure that the workplace environment meets employee needs and contributes to greater productivity.

Bureaus have flexibility to design their strategic planning process to embody qualities such as the following:

- Rigorous, repeatable, and documented;
- Continuous analysis of needs and the exploration of alternatives through collaborative efforts;
- Governance through chartered IRBs; and
- Consistent with the provisions of the [DOI Construction Capital Planning and Investment Control Guide, Version 2.0](#) and [2011 Budget Guidance \(Attachment G\) for Five-Year Deferred Maintenance and Construction Plan](#) of DOI's annual budget planning guidance.

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Planning provides managers at all levels of the Department with the foundation for successful portfolio management and the acquisition of new major construction projects. New Departmental emphasis is on a more robust, inclusive CPIC process. Combined with new procedures in the bureaus, the planning process reflects:

- Strengthened project management through certification and training;
- Full implementation of a well-defined and thorough capital planning and investment and investment control process emphasizing responsibility and accountability;
- Close coordination of program sponsors and managers, project managers, space portfolio managers, and senior management including the heads of the bureaus;
- Timely participation, through integrated project teams, of subject matter experts from key functional areas such as planning, cultural resources, budget, human resources, contracting, facilities and property management, legal, safety, security, information technology and the environment in the planning and decision-making process; and
- Governance by mid-level managers and senior executives Department-wide through their participation on bureau and Departmental IRBs.

Collectively managers at all levels and subject matter experts, through their collaboration and cooperation, are integral to the success of DOI's portfolio management process. They apply sound business practices to the planning, acquisition, operation, maintenance, and disposal of capital investments and ensure compliance with guidance from Congress, OMB, GSA and the Government Accountability Office (GAO). In planning and budgeting for new projects, managers ensure that projects align with strategic and mission needs, develop project proposals, and incorporate projects into the multi-year planning process.

The Department, in close collaboration with the bureaus, will continue to work to significantly strengthen capital planning in several areas. Efforts have been initiated and are planned to better ensure that managers:

- Link projects to mission through the use of tools such as the API and FCI;
- Evaluate a range of alternative approaches (i.e., construct/purchase vs. lease; dispose of current asset vs. retain and repair) to meet strategic and mission needs;
- Identify project space needs and develop an estimate of costs and benefits (both quantitative and qualitative) that will be realized by a project;
- Explore the Department's inventory, seeking opportunities to meet needs through co-location and consolidation;
- Address several factors that can have a bearing on benefits, cost, risk and schedule associated with a specific proposal such as security, environmental, safety/health, contingency planning, optimal space utilization, telecommunications, information technology, green technologies, energy use, utilities, historic preservation, Americans with Disabilities Act and Architectural Barriers Act (accessibility) requirements, preliminary market surveys; and move and relocation costs;
- Account for likelihood of risks identified in the risk assessment occurring, the severity of those risks and the mitigating actions necessary to resolve risks;
- Coordinate with bureau portfolio managers, planners, budget officers, human resource personnel and other subject matter experts;
- Assemble integrated project teams comprised of program managers and stakeholders to perform due diligence to determine the best way to meet the agency's mission needs using feasibility studies, historical data, industry best practices, cost/benefit analysis, and risk

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analysis (for example) to develop project scope and budget; the project team prepares quality project data sheets and Exhibit 300s to document the general requirements for each proposed project;

- Incorporate the operations and maintenance costs into the project proposals;
- Address the requirements of projects conducted in concert with partnerships; and
- Establish a Departmental standard methodology for calculating operation and maintenance costs for the strategic planning of real property assets.

3.2.2 Repair and Alterations Major Projects (\$2 Million and above)

Major Repair and Alterations Projects are reviewed and those with a strong business case are approved by bureau IRBs. These projects, meeting the Department threshold for major projects, are reviewed by both the bureau and Departmental IRBs. The bureaus rank projects that are subject to further scrutiny from the bureau IRBs and bureau directors based upon technical sufficiency, financial viability, agency considerations and consideration to carry out socio-economic-environmental responsibilities. Once the final project rankings are established, the budget submittal is completed based upon the amount of funding that is available. Remaining projects will be prioritized for submittal the following year, or alternative methods of meeting the need, such as leasing, will be explored.

With the move to a life-cycle and portfolio-based approach, DOI is establishing an enhanced ranking capability that will build upon a mission focus ranking process, using API and FCI to allow the highest mission critical assets to be recognized in conjunction with the project ranking system. This ranking system will be applied to the Five-Year Plans including major projects. Life-cycle decisions will be made to maximize the effectiveness of available maintenance and repair funding. This system is necessary to optimize spending upon a bureau's mission critical assets at the most important periods in the asset life-cycle. Under this procedure, bureaus will first sort assets into four categories, high API/acceptable FCI, high API/unacceptable FCI, low API/acceptable FCI, and low API/unacceptable FCI:

- Assets with high API and acceptable FCI should be maintained with practices that protect the government's investment;
- Assets with high API and unacceptable FCI should be considered for demolition and replacement. If the asset's API is high principally because another asset cannot be substituted for it (e.g., an historically significant asset) repair and rehabilitation activities will be the priority;
- Assets with low API and acceptable FCI should be considered candidates for transfer or beneficial use by other parties; and
- Assets with low API and unacceptable FCI should be considered for disposal.

Proposed projects for assets that should be retained and maintained would then be subjected to the rankings based on critical health, resource protection, and critical mission.

3.2.3 Acquisition of Major Leases

Through an ongoing Department-wide Space Management Initiative, DOI continues to analyze and recommend actions to strengthen policy, management, and governance of the portfolio of owned, leased and GSA-provided office and warehouse space. DOI expects to achieve significant long-term savings through improved management of direct leases and GSA-provided space and efforts to collocate offices and consolidate space.

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This DOI top management initiative to review space requirements and reduce space allocations across the Department began in 2003. DOI is committed to ensuring the economical assignment and utilization of office, warehouse, laboratory and housing space in fulfilling mission needs and requirements. The DOI Space Management Program, managed by the Office of Acquisition and Property Management, is designed to strengthen management decision-making at all levels throughout the lifecycle (acquisition through disposition) of owned, leased and GSA-provided space.

The Office of Acquisition and Property Management and the National Business Center, working with an inter-bureau working group, have developed guidance to provide managers at all levels a framework of DOI's methodology to manage and dispose of their owned and leased space, monitor implementation of their space management and disposal policies, and verify the performance of organizations in implementing a strengthened and more active space management program. The DOI space management policy has been issued and the disposal policies are still undergoing final clearance review by the DOI's senior management.

The Office of Acquisition and Property Management Space Coordination Office (SCO) has full-time staff to guide, direct and assist bureau space management programs to minimize excess and underutilized property and better align holdings with agency missions, priorities, and space needs. A major action by the program is the review and consolidation at the Department level of multi-year bureau-wide strategic plans to ensure that facility acquisitions, lease renewals and relocations are driven by mission-related needs and that priority is placed on collocation, consolidation, and improved partnership relationships. For example, using information provided by the bureaus on current and future year lease plans, anticipated lease expirations, renewals, and relocations, DOI identifies opportunities for collocation, consolidation and other actions to improve space utilization and mission support.

Through Exhibit 54, the bureaus report annually to OMB on the current space inventory, the budgetary requirements for current space, the budget year request reflecting current space square footage, rate increases, expansions, consolidations and associated costs. Based on OMB's review of the space requests, they are incorporated within the budget request. Bureau oversight of the leased and GSA-provided space inventory is comprehensively evaluated as an investment decision. Bureau decisions on space including new leases, renewals, relocations, consolidations and collocations are handled in a decentralized manner.

GSA is the Federal leasing entity. Certain bureaus and offices within DOI have delegated leasing authority through the Department from GSA. Those that do not can request delegation authority from DOI when special circumstances arise. The bureau or office must use a Real Property Contracting Officer warranted in compliance with Departmental requirements.

Obtaining GSA-provided space is always the first option DOI considers when acquiring general purpose space. DOI directly acquires leased space when existing GSA-provided, or build-to-own government space are not viable alternatives. GSA, working with the bureaus' headquarters property office, reviews bureau scoring analysis on direct lease proposals. Each bureau coordinates the projects for submittal as part of the bureaus' Five-Year Space Management Plan. DOI will ensure that new leasing proposals are contained in the five-year

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plan and that the lease term conforms to GSA's requirements. DOI, working through the bureaus' headquarters property office, will ensure each leasing proposal is consistent with the portfolio strategy, the availability of space in the local market, and the appropriateness of timing. Any projects meeting prospectus level are included in DOI's capital program request to OMB and Congress.

Updated policies and procedures have been implemented to maintain the master DOI Five-Year Space Management Plan (SMP) that guides decisions Department-wide for usage of owned locations, direct lease and occupancy agreement renewals, consolidations, and collocations. Based on input from the bureaus on projected lease expirations, relocation and consolidation plans, the Department focuses on the most cost effective opportunities to collocate offices, consolidate space, and achieve more effective and efficient lease arrangements.

In 2007, the bureaus completed the second year of their bureau-specific SMPs under the leadership of the SCO. These SMPs are providing the framework, strategic vision, and plan of action for effective bureau space management. They are dynamic documents used by bureau management for implementing bureau space goals, including consolidation, collocation, and disposal. The Department's SMP, based on the bureau SMPs, helps ensure that facility acquisitions, lease renewals and relocations are driven by mission-related needs. Priority is placed on collocation, consolidation, and improved partnership relations.

Using information provided by the bureaus on current and future year lease plans, anticipated lease expirations, renewals, and relocations, the Department has helped the bureaus to identify opportunities for collocation, consolidation and other actions to improve space utilization and mission support. While the level of success varies, all bureaus are vigorously identifying collocation possibilities. Collocation goals are now a part of the DOI Strategic plan. A collocation metric has been added to the SMP revisions.

The SCO continues to conduct site visits to locations with significant concentrations of DOI employees to perform on-site evaluations of collocation and consolidation opportunities and to encourage the bureaus to pursue these opportunities. The SCO has conducted site visits in Phoenix, AZ; Lake Mead, NV; Seattle WA; Denver, CO; Provo, UT; southern Florida; and Boise, ID, with plans to conduct site visits in Salt Lake City, UT; the upper Midwest; New England; Albuquerque, NM; Portland, OR; and Klamath Falls, OR, by the end of September, 2008.

Detailed information on collocations is consolidated from bureau submissions and the FRPP data base to identify current collocations and to develop long range plans for future collocation opportunities. The number of "in place" and planned collocations are then reported annually as a metric in the DOI Strategic Plan. The SCO annually creates an updated database of all DOI general purpose space categorized by city and State and makes it available to the bureaus to use in their space planning efforts. Data for this compilation is obtained from the FRPP for owned and leased properties, while GSA-provided property information is obtained from the GSA Rent-on-the-Web database. Compiling a master listing of existing general purpose space allows bureaus to identify space in a given area, and to base their space planning on the current inventory for potential collocations.

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The SCO works with GSA on an ongoing basis to steer collocation activities between and among DOI bureaus. Currently it is involved in planning with GSA for a collocation in Billings, MT for the Bureau of Reclamation (BOR), Bureau of Indian Affairs (BIA) and the Field Solicitor, and various options for collocation in the Phoenix and Yuma areas of Arizona for the Bureau of Indian Affairs.

For example, in Billings, MT, a Federal building is planned for modernization and asbestos removal. This requires the removal of the offices of the BOR and Field Solicitor, without the prospect of their returning to the building. The US Courts, who occupy most of the building, have expanded requirements and will be assuming the entire building's footprint. BIA meanwhile had multiple leases in various locations that are due to expire near the time of the BOR initial move. The SCO has conducted multiple discussions with the GSA and bureaus to ensure that all parties are creating a solicitation that will have the highest possibility of returning a site proposal that will allow collocation of all three organizations and saving the taxpayers' money. While the bureaus were not initially supportive of this action, the SCO has helped to move them to creating a solicitation to obtain collocation possibilities.

3.3 Capital Plan for Non-Major Projects

Capital planning for all projects including non-major projects is structured around the development of a consistent approach for five categories of asset management:

- Contribution to mission;
- Asset inventory;
- Asset condition;
- Asset valuation; and
- Improving the condition of the asset portfolio and properly sustaining it over time – life-cycle management.

DOI's accomplishments and actions in the capital planning for all projects are the foundation and building blocks for strategies to strengthen DOI's asset management.

3.3.1 New Construction, Repair and Alterations of Non-Major Projects

Although ranking projects based on critical health and safety, resource protection, and critical mission has served DOI well, it has a project-centric focus. With the move to a life-cycle and portfolio-based approach, DOI is establishing an enhanced ranking capability that will build upon this ranking process using API and FCI to allow the highest mission critical assets to be recognized prior to any project ranking system. This system is necessary to maximize spending upon a bureau's mission critical assets at the most important periods in the asset life-cycle.

Bureaus rank and prioritize non-major projects through consideration of mission, alternatives, risk and cost. All bureaus have priority-setting processes in place to review non-major projects. For example, USGS develops a business case for non-major construction, repair, and leasing projects for review by regional investment review boards.

3.3.2 Acquisition of Non-Major Leases

DOI acquires leases below prospectus level from the private sector when leasing is the most economical answer to meet Federal needs, when construction funding is not sufficient, or when

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a government-owned site is not available in the area. Bureaus such as OSM and MMS currently use GSA to perform all leasing activities, but BOR, NPS, BIA, FWS, USGS and BLM use a combination of GSA-provided, in-house direct leasing, and DOI owned facilities to meet space requirements. The decision to lease or build is usually made at the field office level.

GSA is not used in some cases because of the remoteness of many offices in small, isolated communities and/or those that have special space requirements that are outside of GSA's normal operating area. In accordance with 41 CFR 102-72.30, the GSA Administrator has issued a standing delegation of authority (under a program known as "Can't Beat GSA Leasing") to the heads of all Federal agencies to accomplish all functions relating to direct leasing of general purpose space for terms of up to 20 years in non-major metropolitan areas. This delegation includes conditions that Federal agencies must meet prior to conducting the lease acquisition for their agencies. The Department utilizes this authority, when appropriate, to secure space to meet mission needs.

Currently, BLM's National Business Center has the largest direct leasing staff in DOI. The National Business Center facilitated the collocation of BLM, NPS and FWS employees with Forest Service under the "Service First" agreements between BLM and the Department of Agriculture's Forest Service (FS). These "one-stop" offices in communities where BLM and the Forest Service both have a presence are a streamlined, effective, and efficient approach to meeting the needs of these two agencies.

This cross-agency partnership between BLM and FS was established several years ago with three broad goals to:

- Improve customer service;
- Increase operational efficiency; and
- Enhance land stewardship.

Much of the program's success can be attributed to both organizations' mandates to implement comprehensive multiple-use programs that are responsive to the biological, social, and economic needs of the lands under their respective jurisdictions. The BLM and the FS share similar or complementary missions and objectives within their multiple-use efforts. It is advantageous for both the BLM and the FS to combine and coordinate projects to attain the mutually defined goals and objectives of both agencies, as outlined in the Service First agreement. Both the BLM and the FS work collaboratively at providing the best results for the natural resources, customers, affected communities, and people within these ecosystems.

The BLM and the FS have offices and resource management functions in some of the same geographic areas, where collocation is advantageous and makes good business sense. Both agencies agree, to the extent feasible under legal, fiscal, and other limitations governing each agency, to accomplish multiple-use outcomes using the customer service principles outlined in Service First. This cooperation serves the mutual interest of the parties and the public.

The Department is evaluating additional opportunities for Service First and expanding the concept to include other Interior bureaus. The experience of BLM and FS is leading to the

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identification of best practices and lessons learned that have and will continue to be valuable to the execution of the DOI space management program.

DOI currently has the most collocations under Service First, with 78 collocations predominantly between BLM and the Forest Service, but increasing numbers with BLM and Fish and Wildlife Service, National Park Service and some with U.S. Geological Survey, and the Bureau of Indian Affairs. DOI is currently in the process of developing language to extend and broaden BLM's Service First authorities to reduce on the ground barriers for accomplishing mission work.

According to the SMPs, bureaus will pursue collocations in seven different locations in FY 2008, five in FY 2009 and four in FY 2010. While there is no certainty these collocations will occur, where there are solid business reasons for collocations they are expected to proceed. The SMPs are revised and updated each year, further increasing the opportunities for identifying collocation opportunities.

The Department's Space Management Partnership (SMP), comprised of representatives from each bureau and the DOI Space Coordination Office (SCO), brings together the subject matter experts in space management throughout the Department. Established by a directive from the Assistant Secretary – Policy, Management and Budget, the SMP provides coordination among the bureau on common space related issues. With the guidance of the SCO, the SMP recommends policies and procedures, coordinates research, provides guidelines, and advises on management issues concerning the Department-wide space management program effort. Specific functions include:

- Develop a communication network to foster a unified space management program;
- Periodically review space management policies and procedures;
- Explore ways to share expertise and data management throughout the Department to maximize efficiency and minimize costs;
- Explore emerging technologies and innovative methodologies for Department-wide adoption;
- Ensure communication with GSA, OMB, Department of Labor, and other organizations to foster input on policy issues, assure compliance with requirements, and share information; and
- Assist with the establishment of educational, training, and career development programs within the space management field.

The SMP, through the Space Coordination Office, worked on a number of initiatives that will be used to improve space management, Department-wide. Final policies and procedures have been prepared that once implement to will provide more information for linking space decisions to mission-related needs, require an investment review process at the bureau and Department levels for new and expanded space, and to establish a multi-year planning process that will be the basis for a Department-wide strategy to guide decision-making to take advantage of opportunities for consolidation and collocation.

3.3.3 Acquisition of Fleet (Vehicle-focused)

Each bureau is responsible for the acquisition (by purchase or lease), maintenance, and disposal of vehicles. In the past, the majority of bureaus acquired vehicles through appropriated funds.

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Currently, USGS, BOR, and BLM operate working capital funds (WCF) to maintain and operate their motor vehicle fleet programs. BLM employs the use of a WCF to operate a fee-for-service arrangement that funds the acquisition, maintenance, and disposal of their fleet. This model is being evaluated for use in other bureaus.

The Department has implemented a fleet management improvement strategy with goals for effective life-cycle management, optimization of vehicle use, use of alternative fuel vehicles (AFV), and other best practices. Each bureau has implemented its fleet management plan which identifies strategies for improved fleet management. These plans are reviewed annually by bureau fleet management personnel to ensure the steps necessary to improve fleet management and implement best practices. The plans are evolving documents that provide the framework for program management.

Each bureau has developed performance measures for its fleet that are specific to the bureau mission requirements and that are location specific. These measures are a part of the Departmental strategy for performance measures that are mission driven, provide the best indication that the vehicle is being fully utilized, and allows bureau fleet management to make decisions regarding the fleet based on quantifiable data. Included in each strategy are tools and methods for vehicle justifications, baselining, and 'right sizing' the fleet. This strategy addresses the issues raised by the OIG in the audit of fleet and criticisms of the size and underutilization of the fleet.

Deployment of fleet management plans was completed in FY 2006. Bureau plans are reviewed on a revolving basis to ensure performance metrics and best practices are used. DOI has issued a Motor Vehicle Handbook to assist bureau fleet manager with operating its fleet management program. The Department's fleet managers group worked collaboratively on developing the fleet management plans, performance measures to gauge success in fleet improvements, sharing best practices, and other innovations.

The use of environmentally-friendly vehicles through the acquisition of AFVs powered by natural gas, electricity, propane, alcohol-based fuels and bio-diesel will, in many applications, enhance the Nation's energy security by reducing dependence on foreign crude oil, create jobs by stimulating domestic industry, and improve air quality by reducing emissions. The use of AFVs contributes to DOI's stewardship responsibilities for the Nation's publicly-owned lands and natural resources.

The Energy Policy Acts of 1992 and 2005, the Energy Independence and Security Act of 2007, and E.O. 13423 require DOI to demonstrate leadership in alternative fuel use, AFV acquisition and use, and ensure that 75 percent of new light-duty vehicles leased or purchased in FY 2007 in urban areas were AFVs. AFVs acquired for DOI facilities in rural locations also count toward meeting the Energy Policy Act acquisition goal. Additional performance requirements include increasing Interior alternative fuel consumption by 10 percent annually, with regard to the FY 2005 baseline, and decrease our petroleum consumption by 2 percent annually, with regard to the FY 2005 baseline. Specifically, the Executive Order 13423, signed by the President in January 2007 requires each Agency to:

1. Reduce the amount of petroleum consumption in the vehicle fleet by 2 percent annually through FY 2016, relative to the FY 2005 baseline;

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2. Increase the amount of alternative fuel consumed by 10 percent annually, relative to the FY 2005 baseline; and
3. Acquire plug-in hybrid vehicles, when they are commercially available and economically practical.

In FY 2007, DOI met the agency-wide goal for the acquisition of AFVs for a tenth consecutive fiscal year. Department-wide accomplishments in this area must continue, as AFVs become more available.

To cover the additional cost of AFVs over the cost of conventionally-fueled vehicles leased through GSA, DOI entered into an agreement with GSA to be assessed a surcharge through the billing process for the approximately 15,000 leased fleet motor vehicles. DOI pays this additional monthly surcharge to cover the additional cost of procuring an AFV. This allows the Department to share the additional costs for AFV acquisition amongst all bureaus, increasing the procurement of AFVs throughout DOI. Bureaus are to provide the full funding necessary to ensure compliance with the E.O., including covering the incremental cost of AFVs purchased and the GSA surcharge on leased vehicles.

3.4 Performance Measures and Continuous Monitoring

Key performance measures will be used to measure the effectiveness of the acquisition phase of the life-cycle of asset management. For example, measures will be tracked and used for multiple purposes including DOI's Strategic Assessment, Strategy and Action Plans, Program Assessment and Rating Tool submittals, Performance and Accountability Report, and Congressional Justification submittal.

DOI has implemented use of the Dashboard of Performance Indicators and the internal scorecards as continuous monitoring and feedback mechanisms. For example, DOI will use key performance measures in conjunction with agency goals in the quarterly Departmental and bureau scorecards for Real Property. Departmental and bureau senior management will monitor performance and progress toward meeting key initiatives associated with the President's Management Agenda and the agency scorecard. Quarterly bureau scorecards and major project reporting will provide an opportunity to shape the direction of and allow for midcourse corrections for both programs and projects, influence asset strategies, and assist management in making informed investment decisions.

The Department will also explore the use of best practices to measure CPIC asset program and portfolio management success within the Department and the bureaus, such as a "Self-Assessment Guide toward Portfolio Management Maturity". This guide will be based on the Information Technology Investment Management (ITIM) process maturity stages, issued by the GAO.

3.4.1 DOI Acquisition Measures

DOI's GPRA Strategic Plan includes acquisition-oriented measures for which performance was first reported in FY 2004. The measures track construction acquisition performance, supporting completion of Bureau of Reclamation water infrastructure construction projects in a manner that ensures compliance with environmental requirements and ensures a target amount of water is made available. Targets for the measures were established in the Strategic Plan and

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tracked through the Dashboard of Performance Indicators. Additional DOI measures will be developed by the Asset Management Partnership in collaboration with the DOI Acquisition Management Partnership.

Project sponsors prepare a business case in the form of an OMB Exhibit 300. The business case is evaluated through the bureau governance process. For major projects over \$10 million, the business case is evaluated through the bureau and Departmental governance process. DOI will continue to place enhanced emphasis on ensuring these business cases provide a sufficient work breakdown structure to better enable the tracking of the earned value of the project. Earned value is a critical measure to track progress and aids in ensuring that projects are managed within budget, on schedule and within scope. A quarterly reporting tool helps management at all levels to better track and measure the progress of ongoing major projects. This tool is being supplemented by additional reporting requirements for projects with a budget, schedule and/or scope variances.

Additionally, the Department requires that an annual project completion report be submitted by each bureau. This report provides the status of every project listed in the Five-Year Plan during the last seven fiscal years and documents whether individual projects are completed, ongoing, delayed, or have been rescheduled or cancelled. The report also provides the final cost of completed projects and the date of completion, which allows monitoring of the bureaus project cost and schedule variance over the entire project portfolio across multiple fiscal years. This data provides valuable information that supports corrective actions to improve performance.

3.4.2 Agency-Specific Measures

DOI is using additional specific measures at the bureau level to evaluate effectiveness in the project delivery for constructed and leased assets. A series of measures that track project schedule, scope, and budget include:

- Construction Acquisition Measure
DOI uses FCI and earned value to track construction performance. DOI will continue to strengthen the use of earned value methodology to track construction projects to ensure that they remain on schedule and on budget. DOI is reviewing the management of the constructed asset portfolio of new projects by the percentage of the projects that are at variance vs. the overall number of projects.
- Leasing Acquisition Measure
The Department's Space Coordination Office has developed policies and procedures that will guide consistent performance measures to gauge improvements in space management. At the bureau level, various strategies are used to keep direct leasing costs at or below market levels include comparing direct lease offers to industry benchmarks, using market surveys to comparison shop for best prices, and using a published market source to gain a better understanding of area markets and to ensure leasing costs are in line with the private sector market.
- Fleet Measure
The Department's fleet managers group collaborated on performance measures to gauge success in fleet improvements. Each bureau has implemented performance measures specific to their respective organization. Currently, BLM is utilizing a number of measures

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that evaluate the cost effectiveness of maintenance schedules, life-cycle replacement schedules, etc.

- Customer Satisfaction Surveys/Measures
DOI facility managers will continue to use a variety of tools to assess internal customer satisfaction with assets and acquisition processes. They will also continue to track tenant satisfaction with newly constructed assets to ensure that the end users are satisfied with the asset.

3.5 Planning and Acquisition Initiatives

DOI and the bureaus support a number of programs and have completed and initiated a number of actions and initiatives over the past year to improve the planning and delivery of acquisition projects and to improve financial and program management. They include:

- Through the Space Coordination Office and the Department-wide Space Management Initiative, actions to strengthen policy, management and governance of the portfolio of owned and leased office and warehouse space, including space metrics and bureau 5-Year Space Management Plans;
- Updated Deferred Maintenance and Construction Five-Year planning criteria in accordance with Attachment G of the annual budget guidance.
- Implementation through the Site-Specific Asset Business Plans the performance measures identified by the FRPC (utilization, API/mission dependency, FCI and operating costs)
- Development and use of the Dashboard of Performance Indicators; and
- Formulated and carried out a Department-wide multi-year space planning process to guide future locations through relocations, consolidations, and collocations with space data provided by the bureaus.

The following are some of significant initiatives to be accomplished over the next fiscal year and the target dates (quarter) for completion. (The comprehensive compilation of initiatives/actions is provided in Detailed Asset Management Rolling Three-Year Timeline of actions.)

The Department of the Interior will:

- Update DOI's value engineering (VE) policy to better integrate VE into the project planning process and clearly specify when VE is applied. *Q4 '08*
- Implement annual standard bureau VE report. *Q1 '09*
- Update three-year rolling AMP timeline with detailed milestones for submission to OMB. *Q2 '09*
- Revise and issue guidance (Attachment G) for preparing and updating the 5-Year Plan for Deferred Maintenance and Construction Projects. *Q3 '09*

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4. OPERATIONS OF REAL PROPERTY

The operations or management in-use phase of DOI's assets involves making decisions regarding operations, maintenance, and reinvestment as well as monitoring administration of leases and servicing agency needs. Critical information is needed on all assets to support operational decision-making.

DOI's approach to asset management is to provide managers at all levels with the tools to make informed choices for proper operations and maintenance (O&M) in owned and direct leased buildings, structures, and linear and fleet assets in order to contribute to each bureau's mission. Managers will have the knowledge and tools to enable them to successfully address the complex decisions inherent in managing a diverse portfolio of assets. Bureaus are undertaking improved analysis to determine requisite operations and maintenance cost for facilities with major emphasis on implementing modern O&M practices throughout the life-cycle of individual assets.

4.1 Inventory and Description of Assets

DOI emphasizes that having accurate, reliable real property data is important for the Department and the bureaus to cost effectively manage the properties that they need and to identify unneeded properties that they can dispose and avoid unnecessary costs to the government.

4.1.1 DOI's Real Property Inventory

Real property is defined by E.O. 13327 as any real property owned, leased, or otherwise managed by the Federal government and improvements on Federal lands. For the purpose of the E.O., Federal real property does not include assets held in private ownership; land easements or rights-of-way; public domain land or land reserved or dedicated for national park or national wildlife refuge purposes except for improvements on those lands; and land held in trust or restricted fee status for individual Indians or Indian tribes. It also excludes maintained or cultural landscapes and maintained archeological sites.

DOI's real property portfolio, reported in the Federal Real Property Profile (FRPP), includes about 48,000 buildings which consist of a wide variety of offices, warehouses, schools, housing, etc. The portfolio also includes about 115,000 structures which consist of a wide variety of other constructed assets such as roads, trails, bridges, recreation facilities, water and power facilities, irrigation facilities, research facilities, fish hatcheries, wetland management impoundments, and heritage assets. The Department also leases and occupies office, laboratory and warehouse space that costs approximately \$300 million annually.

DOI measures the owned and leased assets in billions of dollars. Many of these assets, particularly heritage assets, are considered priceless for their cultural and historical significance. Many also significantly contribute to the Nation's economy. As stewards of the assets, DOI is committed to improving the management of existing facilities and making capital investments in new facilities that are essential to our mission.

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4.1.2 DOI's Inventory of Motor Vehicle Fleet

Consistent with its geographically dispersed organization, DOI has a large motor vehicle fleet. Leased and owned vehicles are an important tool for service delivery. Accomplishment of mission work at remote locations in field-based professions, (such as forestry and monitoring), are essential to programs such as law enforcement. DOI has the third largest motor vehicle fleet among civilian agencies with an inventory of about 37,000 vehicles. DOI has put a priority on reducing the number of owned vehicles and promoted leasing. Currently the Department leases over 40 percent of its motor vehicle fleet from the GSA Leasing Office, and also enters into a small number of lease agreements with private vendors. The bulk of the fleet, nearly the remaining 60 percent, are vehicles purchased from the GSA Automotive Office.

DOI employees, contractors, and authorized volunteers use motor vehicles to support multiple mission activities that are predominantly located in remote areas. In some locations, government vehicles are provided to support service contractors. Over 4,000 vehicles are used seasonally (i.e., only in winter or summer), or for special purposes, such as law enforcement or fire fighting. Nearly 90 percent of the fleet is trucks, vans, buses, and ambulances; the remaining 10 percent are sedans and station wagons.

The Department implemented the Fleet Initiative to promote the effective and efficient management of fleets in each bureau and office. This initiative targets effective life-cycle management, optimum utilization and where appropriate, reduction of the motor vehicle fleet, ensuring that DOI acquires vehicles that meet mission needs and disposes of excess vehicles.

Each bureau is responsible for implementing and modifying its fleet management plan which defines its strategy for implementing these initiative goals. The bureau fleet management plans include the bureau process for developing investment strategies, effectively managing and maintaining accountability for its fleet, ensuring the safety of vehicles, and demonstrating improved performance. The baseline will be used to set performance measures for the bureaus' fleet program by the goals established in the bureaus' fleet management plan. Within each plan, bureaus have outlined how they will optimize the size of the fleet in accordance with Departmental and bureau-specific missions.

The DOI Fleet Initiative covers the approximately 25,000 light duty vehicles, e.g. sedans, station wagons, and trucks. The initiative generally excludes medium and heavy-duty vehicles, buses, and emergency vehicles. Consistent with OMB requirements, the Department completes GSA Federal Automotive Statistical Tool (FAST) reporting annually to complete an inventory of fleet, reporting on the number of vehicles in the inventory, the number planned for purchase, leasing, and disposal.

4.1.3 Historic Preservation Requirements

As required by E.O. 13327, AMPs must incorporate planning and management requirements for historic property under E.O. 13287 of March 3, 2003, (Preserve America). To meet these requirements, bureaus shall maximize efforts to integrate the policies, procedures, and practices of the National Historic Preservation Act (NHPA) of 1966, as amended, and E.O. 13287 into their program activities in order to efficiently and effectively advance historic preservation objectives in the pursuit of their missions (Section 1, E.O. 13287 "Preserve America").

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The NHPA directs federal agencies to manage and maintain historic properties in a way that considers the preservation of their historic, archaeological, architectural, and cultural values. Section 106 of NHPA directs federal agencies to take into account the effect of a federal agency's undertaking on historic properties, which means compliance activities by cultural resource staff must occur prior to maintenance operations.

NHPA also give Federal agencies positive responsibility for preserving historic properties in their ownership or control under Section 110. It calls for agencies to use such properties, where feasible and compatible with their preservation, in preference to acquiring, constructing, or leasing other properties. Agencies are also directed to establish preservation programs to identify, evaluate, protect, and nominate their historic properties to the National Register. Both sections involve treating historic properties by applying of the Secretary of the Interior's Standards for the Treatment of Historic Properties and the Standards and Guidelines for Archeology and Historic Preservation.

4.2 Asset Documentation

DOI will use Financial and Business Management System (FBMS) and Single Platform Facility Maintenance Management System (FMMS) to store documentation relating to the acquisition and operation of its assets. This may include but not be limited to a map, a copy of the title or lease, a metes and bounds survey, a legal description of the property, documented environmental liabilities, Leadership Environmental and Energy Design (LEEDs) ratings, historic significance, an Architectural Barriers Act survey, documented fire/ life safety issues, as-built or Computer-aided design (CAD) drawings, and a housing plan showing the tenants within the asset or facility. In addition, the use of the linked documents featured in FMMS will allow storage of asset deficiency cost estimates or other maintenance related documents.

The bureaus' Chief Financial Officers are responsible for maintaining documentation of account reconciliations. Those who manage real property are responsible for maintaining documentation of physical inventories. This documentation must be available for review by auditors. Maintenance of the hard copy documentation resides at the bureau level. The Department and bureaus will have access to electronic documentation in FBMS, FMMS and FRPP.

4.3 Bureau-level Asset Management Plans

The bureaus have developed, revised and are utilizing bureau-level Asset Management Plans (AMP), which follow FRPC guidance and the [DOI Guidance and Structure for Bureau Asset Management Plans](#). The bureau AMPs are second-tier plans under the first-tier DOI Asset Management Plan. These second-tier bureau-level AMPs are being used to drive strategic management and funding decisions related to the asset portfolios. These plans outline a methodology not only for understanding the current status and requirements of the overall asset portfolio, but more importantly for making strategic decisions about the portfolio that advance the goals of the Department's Asset Management Plan.

The AMPs will help enable the bureaus to make management and funding decisions based on life-cycle asset management principles. These plans are being incorporated into existing and future organization-wide business planning processes which examine overall operating and administrative requirements.

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4.4 Site-Specific Asset Business Plans

Bureaus have developed, revised and are now utilizing the Asset Business Plans (ABP) as the third-tier bureau-level plans for implementing life-cycle asset management principles. Bureaus are developing and refining the plans for individual management areas based on portfolio guidance and methodology contained in the second-tier Bureau-wide Asset Management Plans and the [DOI Site-Specific Asset Business Plan \(ABP\) Model Format Guidance](#).

The level of organization or management area that the ABP cover has been adjusted to fit the differing structures of each bureau. For example, USGS prepared ABPs for science center campuses. BLM has developed ABPs at the State Office level where the analytical expertise is available and the major asset decisions are formulated. These BLM State Office Plans include site-specific information that is prepared with the involvement of BLM District Offices with assistance from the local field office managers and staff. NPS will have ABPs for each unit in the National Park System.

The ABPs, a significant management tool used by managers in the field and at headquarters, reflect the level of investment, and authority and responsibility for decision-making. Bureaus are using their Facility Maintenance Management Systems to aid in generating the ABPs. In the future, these plans will be formulated and maintained utilizing Single Platform FMMS and FBMS. These web-based information systems will allow bureau staff to store and manipulate data about each asset and each asset type in the real property inventory. The FMMS and FBMS will be automatically linked with asset inventory information, performance measures data, and financial and accounting information. The FMMS and FBMS will provide the data necessary to meet Federal Real Property Council's requirement to maintain the DOI inventory in the FRPP.

The building block for the ABP is the asset type which is the key item used to organize data for analysis, presentation, and decision-making.

The following elements are examples of content in an ABP.

- Typical Background Information
 - Existing asset portfolio profile (number, type, age, quantity, API) by asset type;
 - Projected (five-year) asset portfolio profile (with planned new construction) by asset type;
 - Baseline condition (FCI) reported by asset type;
 - Current year base budget for operations and maintenance by asset type; and
 - Current year and future secured non-base funding by asset type.
- Summary of Asset Portfolio Requirements
 - Annualized operations and regular maintenance requirements by asset type;
 - Projected annual recapitalization requirements by asset type; and
 - Projected FCI estimates by asset type and by API based on current budget.
- Summary of Asset Portfolio Management Strategies
 - Plan to reach FCI targets by asset type and by API over a specified period resulting from:
 - Investment plan;
 - Budget reallocation strategies;
 - Revenue-generating strategies; and

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- Cost-savings strategies (e.g., disposal, leasing, mothballing).
- Implementation Strategy

The ABPs are becoming integral to determining the total cost of ownership, implementing bureau AMPs and driving decision-making based on the real property asset inventory and performance of the assets in the inventory. With DOI facilities are better able to implement concrete strategies that target base funding toward high priority assets in good condition, while focusing available project funding toward those assets in poor condition. These approaches are facilitating, more strategically and systematically, better allocation bureau funding to achieve the greatest possible improvements in portfolio condition.

For example, the Bureau of Land Management recognizes that the API/FCI relationship is a filter to identify assets of interest in the site-specific ABP for further management consideration. These identified exceptions are integrated with available operations and maintenance costs and utilization data allowing the decision-maker to make an informed investment decision regarding each asset, as well as the entire portfolio. With continuing maturity of these metrics, the confidence of the decision-makers to rely upon this data will continue to grow in the future.

The U.S. Geological Survey's ABPs provide a micro-level view of a region's and Headquarters' assets and project a 5 to 10 year snapshot of the assets using API, FCI, utilization, and operations and maintenance costs to help make informed investment decisions. And provide an annual action plan to help direct resources to the assets that best support department and Bureau missions.

National Park Service is establishing ten-year prioritized project profile to reduce deferred maintenance on targeted assets. The resulting strategic plan details a park's asset portfolio, maintenance budget, O&M cost requirements, and a prioritized management strategy for addressing assets with greatest need.

While it is very difficult to calculate because there are often several unknown issues, the National Park Service has established an approach to the ABP process in which these plans address the following questions:

- What is required to bring the portfolio up to acceptable condition and properly sustain it over-time?
- Which assets are the highest priorities, and where should parks focus resources?

To specifically address these questions, the bureau provided guidance to the field on five issues:

1. Prioritize assets using the Asset Priority Index,
2. Record the deficiencies resulting from condition assessments as work, orders and turn them into projects,
3. Determine the operation and maintenance requirements,
4. Dispose of unneeded assets, and
5. Create an ABP.

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4.5 Periodic Evaluation of Assets

Condition assessments begin with verification and existence of the asset and then proceed to examination of its condition. There are two required types of condition assessments; Annual and Comprehensive Condition Assessments with the preponderance of assets examined during the Annual Condition Assessments.

Annual Condition Assessments are conducted on all constructed assets with a CRV over \$5,000. The goal of an annual assessment is to verify existence and update documentation of maintenance needs and accomplishments in FMMS. Constructed assets under \$50,000 have not been reported consistently. Bureaus and their constituent Field Operating Units will determine the Annual Condition Assessment schedules so that all respective assets receive the required assessment.

The minimum DOI standard requires completion of a Comprehensive Condition Assessment at least every five years on DOI-owned constructed assets with a CRV over \$50,000. Inspection findings will be integrated into the FMMS to ensure that required corrective actions are included in budget requests, as appropriate.

Different types of assets require different frequencies of comprehensive assessment inspections as required by public law or regulations. For example, BIA schools and BOR dams and power generation facilities are required by public law, regulation, or policy to conduct comprehensive condition assessments more frequently than the DOI standard of every five years. Bureau-level asset management plans will define the specific condition assessment schedules by asset type.

4.6 Operations and Maintenance Plan

DOI operating units, i.e. national parks, resource areas, national wildlife refuges, etc, currently or will use FMMS as a tool to strengthen planning and management in the performance of important operation and maintenance (O&M) work activities. These O&M activities are essential to ensuring that DOI bureaus are able to meet mission and program needs in the field such as visitation, trust responsibility, educating children, acquiring scientific knowledge, power production, mineral management, resource protection factors, etc. Asset inventory, condition assessments and the cost to perform work orders will be updated in FMMS.

In many respects, the DOI infrastructure portfolio is unique in its composition and has important implications for considering proper benchmarks, performance measures, and asset management planning strategies. The DOI inventory is composed primarily of many small structures, typically located in remote regions of the country. Many of these are heritage assets and require special consideration.

Many of DOI's public use facilities receive high annual public visitation. In short, there are few comparable organizations that could provide adequate benchmarks for comparing common measures such as \$/SF operations and maintenance costs. For example, Building Owners and Managers Association (BOMA) benchmarks are primarily drawn from large, several hundred thousand square foot office buildings in metropolitan areas. These types of buildings have little in common with the average DOI administrative facility that is often one thousand square feet, on average, located in a remote community.

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Accordingly, DOI's strategy for operations and maintenance (O&M) planning is to assess and plan for such activities at the constructed asset level. DOI may take a scaled approach to planning O&M activities where mission critical assets (as defined by the API process) may receive a detailed, systems-level build up (derived from FMMS) of operational, and recurring and preventive maintenance costs and activities. Other assets, however, may receive a higher level "\$/SF" estimate of what is required for adequate sustainment on an annual basis. For heritage assets, DOI must will need to incorporate information from cultural resources experts in order to properly plan for the needs for these of this assets, particularly in terms of determining historically accurate materials and workmanship type.

The foundation of DOI O&M planning is based on properly defining and implementing accurate and comprehensive O&M work type definitions. The use of consistent O&M work types in FMMS will help to ensure that proper focus is placed on the long-term life-cycle management of DOI's unique asset portfolio and will help to minimize problems created by deferred maintenance and maintenance backlog.

The Asset Management Partnership created O&M models for bureau assets, based on R.S. Means industry practices and standards for operating a facility, to give DOI and bureaus the requirements and benchmarks for establishing a good O&M program. For some heritage assets, however, additional or different requirements and benchmarks may be necessary. O&M includes the work types of preventive maintenance, recurring maintenance, custodial work, refuse collection, pest control, unscheduled maintenance, site maintenance, and utilities costs. If a bureau's business practices do not identify the O&M requirements for an asset portfolio, the end result is deferred work and an increase in the maintenance backlog. Data on the benchmarks will reside in FMMS upon implementation.

Tracking budgeted or actual O&M costs does not identify the work required for an adequate O&M program that will prevent an increase in deferred maintenance. Combining O&M requirement benchmarking knowledge and baselines with API and FCI allows a manager to reallocate resources from low to higher priority assets in good or fair condition.

4.7 Plan for Basic Repair and Alterations (R&A) Needs

Section 3.1 of this AMP describes DOI's Five-Year Deferred Maintenance and Construction Plan to address repair and alteration needs.

4.8 Capital and Operating Resource Requirements

On an annual basis, the Department formulates a budget that considers the costs for capital investments and operations and maintenance costs for all facilities. The capital planning and investment control (CPIC) process provides the overall framework for investment review as outlined in Chapters 2 and 3 of the AMP. At the Departmental level, capital construction investments of \$10 million or that meet other specific criteria are evaluated by the Asset Management Team (AMT) which serves as the DOI construction investment review board. Each of these investments is supported by an Exhibit 300. Within each bureau, investment boards review these investments in addition to those that are below the \$10 million threshold.

The formulation of the capital investment portfolio in each bureau is guided by [2011 Budget Guidance \(Attachment G\) for Five-Year Deferred Maintenance and Construction Plan](#) which is

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issued annually. The guidance requires that the bureaus maintain a Five-Year Deferred Maintenance and Construction Plan that guides budgetary decisions and investment requirements. Supporting the five year plan is a set of project descriptions. The Department reviews and approves the five year plans during formulation of the budget submission to OMB and at the time the President's budget is released.

The operations and maintenance costs are considered with the identification of planned newly constructed assets as well as with planned land acquisition. Each bureau is responsible to budget for operating and maintenance costs or to identify the redirection of funds for operation of facilities. Annual budget guidance requires that the bureaus identify these costs within the bureau target funding level. See Section 3.2.2 of this AMP on Repair and Alterations Major Projects for additional detail.

4.9 Operations Continuous Monitoring and Performance Measures

DOI uses performance metric to measure program performance and effectiveness. The Dashboard of Performance Indicators will be used by senior Departmental and bureau management to track the performance of aspects of the DOI real property asset portfolio. Bureau-specific dashboards will be established to be used by bureau managers at headquarters and the field to assess performance of assets. These tools will be helpful in the identification of projects and initiatives designed to strengthen asset management.

The Asset Management Partnership will continue to work on existing measures and formulate new measures, as appropriate. Over the past two years, the Asset Management Team has issued guidance on the calculation and use of performance metrics. They include:

- Guidance on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management ;
- Operations and Maintenance Costs Methodology;
- Asset Priority Index Guidance;
- DOI Utilization Guidelines; and
- Sustainment Cost Template for Constructed Assets.

Examples of these performance measures are described in greater detail below.

4.9.1 Federal Real Property Council Measures

FRPC Measure	Description
Condition Index	DOI uses the Facility Condition Index for identifying the condition of assets. Condition assessments are performed on five-year cycles, three-year cycles and annually, depending on the type of facility and its current replacement value. For each constructed asset, the deferred maintenance is compared to Current Replacement Value (CRV) to calculate the FCI.

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FRPC Measure	Description
Utilization Index	The bureaus maintain utilization data for facilities, including BIA schools, visitor facilities, fleet, and leased space. Utilization for DOI owned and leased offices, warehouses, laboratories, and housing is reported into the Federal Real Property Profile, consistent with the Federal Real Property Council (FRPC) guidance.
Operating Costs	Interior bureaus currently budget for operating costs. Bureaus capture this data centrally at a very detailed park, refuge, and field station level, while other bureaus maintain this information at the regional level using engineered estimates or pro-rated among assets at a facility. The Department continues to work with the bureaus to improve the consistency of formulating operating costs, and tracking and reporting these costs.
Mission Dependency	Interior bureaus and offices currently evaluate the mission dependency of assets and facilities using the Asset Priority Index (API). This FRPC metric categorizes all constructed assets reported into the FRPP applying the following categories: Mission Critical, Mission Dependent Not Critical, and Non-Mission Dependent.

The bureau managers at headquarters and in the field are now beginning to use these first-tier performance measures to help in making decisions on investing their resources on assets within their portfolio. For example, by plotting the API versus the FCI, managers can see how important an asset is to their mission versus the condition of the assets. This assists managers with deciding where to focus their resources for projects and for operation and maintenance funding.

4.9.2 DOI and Agency Specific Measures

The Department's 2007-2012 GPRA Strategic Plan contains 27 measures related to operations continuous monitoring of asset performance. Four measures focus on applying the first-tier FRPP metrics in tracking the progress toward improving the condition of mission critical/mission dependent assets, utilization of assets, reducing operating costs and disposing of assets. The majority of the other measures focus on measuring DOI's progress toward improving the FCI, Facilities Reliability Rating, or Service Level Index of specific physical structures, including buildings, bridges, and roads. For the most part, emphasis is on moving facilities from "unacceptable" to "acceptable" condition status, respectively.

One measure in the DOI Government Performance and Results Act (GPRA) Strategic Plan tracks improvements in cost-efficient operation of water storage facilities. Another measure tracks the progress toward increasing the number of universally-accessible facilities on recreation areas. A list of these measures and our actual performance results against targets established for these measures in FY 2005 and FY 2006 can be found in Section 7 of this AMP. Final targets have been set for FY 2006 for each of these measures; these are also shown in the

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table. The performance results against the FY 2008 targets will be reported into DOI's Activity Based Cost Management Website.¹⁸

DOI has and continues to examine and has implemented other measures. The DOI Dashboard of Performance Indicators contains metrics in the DOI Strategic Plan and other performance metrics. The dashboards are discussed with Departmental and bureau senior managers including the DOI executive-level Asset Management Team (AMT) and the partnerships and working groups that support the AMT periodically throughout the year. The bureaus have developed and are refining bureau-specific dashboards using first and second-tier metrics. These bureau-specific dashboards serve as an important internal analytical tool for managers at all levels in headquarters and the field. The DOI and bureau-specific dashboards will be periodically updated.

Existing DOI Performance Measures in the Strategic Plan

Resource Protection Mission Area:

- Percent of historic structures on DOI inventory in good condition
- Percent of collections in DOI inventory in good condition
- Percent of participating cultural properties owned by others in good condition

Resource Use Mission Area:

- *Hydropower*: Percent of time in force outage
- Reclamation base Operation and Maintenance (O&M) costs for power, expressed as \$/MW, will not increase annually beyond the 5-year rolling average percent increase in cost, +5%
- Hydropower facilities are in fair to good condition as measured by the Facilities Reliability Rating (FRR)
- Percent of time that Bureau of Reclamation hydroelectric generating units are available to the interconnected Western Electrical System during daily peak summer demand periods
- Percent of environmental audit findings and reviews addressed
- Percent of water facilities that do not receive Federal or State notices of violation under environmental requirements as defined by Federal and State law
- Percent change in cost to operate and maintain water storage infrastructure compared to the 5-year rolling average
- Water infrastructure is in fair to good condition as measured by the Facilities Reliability Rating (FRR)
- Improvement in water supply (acre feet/yr) resulting from management agreements and partnerships
- Percent of environmental audit findings and reviews addressed
- Potential acre-feet made available through completion of projects

Recreation Mission Area:

¹⁸ ABC/M is a management tool that provides information about the cost of doing work and how work aligns with the Department's strategic objectives. ABC/M is a methodology that allows an organization to focus on the activities or work done that generate cost, and to analyze what influences the amount of cost, what causes cost to occur, the cost of work performed, and the outputs produced from the work done. The website maintains information on performance metrics including annual targets.

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- Overall condition of trails and campgrounds as determined by the Facilities Condition Index (FCI); and
- Percent of priority recreation facilities that meet applicable accessibility standards.

Serving Communities Mission Area:

- Percent facilities meeting the minimum departmental security guidelines;
- Percent of physical and chemical hazards mitigated in appropriate time to foster visitor or public safety;
- Percent change in physical security vulnerabilities identified at DOI facilities;
- Percent of BIA/BII school facilities in acceptable condition as measured by the Facilities Condition Index (FCI);
- Percent of law enforcement detention facilities that are in acceptable condition as measured by the FCI;
- Percent of miles of road in acceptable condition based on the Service Level Index; and
- Percent of bridges in acceptable condition based on the Service Level Index.

Management Excellence Strategy Area

- Overall condition of buildings and of structures (as measured by the FCI) that are mission critical and mission dependent (as measured by the API), with emphasis on improving the condition of assets with critical health and safety needs;
- Percent change in the operating costs (operations and maintenance costs) per square foot of buildings that are ‘not-mission dependent’ as reported in the Federal Real Property Profile (FRPP) in the current fiscal year compared to the previous fiscal year;
- Percent change in the total number of buildings (office, warehouse, laboratory, and housing) reported as “under utilized” or “not utilized” in the FRPP in the current fiscal year as compared to the previous fiscal year; and
- Percent of assets targeted for disposal that were disposed.

Examples of additional Bureau-specific performance measures are:

Dollars/Gross Square Foot (GSF for Operations & Maintenance)

This indicator represents the relative operations and maintenance expenditures for the stewardship responsibility of assets. The indicator is expressed as a ratio of the maintenance and operating expenditures to the asset unit of measurement. DOI Operations and Maintenance (O&M) models must, at a minimum, include the cost to perform the work on an asset as shown in the categories listed below:

- Preventive Maintenance – Consists of scheduled maintenance tasks and resultant minor repairs that sustain an asset's level of service during its prescribed life-cycle.
- Maintenance and Repair – Consists of unscheduled maintenance activities such as service calls, emergency responses to asset failures, and other maintenance tasks that cannot be individually anticipated. Also included in Maintenance and Repair are asset renewal and component replacements such as overhauls or parts replacements that extend the asset's functional life and reset the schedule of Preventive Maintenance tasks.

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- Operational Maintenance – Consists of custodial services, waste disposal, cyclic painting, and other like services that are necessary for the daily operation of the asset, but do not necessarily attribute to the maintenance of the asset's overall life-cycle.
- Utility Costs – Consists of the cost of utilities to support the operation of the asset, if applicable.

These four categories of annually recurring O&M costs are summed into two types of costs:

- Annual Maintenance Costs – Annual costs associated with maintenance of an asset to sustain that asset's level of service during its prescribed lifetime. Preventive Maintenance and Maintenance and Repair costs constitute Annual Maintenance Costs; and
- Annual Operational Costs – Annual costs associated with the daily operation of an asset. Operational Maintenance and Utilities costs constitute Annual Operational Costs.

Gross Square Footage is defined as the sum of floor areas within the outside faces of the exterior walls for all building levels which have floor spaces. Covered walkways, open roofed-over areas that are paved, porches and similar spaces will have the architectural area multiplied by an area factor of 0.50. Operations & Maintenance does not include expenditures for major maintenance, capital improvement and/or component renewal (recapitalization) funded by other accounts, nor does it include expenditures for support services such as mail, telecommunications, public safety, security, environmental health and safety, central receiving etc. The unit of measure is how the asset is usually quantified. For example, the unit of measure for buildings is square feet while the unit of measure for roads is miles.

$$\$/GSF = \frac{\text{Operations Costs (\$)} + \text{Maintenance Cost (\$)}}{\text{Unit of Measurement for the asset (BLDG GSF)}}$$

Component Renewal Index (CRI) – 10 Year Window

Annual Component Renewal Expenditures are all expenditures over and above facility maintenance operating budget expenditures required to keep the physical plant in reliable operating condition for its present use. These expenditures are over and above normal maintenance for items with a life-cycle in excess of one year and are not normally contained in an annual facility operating budget. This is a separately funded, uniquely identified program that renews, replaces, or renovates building systems (roof /HVAC system replacement) on a schedule based on life-cycle recommendations and on assessment of expected remaining useful life.

This is typically represented as a total expenditure for component renewal of agencies capital assets. Plant renewal focuses on maintaining the operability, suitability, and value of capital assets. It is accomplished through the replacement and rework of those components of a building that wear out even though those components are routinely maintained. Capital or plant renewal is a time-driven process with specific useful life-cycles for heating and ventilation systems, etc. This often is provided in the form of capital funding for "major maintenance" before it becomes "deferred." The Asset Management Partnership will explore projecting an asset's component renewal requirements to 10 years for budgeting purposes.

$$\text{CRI} = \frac{\text{Component Renewal (\$)}}{\text{Current Replacement Value (\$)}}$$

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4.10 Operations Initiatives

DOI and the bureaus support a number of programs and have completed and initiated a number of actions and initiatives over the past year to improve its operation and maintenance of assets. They include:

- Refined and submitted bureau scorecards for Real Property;
- Updated bureau asset management plans;
- Updated the Dashboard of Performance Indicators to track and measure performance of the asset portfolio;
- Revised and enhanced the Policy on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management.
- Inventoried owned and leased space and constructed assets in the FRPP consistent with FRPC guidance;
- Developed common methodology to predict asset annual operations and maintenance costs to improve life-cycle cost analysis.
- Continued to prepare and updated first-generation of site-specific asset business plans; and
- Implemented the bureau's respective fleet management plan and tracked the performance measures established within the plan.
- Completed on-site formal reviews of bureaus progress in implementing Asset Management Program and Department-wide policies and utilization of the AMP.

The following are some of the significant initiatives to be accomplished over the next fiscal year and the target dates (quarter) for completion. (The comprehensive compilation of initiatives/actions is provided in Detailed Asset Management Rolling Three-Year Timeline of actions.)

The Department of the Interior will:

- Continuously update asset inventory in FRPP. *Q4 '08, Q2 '09, Q3 '09*
- Update and certify all DOI constructed asset level data to the FRPP consistent with the FRPC guidance. *Q1 '09*
- Update Annual DOI Report on Space Management Policy Implementation. *Q2 '09*
- Establish targets for meeting performance metrics in DOI Strategic Plan for the next two fiscal years (current and next year). *Q3 '09*
- Improve the condition of with completion of this project in Q4 '08:
 - Huron NWR Concrete Dock Replacement
 - Lake Isom NWR Water Control Structure Replacement
 - Windom Wetland management District Replace Maintenance shop building.
 - Brushkana Outhouse Replacement
 - Mercantile Stabilization and Repairs, Phase II
 - Kayenta Boarding School Replacement

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- Improve the condition with completion of these projects in Q1 '09:
 - Mount Rainier National Park Jackson Visitor Center Rehabilitation and Parking Lot Rehabilitation

- Improve the condition with completion of these projects in Q2 '09:
 - Burley Operations Roof Repair
 - San Felipe Pueblo School FI&R

- Improve the condition with completion of these projects in Q3 '09:
 - Deer Creek, Safety of Dam
 - Great Lakes Science Center Replace Boilers

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5. DISPOSAL OF UNNEEDED ASSETS

The Department of the Interior is one of the largest landholding agencies in the Federal government. Overall, DOI showed increasing trends in disposal activity when the General Services Administration (GSA) studied it over a period of five years between 1991 and 1995; these trends continued to rise over the next ten years.

As required by the Federal Real Property Council (FRPC), DOI in FY 2007 updated its List of Candidate Assets for Disposition, first issued as a draft initial list in FY 2006. The FY 2007 List identified candidate real property assets Department-wide. In the FY 2007 Federal Real Property Profile (FRPP) inventory reported in December 2007, the Interior bureaus reported the disposition of 1,488 in FY 2007, up from the 1,181 assets reported as disposed in the FRPP for FY 2006. All assets disposed are identified in the FRPP and the list is provided to the Office of Management and Budget. The assets identified generally have a low priority in meeting program missions and/or are in poor condition.

The List is updated annually by the bureaus and tracked for progress. The DOI bureaus set annual targets for the disposition of assets. The DOI's disposal of the identified assets in the List will occur over the next several years with adequate resources to cover disposition costs including the cost of hazardous waste mitigation.

To facilitate the disposition of unneeded assets, DOI's disposal policy emphasizes the reduction of DOI's inventory of low priority assets using the API, FCI, Federal Real Property Profile Performance Assessment Tool and other factors. The Departmental Manual, currently in the final clearance process, prescribes the policy and procedures for DOI for the disposition of Interior-owned real property assets (land, buildings and structures) and commercially leased space no longer needed to meet mission requirements. It is divided into four chapters:

- Chapter 1. Policies and Procedures
- Chapter 2. Planning for Disposition of Real Property Assets
- Chapter 3. Real Property Disposal Process
- Chapter 4. Real Property Disposal Records and Reporting

DOI's goal is to maximize use of real property, in terms of economy and efficiency, and to minimize expenditures for the purchase of real property. In addition, the DOI bureaus are striving to ensure that only mission critical assets are retained to fulfill the Department's mission. This requires balancing the Department's stewardship and asset management roles.

DOI and the bureaus are identifying properties that are critical to fulfilling the mission, maximizing the utilization of critical assets, and appropriately, disposing of assets that no longer support mission critical needs or are no longer cost effective to maintain.

To meet this requirement, the bureaus are implementing the standard processes outlined in this DOI AMP. These processes include:

- Developing and updating the bureau-specific Asset Management Plans and site specific Asset Business Plans;
- Updating the List of Candidate Assets for Disposition;

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- Conducting analysis using the Asset Priority Index and Facility Condition Index;
- Using the Federal Real Property Profile's (FRPP) Performance Assessment Tool and maintaining accurate and current inventory in the FRPP;
- Selecting assets that are not needed;
- Analyzing viable disposition methods;
- Certifying compliance with applicable regulatory requirements;
- Determining the cost and time required to dispose of unneeded assets;
- Disposing of assets based on criticality to mission with consideration for condition, utilization, cost of operating, etc.;
- Accounting for the financial recovery of the Federal investment resulting from the disposal; and
- Complying with internal and external reporting requirements for disposed assets.

Prior to the disposal of its assets, the Department faces two key considerations. First, when a property (building or land) is a heritage asset and is of historical significance, the policy of the Department is to preserve and protect it, and seek ways to avoid, minimize, or mitigate any adverse effects to it. An adverse effect on a historic property under the National Historic Preservation Act occurs when it is demolished, deconstructed, transferred, leased, or sold out of Federal ownership or control without adequate and legally enforceable restrictions or conditions to ensure long-term preservation of the property's historic or prehistoric significance. Consideration of the disposal of historic properties requires increased attention and planning, and early involvement of pertinent subject matter experts. Second, when a property is found to have or will affect environmental considerations, additional resources, time, and contractor support, is required for documentation and may also be required for removal or abatement of hazardous materials.

Another significant and costly challenge in terms of resource time is the requirement to report each property under the McKinney-Vento Homeless Assistance Act regardless of the condition of the property (completion of a six-page checklist, which takes an average of 40 hours per checklist). DOI is working with Department of Housing and Urban Development (HUD) to streamline the reporting burden when appropriate cases are presented to the Department by requesting HUD's approval to list multiple properties as one Title V checklist.

The updated Disposition policy recognizes that the Department has broad disposal authority in connection with its disposition of assets. As specified in 41 CFR 114-47.201-2(a)(4), Interior's disposal guidelines state "Each Interior Bureau and Office having jurisdiction over real property shall maintain its inventory of real property at the absolute minimum consistent with the economical and efficient conduct of assigned programs."

The bureaus' disposal authorities are summarized below:

Bureau of Land Management – Disposal of real property assets is accomplished through standard procedures below using GSA unless it involves public land that falls under the authority of FLPMA (Federal Land Policy Management Act of 1976, 90 Stat. 2743) or the Southern Nevada Public Land Management Act (SNPLMA), which became law in October, 1998.

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FLPMA authorizes DOI to sell public lands where, as a result of land use planning, it is determined that land targeted for sale: 1) was acquired for a specific purpose and the tract is not required for that or any other Federal purpose; or 2) disposal of the land will serve important public objectives, including but not limited to , expansion of communities and economic development, which cannot be achieved prudently or feasibly on lands other than public lands and which outweigh other public objectives and values, including, but not limited to, recreation and scenic values, which would be served by maintaining such tract in Federal ownership; or 3) such tract, because of its location or other characteristics is difficult and uneconomic to manage as part of the public lands and is not suitable for management by another Federal department or agency.

SNPLMA allows the Bureau of Land Management to sell public land within a specific boundary around Las Vegas, Nevada. The revenue derived from land sales is split between the State of Nevada General Education Fund (5 percent), the Southern Nevada Water Authority (10%), and a special account available to the Secretary of the Interior for parks, trails and natural areas, capital improvements, conservation initiatives, multi-species habitat conservation, environmentally sensitive land acquisitions and Lake Tahoe restoration projects. Other provisions in the SNPLMA direct certain land sale and acquisition procedures, direct the BLM to convey title to land in the McCarran Airport noise zone to Clark County, Nevada, and provide for the sale of land for affordable housing.

Accountable officers recommend disposal of various types of property, ranging from land to buildings that are no longer needed to meet the mission. The goal is to achieve maximum utilization of excess real property and to minimize expenditures for the purchase of real property.

Bureau of Reclamation – The net proceeds from BOR disposal of acquired or withdrawn real estate is deposited in the Reclamation Fund or to the Land and Water Conservation Fund, both of which are in the General Treasury. The proceeds are “credited” to the accounts of the specific project for which the property was acquired or withdrawn in accordance with existing laws and accounting procedures. No such revenues, other than recovery of the administrative costs of processing the disposal, are actually “retained” by BOR, as appropriation of such funds by Congress is still required.

Sale of Land: All net proceeds from the sale of land are for deposit to the Reclamation Fund, a special receipt account designated as Treasury Symbol 145000, pursuant to the statutes noted below. In the first three scenarios, revenues are credited to the appropriate BOR project.

- Withdrawn, improved public land sales are to be credited to the project for which such lands had been withdrawn pursuant to the Sale of Surplus Improved Public Lands Act of May 20, 1920 (43 U.S.C. Sec. 375).
- Withdrawn, unimproved lands sales that are in tracts too small to qualify as farm units are credited to the project for which such lands had been withdrawn pursuant to the Disposal of Small Tracts Act of March 31, 1950 (43 U.S.C. Sec 375(e)).

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- Acquired lands sales are credited to the project for which the lands were acquired pursuant to the Sale of Surplus Acquired Lands Act of February 2, 1911 (43 U.S.C. Sec 374).
- Public domain land sales are a general credit to the Reclamation Fund pursuant to Section 1 of the Reclamation Act of June 17, 1902 (43 U.S.C. Sec 391).

Sale of Real Property without the Underlying Land: Revenues from any sale or other disposition of surplus real property and related personal property are deposited as follows. If the real property was:

- Acquired by the use of reimbursable funds, then the proceeds from the disposition of that property are credited to the project pursuant to the Federal Property and Administrative Services Act of 1949 (June 30, 1949, 40 U.S.C. Sec. 485(c)).
- Not a cost to the project, then it is disposed of pursuant to the Federal Property and Administrative Services Act of 1949 Act, 40 U.S.C. Sec. 485 (a).

Area Managers make the decisions on disposal to eliminate requirements to manage real property that is no longer needed, to facilitate economic development, and to comply with Interior policy to hold no more real property than is needed for mission accomplishment. This applies to land and buildings that are no longer needed for projection or public purposes. Area Managers continuously survey the real property and when a survey results in a decision that property is no longer needed, then it is disposed of with the goal that all real property that is not mission critical is disposed and fair market value is received for it.

Fish and Wildlife Service – All gross receipts from the sale of property within the National Wildlife Refuge System that was donated or originally acquired with Migratory Bird Conservation Fund (MBCF) monies must be deposited in the MBCF to be used by FWS for future land acquisitions approved by the Migratory Bird Conservation Commission [6 U.S.C. Sec. 668dd(a)(2)]. Funds from the sale of all real property which is declared surplus and turned over to GSA for disposition are deposited in the Land and Water Conservation Fund (41 CFR 101-47.307.6). Funds from the sale of all other real property must be deposited into the General Fund of the Treasury as Miscellaneous Receipts (346 DM 1.2).

The Director's approval is required for disposal of any FWS lands or interest in land. The disposal of lands in the National Wildlife Refuge System also requires the approval of Congress or, in the case of land purchased with MBCF money, the approval of the MBCC. FWS Regional Directors are authorized to approve the disposal through an exchange of up to 10 percent of the approved acquisition boundary acreage or 40 acres, whichever is greater, subject to certain conditions.

It is FWS policy to dispose of real property and improvements that are excess to its needs in keeping with the Acts of Congress specific to that real property. When disposals are legislatively mandated, the FWS' disposal objective is to act as necessary to satisfy Congressional mandates.

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National Park Service -- NPS has no authority to dispose of real property except under the authority of Public Law 100-47 (102 Stat. 2281) that amended the National Trail System. This authority is limited to the sale of Park lands outside of the boundary of a National Trail. The proceeds from such sales are credited to the Land and Water Conservation Fund. Improvements or structures on Park land that have salvage value are disposed of using the proceeds to offset the cost of the contract.

Unneeded structures or improvements on real property are typically removed through demolition contracts because of deteriorated condition and for public safety and health reasons. NPS follows the guidelines set forth in the Federal Management Regulations (41 CFR Part 101-47) after compliance with the McKinney-Vento Act and the National Historic Preservation Act and proper coordination with and concurrence of the GSA.

The Park Superintendent recommends removal of specific structures, which are reviewed on a case by case basis by a designated Board of Survey. The findings and recommendations of the Board are written into a Report of Survey and forwarded through the Regional Director to the Associate Director, Administration, and GSA for approval.

On occasion lands are acquired for NPS to protect and preserve a corridor through which a Trail passes, to buffer the Trail from activities on private lands which detract from or diminish the hiking experience. In many cases, there are structures which exist on these buffer and corridor lands. The structures contribute nothing; are an unwanted intrusion; detract from the scenic resources; and are a liability to NPS. Unwanted "incidentally acquired structures" are disposed of, including dilapidated cabins, farm houses, chicken coops, privies, office trailers, small trailer homes, sheds, etc.

Disposal occurs after all of the reporting requirements are met and approval has been granted; however, it should be noted that it takes one year or longer to dispose of excess property under current authorities.

Bureau of Indian Affairs – The Bureau of Indian Affairs does not usually sell its real property assets. If the BIA's realty assets are located within the exterior boundaries of an Indian reservation and/or abutting the property, BIA will transfer or convey the land to the applicable Indian tribe. The Authorizing Public Law 93-599, is codified in 40 U.S.C. 483(1)(2) – Disposal of Certain Excess and Surplus Federal Property to the Secretary of the Interior for the Benefit of Any Group, Band or Tribe of Indians. These transfers/conveyances are at "no cost" and no monies are derived from the transfers/conveyances.

Also, if an Indian tribe requires real properties off-reservation, BIA will convey ownership of off-reservation lands to an Indian tribe if it will further the tribe's Indian self-determination contract(s) and/or grant(s). BIA will assist an Indian tribe in acquiring other Federal properties pursuant to the Federal Property and Administrative Services Act and then convey/donate the realty assets to the Indian tribe pursuant to Public Law 93-638, the Indian Self-Determination and Education Assistance Act. These transfers/conveyances are also "no cost" transfers and no monies are derived from the transfers/conveyances.

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The BIA has other disposal authorities as follows:

- 25 U.S.C. 443a – Conveyance to Indian Tribes of Federally-Owned Buildings, Improvements and Facilities. This statute authorizes the Secretary or designated representative to convey to an affected Indian tribe, band, or group, title to any Bureau-owned buildings, improvements, or facilities (including personal property used in connection with such buildings, improvements, or facilities) that are situated on lands of such tribes, band or group or on lands reserved for the administration of its affairs, and that is no longer required by the Secretary for the administration of Indian affairs.
- 25 U.S.C. 15 – Utility Facilities Used In Administration of Bureau of Indian Affairs. This statute authorizes the Secretary to contract under such terms and conditions as he or she considers being in the best interest of the Federal Government for the sale, operation, maintenance, and repair or relocation of government-owned utilities and utility systems and appurtenances used in the administration of BIA. Upon the determination by the Area Director that a utility system is no longer needed or is no longer subject to 25 U.S.C. 443a or 40 U.S.C. 483a, notice will be provided to currently operating regional utility corporations of the availability of the system for conveyance. In these instances, monies can be derived from the sale of the utilities.
- 25 U.S.C. 293 – Conveyance of School Properties to Local School Districts or Public Agencies. The Secretary's designated representative is authorized to convey to state or local governmental agencies or to local school authorities all the right, title, and interest of the United States in any land and improvements thereon and personal property used in connection therewith heretofore or hereafter used for Federal Indian school purposes and no longer needed for such purposes.

The local agency line official determines if the realty assets are excess. Once this determination is made, the Area Director is responsible for ensuring the necessary disposal actions are completed. There are 12 Area Directors in BIA that have jurisdiction over real property assets.

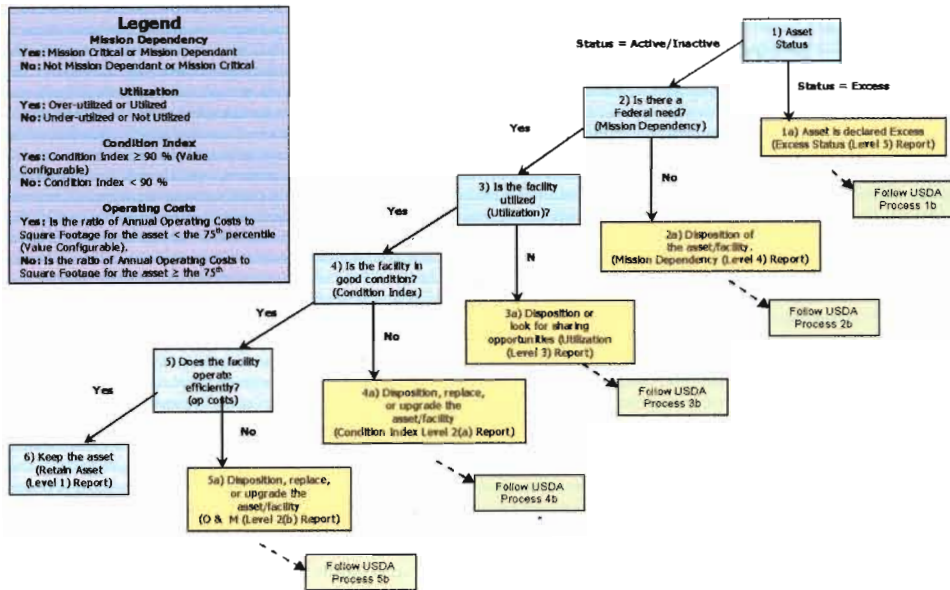
BIA disposes of its realty assets, including land, buildings, structures, and utility systems, when they are no longer needed to carry out the mission or to enhance a tribe's 638 contract(s) and/or grant(s). Lack of funding for environmental cleanups has slowed BIA's overall disposal process.

As more and more Indian tribes contract pursuant to the Indian Self-determination Act, the BIA's realty assets will be disposed of whenever possible using either Public Laws 93-599 or 93-638 authorities.

5.1 Critical Management Decision Points

Disposition of constructed assets can be a very complex and time-consuming process. Mission criticality, utilization, condition, and operations and maintenance costs all assist in the decision-making process, as illustrated in the following decision tree.

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Several decision points assist the managers in identifying assets of interest to be considered for disposal. Dependent on circumstances, managers need to ensure that their bureau's real property management staffs, budget staffs, environmental staffs and Federal preservation officers are advised and consulted. However, the final decision in DOI bureaus regarding disposition is generally made at the field level. Extenuating circumstances may make disposal of a low-priority, high-cost asset extremely difficult, if not impossible. Specific circumstances that affect the manager's ability to dispose of real property include the following:

- **Does the constructed asset have historic value?**

If the constructed asset has been identified as a National Historic Landmark, is listed or determined eligible for the National Register of Historic Places, or needs to be evaluated to determine eligibility for the National Register, then the asset needs to be evaluated by the Federal Preservation Officer to consider potential adverse effects of disposing of the asset.

Designation as a National Historic Landmark or listing on the National Register doesn't prevent the disposal of a constructed asset but limits the options. Historic assets are candidates for transfer to other government agencies or local groups that have a vested interest in preserving and restoring the property. These alternatives are pursued prior to proceeding with the disposal process.

- **Are there regulations that prevent disposing of the land associated with this asset?**

Occasionally land associated with a constructed asset was acquired by the Federal Government as part of specific legislation that prohibits the disposition of the land. In addition, any public land where a constructed asset is located is part of an existing land use plan or may be subject to specific restrictions or regulations (e.g., wetland restoration, areas of critical environmental concern, national monuments, wilderness areas, cooperative

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management areas, wild and scenic rivers, etc.) or may not be eligible for release from Federal ownership.

If, after evaluating the nature of the land associated with this asset, it is determined that disposal of the asset with the land is a viable option. Managers need to ensure that the proper forms are completed to report the excess property to the GSA and to comply with the McKinney-Vento Homeless Assistance Act (Public Law 100-77, as amended, 42 U.S.C. 11301). If it is determined that the land associated with the asset cannot be disposed of, then additional questions must be answered to dispose of the constructed asset.

- **Are there local cooperators and concessionaires that may be interested in operating and maintaining this constructed asset?**

If an asset is valuable to a local nonprofit community group and the group is willing to operate the facility, then it should be investigated to see if a special use permit would be a better option than direct disposal of the asset. For example, a local historical society may want to manage a historic building as a museum. If the constructed asset is near an area frequented by tourists, then it is possible that the asset could be operated as a profit-making venture. Finding a concessionaire for the asset may be a viable alternative.

Some constructed assets, such as modular buildings, storage buildings, or mobile homes, can be sold and removed from the site. Other constructed assets, if they are in good condition and can be moved without damaging the integrity of the asset, can be sold for offsite removal. The asset must first be assessed for asbestos, lead-based paint, PCBs, or other hazards prior to receiving approval for offsite-removal.

If a constructed asset cannot be sold for offsite removal and the condition of the asset is poor, then the asset may be a candidate for approved destruction. The asset must first be assessed for asbestos, lead-based paint, PCBs, or other hazards prior to receiving approval for destruction. Approval is requested using form DI-103a, Certificate of Unserviceable Property. As part of the request, the manager should specify whether the parts and pieces to the asset will be salvaged (sold to a recycler or on a small lot sale), donated to a public entity, or hauled to the local landfill.

In some circumstances, the local manager can make the decision not to maintain an asset and will choose to abandon the asset onsite. This can only be done if the asset will not present a hazard to the public or will not deteriorate to such an extent that it will eventually cause a hazard to the public. Examples of constructed assets that are candidates for abandonment include roads, trails, utility systems, or fences. The process to abandon an asset on the site is the same as the process for approved destruction.

One of the challenges in identifying assets for disposition is to identify the estimated cost of the disposition because the extent of hazard mitigation is unknown until an assessment is performed. The cost of disposal, especially in cases where hazardous materials or safety concerns are identified, can become rather large and prohibitive without prior planning and budgeting.

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5.2 Data Tools to Support Decision-Making

This section addresses disposal (transfer, demolition, and sale) for the major categories of constructed or acquired assets in the various bureaus of the DOI. Authorities for disposal vary for each of these categories. Terms of acquisition may affect the authority for disposal of certain assets. Clarification and implementation is a work in progress with active participation from each DOI land-holding bureau. Each of the six major categories of assets is separately addressed to assist in the understanding of the complexities and uniqueness of each of the DOI disposal processes.

Category Number	Category Description
Category 1	Constructed/Acquired Assets on Federally Owned Land
Category 2	Constructed/Acquired Assets on Non-Federally Owned Land
Category 3	Constructed/Acquired Assets on Public Lands
Category 4	Federally-Owned Land Assets
Category 5	Fleet Assets
Category 6	Other Assets not Otherwise Defined

The determination that an asset is no longer needed or able to provide support for the mission of the various DOI bureaus is made by the analysis of the following data tools. This analysis is initiated and supported by a Retention and Disposal (R&D) Study and other pertinent documentation that examines the viability of retaining or excessing the asset. The data tools used in this analysis currently exist such as the Federal Real Property Profile's Performance Assessment Tool which has been incorporated in the DOI comprehensive Disposition Policy.

In addition, the List of Candidate Assets for Disposition, an annual report is maintained and reported to OMB. It serves as tool to track progress and identify candidate assets for disposal over a five-year period. The bureaus report their progress on the disposition of assets on a quarterly basis. The identification and management of excess asset disposition, transfer, and sale is greatly enhanced with the use of these tools.

Data Tools	Currently in Place/"As Is"	Enhanced/"To Be"
Mission Related Data Tools <ul style="list-style-type: none"> - Clear and Definitive Disposal Policy and Procedures - Current and Long Range Customer Mission Needs 	X	
Appropriate API Determinations for each asset	X	
Appropriate FCI Determinations for each asset		
Federal Real Property Profile's Performance Assessment Tool in use.	X	

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Data Tools	Currently in Place/"As Is"	Enhanced/"To Be"
Annual and Long Term Prioritized Disposal Planning Procedures	Annual current	Long-term
Asset Inventory/Backlog Data Tools		X
Current and Accurate Asset Inventories including the List of Candidate Assets for Disposition	X	
Deferred Maintenance/Replacement Costs	X	
Deferred Maintenance Backlog Disposal Related Costs		X
Disposal Related Compliance Costs		X
FCI Determinations from Deferred Maintenance Backlogs	On-going under revision	

5.3 Disposal Processes

Each bureau is currently subject to similar mandatory screening or disposal processes legislatively defined in the Federal Property and Administrative Services Act of 1949 (Pub. L. 152, Ch. 288, 63 Stat 377) and 41 CFR 102 unless further defined by unique regulation or law. The Report of Excess (ROE) with the following supporting documentation provides the basic framework for the disposition process.

Mandatory screening processes are currently used for:

- Continued Federal Use;
- Public Benefit Conveyance Opportunities;
- Local Community Future Re-Use; and
- Sealed bid sale, public outcry auction or Internet sale.

Exception screening processes include:

- Screening for Transfer to Tribal Governments

The major categories of physical assets that are addressed in this AMP include both Federally-Owned and Non-Federally owned assets while land assets are more adequately addressed by other plans, regulations, and laws. The following major asset categories are further defined.

Category 1 - Constructed/Acquired Assets on Federally Owned Land will be disposed of in accordance with previously mentioned GSA authorities and regulations delegated to the Secretary of the Interior and the heads of the bureaus by Departmental Manual. These authorities are defined in 41 CFR 102-71.25 and 102-75.1095. This represents the largest category for asset disposal. If other federal use is not initially determined, various Public Benefit Conveyance opportunities are examined, including and not restricted to the following for the homeless.

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- **McKinney-Vento Homeless Assistance Act**

Title V of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. Section 11411 (1988), establishes a socio-economic program whereby the Secretary of Housing and Urban Development (HUD) requests, identifies, and publishes lists in the Federal Register of excess or surplus property that are suitable for use to assist the homeless.

DOI reports quarterly to HUD on its unutilized, excess, and surplus real properties (buildings, structures, and land). DOI's Office of Acquisition and Property Management conducts comprehensive canvasses on the 25th day of the first and third quarters of each calendar year, and supplemental canvasses on the 25th day of 2nd and 4th quarters.

The inventory of DOI's McKinney-Vento properties has increased as summarized below:

Properties	2004	2005	2006	2007
Suitable Buildings and Parcels of Land	22	50	38	27
Unsuitable Buildings and Parcels of Land	117	122	34	79
Total Inventory	139	172	72	106

Properties published as "suitable" are not available for any purpose other than to assist the homeless for a holding period of 60 days beginning on the date of publication in the Federal Register. Unsuitable property is subject to a similar holding period of 20 days following the determination of unsuitability.

Category 2 - Constructed/Acquired Assets on Non-Federally Owned Lands that are State, local government, Tribal, or privately owned or leased. Disposal of these assets are influenced and regulated by public law, legislative authority, or lease agreements.

An example is public conveyance, where assets have been constructed on land administratively withdrawn for specific purposes such as Indian schools or BIA Administrative Agencies under 25 U.S.C. 443a Conveyance to Indian Tribes of Federally-Owned Building Improvements, or Facilities and 40 U.S.C. 483 (a) (2) Disposal of Certain Excess and Surplus Federal Property to the Secretary of the Interior for the Benefit of any Group, Band or Tribe of Indians. Another example would be when BLM has constructed air tanker bases on land leased by BLM.

Category 3 – Constructed/Acquired Assets on Public Land where special authorities stipulate special realty disposal processes other than GSA delegated processes.

The land associated with real property, especially in BLM, is often part of the public domain and, therefore, reverts to stewardship land status when all buildings, structures and improvements have been removed. In extremely rare circumstances, it may be considered advantageous to the government to dispose of the land associated with real property. Because of the unique nature of the laws governing BLM, prior to making any decision that includes the disposal of BLM-owned land, field office realty staff needs to be consulted.

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Category 4 – Federally Owned Land disposal processes are currently beyond the scope of the AMP. These processes are being addressed and defined in other DOI plans, manuals, directives, regulations or statutes.

Type A. Non-stewardship Land

The disposal processes for non-stewardship land parallel those for Category 1, Constructed or Acquired Assets on Federally Owned land. Non-stewardship land is considered to be the land associated with constructed assets such that it would be impractical to try to separate them for sale. Typically all the land under a built-up site or campus with buildings, structures, roads, and similar assets would be managed as a complete parcel and disposed of by sale or other transfer as a parcel. The land would go with the site or campus.

Some bureaus may have other non-stewardship vacant land that would be eligible for disposal through the normal real property disposal processes. These vacant parcels would be handled, if appropriate, through the same mechanisms as Category 1 property. If this is not appropriate, the special factors, rules and considerations would be detailed in the individual Bureau-wide Asset Management Plans.

Type B. Stewardship Land

Stewardship land for the purposes of this AMP is considered to be the same as “public land” as used in the Executive Order. These are the national forests, national parks, public domain, and other natural resource lands not built up with infrastructure. Disposal processes for stewardship land are currently beyond the scope of the AMP. These processes are being addressed and defined in other DOI plans, manuals, directives, regulation or statute.

Category 5 – Fleet Asset disposal will continue to be implemented in accordance with authorities and regulations delegated by GSA. Interior owned fleet sales are conducted in accordance with 41 CFR 101-45 Sale, Abandonment, or Destruction of Personal Property, 101-45.103-1 Conduct of Sales, 102-36 Disposition of Excess Personal Property, 101-45.304-10 Disposition and Final Payment, i.e., eBay, Oregon State Agency for Surplus Property (ORSASP).

Category 6 – Other Asset disposal provides the identification of unique assets that do not fit any of the other five standard categories.

5.4 Performance Measures and Continuous Monitoring

The determination of assets that are excess to the mission of the bureaus and the implementation of the disposal processes can be measured and monitored in any of the following methods. DOI and the bureaus have implemented the use of the FRPP Performance Assessment Tool to assist managers identify candidate assets for disposition based on the performance metrics reported into the FRPP.

The DOI GPRR Strategic Plan for FY 2007-2012 contains a disposal metric that tracks the percent of assets targeted for disposal that were disposed. Bureaus are setting targets based on the multi-year List of Candidate Assets for Disposition. Each quarter the bureaus report on their progress toward meeting their annual target.

The FRPP Performance Assessment Tool is aiding in the prioritization processes and outcomes for all Departmental disposal, transfer, or sale of excess assets such as:

- Determination of whether to dispose, transfer or sell;
- Prioritization of all existing excess assets for disposition;
- Prioritization of all existing excess assets for transfer;
- Prioritization of all existing excess assets for sale;
- Effective and efficient use of existing fiscal resources;
- Timely completion of funded demolition, transfer, or sale projects; and
- Determination of standardized units of measure (Square Feet, Dollars, Time).

5.4.2 Bureau Specific Measures

The following bureau performance measures are either proposed or presently included in their individual bureau budget appropriation language, OMB PART program assessment requirements or GPRR performance goal requirements. There currently is no standardization of measures between bureaus for disposition, transfer, or sale of similar type assets. Because of the unique nature of some bureau assets, such as some heritage assets, standardization of all measures will not be feasible.

Examples of bureau performance measures:

- Establish baseline excess asset inventory counts and square footages;
- Annual square foot baseline reduction percentages;
- Long term square foot baseline reduction plans and percentages;
- Timely disposal of identified excess assets following compliance with applicable laws; and
- Cost effective disposal of identified excess assets.

5.5 Disposal Initiatives

DOI and the bureaus support a number of programs and have completed and initiated a number of actions and initiatives over the past year to improve the disposition of unneeded assets. In Q2 '08, the bureaus updated their List of Candidate Assets for Disposition which is a compendium of the assets determined to be non-critical to the bureaus' mission and or in such poor condition that it is not cost effective to repair. This FY 2008 list, which includes owned and leased buildings and structures, is an update of the FY 2007 list provided for Q2 '07. It also serves as strategic multi-year plans of the bureaus' disposition plans and will be updated at least annually.

In the preparation of the multi-year List of Candidate Assets for Disposition, candidate assets for disposition are identified using the FRPP Performance Assessment Tool. The Performance Assessment Tool and the List of Candidate Assets for Disposition serve as analytical tools in aiding the bureaus to right-size their inventory of assets which is a significant goal of the EO 13327.

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Other DOI actions include:

- Disposed of 1,488 assets during FY 2007, up from 1,181 disposed during FY 2006.
- Identified 4,210 assets DOI-wide as candidates for disposition in the multi-year List of Candidate Assets for Disposition submitted to the Office of Management and Budget in Q2 '08 up from 1,575 reported in Q2 '07.

The following are some of the significant initiatives to be accomplished over the next fiscal year and the target dates (quarter) for completion. (The comprehensive compilation of initiatives/actions is provided in Detailed Asset Management Implementation Plan or Rolling Three-Year Timeline of actions.)

The Department of the Interior will:

- Measure and report on progress to OMB in the disposition of assets quarterly. *Q4 '08, Q1 '09, Q2 '09, Q3 '09*
- Establish annual targets for the disposition of assets. *Q1 '09*
- Implement the common Federal transfer screening format and performance measures. *Q1 '09*
- Compile the annual list of candidate assets for disposition identified with the aid of FRPC performance metrics and the FRPC asset Performance Assessment Tool (disposition algorithm). *Q2 '09*

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6. CONCLUSION

DOI actively manages a large and unique portfolio. In many cases, this portfolio more than facilitates DOI's mission: it is DOI's mission. To accomplish this, DOI continues to undertake significant reforms including the use of FCI, API, CPIC, performing the next cycle of condition assessments, utilizing multi-year plans to guide budget decision-making, and the implementation of a Single Platform Facility Maintenance Management System. The Department is building on these processes and continues to evolve to a life-cycle, asset-based portfolio management process. DOI is facilitating this transition through the use of a full suite of tools relating to asset priority, asset inventory, asset condition, asset valuation, and life-cycle management.

DOI, both at headquarters and the field, will consistently and constantly use tools such as the bureau AMPs, Site-Specific Asset Business Plans, FRPP, the FRPP Performance Assessment Tool, the Dashboard of Performance Indicators, the List of Candidate Assets for Disposition, etc., to monitor the status and state of the DOI real property asset portfolio in order to demonstrate progress in managing over 160,000 constructed assets.

DOI maintains the DOI inventory in the FRPP and tracks the performance of the assets with the first-tier metrics reported in the FRPP. In addition, DOI continues to develop additional and refine current second-tier metrics to be implemented at the DOI and bureau-levels to improve the performance of individual assets and the overall asset portfolio. The portfolio-based approach follows the structured, performance-based, integrated CPIC approach to managing the risks and returns of capital assets necessary to ensure that DOI's investments are well conceived, cost-effective, and support strategic mission and business goals.

This Asset Management Plan establishes the framework and strategic direction for the Department. In accordance with E.O. 13327, the FRPC and needs of DOI's executive leadership, DOI and its bureaus will continually refine business practices to improve accountability and performance.

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7. INTERIOR'S GOVERNMENT PERFORMANCE AND RESULTS ACT (GPRA)
STRATEGIC PLAN ASSET MANAGEMENT PERFORMANCE MEASURES

Measure ID*	Performance Measure	FY06 Actual	FY07 Actual	FY08 Target
Mission Area #1: Resource Protection – Protect the Nation's Natural, Cultural, and Heritage Resources				
End Outcome Goal 3: Protect Cultural and Natural Heritage Resources				
43	Percent of historic structures on DOI inventory in good condition	52%	56%	50%
44	Percent of collections in DOI inventory in good condition	33%	38%	43%
Intermediate Outcome #1: Improve the condition of cultural and natural heritage resources				
49	Percent of participating cultural properties owned by others in good condition	5%	5% (Est.)	5%
Mission Area #2: Resource Use – Manage Natural Resources to Promote Responsible Use and Sustain a Dynamic Economy				
End Outcome Goal 1: Manage or Influence Resource Use to Enhance Public Benefit, Responsible Development, and Economic Value				
12	<i>Hydropower:</i> Percent of time in force outage	1.2%	2.6%	2.2%
13	Reclamation base Operation and Maintenance (O&M) costs for power, expressed as \$/MW, will not increase annually beyond the 5-year rolling average percent increase in cost, +5%	-4.3%	2.5%	6.2%
Intermediate Outcome (Hydropower) #1: Operate and maintain a reliable, safe and secure power facilities				
27	Hydropower facilities are in fair to good condition as measured by the Facilities Reliability Rating (FRR)	100%	98%	91%
Intermediate Outcome (Hydropower) #2: Improve power generation management and maximize supply				
28	Percent of time that Bureau of Reclamation hydroelectric generating units are available to the interconnected Western Electrical System during daily peak summer demand periods	93%	91%	91%
Intermediate Outcome (Hydropower) #3: Address environmental/resource stewardship concerns				
29	Percent of environmental audit findings and reviews addressed	89%	95%	79%
End Outcome Goal 2: Deliver Water consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner				
32	Percent of water facilities that do not receive Federal or State notices of	100%	99%	96%

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Measure ID*	Performance Measure	FY06 Actual	FY07Actual	FY08 Target
	violation under environmental requirements as defined by Federal and State law			
33	Percent change in cost to operate and maintain water storage infrastructure compared to the 5-year rolling average	Baseline Not Established	Baseline Not Established	Establish Baseline
Intermediate Outcome (Water) #1: Operate and maintain a safe and reliable water infrastructure				
34	Water infrastructure is in fair to good condition as measured by the Facilities Reliability Rating (FRR)	98%	99%	92%
Intermediate Outcome (Water) #2: Effective water management to optimize supply				
35	Improvement in water supply (acre feet/yr) resulting from management agreements and partnerships	No Report	Baseline Established	178,000
Intermediate Outcome (Water) #3: Address environmental/resource stewardship concerns				
36	Percent of environmental audit findings and reviews addressed	89%	95%	79%
Intermediate Outcome (Water) #4: Complete construction projects to increase delivery infrastructure and water availability				
37	Potential acre-feet made available through completion of projects	47,739	37,047	133,329
Mission Area #3: Recreation – Improve Recreation Opportunities for America				
Intermediate Outcome #2: Improve capacities to provide recreation, where appropriate				
3	Overall condition of trails and campgrounds as determined by the Facilities Condition Index	N/A	Baseline Established	.196
Improve capacities to provide access for recreation where appropriate				
4	Percent of priority recreation facilities that meet applicable accessibility standards	28%	29%	37%
Mission Area #4: Serving Communities – Safeguard Lives, Property and Assets, Advance Scientific Knowledge, and Improve the Quality of Life for Communities We Serve				
End Outcome Goal 1: Improve Protection of Lives, Resources, and Property				
Improve public safety and security and protect public resources from damage				
2	Percent of facilities meeting the minimum departmental security guidelines	N/A	Baseline Not Established	Establish Baseline
Intermediate Outcome #2: Improve public safety and security and protect public resources from damage				
11	Percent of physical and chemical hazards mitigated in appropriate time to foster visitor or public safety	57% (Est.)	56%	66%
12	Percent change in physical security vulnerabilities identified at DOI facilities	N/A	Baseline Not Established	Establish Baseline

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Measure ID*	Performance Measure	FY06 Actual	FY07Actual	FY08 Target
End Outcome Goal 4: Advance Quality Communities for Tribes and Alaska Natives				
Intermediate Outcome #1: Improve Education for Indian Tribes				
35	Percent of BIA/BII school facilities in acceptable condition as measured by the Facilities Condition Index (FCI)	35%	39%	45%
Intermediate Outcome # 2: Enhance public safety				
40	Percent of law enforcement detention facilities that are in acceptable condition as measured by the FCI	51%	64%	71%
41	Percent of miles of road in acceptable condition based on the Service Level Index	17%	15%	14%
42	Percent of bridges in acceptable condition based on the Service Level Index	62%	81%	44%
Mission Supporting Area: Management Excellence – Manage the Department to be Highly Skilled, Accountable, Modern, Functionally Integrated, Citizen-Centered, and Results Oriented				
End Outcome Goal 2: Advance Modernization / Integration				
Intermediate Outcome #4: Facilities improvement				
30	Overall condition of buildings and of structures (as measured by the FCI) that are mission critical and mission dependent (as measured by the API), with emphasis on improving the condition of assets with critical health and safety needs	.099 (Baseline)	.119	.115
31	Percent change in the operating costs (operations and maintenance costs) per square foot of buildings that are ‘not-mission dependent’ as reported in the Federal Real Property Profile (FRPP) in the current fiscal year compared to the previous fiscal year	\$1.19/sq. ft. (Baseline)	< 1%	- 2%
32	Percent change in the total number of buildings (office, warehouse, laboratory, and housing) reported as “under utilized” or “not utilized” in the FRPP in the current fiscal year as compared to the previous fiscal year	1,611 (Baseline)	-38%	-5%
33	Percent of assets targeted for disposal that were disposed	1,181 (Baseline)	126%	33%

* Measure ID is the reference number used in the Department of the Interior GPRA Strategic Plan for FY 2007-2012

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8. DOI BUREAU MISSIONS

Bureau	Mission and Background
Bureau of Land Management	<p>Mission: <i>To sustain the health, diversity and productivity of the public lands for the use and enjoyment of present and future generations.</i></p> <p>The Bureau of Land Management (BLM) manages 264 million acres of surface acres of public lands located primarily in the 12 Western States, including Alaska. BLM manages an additional 300 million acres of below ground mineral estate located throughout the country. Originally, these lands were valued principally for the commodities extracted from them; today, the public also prizes them for their recreational opportunities and their natural, historical, and cultural resources they contain.</p>
Minerals Management Service	<p>Mission: <i>Manage the ocean energy and mineral resources on the Outer Continental Shelf and federal and Indian mineral revenues to enhance public and trust benefit, promote responsible use and realize fair value.</i></p> <p>The Minerals Management Service (MMS) regulates and manages the development of mineral resources in the Federal waters off the Nation's shores. MMS also collects, audits, and distributes all mineral revenues from these Federal waters as well as from mineral resources on both Federal and Indian lands.</p>
Office of Surface Mining	<p>Mission: <i>Ensure that coal mines are operated in a manner that protects citizens and the environment during mining; assures that land is restored to beneficial use following mining; and mitigates the effects of past mining by aggressively pursuing reclamation of abandoned me lands.</i></p> <p>The Office of Surface Mining (OSM) mission is to carry out the requirements of the Surface Mining Control and Reclamation Act in cooperation with States and Tribes.</p>
Bureau of Reclamation	<p>Mission: <i>Manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.</i></p> <p>Established in 1902, BOR is the largest wholesale water supplier in the country, delivering 10 trillion gallons of water to more than 31 million people. BOR manages 457 dams and its 348 reservoirs have more than 90 million recreation visits annually. It is also the Nation's second largest producer of hydropower and the tenth largest electric utility, generating about 42 billion kilowatt-hours a year.</p>
U.S. Geological Survey	<p>Mission: <i>Provide the Nation with reliable, unbiased information to describe and understand the earth; minimize loss of life and property from natural disasters; manage water, biological, energy and mineral resources; and enhance and protect our quality of life.</i></p>

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Bureau	Mission and Background
	<p>The U.S. Geological Survey (USGS) serves the Nation as an independent fact-finding agency that collects, monitors, analyzes, and provides scientific understanding about natural resource conditions, issues, and problems. The value of the USGS to the Nation rests on its ability to carry out studies on a national scale and to sustain long-term monitoring and assessment of natural resources. Because it has no regulatory or management mandate, the USGS provides impartial science that serves the needs of our changing world. The diversity of scientific expertise enables the USGS to carry out large-scale, multi-disciplinary investigations that build the base of knowledge about the Earth. In turn, decision-makers at all levels of government and citizens have the information tools they need to address pressing societal issues.</p>
U.S. Fish and Wildlife Service	<p>Mission: <i>Working with others to conserve, protect, and enhance fish, wildlife, and plants and their habitats for the continuing benefit of the American people.</i></p> <p>The National Wildlife Refuge System is among the world's most significant land and water systems managed for the benefit of fish and wildlife. The 95 million-acre network provides stepping stones of habitat for many species of migratory birds and other wildlife, sanctuary for hundreds of threatened and endangered species, and secure spawning areas fisheries. The system includes 545 refuges and 37 wetland management districts. The FWS fisheries program helps safeguard inter-jurisdictional fisheries worth billions of dollars; rescues troubled aquatic species on the brink of extinction; and provides recreational opportunities for the public. The 69 national fish hatcheries produce about 150 million fish annually, including striped bass, steelhead, lake trout, and salmon. In addition, FWS operates an historic national fish hatchery, 7 fish technology centers, and 9 fish health centers.</p>
National Park Service	<p>Mission: <i>Preserves, unimpaired, the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations. The NPS cooperates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout the country and the world.</i></p> <p>Created by Congress on August 25, 1916, the National Park Service (NPS) comprises 388 areas covering more than 84 million acres in 49 States, the District of Columbia, American Samoa, Guam, Puerto Rico, Saipan, and the Virgin Islands. These areas are of such national significance as to justify special recognition and protection in accordance with various acts of Congress.</p>
Bureau of Indian Affairs	<p>Mission: <i>Fulfill its trust responsibilities and promote self-determination on behalf of Tribal Governments, American Indians and Alaska Natives.</i></p> <p>The Bureau of Indian Affairs (BIA) responsibility is the administration and management of 55.7 million acres of land held in trust by the United States</p>

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Bureau	Mission and Background
	for American Indians, Indian tribes, and Alaska Natives. There are 562 Federally recognized tribal governments in the United States. Developing forestlands, leasing assets on these lands, directing agricultural programs, protecting water and land rights, developing and maintaining infrastructure and economic development are all part of the agency's responsibility. In addition, the Bureau of Indian Education (BIE) provides education services to approximately 48,000 Indian students.

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9. AMP SECTIONS REFERENCING FACILITY CONDITION INDEX, ASSET PRIORITY INDEX, AND CAPITAL PLANNING AND INVESTMENT CONTROL

REFERENCE IN AMP		Facility Condition Index (FCI)	Asset Priority Index (API)	Capital Planning and Investment Control (CPIC)
Section	Title			
	Executive Summary			
2.4.1.1	Contribution to Mission			
2.4.1.3	Asset Condition			
2.4.1.5	Improving the Condition of the Asset Portfolio and Properly Sustaining It Over Time – Life-cycle Management			
2.4.2	Current Decision-Making Process			
2.43.3	Moving to Portfolio-based Decision-Making			
2.6	Human Capital, Policy, and Decision-Making Initiatives			
3.2	Capital Plan for Major Projects			
3.2.1	New Construction of Major Projects (\$2 Million and above)			
3.2.2	Repair and Alterations Major Projects (\$2 Million and above)			
3.3.1	New Construction, Repair, and Alterations of Non-Major Projects			
3.4	Acquisition Performance Measures and Continuous Monitoring			
3.4.2	Agency Specific Measures			
3.5	Planning and Acquisition Initiatives			
4.4	Asset Business Plans (site-specific)			
4.6	Operations and Maintenance Plan			
4.8	Capital and Operating Resource Requirements			

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REFERENCE IN AMP		Facility Condition Index (FCI)	Asset Priority Index (API)	Capital Planning and Investment Control (CPIC)
Section	Title			
4.9.1	Federal Real Property Council Measures			
4.9.2	DOI and Agency Specific Measures			
5.1	Critical Management Decision Points			
5.2	Data Tools to Support Decision-Making			
5.5	Disposal Initiatives			
6.	Conclusion			
7.	(GPRA) Strategic Plan Asset Management Performance Measures			
10.	DOI Dashboard of Performance Indicators			
11.	Glossary			

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10. DOI DASHBOARD OF PERFORMANCE INDICATORS

This document provides a description of how the dashboard is used and maintained, and an overview of each individual indicator that comprise this DOI Asset Management Dashboard of Performance Indicators.

Using the Interior Asset Management Dashboard

DOI has eleven indicators that comprise the dashboard to track performance metrics and targets related to those metrics. The dashboard indicators, many of which are contained in the DOI Strategic Plan, are designed to provide a snapshot in time of the overall Department and individual bureau progress in strengthening asset management.

The indicators in the dashboard, grouped according to areas of coverage, are as follows:

- Buildings Only
 - Reduce the Number of Buildings that are Under or Not Utilized
 - Reduce the Annual Operations and Maintenance Costs per Gross Square Footage for Not Mission Dependent Buildings
 - Reduce the Annual Operations and Maintenance Costs per Gross Square Footage for All Buildings
 - Reduce the Average Square Footage per Individual for GSA-Provided General Purpose Space to at Least 200 Square Feet
- Buildings and Structures
 - Improve the Facility Condition Index (FCI) for Mission Critical and Mission Dependent Buildings and Structures
 - Improve the Facility Condition Index (FCI) for All Buildings and Structures
 - Dispose of Unneeded Assets
- Energy
 - Increase Renewable Energy Consumption
- Motor Vehicle Fleet Management
 - Reduce the Consumption of Petroleum Products by the Motor Vehicle Fleet
 - Increase the Consumption of Alternative Fuels by the Motor Vehicle Fleet

The performance indicators are discussed with Departmental and bureau senior managers including the DOI executive-level Asset Management Team (AMT) and the partnerships and working groups that support the AMT at several points throughout the year. The AMT is scheduled to meet every 6 weeks. The performance indicators aid in tracking areas of progress and areas where progress is needed. They can aid senior managers including the AMT in identifying best practices and lessons-learned, and shaping Department and bureau-specific near-term and strategic actions to strengthen asset management.

For each indicator tracked in the Federal Real Property Profile, the Department and bureaus are able to see which category of assets in the inventory is meeting or is not meeting the prescribed targets. The bureaus can then review their assets and take action that range from correcting inaccurate data to undertaking the necessary steps to change the business process involving parts of the DOI asset portfolio not meeting the targets.

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The indicators are an important tool for the DOI and bureaus managers at all levels to track progress, such as:

- Improving the condition of the asset portfolio;
- Reducing the operational cost per square foot of the asset portfolio;
- Disposing of unneeded assets and right-sizing the portfolio;
- Increasing the utilization of space;
- Directing resources toward mission critical and mission-dependent assets and less toward not-mission dependent assets;
- Increasing the use of renewable resources and alternative fuels; and
- Decreasing the use of petroleum products.

The dashboard is a significant tool along with the FRPP inventory, the FRPP Performance Assessment Tool and the Site-Specific Asset Business Plans for managers at all levels to track and assess, at both the Department level and bureau level, implementation of the DOI Asset Management Program as defined through the DOI Asset Management Plan (AMP) and the Rolling Three-Year Timeline. As DOI continues its transition to a portfolio-based approach to improving the management of DOI's constructed assets, the dashboard provides feedback on portfolio status and trends to help managers meet AMP objectives to:

- Make effective business and operational investment decisions for assets that contribute to the mission and strategic goals;
- Manage assets to optimize utilization, improve effectiveness and efficiency, and promote regulatory compliance and stewardship;
- Optimize the portfolio of owned and leased assets, including space management and fleet composition and utilization; and
- Build on and utilize historical accomplishments and current methodology to promote improvements in asset management.

Maintaining the Interior Asset Management Dashboard

The Office of Acquisition updates and maintains the dashboard. Data to support the performance indicators for owned and leased real property assets is provided from the Federal Real Property Profile (FRPP) reported data including at an asset category level, as appropriate. Data from bureau legacy systems supports the energy, GSA-provided space and the motor vehicle fleet management dashboard indicators.

The eleven indicators of the dashboard, described below, are updated at least annually. However, dependent upon the frequency in which the metrics are updated, they may be updated more often. The number of indicators will grow over time spawned by management needs, with the use of second-tier data and through greater access to complete and accurate data. The indicators can be provided at a Departmental summary-level and bureau-by-bureau breakout.

Indicators in the Interior Asset Management Dashboard

The eleven DOI dashboard indicators presented below at Departmental summary-level were established in Q2 '07 and will be updated over time. Targets for meeting performance metrics are identified and incorporated in the dashboard.

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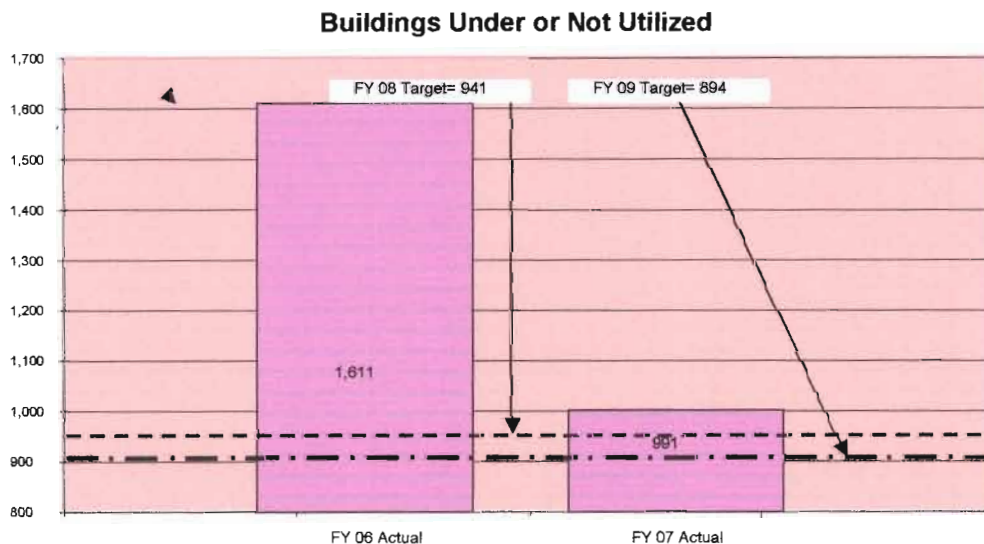
Below is a description of each dashboard indicator, the actions needed to demonstrate progress, the targets by which the progress is measured, and an illustration of the indicator as it will appear on the dashboard.

Buildings Only

Reduce the Number of Buildings that Are Under or Not Utilized

This indicator tracks the percent change in the total number of buildings (office, warehouse, laboratory, and housing) reported as "Under Utilized" or "Not Utilized" in the FRPP in the past fiscal year compared to the previous fiscal year. The chart below reflects the decrease in number of assets as a result of applying the annual target.

The action needed to demonstrate progress may occur through the disposal of assets or finding additional use/users for this space. The DOI goal is to decrease this category of assets by 5% in FY 2008 and an additional decrease of 5% in FY 2009.



Reduce the Annual Operations and Maintenance Costs per Gross Square Footage for Not Mission Dependent Buildings

This indicator tracks the percent change in the Operating Costs (operations and maintenance costs) per square foot of buildings that are "Not-Mission Dependent", as reported in the FRPP, in the past fiscal year compared to the previous fiscal year. The chart below reflects the decrease in the average operations and maintenance cost per gross square feet for reported assets as a result of applying the annual target.

The action needed to demonstrate progress includes less funds spent for operating assets and through the disposition of assets. The DOI goal is to decrease the operations and maintenance spending 2% in FY 2008 and an additional decrease of 2% in FY 2009.

Reduce the Annual Operations and Maintenance Costs per Gross Square Footage for All Buildings

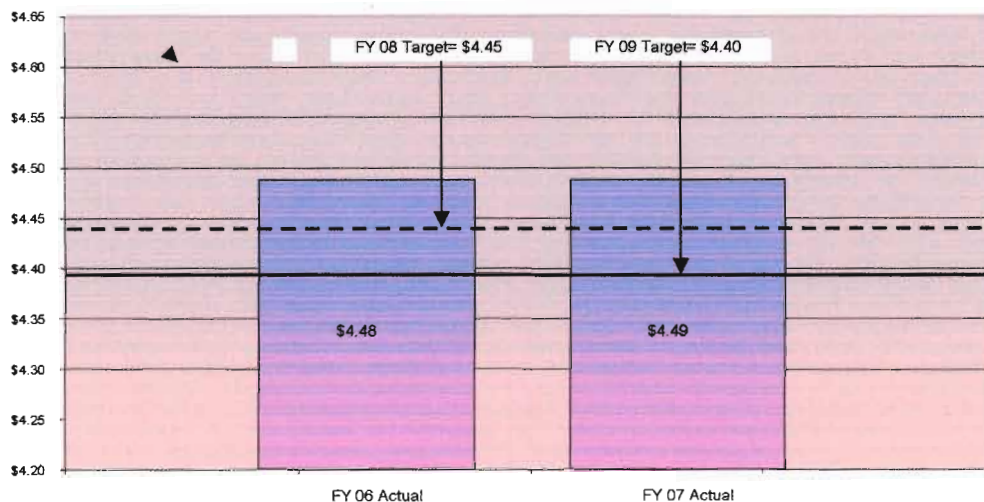
This indicator tracks the percent change in the Operating Costs (operations and maintenance costs) per square foot for all buildings, as reported in the FRPP, in the past fiscal year compared

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to the previous fiscal year. The chart below reflects the average operations and maintenance cost per gross square feet for reported assets as a result of applying the annual target.

The action needed to demonstrate progress is a result of prioritizing needs, timely and sound resource decision-making for mission critical and mission dependent assets, consistent operations and maintenance funding for mission critical and mission dependent assets, and less funds spent for operating not mission dependent assets and through the disposition of assets. The DOI goal is to decrease the O&M spending 2% in FY 2008 and an additional decrease of 2% in FY 2009.

Annual O&M Costs/GSF for All Buildings



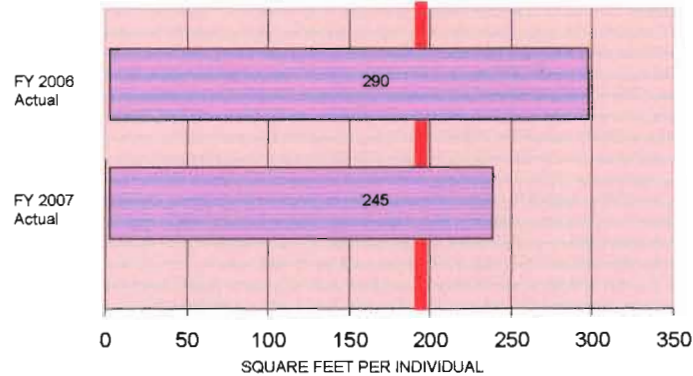
Reduce the Average Square Footage per Individual for GSA-Provided General Purpose Space to at Least 200 Square Feet

This indicator tracks the change in the bureau average space utilization (based on square feet per individual) of GSA-Provided office space as reported to the DOI in the past fiscal year compared to the previous fiscal year.

The action needed to demonstrate progress is as a result of better planning, design and management of space, and implementation of bureau space management plans. DOI goal for general purpose space is 200 square feet per individual.

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**DOI AVERAGE for GSA-PROVIDED GENERAL
PURPOSE SPACE**



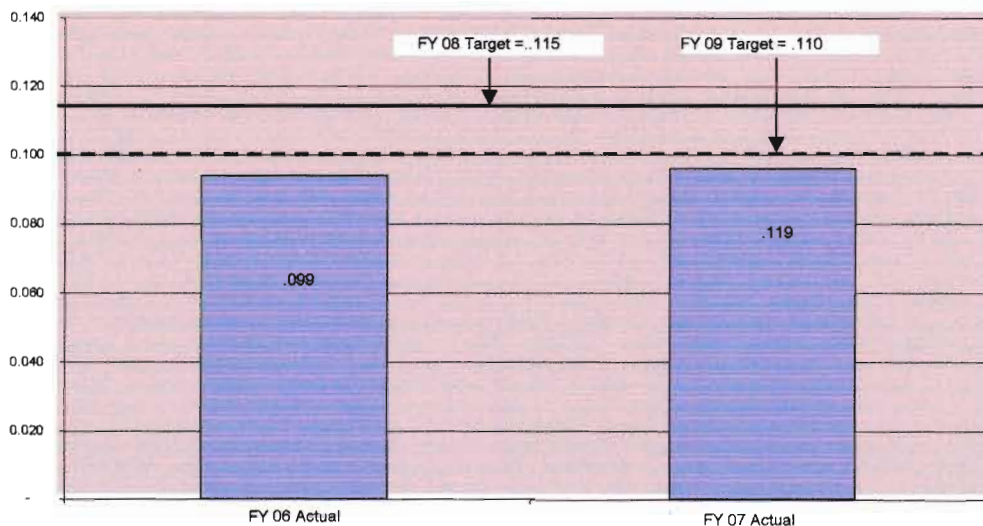
Buildings and Structures

Improve the Facility Condition Index (FCI) for Mission Critical and Mission Dependent Buildings and Structures

This indicator tracks the percent change in the overall condition of buildings and of structures (as measured by the FCI) that are mission critical and mission dependent (as measured by the Asset Priority Index (API)), as reported in the FRPP and with emphasis on improving the condition of assets with critical health and safety needs, in the past fiscal year compared to the previous fiscal year. The chart below reflects the average FCI as a result of applying the annual target.

The action needed to demonstrate progress is a result of prioritizing needs and timely and sound resource decision-making as well as consistent operations maintenance funding and a fully implemented Deferred Maintenance and Construction 5-Year Plan. The DOI goal is an average FCI for buildings and structures of 0.115 in FY 2008 and 0.110 in FY 2009. This metric applies to the Bureau of Indian Affairs, Bureau of Land Management, Bureau of Reclamation, Fish and Wildlife Service, National Park Service, and U.S. Geological Survey.

FCI for Mission Critical and Mission Dependent Buildings and Structures



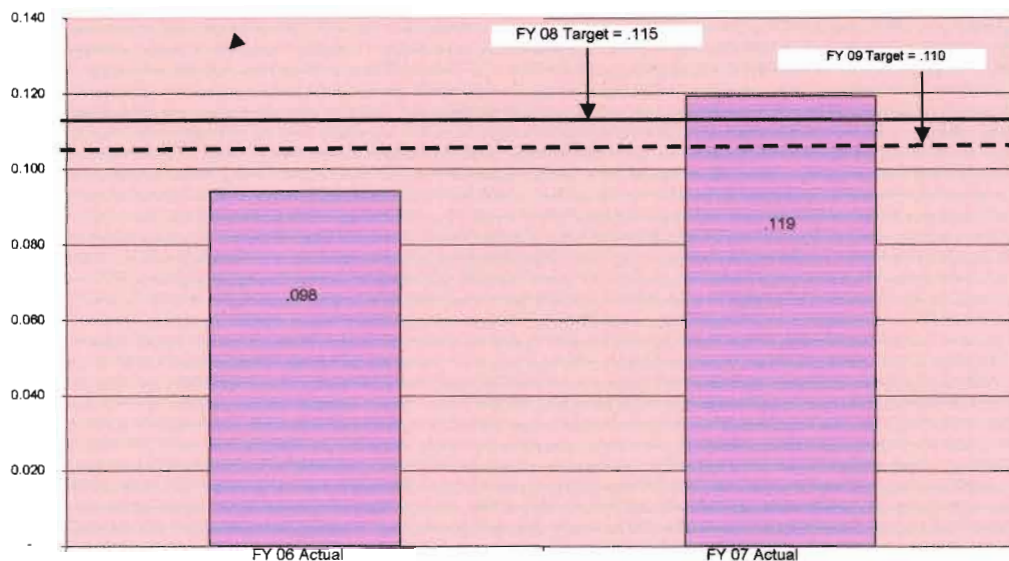
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Improve the Facility Condition Index (FCI) for All Buildings and Structures

This indicator tracks the percent change in the overall condition of all buildings and of structures (as measured by the FCI), as reported in the FRPP, in the past fiscal year compared to the previous fiscal year. The chart below reflects the average FCI as a result of applying the annual target.

The action needed to demonstrate progress is a result of prioritizing needs and timely and sound resource decision-making as well as consistent operations maintenance funding, a fully implemented Deferred Maintenance and Construction 5-Year Plan, and the disposition of assets in poor condition. The DOI goal is an average FCI for buildings and structures of 0.115 in FY 2008 and 0.110 in FY 2009. This metric applies to the Bureau of Indian Affairs, Bureau of Land Management, Bureau of Reclamation, Fish and Wildlife Service, National Park Service, and U.S. Geological Survey.

FCI for All Buildings and Structures



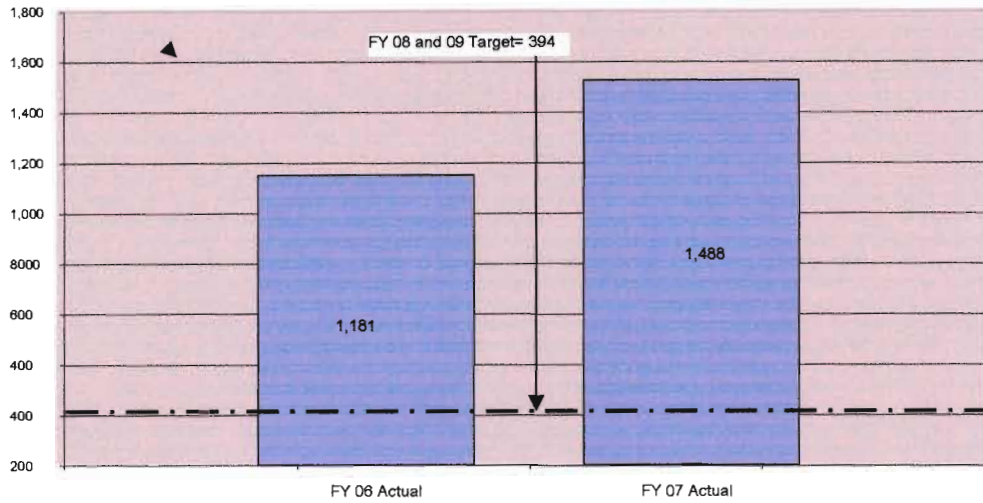
Dispose of Unneeded Assets

This indicator tracks the percent of assets targeted for disposal that were disposed during the past fiscal year, as reported in the FRPP. The chart below reflects the number of assets to be disposed as a result of applying the annual target.

The action needed to demonstrate progress is realized through the bureaus update and use, as a management and tracking tool, their respective multi-year list of candidate assets for disposal (which are consolidated into the DOI Multi-Year List of Candidate Assets for Disposition updated annually). In addition, progress is realized through bureau-maintained accurate and complete inventory data in the FRPP, specifically the four performance metrics of condition, mission dependency, utilization and operating costs, and active use the FRPP Performance Assessment Tool, which identifies candidate assets for disposition through an analysis of the four performance metrics. The goal is to dispose each year 50 % of the number assets in the FY 2006 baseline.

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Building and Structure Disposals

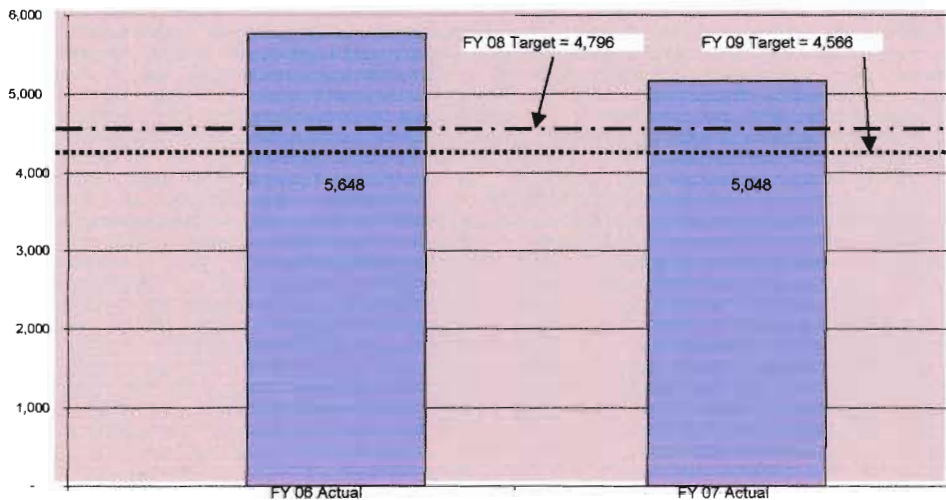


Reduce the Number of Not Mission Dependent Assets

This indicator tracks the percentage reduction in the total number of assets reported as “Not Mission Dependent”, as reported in the FRPP. This chart identifies how many “Not Mission Dependent” assets are in the inventory.

The action needed to demonstrate progress is realized through the disposal of assets or finding a new mission for assets. The DOI goal is to decrease this category of assets by 5% in FY 08 and an additional decrease of 5% in FY 09.

Buildings & Structures Not Mission Dependent



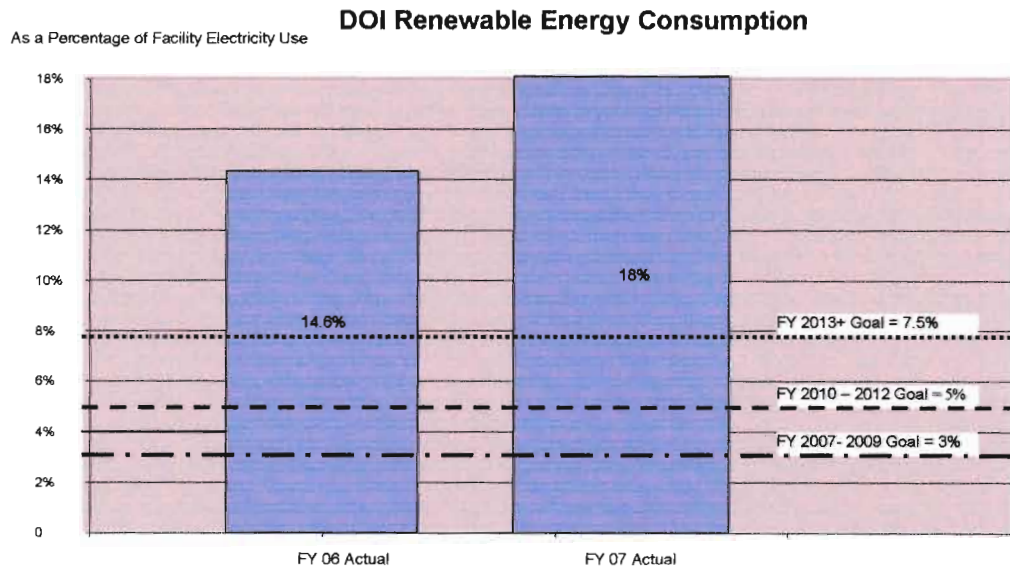
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Energy

Increase Renewable Energy Consumption

This indicator tracks renewable energy consumed annually within DOI as a percent of facility electricity use which can be achieved through the use of on-site, renewable energy components (photovoltaic, geothermal, wind), the purchase of green energy and the purchase of renewable energy certificates.

The action needed to demonstrate progress is realized through the use of on-site renewable energy components (photovoltaic, geothermal, wind), the purchase of green energy and the purchase of renewable energy certificates. The DOI goal is to meet the requirement of the Energy Policy Act of 2005 such that renewable energy consumption represents 3 percent in FY 2007 through FY 2009 of the Department's facility electricity consumption, 5 percent in FY 2010 through FY 2013 and 7.5 percent in FY 2013 and beyond.



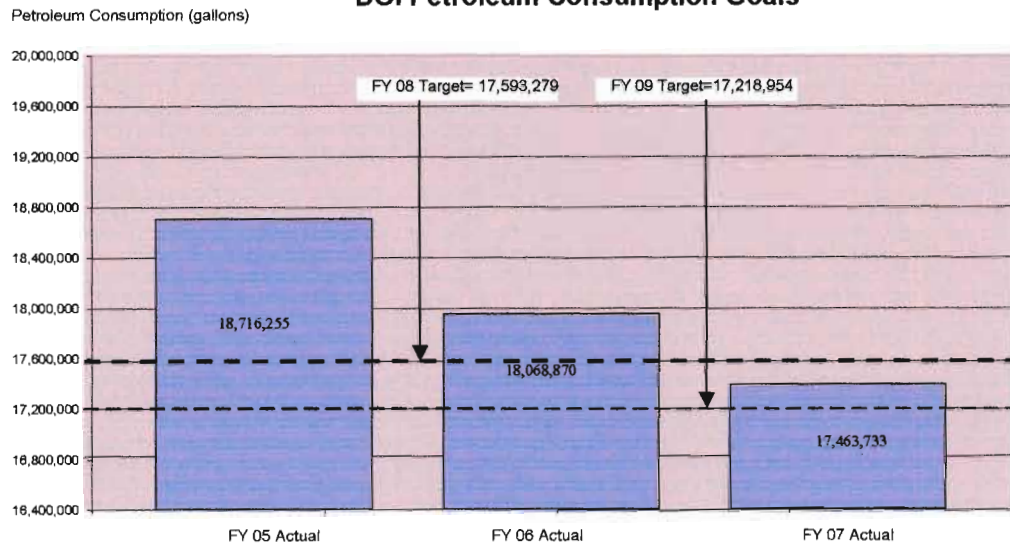
Motor Vehicle Fleet Management

Reduce the Consumption of Petroleum Products by the Motor Vehicle Fleet

This indicator tracks the reduction in the DOI motor vehicle fleet's consumption of petroleum products. The action needed to demonstrate progress is realized through implementation of the bureau fleet management plans and bureau annual reporting in the Federal Automotive Statistical Tool (FAST). The DOI goal is to meet the requirements of Executive Order 13423 on Strengthening Federal Environmental, Energy, and Transportation Management of January 2007 that mandates Federal agencies to reduce the fleet's total consumption of petroleum products by 2 percent annually through the end of fiscal year 2015, in relation to the FY 2005 baseline.

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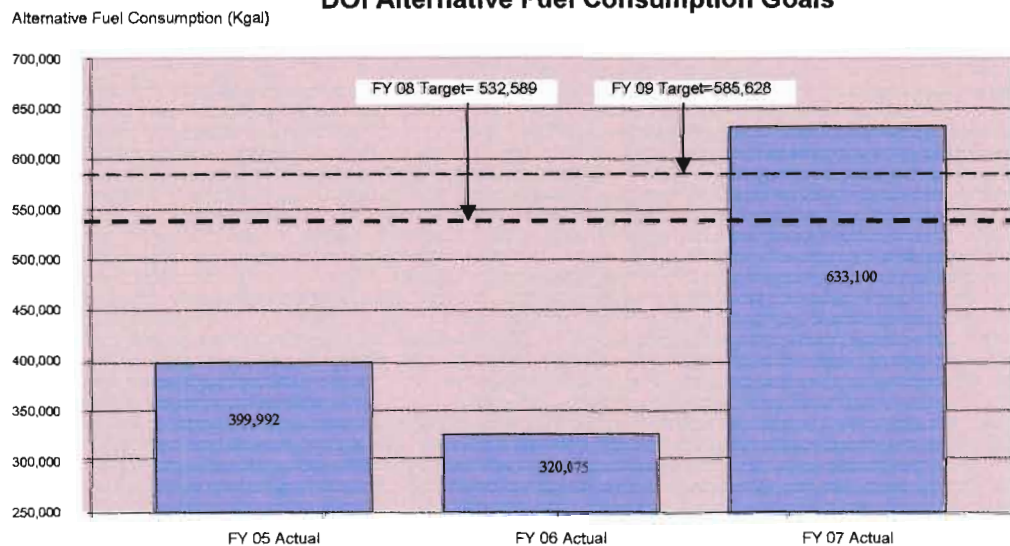
DOI Petroleum Consumption Goals



Increase the Consumption of Alternative Fuels by the Motor Vehicle Fleet

This indicator tracks the increase the total fuel consumption of alternative fuels annually. The action needed to demonstrate progress is realized through the establishment of partnerships to acquire alternative fuels, implementation of the bureau fleet management plans, and bureau annual reporting in the Federal Automotive Statistical Tool (FAST). The DOI goal is to meet a requirement of Executive Order 13423 on Strengthening Federal Environmental, Energy, and Transportation Management of January 2007 that mandates Federal agencies to increase the total fuel consumption that is non-petroleum-based by 10 percent annually, relative to DOI's baseline for fiscal year 2005.

DOI Alternative Fuel Consumption Goals



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11. GLOSSARY

Acceptable/Unacceptable. An acceptable level of condition for an asset is when all of an asset's critical systems deferred maintenance deficiencies rated critical or serious have zero deferred maintenance; non-critical systems deferred maintenance will still exist. Acceptable condition may vary by asset type. An unacceptable level of condition for an asset is when an asset's critical systems have deferred maintenance deficiencies rated critical or serious. The threshold used to determine acceptable and unacceptable will vary based on the mission and type of asset.

Archaeological Resource Protection Act (ARPA). ARPA (16 U.S.C. 470aa-470mm; Public Law 96-95 and amendments to it) was enacted to secure, for the present and future benefit of the American people, the protection of archaeological resources and sites which are on public lands and Indian lands, and to foster increased cooperation and exchange of information between governmental authorities, the professional archaeological community, and private individuals (Sec. 2(4)(b)). The primary impetus behind ARPA was the need to provide more effective law enforcement to protect public archeological sites.

Assets. Assets refer to Federal real property assets only. Federal real property is defined as any real property owned, leased, or otherwise managed by the Federal Government, both within and outside the United States, and improvements on Federal lands.

Asset Management. A systematic process of maintaining, upgrading, and operating physical assets cost-effectively. It combines engineering principles with sound business practices and economic theory, and it provides tools to facilitate a more organized logical approach to decision making, providing a framework for handling both short- and long-term planning.

Asset Management Plan (AMP). A documented plan of business to promote a proactive management approach to effectively address and articulate the requirements for effectively managing a portfolio of assets.

Asset Priority Index (API). An asset evaluation process that quantifies the value of an asset in relation to the mission of the Bureau or Office. The API ranks assets according to rating system.

Asset Priority Index/Facility Condition Index Analysis. The use of API and FCI in order to help managers focus attention on the importance of an asset to the mission and the state of its condition, providing information that leads to improved investments of scarce resources.

Capital Improvements (Alterations) – Changes to the interior arrangements or other physical characteristics of an existing facility or installed equipment so that it can be used more effectively for its currently designated purpose or adapted to a new use. Alterations may include work referred to as improvement, conversion, remodeling, and modernization. Such alterations are not maintenance.

Capital Planning and Investment Control (CPIC) – A decision-making process for ensuring that investments integrate strategic planning, budgeting, procurement, and management of the constructed real property asset in support of the Department's and bureaus' missions and business needs.

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Class “C” Estimate. It is defined as being within -15 to +25 percent of project cost. The Department will use this range, in conjunction with the methodology provided in this policy, to create the CRV and DM estimates.

Component Renewal (CR). Also known as Recapitalization. The planned replacement of a component or system that will reach the end of its useful life based on condition and life cycle analysis within the facility’s lifetime. Examples of component renewals include roof systems utility components, pavement, and other major dynamic equipment.

Condition Assessment. The inspection and documentation of the condition of the features of an asset as measured against the applicable maintenance or condition standards. It provides the basis for long-range maintenance planning, as well as annual work plans and budgets.

Constructed Asset. Term used to describe a real property asset that was constructed on the land and owned by DOI, such as a building, house, shed, structure, etc., as opposed to a real property asset that is leased.

Cost Estimate. An estimate, developed in dollars, of the cost to repair or replace an asset component or an entire asset that uses standard industry estimating tools, unit costs, and methodology.

Cost Model. A cost model is a set of mathematical relationships arranged in a systematic sequence to formulate a cost methodology in which outputs, namely cost estimates, are derived from inputs. These inputs include quantities and prices. Cost models can vary from a simple one-formula model to an extremely complex model that involves hundreds or even thousands of calculations. The consistency of response inherent in cost models enables the comparisons among alternatives. Identical inputs are treated alike and that the differences in cost estimates (outputs) are based on differences in inputs. The ability to compare on a consistent basis is one of the most attractive features of cost models. However, the outputs are only as good as the assumptions of the model and the input data permit.

Current Replacement Value (CRV) – CRV is used to calculate FCI. It is a standard industry cost estimate of materials, supplies, and labor required to replace facility at existing size and functional capability. This cost includes current direct cost for planning/design, construction, and construction management. Indirect costs, which include salaries and benefits for government employees, are covered by annual appropriations and will not be added to estimated costs for CRV. CRV is the same as Functional Replacement Value (FRV) for non-heritage assets.

Deferred Maintenance (DM). DM is maintenance that was not performed when it should have been or which was scheduled and was, therefore, put off or delayed for a future period.¹⁹ DM is comprised of existing maintenance repairs and required replacements (component renewal), not accomplished when they should have been, not funded in the current fiscal year or otherwise delayed to the future. It is typically identified by a comprehensive facilities condition assessment/audit of buildings, grounds, fixed equipment and infrastructure. These needs have not been scheduled to be accomplished in the current budget cycle. Therefore, these needs are postponed until future funding budget cycles. The projects have received a lower priority status

¹⁹ Statement of Federal Financial Accounting Standards (SSFAS No. 6) definition.

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than those to be completed in the current budget cycle. Indirect costs, which include salaries and benefits for government employees are covered by annual appropriations and will not be added to estimated costs for DM, nor will they be included in the numbers reported to the Department for the annual DM display in the Department's financial statement or any bureau financial statement.

Deferred Maintenance and Construction 5-Year Plan. These plans, prepared annually by each bureau, are the prioritized lists of deferred maintenance and construction projects, reviewed and approved by the bureau investment boards and bureau head, for maintenance and construction budget line items over a five-year period. The annual update presents the opportunity for the bureaus to adjust their project priorities based on newly identified needs or previously identified needs that have become critical during the past year.

Deficiency. A facilities defect that occurs because of normal deterioration or as the result of nature/external forces impacting the condition of the facility, or when maintenance and repair tasks are not performed in a timely manner. Deficiencies may not have immediately observable physical consequences, but when allowed to accumulate uncorrected, they inevitably lead to deterioration of performance, loss of asset value, or both. An accumulation of such uncorrected deficiency is a backlog that represents a liability (in both physical and financial terms) for an asset.

Disposition. Disposition generally means removing an asset from the portfolio. This connotes some action that was taken, such as:

- Transfer;
- Sale;
- Abandonment, Destruction, or Donation;
- Off-Site Removal;
- Demolition;
- Deconstruction;
- Exit of Commercial Lease Agreement; and
- Redefine Asset Mission.

"Disposition," as used in the Federal Real Property Council disposition algorithm, means the outcome of the diagnostic process supported by the FRPP Performance Assessment Tool (PAT). Thus, when an agency's portfolio is taken through the FRPP PAT, assets in the portfolio will be evaluated using the FRPC performance metrics of mission dependency, condition index, utilization and operating costs.

Facility Utilization Index (FUI). The FUI is a first-tier performance metric for assets established by the Federal Real Property Council. The FUI tracks the percent of office space occupied versus the design amount. The vacancy rate derived from this calculation is tracked on an asset level and used as a part of an agency's annual performance measures.

Facility Condition Index (FCI). The Facility Condition Index (FCI) is an industry standard for representing the general condition of a constructed facility and for making comparisons among facilities of similar type at a particular point in time. The Federal Government employs FCI as a performance measurement tool in the Federal Real Property Profile. The FCI estimates are based upon condition assessments and Class C cost estimates.

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The FCI rating is a ratio of the cost of repair of an asset's deficiencies (deferred maintenance, recurring maintenance that has been deferred, component renewal that has been deferred) divided by the current replacement value for the asset. Without exception, the resultant value for FCI will be between not less than 0 and no greater than 1.0. For example, a building with a current replacement value of \$10 million and deferred maintenance of \$1.2 million would have an FCI of .12 (\$1.2 million divided by \$10 million).

Facility Maintenance Management System (FMMS). The FMMS is an electronic system for planning and tracking facilities management, with baseline information on facility conditions. It is used in part to list maintenance needs, assign repair work, and identify completed maintenance projects.

Federal Real Property Profile – Internet Application (FRPP). The [FRPP](#) is the "single, comprehensive, and descriptive database of all real property under the custody and control of all executive branch agencies, except when otherwise required for reasons of national security," in accordance with Executive Order 13327. It is an automated system under the purview of GSA that is used to capture and report on the FRPC-defined 24 mandatory data elements for each individual real property asset owned by the executive agencies of the Federal government. The FRPP contains 20 static data elements and 4 performance metric data elements.

Financial and Business Management System (FBMS). The FBMS is an electronic major enterprise management initiative to integrate financial management, procurement, property management and other subsidiary systems and revamp administrative processes throughout the Interior Department. The FBMS will provide the system and process structure for the Department to modernize its operations. This financial and business management system will provide complete, accurate and timely information on financial activities, including budget execution, acquisition, grants, property management, core accounting, and performance that will enable Interior's employees and managers to make better informed decisions about their programs.

Heritage Assets. Property, plant and equipment that possesses one or more of the following characteristics: (1) historical or natural significance; (2) cultural, educational or aesthetic value; or (3) significant architectural characteristics. Heritage assets include assets that are National Historic Landmarks, listed in the National Registry of Historic Places (NRHP), or eligible for listing in the NRHP.

Industry Standard Cost Databases. Tools used to aid managers estimate current replacement value (CRV) and deferred costs. Such databases include, but are not limited to, Building News-Record, Craftsman Book Company, Richardson General Construction Estimating Standards, R.S. Means, and Whitestone Research.

Lifecycle Asset Management. Systematic process of maintaining, upgrading, and operating physical assets cost effectively. It combines engineering principles with sound business practices and economic theory, and it provides tools to facilitate a more organized, logical approach to decision-making. In the broadest sense, life-cycle asset management is a strategic approach to managing physical infrastructure.

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Multi-Use Assets. Assets that meet the definition of a Heritage Asset and that currently have a predominant use that could be accomplished by a non-heritage asset. An example is a historic building that is serving as a visitor center or an office. In this example, the predominant use of the heritage asset is as a visitor center or office, which could be accomplished in a non-heritage asset as well.

National Historic Preservation Act (NHPA). NHPA requires Federal agencies to take into account the effects of their actions and programs ("undertakings") on historic properties such as buildings, structures, archaeological sites and other places. The law is intended to avoid unnecessary adverse effects on important historic properties such as buildings, archaeological sites, and other places. Enacted in response to severe disruption of central cities that was caused by Urban Renewal programs of the 1950's and early 1960's, the Act created the executive-level Advisory Council on Historic Preservation ("Council") and chartered the Council to review national historic preservation policies and develop uniform regulations and procedures to carry out the Act.

The Council also is required to review, resolve disputes about, and comment on the effects of specific agency undertakings on historic properties. In addition to the Council, the Act created state- and tribal-level government offices to review Federal agency undertakings; the chief officer is designated "State (or Tribal) Historic Preservation Officer" ("SHPO" or "THPO"). The SHPOs or TRPOs administer funds provided for operation of their offices under the authority of the NHPA.

Performance Metrics. A performance metric is a standard used to evaluate and communicate performance against expected results. Performance metrics are designed to gauge progress toward effective implementation of the organization's strategy and track achievement of organizational objectives, which are aligned with the strategy. Below are the four performance metrics tracked through the FRPP also referred to as first-tier metrics by the Federal Real Property Council.

FRPP Terms and Acronyms	Related DOI Terms and Acronyms
Mission Dependency (MDI)	Asset Priority Index (API)
Condition Index (CI)	Facility Condition Index (FCI)
Annual Operating Costs	Annual Operating and Maintenance Costs (O&M)
Utilization (FUI)	Utilization

These first-tier metrics are reported into the FRPP by all Federal agencies. Second-tier metrics are agency-level based measures to be used in conjunction with the first-tier metrics to measure asset performance (see Appendix 5 for types of second-tier metrics).

Preserve America, Executive Order 13287. The EO directs Federal agencies to take the lead in identifying, preserving, and creating beneficial use of historic properties in order to contribute to the economic vitality of the Nation's communities. It also directs each agency with historic properties to manage them as assets that can support department and agency missions and to assess and evaluate the suitability of the agency's types of historic properties to contribute to

Preventive Maintenance (PM). PM consists of scheduled servicing, repairs, inspections, 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.

Real Property. Real property is defined as any real property owned, leased, or otherwise managed by the Federal Government, both within and outside the United States, and improvements on Federal lands. For the purpose of EO 13327, Federal real property shall exclude: interests in real property assets that have been disposed of for public benefit purposes pursuant to section 484 of title 40, United States Code, and are now held in private ownership; land easements or rights-of-way held by the Federal Government; public domain land (including lands withdrawn for military purposes) or land reserved or dedicated for national forest, national park, or national wildlife refuge purposes except for improvements on those lands; land held in trust or restricted fee status for individual Indians or Indian tribes; and land and interests in land that are withheld from the scope of this order by agency heads for reasons of national security, foreign policy, or public safety.

Recurring Maintenance (RM) (Cyclic in Nature). Work activities that recur based on normal wear patterns on a periodic cycle of greater than one year and less than 10 years. Typical work Includes: painting, caulking, sealing, and carpet replacement. A few RM activities may have cycles greater than 10 years, such as repointing of bricks.

Rehabilitation. Rehabilitation is the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values. Rehabilitation of historic buildings and structures should be conducted according to the Secretary of the Interior's Standards for the Treatment of Historic Properties.

Replacement-in-Kind. Replacement of an existing asset with one that has the same size and functionality or replacement of existing material on historic properties that is constructed, manufactured, and installed in the same manner and with something equal in substance having a similar or identical effect.

Repair(s). The restoration of a facility or component thereof to such condition that it may be effectively utilized for its designated purposes by overhaul, reprocessing, or replacement of constituent parts or materials that have deteriorated by action of the elements or usage and have not been corrected through maintenance. Also includes work that is performed to return equipment to service after a failure, or to make its operation more efficient.

Site-Specific Asset Business Plan (ABP). A documented plan of business to promote a proactive management approach to effectively address and articulate the life-cycle issues and characteristics of a site's asset portfolio, which covers all assets reported to the FRPP and all GSA assigned facilities. 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),

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Facility Utilization Index (FUI), and Operations and Maintenance (O&M) costs to help make informed investment decisions that drive budget distribution.

Utilization. The extent to which an asset is utilized relative to its ultimate capacity i.e., the rate of utilization. The utilization rate is a performance measurement that is required input to the FRPP for real property assets defined as office, hospitals, warehouses, laboratories, and housing.