

An aerial photograph of a large, multi-story government building complex, likely the Pentagon, with a prominent central tower. The building is surrounded by parking lots and greenery. In the background, a city skyline is visible under a hazy sky.

Real Property Policysite

News and Views on
Real Property and
Workplace Policy

Winter 2001-02

A close-up, black and white photograph of a building facade featuring a series of classical columns and arches. The image is overlaid with a semi-transparent purple filter.

New Directions for Asset Management

*The Federal Government addresses
new asset management and security
issues in 2002 and beyond...*

In this issue:

New Directions 3

Managers Face Challenges in Discovery Forum

Smart Growth Issues for the Federal Government

Security Is #1 Issue for Federal Real Property Council

GRPIS Efforts Expand in 2002

Integrated Workplace 9

Cubicles Be Gone!

Telework 13

Technology for Home-Based Telework Study

What are the Practices Recommended for Telework Success?

Virtual Government 14

GSA Revamping Electronic Inventory Systems

E-RealEstate Project Examines Internet Use

Outreach 15

Federal Real Property Association Focuses on Professional Development

Real Property Regulations 16

Real Property Inventory Regulation Published

FMR Parts 102-71 to 83 Update

New General Reference Guide for Real Property Policy will soon be available!

Performance Measurement 17

The Facilities Condition Index: A Useful Tool for Capital Asset Planning

Sustainable Development 19

The Pen is Mightier Than The Sword – The Power of Specifications

Welcome to the Government of the 21st Century!

Our mission in the 21st century: "The Office of Real Property promotes collaborative and innovative Governmentwide policies, products, and services for real property, the 21st century workplace, and entrepreneurial Government activities." We reach out on a global level to share information on Federal real estate and the workplace with our industry partners and the public through this newsletter and other avenues.

This is the **nineteenth** issue of REAL PROPERTY POLICYSITE, a quarterly publication of the Office of Real Property (MP), Office of Governmentwide Policy, U.S. General Services Administration, Washington, DC, which is led by Deputy Associate Administrator, David L. Bibb. Our newsletter shares the latest information on public and private sector real estate and workplace initiatives, trends, and best practices. We encourage your input. Let us know what you think, contribute articles, or be placed on our mailing list, by contacting the editor, Richard Ornburn, at richard.ornburn@gsa.gov, or (202) 501-2873.



KEEP IN TOUCH.... Access some of the latest public and private real estate and workplace information throughout the world from your pc or laptop through our website...information is power, so check us out at.....

www.gsa.gov/realpropertypolicy

New Directions

Managers Face Challenges in Discovery Forum

New Directions for Asset Management & Security

(Article provided by Robert Materna, PhD, Vice President, The International Development Research Corporation (IDRC) Foundation)

On November 6-7, the General Services Administration (GSA) hosted a Discovery Forum on trends and challenges facing senior leaders who are responsible for managing real property for both the public and private sector.

According to Stanley Langfeld, Director, Real Property Policy Division, of GSA's Office of Real Property "...this two-day meeting provided an excellent forum for collaboration between public and private real property professionals."

Focus of the Forum

The focus of the forum was on enhancing productivity and minimizing risk through effective workplace and real estate management. Highlights included presentations by Robert Obenreder, Kevin Kampschroer, Paul Menk, and Paul Chistolini, General Services Administration; and Terri Beattie and Tom Quinn, Lockheed Martin Corporation.

Specific topics that were addressed during the forum included:

- Workplace security
- Disaster response



GSA Headquarters, Washington, DC

- Role of the workplace in enhancing organizational performance
- Surplus property disposal strategies and programs
- Most important challenges facing corporate real estate today

The findings of this forum suggest that the workplace can play a key role in improving performance in both the public and private sector and that there are enormous challenges ahead for real estate professionals following the events of September 11.

Impact of September 11 on Real Property Management and The Workplace

Almost all participants said that security is now a top issue for their organizations and they are being asked to provide solutions for a broad array of topics – from executive protection to emergency response plans.

continued on next page

New Directions



*continued from
previous page*

Issues brought up in discussions included:

Building and Workplace Design

- Building height
- Strength of core structures
- Controlled access, etc.
- HVAC and location of ventilation systems
- Use of land and landscaping
- Parking location and access

Location Strategy

- Away from high risk facilities or areas
- Dispersed (to mitigate risk)
- Planned redundancy (to facilitate continuity of business operations)
- Planned vacancy (to provide some level of flexibility)
- Single versus multi-tenant

- Location and type of neighbors
- Reexamination of impact of location on attraction and retention of workers
- Cost and availability of insurance for higher risk locations

Communications

- Rethinking the implications of remote work and the critical role of communications
- Role of cell phones
- Use of wireless technologies
- Use of traditional and web-based two-way video

Costs

All of the above will have a significant impact on the cost to develop, operate, and dispose of property. To meet all of these needs, rents are going to go up and tenants will end up paying more for the cost of security.

continued on next page

How Does Your Workplace Support the Occupants and the Organization?

GSA Addresses Workplace Performance as a Strategic Advantage

article submitted by Rob Obenreder, GSA Office of Real Property

Workplace performance: How your workplace supports the occupants and the organization – was the topic of a presentation given by GSA at the IDRC Discovery Forum. Kevin Kampschroer of GSA's Public Buildings Service, and Rob Obenreder of GSA's Office of

Real Property discussed using an integrated approach to planning, programming, design, construction, and operations that can yield significant benefits to an organization.

Using your workspace to strategic corporate advantage for the

organization involves consideration of:

New Technology: Using an integrated design process to determine the most suitable building systems and communications technology to support user and organizational needs, and planning for change to accommodate future needs.

New Directions

continued from previous page

Continuity of Operations

Many companies and government agencies are now reviewing their plans to ensure that they have the ability to know where people are, who is in the building, location of back-up facilities, availability of back-up data and computer systems, and other information.

Society Moving to a New Level of Security

As noted by Paul Chistolini, Deputy Commissioner, GSA's Public Buildings Service, "Our society is moving to a new level of security and is going to stay there. This is going to have many implications for both the public and private sector – from the design and construction of new facilities to multiple changes to existing buildings."



Keith Hughes, Security Manager and Advisor at the Social Security Administration agreed, "We are going to see a steady increase in security standards over the next several years – but there is going to be a cost. Corporations and government agencies are going to have to make some difficult decisions about this in the very near future."

Forum Participants

Participants at the forum included 30 real estate leaders from GSA, Department of the Army, Department

of the Treasury, Social Security Administration, Department of State, Department of Veterans Affairs, Environmental Protection Agency and numerous corporations and service providers including Lockheed Martin, Northrop Grumman Corporation, Verizon, Sprint, Equity Office Properties, Booz Allen Hamilton and others.

Discovery Forums are managed by The IDRC Foundation, a non-profit organization dedicated to improving the art and science of managing real property and the workplace. ■

Integration of Design and Work:

Translating organizational strategic goals, work strategies, and work processes into physical space needs and operational protocols.

Flexibility: Developing building and office space infrastructure that can be easily reconfigured to reduce downtime, waste, and churn costs, thus improving facilities management and employee productivity.

Bundling of services: Offering customers a comprehensive suite of real estate planning services, including new services such as

strategic planning, business process analysis, and change management.

Productivity: Providing healthy work environments that help people maximize their potential. Look at ways to measure productivity and track the effects of the workplace on user performance, using such things as absenteeism, churn time, and user surveys.

Blending Real Estate and Corporate Strategies: Making real estate an integral part of the corporate decision-making process. The type of space you own and manage should be linked directly to

organizational goals. To do this, real estate must have a seat at the organization's strategic planning table.

High performance workplaces are effective workplaces. They are the result of a comprehensive, integrated approach to facilities that examines the needs of the organization and involves all stakeholders at the appropriate times throughout the life-cycle of the facility.

High performance workplaces are effective workplaces!

New Directions

Smart Growth Issues for the Federal Government

American Institute of Certified Planners Holds 2001 Fall Symposium

article provided by **Andrea Wohlfeld Kuhn, AICP, GSA Office of Real Property**

How have the events of September 11th affected city planning, particularly the American Planning Association's Smart Growth movement?

On November 14, planners, professors, and federal, Congressional, and non-profit organization representatives gathered in Washington, DC to discuss smart growth issues in light of the events of September 11. Opening remarks were provided by Sam Casella, FAICP, American Institute of Certified Planners (AICP) president, who stated that the American Planning Association (APA) position is to continue with smart growth concepts, to strengthen cities, achieve equity in areas such as housing, education, and employment, and to work from a regional rather than a parochial perspective to build even stronger cities.

In his keynote address, Andrew Altman, Washington, DC, Director of Planning, offered a look back in history, as a means for the city to gain power and resolve from an historical array of events, including previous destruction of the city by fire and war. Long a symbol of U.S. cities, Washington responded then and is responding to today's security challenges with resiliency, and embracing smart growth principles of growth, vitality, and environmental stewardship. Altman called upon attendees to embrace the following:

- Belief in an open city, with public gathering spaces
- Belief in investment in the infrastructure of cities
- Continuance of public education by planners that cities are here to stay
- Revitalization, including waterfront and downtown areas, transportation systems, and the beauty of neighborhoods

Altman stated that the above concepts must continue after September 11, and that Washington should continue as a symbol for all U.S. cities.

Four panel discussions were held:

1. A Scholar's View

Professors from various universities and the Urban Land Institute provided their viewpoints:

- Smart growth and security are compatible concepts
- Alternative forms of energy, including transportation, are compatible with smart growth
- Security should not become a driving factor in the design of cities

continued on next page



New Directions

GOVERNMENT *from previous page*

- The role of planners is to create livable cities, and to prevent crime through design and zoning
- We must renew our central cities; current security issues can actually become the catalyst for renewal
- Regional solutions must be developed

2. Security Design Coalition

Newly formed on October 11, the Coalition's current members include the American Institute of Architects, APA, American Society of Landscape Architects, and Scenic America. Founded on the premise of providing necessary security while at the same time incorporating good design principles, the Coalition's two specific objectives are:

"Developing and showcasing design principles that achieve an appropriate balance between security measures that protect our people and built environment, and continuation of an open society that cherishes its democratic principles, freedom of movement, and accessible public places and facilities."

"Developing an inclusive decision-making process—consisting of experts in the fields of landscape architecture, architecture, historic preservation, community planning, the security industry, and government officials—for determining what security will look like and how it will function."

Coalition representatives provided examples of aesthetic approaches to providing security, such as reinforced planters, site selection, use of landscape features, and employing technology. The ultimate goal is to maintain public accessibility and good design while providing adequate security.

3. Response from the Federal Government

Representatives from the General Services Administration (GSA), Federal Emergency Management Agency (FEMA), and U.S. Representative Earl Blumenauer's staff discussed federal programs and resources available.

- GSA views the federal presence as an enduring legacy, and remains fully committed to cities. GSA has retrofitted buildings with security measures, to ensure that they are both secure and open to the public. GSA is building partnerships with city, local and federal entities for security, historic preservation, and design purposes
- FEMA focuses on two types of planning—advance planning and planning after a disaster
- The Disaster Mitigation Act of 2000 establishes a national program for pre-disaster mitigation and encourages state and local pre-disaster planning (emphasizing the value of planning)
- FEMA has a multitude of "how to" publications to enhance hazard

mitigation planning capabilities (<http://www.fema.gov/>)

- Representative Blumenauer's position in response to the events of September 11th is to emphasize the importance of planning, and to achieve the goal of livable cities through federal partnerships with states and local communities. He has met with the National Capital Planning Commission on design and security issues

4. The Planner's Response

- A regional approach to planning and meeting future disasters was emphasized
- The panel members believe that there is definitely a future for cities, in that people have a universal need to be with other people
- Ripple effects on the economy were discussed, particularly in smaller towns and for smaller business owners
- A request was made for long-term solutions rather than quick fixes
- A holistic approach is necessary, to incorporate design and sustainability features with security measures
- APA/AICP is working on agreements with other countries to foster mutual learning
- Planning matters!

For more information on AICP and the American Planning Association, check out its website at www.planning.org. ■

New Directions

Security is #1 Issue for Federal Real Property Council

article by **Andrea Wohlfeld Kuhn, AICP, GSA Office of Real Property**

What are the top issues facing Federal real estate executives? How have recent events impacted how Feds manage agency real estate portfolios?



FRPC attendees discuss real estate/security issues in September 25 meeting.

The Federal Real Property Council (FRPC) addressed these issues in its September 25 meeting where it developed its agenda for the coming year. Margie Lomax, Director, Evaluation and Outreach Division, GSA Office of Real Property, welcomed FRPC members and served as co-chair. Gary Arnold (Social Security Administration), will serve as FRPC co-chair for one more year.

In response to a survey, FRPC members ranked security as the number one issue to address in the next year. The advancement of real property when it is not part of an agency's mission was ranked as the second most important issue. Third

was the development of an implementation plan once the Property Act Reform legislation is passed. Additionally, an off-site meeting will be held in Spring 2002 to provide an opportunity for longer discussions, focused attention on pertinent issues, and networking.

Since the FRPC meeting was held only two weeks after September 11, discussion focused on agency responses and issues that came to light, including:

- Communications problems
- Damage to the actual facility and the desire to rebuild at the Pentagon
- New York courthouses were without mail, telephone, or computer service
- Centralization/decentralization of information
- The need for immediate alternative space
- Evaluation of current security policies
- Need for evacuation/safety procedures and plans
- Need for new guidance and procedures (example--bomb threats)
- Need for standardized system for employees' locations
- Transportation/infrastructure implications
- Future roles/responsibilities with the new Office of Homeland Security

Chair Gary Arnold reviewed the FRPC's 2001 accomplishments, which included Property Act reform legislation, succession planning review, public-private partnership forum, a white paper on inadequate funding for capital needs, and the advancement of real property. The next FRPC meeting will be held in February 2002. For more information, contact Pat Rubino on (202) 501-1457. ■

The FRPC was established April 1998 to provide a forum for departments and agencies to review, evaluate, and make Governmentwide recommendations about Federal real property policies or actions. The Council is comprised of executive-level real property professionals from 31 Federal Departments and Agencies. ■

Integrated Workplace

Cubicles Be Gone!

Managing the Workplace of the Future

Summarized with permission from the Journal of Property Management, Sept. – Oct. 2001 Issue, article by Nancy Pekala; article submitted by C. Coneeny, GSA Office of Real Property

Creating adaptable, sustainable, and flexible workplaces is growing! These workplace environments can have a positive impact on employee productivity.

The Office of the Future Consortium developed the Future@Work exhibit in Seattle, WA. The consortium is a non-profit group of almost 100 local, national, and international

businesses that are interested in incorporating these workplace concepts. The Future@Work exhibit divides the workplace into 3 sectors:

- **Meeting venues**
- **Office venues**
- **Non-territorial venues**

continued on next page



New Directions

GRPIS Efforts Expand in 2002

article provided by Sheldon Greenberg, GSA Office of Real Property

GSA's Office of Real Property's Governmentwide Real Property Information Sharing (GRPIS) Program will continue to support its existing councils and will expand into new Federal communities during FY2002. Below is the schedule for the next council meetings which have been scheduled:

Puget Sound: The latest Puget Sound Real Property Council meeting was

scheduled for Thursday, January 17, 2002, at a location to be determined.

New Mexico: The next New Mexico Property Council meeting will take place on Tuesday, January 29 at the Corps of Engineers facility located at 4101 Jefferson Plaza, Albuquerque. The featured topic of discussion will be Facility Security - Post 9/11. Also the Council will be electing a new Chair.

<http://policyworks.gov/grpis>

Front Range, Colorado: The presentation of the Front Range Final GRPIS Study and establishment of a local council is tentatively scheduled for Thursday, January 31. A location is being finalized.

Other Forums and Councils: Meeting dates and locations for the New England, South Florida, Arizona, and Heartland Forum/Councils are still being developed.

In addition, the GRPIS Team is reviewing Federal agency space inventory data to determine which communities to study during this year and seeks your input.

For more information, contact Sheldon Greenberg at sheldon.greenberg@gsa.gov or by phone on 202-501-0629 for more information. ■

Integrated Workplace

CUBICLES from previous page

Meeting Venues

This venue is noted by its use of flexible furniture to promote interaction. As opposed to a conference table and chair, this venue may have lounge furniture to promote brainstorming and information sharing.

Office Venues

The office venue is broken into 3 hard wall configurations, dorm, harbor, and study. The dorm is associated with start up companies where the profits are reinvested back into the business, not into assets. The dorm approach focuses on ergonomics, storage, and furniture that supports intensely focused activities. The harbor is applied for



Integrated Workplace

companies that are still in a growth mode, but have a plan for the long term. This concept emphasizes efficient use of space and the capability to satisfy individual and group activities. The study is focused on more mature companies in a stable, competitive business environment. This approach is more conservative and centers on workplace standards and facilitating communications.

Non-territorial Venues

The employee can configure the non-territorial venue to meet specific needs. Examples in the Future@Work exhibit are the den, media lounge and the serenity room. These areas can provide an escape from the office, while still providing the technology to stay connected to the business.

The Northwest Energy Efficiency Alliance has created a web site, www.betterbricks.com, to promulgate energy efficient concepts and provides some data on the impact that better building design and energy efficiency can have on productivity. Below are some figures from www.betterbricks.com

continued on next page



Integrated Workplace

CUBICLES from previous page

- Energy costs in office buildings average \$2 per square foot, while employee salary and benefits are \$130 per square foot. Even small changes in productivity can have a significant impact on the company's bottom line.
- The Hescong Mahone Group conducted a study in 1999 and showed that retail sales increased an average of 40 percent in stores

with skylighting, as opposed to stores in the same chain with electrical illumination.

The article describes a quality workplace as one that provides some amount of personal choice and control, few distractions, and provides a sense of pleasure, enjoyment and prestige. The article also mentions that the real estate industry is moving away from the idea of one solution for the workspace. The workplace and the office need to

adapt to the specific people using the space. Gary Evans, a Cornell University psychologist wrote in the *Journal of Applied Psychology*, "In designing workspaces, companies need to think carefully about the different tasks and demands that will be carried out there. An environment built for people who work in teams won't necessarily work for people who need to concentrate." Check out the article for more information on this important issue. ■



Technology for Home-Based Telework Study

article provided by **Wendell Joice and Theresa Noll, GSA Office of Real Property**

What are the technology barriers to Federal Home-based Telework programs?

Congress wanted to find out and requested a study on technology barriers and solutions to Federal home-based telework programs in recent legislation, H.R. 4871, House Report 106-756. As a result, GSA's Office of Real Property awarded a contract to Booz-Allen Hamilton in

August 2001 to perform the study entitled: "Technology Barriers and Solutions to Federal Home-Based Telework Programs."

This study focuses on the technical aspects of telework, not human resources or management issues. The study will identify and analyze technology barriers and their impact on home-based telework. It will describe technology solutions

available today that can be used to break down barriers.

Chief Information Officers, Telework Coordinators, teleworkers and non-teleworkers from various agencies will participate in the study. Functional categories include compatibility and architecture, performance, end user support, communications, security, operations and maintenance. The study is due out in February 2002. The findings of the study will be featured on a panel at FOSE 2002 in March.

Find out more about this important study by contacting Theresa Noll at Theresa.Noll@gsa.gov or Wendell Joice at Wendell.Joice@gsa.gov for further information. ■

What Are the Practices Recommended for Telework Success?

article by **Dr. Wendell Joice, GSA Office of Real Property**

Find out in the new report released by GSA's Office of Real Property on recommended practices for successful telework

programs. The report, "Expert Consensus On Recommended Practices For Telework Program Success," is available at the website:

http://www.gsa.gov/Portal/content/pubs_content.jsp?contentOID=118958&contentType=1008

The goal of the study was to provide much-needed substantiation of the effectiveness of existing recommendations for practices needed to achieve successful telework programs. Following are key points from the study:

Telework program planners, implementers, and other experts should focus on tailoring the selection and implementation of recommended

practices to the circumstances of the target organization(s).

Telework program planners should implement the practices deemed essential and select the particular array of other "valuable" practices that will lead to optimal performance for their specific organizational circumstances. Optimizing practices may mean implementing similar, but not necessarily the same, sets of

practices for different units within the same organization.

Of the 33 examined (recommended) practices, the following seven practices were "essential" to the success of a telework program:

- Developing clear, measurable telework program goals.
- Utilizing an executive champion.
- Utilizing a telework program manager/coordinator.
- Requiring telework training for managers of teleworkers.
- Ensuring that teleworker performance appraisals follow the same procedures and guidelines as those applied to other employees.
- Conducting an assessment to determine teleworker and/or organizational technology needs.
- Establishing formal arrangements for technical support of teleworkers.

For more information, contact Dr. Wendell Joice at Wendell.Joice@gsa.gov. ■

Virtual Government

GSA Revamping Electronic Inventory Systems

article provided by **Carol Anadale, GSA Office of Real Property**

Foundation Information for Real Property Management (FIRM) Continues Migration: FIRM is an automated real property asset management system, which is provided at no cost to federal agencies. It helps Federal real property officers manage their real property assets.

The main FY 2002 task will be FIRMweb Support and continued support of FIRM 7 until a full governmentwide migration to FIRM Web is accomplished. This support, including training on the new system, hotline support on both systems, installation, continued correction of system "bugs" on both systems, continued resolution of user problems on both systems until a full, effective, and efficient migration to the new system is accomplished for

all users, is important to the FIRM users in keeping their systems functioning.

Also planned is an Independent Verification and Validation (IV&V), of the FIRM system; the current FIRM 7, developing webFIRM and the conversion processes to FIRMWeb. The IV&V will provide a Draft and a Final report on problems discovered during the review and provide recommended corrective action for any problems identified by the review for the conversion process and both FIRM 7, and webFIRM.

Worldwide Inventory (WWI) System Undergoes Retooling: The Worldwide Inventory (WWI) is an electronic real property management system of federal real estate that contains summary data (on installations, land, buildings, and other structures) from

all federal agencies.

The FY 2002 plan for WWI-IA by the Office of Real Property develops a new application which is easier to use, will provide a better ad hoc reporting tool, and study adding Geographic Information Systems (GIS) mapping features. Work will provide an electronic update capability, trend reports, and incorporate the best practices identified from studies of state government real property applications as well as private industry applications.

Re-tooling meetings were held in November and December and future meetings are planned. Lessons learned from the FY 2000 report production, discussion of asset management data collection and a demonstration of the revised Worldwide Inventory Internet Application were among the agenda items. Contact Carol Anadale on (202) 208-2970 for more information on FIRM and WWI and re-tooling meeting dates. ■

E-RealEstate Project Examines Internet Use

article by **Dennis Goldstein, GSA Office of Real Property**

GSA's Office of Real Property is continuing its examination of the uses of the Internet in the management of real estate by the Federal government. OGP has established an Internet site for the

purposes of disseminating good practices and information about web-enabled software to the Federal government.

This site can be accessed at:

www.gsa.gov/Portal/form.jsp?detail=longDesc&OID=118121

An important element of this study is a short web-enabled survey that has been disseminated to Federal agencies that have real estate holdings or responsibilities for the management of real property. This e-RealEstate Survey is providing useful feedback to the GSA Office of

continued on next page

Virtual Government

continued from previous page

Real Property for determining the level of present and planned uses of internet applications in Federal

www.gsa.gov/Portal/form.jsp?detail=longDesc&OID=118121

All individuals in Federal agencies with real estate responsibilities should be made aware of this survey and are encouraged to participate.

Government real estate organizations. This survey should take 5 minutes or less to complete.

As a reminder, the site for the survey can be accessed at:

Each respondent is able to receive immediate feedback summarizing the up-to-the minute results of the survey.

The survey can be accessed only by entering a user name and associated password. Please contact Dennis Goldstein (dennis.goldstein@gsa.gov) or John D. Thomas (johnd.thomas@gsa.gov) to obtain the username and password for your agency.

If you have any questions, please contact Dennis Goldstein at (202) 219-0608 or John D. Thomas at (202) 501-0365. ■

Outreach

Federal Real Property Association Focuses on Professional Development

Article provided by Rebekah Pearson, GSA Office of Real Property

The challenge for FRPA is to capture and build upon the energy generated by the (2001) conference, particularly the opportunities for networking and combining resources.....

Tim Eller, GAO, FRPA President

The Federal Real Property Association (FRPA) promotes professionalism, expertise,

and interaction among real property professionals. Each year, it holds an annual Professional Development

Conference for training and outreach. It featured the GSA Administrator Stephen Perry. Speaking on GSA, he said, "Creating a successful future at GSA will require us to focus on our core mission, work as a team, become more results-oriented and accountable. We must be dedicated to excellence, high performance and continuous improvement."

Breakout sessions included a diverse series of subjects, including: Telework, Security in Federal Buildings, and Public-Private Venture Housing. For more information, contact Rebekah Pearson, 202-208-1850 or e-mail: rebekah.pearson@gsa.gov. ■

Real Property Regulations

Real Property Inventory Regulation Published

article submitted by John Thomas, GSA Office of Real Property

On October 25, 2001, GSA Administrator Stephen A. Perry signed Federal Management Regulation (FMR) Part 102-84, entitled "Annual Real Property Inventories." The regulation was published as an interim rule in the Federal Register on November 2, 2001. This culminates work begun in FY 1999 in concert with the Corps of Engineers, the Department of Energy, and the Department of the Interior, when the Office of Real Property began conducting a comprehensive review of the policies in the existing Federal Property Management Regulation (FPMR) Part 101-3, also entitled "Annual Real Property Inventories."

In addition to rewriting the regulation in plain language, the review focused on improvements to make the real property inventory program more useful, and to enable Federal agencies to manage their real property inventories more effectively. Most significant of the improvements involve eliminating

the use of paper forms in order for all agencies' to submit real property inventory data electronically and ensuring that the regulation is consistent with current Government accounting standards.

Contact: John D. Thomas on (202) 501-0365 for more information. ■

FMR Parts 102-71 to 83 Update

As part of GSA's regulatory improvement initiative, Final Rule FMR Parts 102-71 to 102-82 was published in the Federal Register on January 18, 2001, and became effective on January 18, 2001. FMR Parts 102-71 to 102-82 describe the current real property policies applicable to GSA and Federal agencies to whom GSA real property authority has been delegated.

The publication of this regulation in the Federal Register initiated the start of a new initiative to amend FMR Parts 102-71 to 102-82 to reflect updated policies, such as location

policy, outleasing policy, historic preservation policy, and security policy. In addition, amending the FMR will complete the transfer of policy from the FPMR to the FMR and create a separate part, FMR Part 102-83, to deal specifically with the updated location of space policy. Ultimately, amending these FMR Parts will provide agencies with updated regulatory material that is easy to read and understand. GSA anticipates publishing these FMR Amendments in Spring 2002.

Contact: John D. Thomas (202) 501-0365 for more information. ■

New General Reference Guide for Real Property Policy Will Soon Be Available!

article submitted by John Thomas, GSA Office of Real Property

The Office of Real Property is updating the General Reference Guide for Real Property Policy, originally published in April 1998, to reflect the addition of new laws, executive orders, and regulations that impact real property

management. In the past, the guide has provided an easy-to-understand reference of legal authorities, by subject area, that are applicable to GSA and Federal agencies to whom GSA real property management and operations have been delegated.

Look for the latest information in the updated version of the General Reference Guide for Real Property Policy in April 2002.

Contact: Iona Calhoun on (202) 501-0821 for more information. ■

Performance Measurement

The Facilities Condition Index: A Useful Tool for Capital Asset Planning

summarized with permission from "Facilities Manager" July/August 2001 Issue, article by Don J. Briselden, P.E., and David A. Cain, Ph.D.; article provided by M. Saldanha, GSA Office of Real Property

Imagine this scenario. A new vice president for finance and administration at a university has just returned from an annual NACUBO (National Association of College and University Business Officers) conference and relates that he heard people discussing methods of forecasting capital asset funding. In those discussions people were comparing their institutions' Facilities Condition Index (FCI) as a useful measure of campus condition. The VP then turns to you and asks, "What is our FCI and how do we compare?" Of course, you are knowledgeable about your facilities and ready to provide the information requested.

Or are you?

Let's respond to that question with a conversational definition of FCI. The technical definition is included later in this article. During a walking tour of any campus, a person with an eye cast toward the condition of buildings can form a judgment about their condition and can develop a sense of the existing maintenance liability. If one sees the paint peeling, indications of decayed surfaces, roofs that older than 20 years, you do not need to be an expert to realize that a sizable reinvestment is needed. Often the outside condition reflects the condition inside. Students, faculty, administrators, staff, and all other stakeholders form opinions and make judgments about the institution based on its appearance. These critical opinions fall into four intuitive categories of poor, fair, good, and excellent.

What is your "FCI?"

The FCI in practical terms has been a numerical rating system that translates what you see on your educational institution tour into a rational measure of the amount of deferred maintenance and provides a means of gauging the condition of the facility. The FCI is a metric that is used by numerous institutions as part of their capital planning process.

The FCI is a useful assessment tool that should be in every facilities professional arsenal of tools. It has been a feature of capital renewal and deferred maintenance (CRDM) planning for the past decade and is a generally accepted measure. More recently, the FCI was included as one of the key metrics within APPA's (the Association of Higher Education Facilities Officers) Strategic Assessment Model (SAM).

FCI Development and History

The FCI concept resides within the development of studies and models for capital renewal and deferred maintenance. For the past 40 years, institutions of higher education have struggled with their responsibilities for identifying their facilities needs and responsibilities to fund the continuing renewal of systems and

the correction of maintenance.

The history of CRDM and the various funding models for capital renewal is documented by Rod Rose in "Charting a New Course for Campus Renewal". That APPA publication brings forward a common vocabulary, defined processes, and helpful descriptions regarding capital renewal funding models.

The process for CRDM planning consists of the following steps:

- Conduct a comprehensive campus-wide facilities audit
- Assess the condition of each building
- Determine the Current Replacement Value (CRV) for each facility or by types of facilities.
- Determine the Facilities Condition Index for each facility
- Apply the FCI within the institution's capital funding model.

FCI Defined

The FCI is a comparative indicator of the relative condition of facilities. It is expressed as a ratio of the cost of remedying maintenance deficiencies

continued on next page

Performance Measurement

FCI from previous page

listed in the deferred maintenance backlog to the current replacement value; it also provides the facilities professional a method of

measurement to determine the relative condition index of a single building, group of buildings, or the total facility.

This calculation also provides the facility professional a corresponding

rule of thumb for the annual reinvestment rate (funding percentage) to prevent expansion of the deferred maintenance backlog.

The FCI can be defined in terms of the following basic equation:

$$\text{FCI} = \frac{\text{Deferred Maintenance (\$)}}{\text{Current Replacement Value (\$)}}$$

The total dollar amount of existing major maintenance repairs and replacements identified by a comprehensive facilities condition audit of buildings, grounds, fixed equipment, and infrastructure needs. It does not include projected maintenance and replacements or other types of work, such as program improvements or new construction; these items are viewed as separate capital needs.

The total amount of expenditure in current dollars required to replace the institution's educational and general facilities to its optimal condition (excluding auxiliary facilities).

Application for Facilities Professionals

The process of capital budgeting presents a full and useful kit of parts for the facilities professional. It is a process that can be adapted to fit the local situation. The FCI can be applied in a variety of ways. It is a key component in the planning process, as a calculation that brings insight to the campus facilities conditions, and as a comparative metric by which the facilities manager can see where the campus

stands within a broader perspective.

The new and improved model has just been published in a completely revised second edition of the APPA book, The Strategic Assessment Model. The application statistics about the use of the FCI will be available. We hope that the comparative measures will be useful to a wide range of facilities professionals. ■

Sustainable Development

The Pen is Mightier Than the Sword - The Power of Specifications

article provided by **Lance Davis, AIA, LEED Certified Designer**

An integrated approach to a better, smarter sustainable design...

The power of your next project's design may not only be in the architecture, but in the written word of the specifications. A movement is being found across the nation of a better, smarter design sometimes called green, sometimes sustainable, and sometimes environmental. No matter what you call it, an integrated approach to the design is required.

Many people in the design, construction, and property management fields though, have been frustrated trying to integrate executive orders and new standards, and changing the way it has always been done. Many have seen their efforts disappear as part of value engineering, uneducated contractors, bad substitutions or a lack of proper information. A tool to help alleviate these frustrations is our modern day pen, the computer. Through the use of specifications, the efforts of the design team are solidified into holistic designs that prevent the devaluing of the project. RTKL, an international A/E firm, is developing in house tools to ensure that the design team's efforts are an integral part of the project. Three tools that are being included in the master specifications are:

- environmental performance standards for materials,

- the use of the US Green Building Council's (USGBC) LEED rating system by the contractor, and
- the use of environmental ASTM standards.

Specification sections with three products listed are a common practice, but as products are identified to have practical environmental performance, they can replace the old standard list. The key is to just add the product and the performance information and not to call special attention to the green element. By doing this, the language is standardized and the requirements are accepted throughout the offices. This also does not raise a flag to the contractor that something special is going on, thus potentially raising cost.

In Division 1, standard language can be incorporated for contractors to work with the USGBC LEED rating system and other environmental procedures. An Environmental Project Procedures section sets up the relationship between design intent and contract requirements. Although in its early revisions, this section lays out the groundwork to meet the LEED rating requirements, construction recycling, and air and water quality on the job site.

ASTM standards can help choose the best products and to insure

substitutions meet the stated requirements. ASTM E2114-01 Standard Terminology for Sustainability Relative to the Performance of Buildings allows the specification writer and the contractor to understand the basic definitions of green building components. ASTM E2129-01 Standard Practice for Data Collection for Sustainability Assessment of Building Products is a standardized questionnaire for manufacturers. By requiring manufacturers to submit this document, a side-by-side comparison of materials can determine the best products to include in the Master spec. To ensure that the design intent is maintained during construction, the questionnaire is required of substitutions.

The benefit to this approach is that the firm's international business can utilize the best products and the best practices on all jobs whether recognized as environmental by the client or not. Although early in their development, these tools are helping the firm build a design practice that is beginning to understand that better design is available. While the specification writers for each job can choose to remove these standards, they have to make the decision to do so and this can bring about an educational process to take these tools even further. ■

U.S. General Services Administration
GSA Office of Governmentwide Policy
Evaluation and Outreach Division (MPE)
1800 F Street, NW
Washington, DC 20405

First Class Mail
Postage and Fees Paid
GSA
Permit No. G-30

Official Business
Penalty for Private Use, \$300

