Ensure A Strong FDA:
White Oak Consolidation
+$13,256,000

1. Why is this initiative necessary?

Background: Relocating to the White Oak campus is essential to fulfill the promise of a strong FDA in the 21st century. With the approval of the White Oak Master Plan in 2002, FDA began the process of relocating to a new campus. When completed, FDA will consolidate more than 7,700 employees currently located in 20 different locations across the D.C. metropolitan region into new, state-of-the-art facilities.

Consolidating at White Oak eliminates fragmentation that limits FDA's performance. Consolidating not only yield cost savings and efficiencies, it also permits FDA to leverage a modern work environment to meet the public health challenges of the 21st century. The White Oak facilities provide critical scientific capacity – scientists working in modern laboratories with access to the latest technologies and tools – to execute mission-critical responsibilities.

Including amounts budgeted for FY 2007, the total White Oak investment by FDA and the General Services Administration (GSA) to date exceeds $736 million. FDA is already reaping the benefits of this investment, thanks to the relocation of 20 percent of its workforce to the campus.

FY 2008 Budget Requirements: Based on the GSA construction schedule, in 2009 FDA will relocate an estimated 1,300 employees to the new White Oak Campus. These employees work in the Center for Devices and Radiological Health (CDRH).

To conduct this relocation, FDA is requesting a $13,256,000 increase in FY 2008, for a total of $38,808,000 to prepare buildings, equip and outfit facilities, and pay environmental compliance and relocation costs. The investment for White Oak consolidation is necessary in FY 2008 so that FDA can move into its new facilities in 2009. The following table illustrates the funding history for the White Oak consolidation:

White Oak Consolidation Budget Authority Funding Table[1]

Program	FY 2006 Actuals	FY 2007 President's Budget	FY 2008 Initiative	
			FY 2008 Total	+/- 07 President's Budget
White Oak Relocation	$21,755,000	$25,552,000	$38,808,000	$13,256,000

[1] In addition to the amounts in this table, through FY 2006 GSA has invested $446.7 million to construct buildings and infrastructure. The President's FY 2007 budget for GSA provides an additional $178.5 million for White Oak.

2. How does this initiative support important public health priorities?

The initiative enables FDA to meet important public health and strategic management goals. The state-of-the-art White Oak campus supports FDA's strategic management of human capital by allowing FDA to recruit and retain personnel to close competency gaps. White Oak consolidation also helps FDA implement e-Gov strategies such as common systems and improved IT security. Consolidating also facilitates asset management. Meeting these strategic management goals enables FDA to better perform its vital public health mission.

This initiative supports the HHS vision of giving FDA reviewers access to improved communication, more robust technology, and easier access to information and knowledge bases. Interaction between staff and stakeholders becomes easier and more frequent. Outcomes of the initiative include improved regulatory processes, better communication with citizens and other stakeholders, and stronger collaboration with the leadership managing the Federal Government's bioterrorism and pandemic response strategies.

3. What are the risks of not proceeding with the initiative?

Funding White Oak consolidation ensures that FDA programs – foods, human and animal drugs, medical devices, and vaccines, blood, and other biologics – can focus on high impact health priorities without diverting funds to pay infrastructure costs. Consolidating at White Oak enables FDA to better defend America against unsafe foods and medical products, pandemic influenza, and bioterrorist threats. The funding helps ensure that Americans have access to medical products to improve health, longevity, and quality of life. It strengthens public confidence in FDA and the health infrastructure and avoids the adverse health and economic consequences if FDA cannot approve medical products on a timely basis.

By not proceeding with this initiative and the move to White Oak, FDA risks significant financial and performance penalties. These include new lease costs or costs to extend current leases. Most importantly, FDA risks of defaulting on fixed commitments and paying an estimated $5,000,000 in double rent. If FDA cannot locate to a consolidated campus, FDA faces the continuing challenge of leading a fragmented organization forward at a time when the issues and crises confronting FDA demand a unified, efficient, and cohesive enterprise.

4. What specific activities will these funds support?

The FY 2008 funding allows FDA to prepare the CDRH Office Building for occupancy. FDA will use these funds to relocate CDRH to their new Office building, pay infrastructure costs for the OC/ORA buildings, including Building One and the Central Shared Use Building (phase II), pay security for campus facilities, and program management support.

5. What annual accomplishments will FDA achieve?

FDA will be able to move a significant part of its workforce to White Oak, achieve its performance targets, and continue developing a better integrated and more cohesive, collaborative organization.