

SECTION 2-1: REAL PROPERTY ASSET MANAGEMENT PLAN

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2-1-00 POLICY

On February 4, 2004, President Bush issued Executive Order (EO) 13327, Federal Real Property Asset Management, "to promote the efficient and economical use of federal real property resources in accordance with their value as national assets and in the best interests of the nation".

A. Summary of EO 13327 Policies and Requirements.

1. A major provision of this EO is the requirement that agencies designate a Senior Real Property Officer (SRPO) who will be responsible for developing and implementing an agency asset management planning process. The plan is to:
 - (i) Identify and categorize all real property owned, leased, or otherwise managed by the agency, including, where applicable, those properties outside the United States in which the lease agreements and arrangements reflect the host country currency or involve alternative lease plans or rental agreements;
 - (ii) Prioritize actions to be taken to improve the operational and financial management of the agency's real property inventory;
 - (iii) Make life-cycle cost estimations associated with the prioritized actions;
 - (iv) Identify legislative authorities that are required to address these priorities;
 - (v) Identify and pursue goals, with appropriate deadlines, consistent with and supportive of the agency's asset management plan and measure progress against such goals;
 - (vi) Incorporate planning and management requirements for historic property...and for environmental management...; and
 - (vii) Identify any other information and pursue any other actions necessary to the appropriate development and implementation of the agency asset management plan."
2. In addition, a Federal Real Property Council is established "to develop guidance for, and facilitate the success of, each agency's asset management plan." The Council is composed of all senior real property officers, the controller and deputy director for management of the Office of Management and Budget (OMB), and the administrator of the General Services Administration (GSA). The Council will work with the GSA administrator "to establish appropriate performance measures to determine the effectiveness of federal real property management. Such performance measures shall include, but are not limited to, evaluating the costs and benefits involved with acquiring, repairing, maintaining, operating, managing, and disposing of federal real properties at particular agencies. The performance measures shall be designed to enable the heads of executive branch agencies to track progress in the achievement of government-wide property management objectives, as well as allow for comparing the performance of executive branch agencies against industry and other public sector agencies."
3. Finally, under EO 13327, the GSA administrator is directed to "establish and maintain a 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. The

administrator shall collect from each executive branch agency such descriptive information, except for classified information, as the administrator considers will best describe the nature, use, and extent of the real property holdings of the federal government."

- B. The following are the FRPC's Guiding Principles that serve as strategic objectives for real property management improvement. HHS and its OPDIVs must ensure that all real property initiatives are carried out consistent with these principles.
1. Support agency missions and strategic goals.
 2. Use public and commercial benchmarks and best practices.
 3. Employ life-cycle cost-benefit analysis.
 4. Promote full and appropriate utilization.
 5. Dispose of unneeded assets.
 6. Provide appropriate levels of investment.
 7. Accurately inventory and describe all assets.
 8. Employ balanced performance measures.
 9. Advance customer satisfaction.
 10. Provide for safe, secure, and healthy workplaces.
- C. OPDIVs will provide vital facility information that will be incorporated into the overall HHS Real Property Asset Management Plan (RAMP). The RAMP leads to an increased level of accountability for real property management within HHS and to OMB. The RAMP provides a complete inventory of HHS real properties; and with specific real property information, meaningful goals and objectives. Progress against those goals can be measured. The RAMP will foster an environment within the OPDIVs and HHS that will promote better asset management, including disposal of unneeded Federal Properties.
- The RAMP will lead to a regular and well-organized inventory of HHS assets management practices within the OPDIVs. Real-time property data will be used to determine what HHS properties should be maintained, require cost-effective repairs, or qualify for disposal. The information from the RAMP can be used not only to strengthen the justification for repairs and disposals, but also to strengthen the argument for new real estate authorities, such as increasing the opportunity to out lease or sublease, public-private partnership, replacement, or sales transactions.
- D. The HHS Real Property Asset Management Plan will address, at a minimum, the Guiding Principles and all required components of an AMP as delineated by the Federal Real Property Council in their Guidance for Improved Asset Management.
- E. HHS Strategic Plan. The HHS strategic plan charts a course into the future. The mission, goals, strategies, and objectives contained in the strategic plan provide clear direction to the program offices responsible for achieving results and success. HHS' success will only be accomplished with adequate financial, human, facility, infrastructure, and technical resources. This Facilities Program Manual addresses how facility and infrastructure resources will be managed, to be in alignment with and responsive to the Department Strategic Plan.
- F. Management Directives. The Department has issued this manual to establish improved and consistent processes and decision making across HHS to govern the management of real property assets. This manual will be updated as necessary to support changes in the mission and strategic objectives of HHS and to comply with evolving FRPC guidance. It may be supplemented by directives which

establish reporting requirements and define roles and responsibilities for real property planning and management.

2-1-10 PROCEDURES

Each OPDIV shall establish and maintain a single, comprehensive descriptive database of all real property under its custody and control, in accordance with the FRPC guiding principle to accurately inventory and describe all assets. This requirement is fundamental to successful Real Property Asset Management.

The FRPC has identified and defined mandatory data elements that will be captured and reported by all agencies. These data elements support the goals of the executive order, as well as the requirements of the Performance Measures Committee. In addition to Performance Measures included among the mandatory FRPC data elements, HHS has established department specific performance measures. The topic of Performance Measures is covered in a separate section of this manual.

The FRPC's intent is that agencies will report data at the constructed asset level. Agencies that do not follow the definitions outlined within the guidance or do not report at the constructed asset level must coordinate those deviations from the Guidance with OMB.

2-1-20 GUIDANCE AND INFORMATION

It is important for HHS and its OPDIVs to maintain complete and accurate property inventory and management information systems with regard to the location, size, and other relevant characteristics of real property assets. Active and efficient stewardship of government assets should be an objective for every landholding agency to appropriately maintain those properties that are truly needed.

Consolidated Real Property Asset Database: HHS provides a data warehouse for real property asset information. Each OPDIV is required to provide consistent information, drawn from its own real-time management systems, to populate the HHS system.

2-1-30 REPORTING REQUIREMENTS

OPDIVs shall make every effort to continually maintain current and accurate information in the database concerning their real property inventory, including at a minimum the mandatory data fields required by the Federal Real Property Council and those data elements specified as mandatory by HHS. The mandatory data elements are not listed here since they may change over time based on evolving policies and requirements, but they will be identified in the database itself. FRPC mandated data elements are thoroughly described in the most current "Guidance for Real Property Inventory Reporting" distributed by GSA's Office of Government-wide Policy.

The data to be reported to GSA on an annual basis is to reflect information current at the end of each fiscal year (September 30). The deadline for upload of HHS inventory data to the Federal Real Property Profile (FRPP) is typically late during 1st quarter each year. To ensure that HHS meets this deadline, OPDIVs are to complete all data input no later than 30 days prior to the deadline established for upload to the FRPP. This is an absolute deadline that cannot be waived.

Note: Although some data elements apply to landholding OPDIVs, all OPDIVs are required to provide data on the elements that apply to both landholders and non-landholders.