



National Institutes of Health: Buildings and Facilities Program

The Recovery Act directly provided \$10 billion to the National Institutes of Health (NIH). This Implementation Plan focuses on the \$500 million of funds for NIH's Buildings and Facilities program in the Recovery Act.

A. Funding Table

(Dollars in Millions)

	Total Appropriated	Planned Obligations FY 2009	Planned Obligations FY 2010
Buildings and Facilities	\$500.0	\$81.0	\$419.0

B. Objectives

The Office of Research Facilities (ORF) is responsible for the planning, design, construction, acquisition, maintenance and operations of NIH facilities. The ORF's mission is to provide safe, secure, sound, and healthy facilities to support NIH's scientific objectives. This program will enhance the capability of NIH to perform biomedical research by providing additional research space; improve NIH facility energy efficiency to reduce operating costs and refurbish infrastructure condition to support existing scientific research programs; and create jobs for the local and national economies. To do this, the ORF strives to anticipate and articulate NIH's facility needs through the strategic facilities planning process that focuses on long-term facility needs; the annual Buildings and Space Plan that identifies current and emerging facility requirements; the design and construction program that delivers new facilities and major repairs and improvements of existing facilities; and the Facilities Condition Assessment (FCA) program, which validates the condition of existing facilities and helps develop a strategy to mitigate deficiencies, all in a concerted effort to provide facilities that support state-of-the-art biomedical research. The NIH objectives specifically support HHS strategic plan goal 4¹: advance scientific and biomedical research and development related to health and human services.

C. Activities

Several major projects will be supported with Recovery Act funds:

1. **John Edward Porter Neuroscience Research Center Phase II (PNRCII) (\$266 million):** This project will complete the consolidation of researchers from 10 Institutes and multiple disciplines comprising most of the neuroscience research community at the NIH into one facility. The Center will support bench-to-bedside research by basic and clinical neuroscientists, engineers, mathematicians, and computer scientists under one roof.
2. **Building 10 F Wing Renovations (\$134 million):** Building 10, NIH's original Clinical Research hospital was completed in 1955 and the oldest wings are no longer capable of supporting biomedical research and training without extensive

¹ HHS Strategic Plan Goals and Objectives - FY 2007-2012 available at http://www.hhs.gov/strategic_plan/



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renovation. The conversion of F Wing, Phases B1-B2, Floors 6-13 from hospital to laboratory space will support translational research for 9 of the 12 ICs that have Clinical Research programs in the new Clinical Research Center and that strive for Leadership in Energy and Environmental Design (LEED) certified status.

3. **Build-Out of Building 3 (\$21 million):** The build-out of Building 3 will transform an unused, vacant building into useable space able to provide office space for Scientific Directors and their administrative staff. Building 3 provides the best location given its close proximity to the clinical/research program which is largely located in Building 10, the Clinical Research Center, and surrounding buildings. Use of existing facilities is also environmentally sensitive and conserves energy. Studies showed that Building 3 could not be reoccupied as laboratory space, but could effectively be repurposed as office space— thus avoiding its demolition and the associated destruction of valuable building material with historical preservation status and the energy and resources required to erect the building.
4. **Conversion of Building 7 (\$7 million):** This project at the Rocky Mountain Laboratories (RML) in Hamilton, Montana will convert former mechanical space that is no longer used to laboratories providing critical additional space for National Institute of Allergy and Infections Diseases (NIAID) research program. Currently, in order to protect building systems, the unoccupied space is heated during the winter. Renovations with this project will enhance productivity by allowing research personnel to operate in close proximity to each other and existing animal facilities. Operational energy efficiency will also be increased since heated space is used.
5. **Other R&I Projects (\$72 million):**A variety of smaller projects are aimed at improving the reliability and condition of NIH facilities such as:

	Amount
Rehabilitate Electrical Vaults	\$50,000,000
Improve Building 12 Center for Information Tech Electrical Reliability	8,730,000
Repair Tube Nest and Condensate Lines, Bldg. 10	110,000
Building 10 Repair Laboratory Pathology HVAC	3,000,000
Correct Cell Processing Area Deficiencies	670,000
Provide Structural Steel to Support MRI, Bldg. 10	450,000
Barrier, Door and Security Repairs to Main JCAA Accreditation	2,500,000
Renovate Building 16A	1,110,000
Building 31 Emergency Generator for Life Safety Systems	2,500,000
Repair ACRF East Bldg. Fin Tube System	1,500,000
Repairs to Mechanical Systems in Bldgs. 1, 8, 8A, 31, and 45	610,000
Install Dedicated Electrical Feeder to RML	820,000
TOTAL	\$72,000,000

D. Characteristics

These programs will be supported through contracts awarded by NIH's Buildings and Facilities program for NIH campus Federal facilities. Awards will be made through



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Measure	Type	Frequency	Unit	2009			2010		
				Original Program Target	Revised Full Program Target	Target (incremental change in performance)	Original Program Target	Revised Full Program Target	Target (incremental change in performance)
Percent of construction projects complete in accordance with 10% variance of contract schedules.	Efficiency	Quarterly	Percent of projects	100%	100%	+0	100%	100%	+0
Number of capital facility projects completed.	Output	Quarterly	Projects	25	34	+9	12	19	+7
Condition Index (weighted average) of NIH facilities/	Outcome	Annual	Clwa	73.9	74.5	+0.4	74.1	77.3	3.2
Number of construction-related jobs created/retained.	Output	Quarterly	Jobs						

This information will be available to the public on the Recovery Act website.

H. Monitoring and Evaluation

NIH's Office of Financial Management (OFM) will use its existing process for assessing internal control over financial reporting related to using and tracking Recovery Act funds and take into account any control deficiencies cited in the NIH FY2008 FMFIA Statement of Assurance, which required managers to assess the effectiveness of management controls applicable to their responsibilities. For operational controls, NIH will use its existing risk management framework to identify risks associated with achieving Recovery Act accountability objectives and assess related controls. Guidance for progress tracking, financial management, and administrative management includes OMB Circular A-123, *Management's Responsibility for Internal Control*, sections of the Recovery Act including Section 1512, and the *Updated Implementing Guidance for the Recovery Act of 2009*.

In addition, the NIH Office of Management Assessment (OMA) and the Office of Financial Management (OFM) will use the established NIH risk management framework for identifying, assessing, and testing of operational and financial risks and internal controls associated with implementing Recovery Act requirements. OMA will work with NIH offices that are responsible for implementing programs receiving Recovery Act funding to: identify and score the Recovery Act risks, assess controls related to the identified Recovery Act risks, remediate controls as needed, monitor the inventory of the Recovery Act risks, and report on the risks and controls to leadership. These assessments will be done consistent with the statutory requirements of the Federal Manager's Financial Integrity Act, which required managers to assess the effectiveness of management controls applicable to their responsibilities, and the Improper Payments Information Act, as well as OMB's circular A-123 *Management's Responsibility for Internal Control*, which strengthens



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financial management controls so that Federal agencies can better detect and prevent improper payments.

NIH uses a Facility Project Approval Agreement (FPAA) form to document risk and put into place measures to manage it. The FPAA process involves 1) clear scope identification; 2) economic analysis of alternatives; 3) identification of best acquisition methodology; 4) sustainability; 5) identification of risk areas such as historic preservation, utilities limitations, environmental issues and other factors that could cause cost escalations or jeopardize construction schedules.

Contracts funded with Recovery Act appropriations will be monitored by an Integrated Project Team (IPT) of federal acquisition and project management professionals who have obtained and maintain certification as Contracting Officers (COs) or Contract Officer Technical Representatives (COTRs). For larger projects, this team meets weekly with the contractor to review progress.

For the Recovery Act "line item" projects (PNRCII, Building 10 F wing, Building 3, and RML Building 7) NIH is in the process of establishing an Executive Steering Committee (ESC) for each of these projects comprised of members of the IPT and senior ORF and NIH management. The ESC will provide close monitoring by senior management of progress and associated corrective actions.

I. Transparency

NIH will be open and transparent in all of its contracting and grant competitions and regulations that involve spending of Recovery Act funding consistent with statutory and OMB guidance. All Recovery Act funds must be awarded separately from the normal appropriation funds. The projects funded with Recovery Act money must comply with both existing NIH reporting requirements and the reporting requirements outlined in the Recovery Act. NIH will ensure that recipient reporting required by Section 1512 of the Recovery Act and OMB guidance is made available to the public on Recovery.gov by October 10, 2009. Recovery Act recipients must report on a quarterly basis. NIH will inform recipients of their reporting obligation through standard terms and conditions, grant announcements, contract solicitations, and other program guidance. NIH will provide technical assistance to grantees and contractors and fully utilize Project Officers to ensure compliance with reporting requirements.

NIH will have a link to Recovery.gov on its website.

J. Accountability

To ensure that managers are held to high standards of accountability in achieving program goals under the Recovery Act, NIH will build on and strengthen existing processes. Senior NIH and Building and Facilities officials will meet regularly with senior Department officials to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions. The personnel performance appraisal system will also incorporate Recovery Act program stewardship responsibilities for program and business function managers. NIH is coordinating efforts with its Office of Management Assessment



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and Office of Financial Management to ensure that existing risk management processes are fully used as NIH implements the provisions of the Recovery Act. Terms and conditions of award notices will also be amended so that awardees are fully aware of the reporting requirements associated with these funds. Any NIH facilities projects that exceed OPDIV approval authority, the project scope, budget, and schedule will be documented in an FPAA, HHS Form 300.

The monitoring activities described in the monitoring section will ensure that NIH management and the Integrated Project Team are aware of deviations of contract performance from requirements. If such deviation from requirements occurs, the Integrated Project Team will use a variety of tools outlined in the Federal Acquisitions Regulations to promote correction by the contractor. These tools range in severity from approving smaller progress payments than requested to formal cure notices, and if necessary as a last resort, termination of the contract for default.

K. Barriers to Effective Implementation

NIH anticipates no significant barriers to implementation.

L. Federal Infrastructure

All projects will incorporate the requirements of the HHS Sustainable Buildings Implementation Plan dated December 2008. To monitor and ensure that energy and “green” building requirements are effectively incorporated into all of NIH’s federal infrastructure investments funded by Recovery Act, NIH is documenting the specific project methodologies to be employed in the HHS Project Sustainable Buildings Checklist. This Sustainability tracking tool is a requirement of the HHS Form 300 – Facility Project Approval Agreement, which is required for projects which fall above given cost thresholds. NIH will be using the Sustainable Buildings Checklist even for projects which fall below the FPAA thresholds to document features which are to be evaluated for lifecycle cost effectiveness. Use of this Checklist also documents compliance with Executive Order 13423, EAct 2005, and the EISA2007. The NIH operates mainly energy intensive facilities which have no industry baseline so we are working closely with USGBC and Labs 21 on the most appropriate strategies.