

# **Federal Real Property Council**

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## **Guidance for Improved Asset Management**

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### I. Overview

On February 4, 2004, President Bush signed Executive Order 13327, “Federal Real Property Asset Management” (<http://www.whitehouse.gov/news/releases/2004/02/20040204-1.html>), which directed all major agencies to:

1. Establish the position of a Senior Real Property Officer, who will be held accountable for the effective management of agency real properties;
2. Determine what it owns, what it needs, and how and what it costs to manage its real properties;
3. Develop and implement asset management plans;
4. Develop and monitor real property performance measures; and
5. Dispose of properties that are not needed.

The executive order also created an interagency Federal Real Property Council (FRPC) to develop guidance, serve as a clearing house for best practices, and facilitate the efforts of the Senior Real Property Officers. The FRPC has established four Committees: Asset Management Planning; Performance Measures; Property Inventory; and Systems.

This document is the first set of guidance issued by the FRPC pursuant to Executive Order 13327 and addresses the FRPC guiding principles, required components for an agency Asset Management Plan, property inventory data elements, and government-wide performance measures.

- **Guiding Principles:** The Guiding Principles serve as the FRPC’s strategic objectives for real property management improvement. Agencies must ensure that all real property initiatives are carried out consistent with these principles.
- **Asset Management Plan:** Each agency will draft an Asset Management Plan (AMP) that addresses, at a minimum, the FRPC Guiding Principles and the AMP required components. AMPs are subject to Office of Management and Budget (OMB) review and approval.
- **Property Inventory Data Elements and Performance Measures:** The FRPC has identified and defined 23 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.

Of the 23 data elements, four of the elements are also considered to be “First Tier” Performance Measures. In addition to these “First Tier” Performance Measures, agencies may choose to capture data on additional agency-specific performance measures. The FRPC’s intent is that agencies will report data at the constructed asset level; however, it is recognized that Agencies may initially report on a facility or other “building block”

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level until the capability for asset-level reporting is achieved. It is anticipated that the first reporting of data will occur for FY 2005 in the first quarter of FY 2006.

The FRPC will be continuing in their efforts under the executive order, including the development of:

1. Implementation guidance for meeting the requirements set out in this document;
2. System design/requirements for a database to capture and report FRPC inventory data and performance measures; and
3. A Disposition Index Model to utilize inventory and performance measure data to better target assets for disposal, investment, or other management attention.

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### **II. Guiding 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

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### **III. Asset Management Plan – Required Components**

Each Real Property Asset Management Plan must include:

1. Integrated Guiding Principles
  - Support agency missions and strategic goals
  - Use public and commercial benchmarks and best practices
  - Employ life-cycle cost-benefit analysis
  - Promote full and appropriate utilization
  - Dispose of unneeded assets
  - Provide appropriate levels of investment
  - Accurately inventory and describe all assets
  - Employ balanced performance measures
  - Advance customer satisfaction
  - Provide for safe, secure and healthy workplaces
2. Agency-Specific Owner’s Objectives
3. Periodic Evaluation of All Assets
4. Prioritized Operations and Maintenance and Capital Plans
5. Identified Resource Requirements to Support Plans
6. “Building Block” Asset Business Plans in Agency Portfolio Context
7. Continuous Monitoring and Feedback Mechanism
8. Consideration of Socio-Economic-Environmental Responsibilities
9. Adequate Human Capital Support of Asset Management Organization
10. Common Government-wide Terminology

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### IV. Inventory Data Elements and Performance Measures

*NOTE: Data Elements that are also Performance Measures will indicate the Performance Measurement number parenthetically.*

1. Real Property Type
2. Real Property Use
3. Legal Interest
4. Status
5. Historical Status
6. Reporting Agency
7. Using Organization
8. Size
9. Utilization (Performance Measure #1)
10. Value
11. Condition Index (Performance Measure #2)
12. Mission Dependency (Performance Measure #3)
13. Annual Operating and Maintenance Costs (Performance Measure #4)
14. Main Location
15. Real Property Unique Identifier
16. City
17. State
18. Country
19. County
20. Congressional District
21. ZIP Code
22. Installation and Sub-Installation Identifier
23. Restrictions