



## Agency Priority Goal Action Plan

# Improve Condition of Priority Assets Necessary for Mission Delivery Across the Department of the Interior

### **Goal Leader:**

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# Overview

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## Goal Statement

- Improve the condition of the Department of the Interior's priority real property assets to the desired state suitable for public safety, stewardship, and access to our nation's treasures and resources.
- By September 30, 2019, the Department of the Interior will improve the condition of its priority real property assets such that 84.5% are in the desired state of acceptable condition.

## Challenge

- DOI's real property inventory includes approximately 43,000 buildings and 80,000 structures across six major land-holding bureaus, with a replacement value of approximately \$300 billion. Many of these assets have historic or cultural significance that not only support the DOI's mission, but are important to our Nation's heritage and therefore need to be maintained in perpetuity for the benefit of future generations
- Many assets already exceed original design life. Aging infrastructure increases maintenance demands. The backlog of deferred maintenance has continued to increase, estimated now at more than \$16 billion.

## Opportunity

- Prioritizing investments at a portfolio scale ensures the most important assets are maintained at an acceptable level. Priority assets (e.g. mission critical or otherwise considered priority) define the mission locally and enable DOI to remain as key stewards of nation's treasures and the lands on which the American people access for education, recreation, resources.

# Goal Structure & Strategies

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- Management of deferred maintenance is a Departmental priority to ensure completion of needed repairs and prevent further deterioration and unsafe conditions.
- The DOI will address deferred maintenance/repair needs with priority given to those that support critical mission activities and manage risk, as a means to improve the condition of assets. Furthermore, proactive maintenance, timely replacement of systems and components and colocation of programs and staff in owned facilities will significantly reduce future costs.
- These strategies will be executed through the DOI Five-Year capital planning process, and are sensitive to budget levels and the acquisition of additional assets through congressionally directed transfers of federal property, land purchases, and donations.

# Key Indicator

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- The key indicator, “Percent of priority assets in desired condition,” quantifies the relative proportion of the real property portfolio that is determined to be of highest priority, and which meets the threshold for the desired state of being in acceptable condition.
- “Priority” is defined as those assets categorized as mission critical or, for those bureaus using a more granular approach, assets categorized in optimizer bands 1 or 2. Across DOI, there are currently 46,473 buildings and structures considered highest priority.
- “Acceptable” is defined by
  - using the Facilities Condition Index (FCI), an industry standard condition rating metric that compares the total of deferred maintenance and repair needs to the replacement value of the asset, or
  - the investment objective for that asset, an approach by which an asset is managed to reduce or eliminate high or medium risk deficiencies. Thresholds for acceptable condition are defined department-wide for given asset categories.
- As work-orders and condition assessments are completed and updated in bureau asset management systems, the metric data can be updated periodically. However, because this is an outcome related measure, changes in the data are more sensitive over the course of years. The following chart illustrates the anticipated accomplishments for this metric over the coming years at current budget levels.

# Key Indicator

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Fiscal Year	Percent of Priority Assets in Desired Condition
FY 2017	80.6 (actual)
FY 2018	84.3 (actual) *
FY 2019	84.5 (target)

\*In FY 2018, the National Park Service (NPS) removed a subset of their inventory from "priority assets" and refined the logic they were using to better define "priority assets."

# Summary of Progress – FY18 Q4

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- **Level of results achieved**
  - DOI reports approximately 84.3% of Priority Assets are in desired state.
  - Continued emphasis on condition of high priority assets and life-cycle management through Secretary's initiatives.
  
- **Likelihood of success**
  - High
  
- **Basis for the assessment**
  - Calculation of quantitative criteria in system of record through 09/30/18.
  
- **Actions planned to ensure achievement of the goal**
  - Funds in the FY 2019 budget request support additional asset improvements
  - Legislative proposals to provide funds to address deferred maintenance
  - Managed implementation of Hurricane Irma/Maria Supplemental funding for repairs to impacted infrastructure
  - Coordination with the Bureaus in quarterly reviews to ensure projects remain on schedule

# Data Accuracy and Reliability

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- The data for this metric is currently sourced from two systems, the DOI Financial and Business Management System (FBMS) and bureau asset management systems. Each of these has distinct verification and validation methods to ensure data quality. Bureau executives responsible for real property certify completeness and accuracy of data on annual basis.
- FBMS will be the system of record for defining both mission critical assets and the facility condition index (FCI). Maximo and BOR database will be used for evaluating NPS optimizer bands and investment objectives, respectively. All bureaus utilize similar criteria to calculate their accomplishments.

# Data Accuracy and Reliability

- **Means used to verify and validate measured values:** The DOI Financial and Business Management System (FBMS) and bureau asset management systems both have distinct verification and validation methods to ensure data quality. Bureau executives responsible for real property certify completeness and accuracy of data on annual basis and senior officials personally present the data to Departmental leadership and colleagues in formally conducted reviews.
- **Sources for the data:** The data for this metric is currently sourced from two systems, the DOI Financial and Business Management System (FBMS) and bureau asset management systems. FBMS will be the system of record for defining both mission critical assets and the facility condition index (FCI), and all bureaus utilize these criteria to calculate their accomplishments. Maximo and BOR database will be used for evaluating operating bands and investment objectives, respectively.
- **Level of accuracy required for the intended use of the data:** Performance data is used for management purposes, as a representative indicator of progress in relation to the goal. The accuracy of the data is that which is considered necessary to provide a reasonable representation of the progress made relative to a target or goal for discussion purposes, so as to help:
  - determine if the progress is considered adequate
  - provide understanding of the ability for the processes and methods being implemented to achieve the goal
  - indicate if any further exploration or evaluation is needed to better ensure achievement of the goal; and
  - whether alternative action, including adjusting funding levels, facilities, workforce, IT capabilities, etc., is needed to help better ensure achievement of the goal.
- **Limitations to the data at the required level of accuracy:** Performance data is subject to potential errors from individual observation; miscommunication; and/or differences in qualitative judgement. However, based on multiple review levels and accuracy certifications, these limitations are not significant for the purposes of this performance goal.
- **How the agency has compensated for such limitations if needed to reach the required level of accuracy:** Data is reviewed relative to its historical trends and programmatic context for plausibility, and is personally presented for review by senior officials to Departmental leadership and colleagues. Senior management and leadership consider this level of accuracy to be acceptable in their use of the data. Questionable data is identified and then investigated for correction where necessary.



# Additional Information

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## Contributing Programs

- **Contributing Programs within DOI**
  - Each bureau manages multiple program areas that contribute to achieving this goal. Outside partnerships, both federal and non-federal, also afford bureaus opportunities to leverage resources toward further accomplishments. Examples of these programs include:
    - Bureau of Land Management - Transportation and Facilities Maintenance
    - Indian Affairs- Construction, Operation of Indian Programs
    - U.S. Fish and Wildlife Service - Refuge Maintenance, Construction
    - National Park Service - Repair/Rehab, Cyclic Maintenance, Line Item Construction, Recreation Fee
    - Bureau of Reclamation - Water and Related Resources, Dam Safety Program
    - U.S. Geological Survey - Facilities
- **Contributing Programs / Other Federal Activities (external to DOI):**
  - Federal Highway Administration- Federal Lands Highway Program

## Stakeholder Engagement

This goal is Department-wide and involves all bureaus that own real property. The stakeholders are engaged through both an executive steering committee and senior staff operations board. The former is chaired by the DOI Senior Real Property Officer and the latter is co-chaired by the Associate Director, Facilities and Property Management. Bureaus were involved in developing the standards and targets associated with this goal.