



GSA PBS Customer Forum

Hosted by the
Office of Portfolio Management and Customer Engagement
June 25, 2018

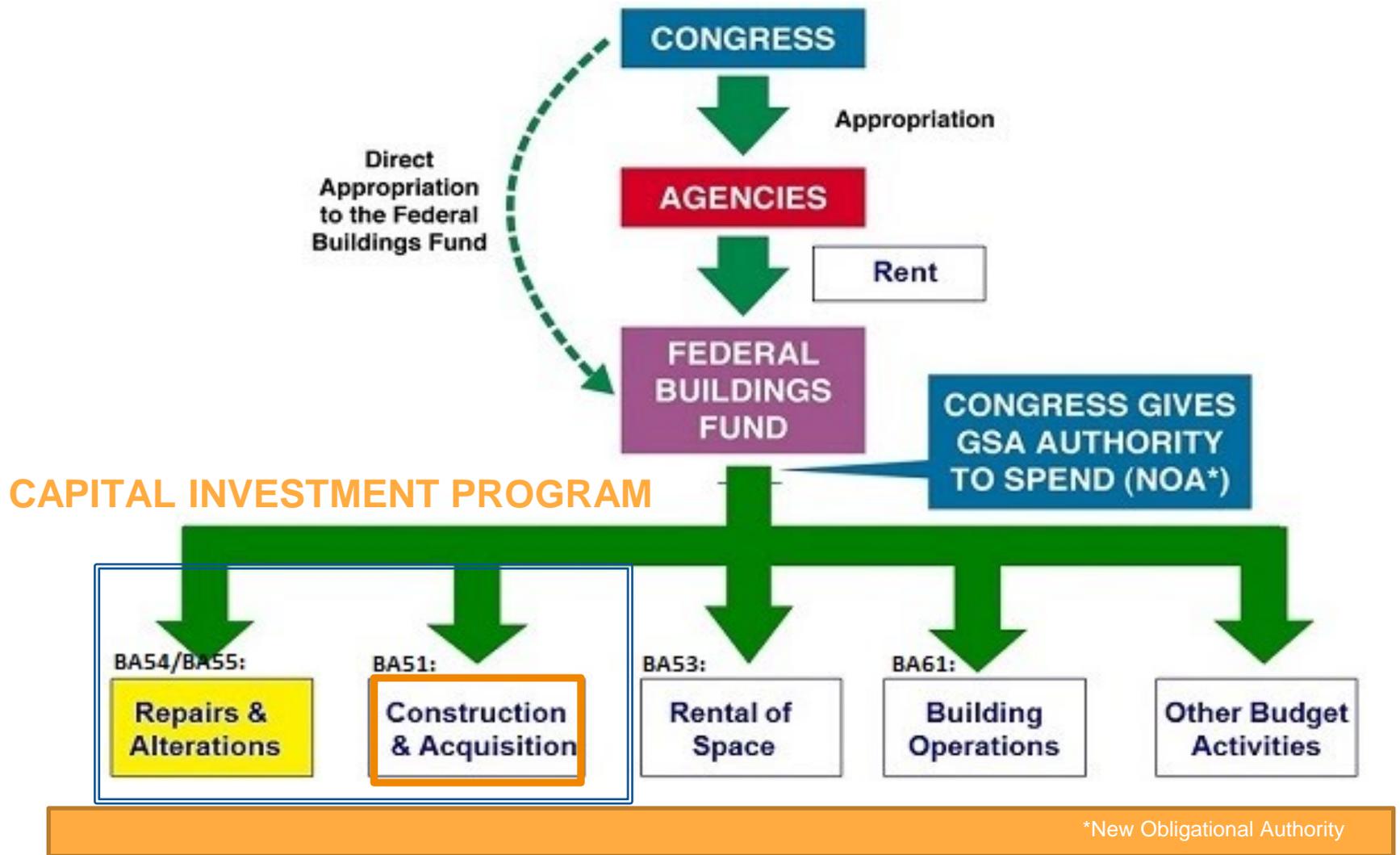
***The Federal Buildings Fund
and
Capital Investment Program Development***

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and
Capital Investment Program
Development

Presented by

Diane Campanile

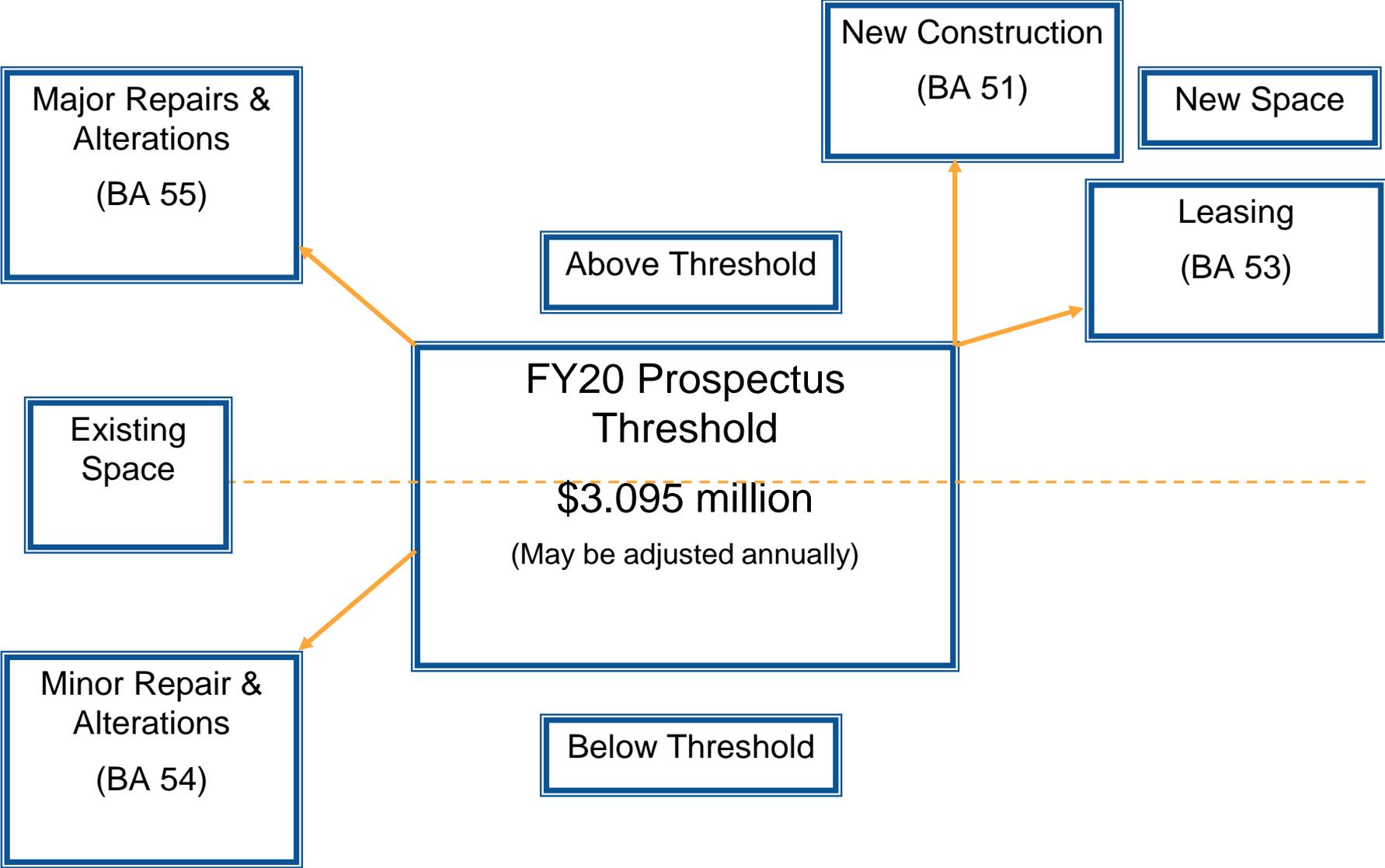
Capital Allocation Budgeting Officer
Office of Portfolio Management and Customer Engagement



Capital Investment Program

- GSA plans for **construction** and **repair and alteration** (R&A) projects to address critical customer requirements and building infrastructure needs:
 - New Construction – Building Purchases; environmental remediation, new construction for Federal buildings, U.S. Courthouses, and U.S. Land Ports of Entry (LPOEs)
 - Major/Minor Repair and Alterations/Special Emphasis(R&A) – Reinvestment needs to maintain our inventory of more than 1,500 buildings which have an average age of 49 years
- GSA requests funding through the President’s Budget (**via OMB**) for new construction and major repair and alterations projects that exceed an established “prospectus threshold.”
 - FY2019 **Prospectus** Threshold: \$3.095 million
- Congress must appropriate and authorize (e.g., approve) funding for new construction and major repair and alterations projects.

Capital Investment Program Prospectus



Capital Investment Program Prospectus

- The Public Building Act of 1959 requires the submission of a prospectus to the Public Works Committee for projects over a certain threshold. This requirement is also codified in 40 U.S.C §3307(b)
 - “...no appropriation shall be made to construct, alter, purchase, or to acquire any building....or to lease any space to be used as a public building which involves a total expenditure or yields an average annual rental in excess of \$1,500,000 if such.....has not been approved by resolutions adopted by the **Committee on Public Works of the Senate and House of Representatives**, respectively....”
- For the purposes of securing such consideration for **approval**, the Administrator shall transmit to Congress a PROSPECTUS for the proposed action.
- GSA’s annual **Appropriations** Act require prospectus authorization of appropriated funds.
- The Administrator is authorized to make annual adjustments to the prospectus threshold.

Needs Assessment / Project Planning

- GSA identifies and tracks the overall condition of its inventory through internal Building Assessment Tools (formerly known as Physical Condition Surveys (PCS)) and external studies such as Building Engineering Reports (BERs) and Feasibility Studies
- Asset teams evaluate inventory with an eye towards to the three components of PBS' Portfolio Strategy (assets, customers, and markets) and their relationships and identify projects to be targeted for future minor repair (BA54) and major renovation (BA55) projects, as well as future technical and Capital Investment and Leasing Program (CILP) studies.
- New Construction supports Customer Mission Driven Requirements (Five Year Plans, Customer Priority Plans)

Coordination with Central Office Subject Matter Experts, PBS Business Lines and Office of Portfolio Management and Customer Engagement

- Ongoing
- Project Development/Study 24-36 Months Prior to FY Capital Program Budget Submission

Identification and Selection

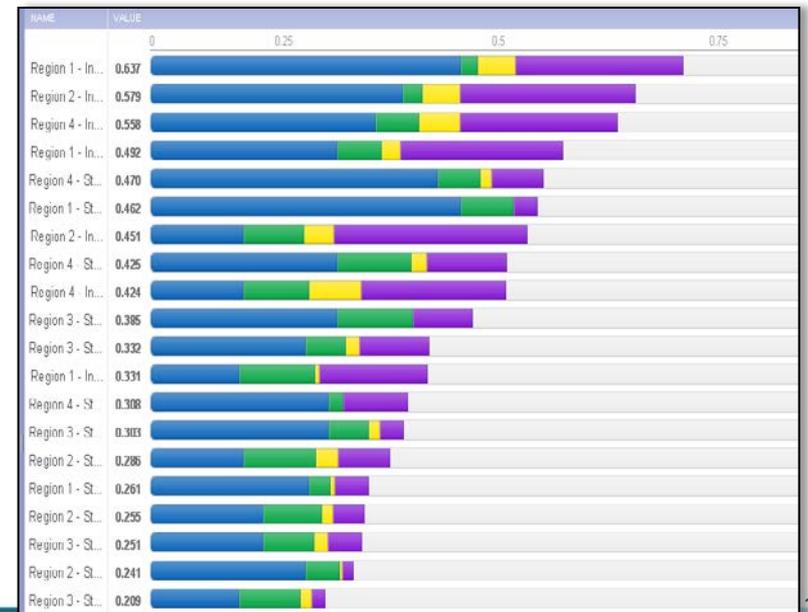
		Identification	Selection Criteria
New Construction: U.S. Land Ports of Entry		Customs and Border Protection (CBP) Five Year Plan	CBP Priority, On-going project, Next phase
New Construction: U.S. Courts		Judiciary Five Year Plan	Judiciary Priority, On-going project, Next phase
New Construction: Other (including Acquisitions, Remediation)		Customer, Directive, Remediation, Acquisition	Decision Lens, Priority, MOA's, Lease Cost Avoid, Administration, Consolidation
Minor Repairs & Alterations		Identified building/customer needs, Prior Appropriations	Decision Lens
Special Emphasis			
	Seismic Mitigation	Regions, Studies	Hazard corrections, Risk reductions
	Consolidation	Customer, Regions	Vacant space recapture, lease cost avoidance, CPPs
	Fire and Life Safety	Regions, Studies	Risk reduction, Compliance orders
	Judicial Court Security	Courts, Studies	Risk reduction, security improvements
	Seismic	Regions, Studies	Risk reduction, location, scope

Decision Making

- GSA uses **Decisions Lens** to prioritize project needs
 - Decision Lens is a cloud-based strategic prioritization and enterprise resource optimization software solution for critical decision-making
- CO develops Capital Investment Program project selection model with input from stakeholders
 - PBS Senior Leadership
 - Business Lines
 - Regional Portfolio Leaders
 - OMB

Decision Lens

- **Define Decision Objective and Identify Criteria**
 - Define objective, participants, and initial criteria and rating scales.
- **Prioritize Criteria**
 - Using pairwise process, develop a weighted set of priorities.
- **Evaluate Projects**
 - Rate the projects against prioritized criteria to determine the value of each alternative according to your objectives.
- **Allocate Resources**
 - Optimize the decision portfolio by performing cost/benefit trade-offs -- allocating dollars, people, and time to maximize the return.
- **Report Results**
 - Create enhanced visualizations, compare options, and scenarios, export.



Repairs and Alterations Evaluation

- ***GSA prioritizes Major Repairs and Alterations (BA55) projects relative to the following criteria and factor considerations:***
 - **Serving Our Partners:** consolidation and customer priorities;
 - **Reducing GSA's repair backlog:** project urgency and facility conditions;
 - **Promoting Savings and Economic Development:** project phase, lease cost avoidance, agency rent savings, and market factors;
 - **Reducing the Federal Footprint:** space recapture and utilization rate improvement;
 - **Ensuring a Safe, Secure, and Responsible Work Environment:** code compliance, seismic and accessibility improvements, and historic status; and
 - **Asset Performance:** planned holding period for the asset and GSA's evaluation of the asset's contribution to the performance of the overall portfolio.

New Construction Evaluation

- ***GSA prioritizes New Construction projects relative to the following criteria and factor considerations:***
 - **Serving Our Partners:** customer priorities and existing master plans;
 - **Responsible Asset Stewardship:** condition of facility being replaced including the building systems, security and functionality of the space, funds received to date, existing occupancy status and housing plan, and support of local and national portfolio plans;
 - **Delivering Better Value and Savings:** lease cost avoidance and return on investment; and
 - **Reducing the Federal Footprint:** space recapture and utilization rate improvement.

FY20 Capital Program Timeline

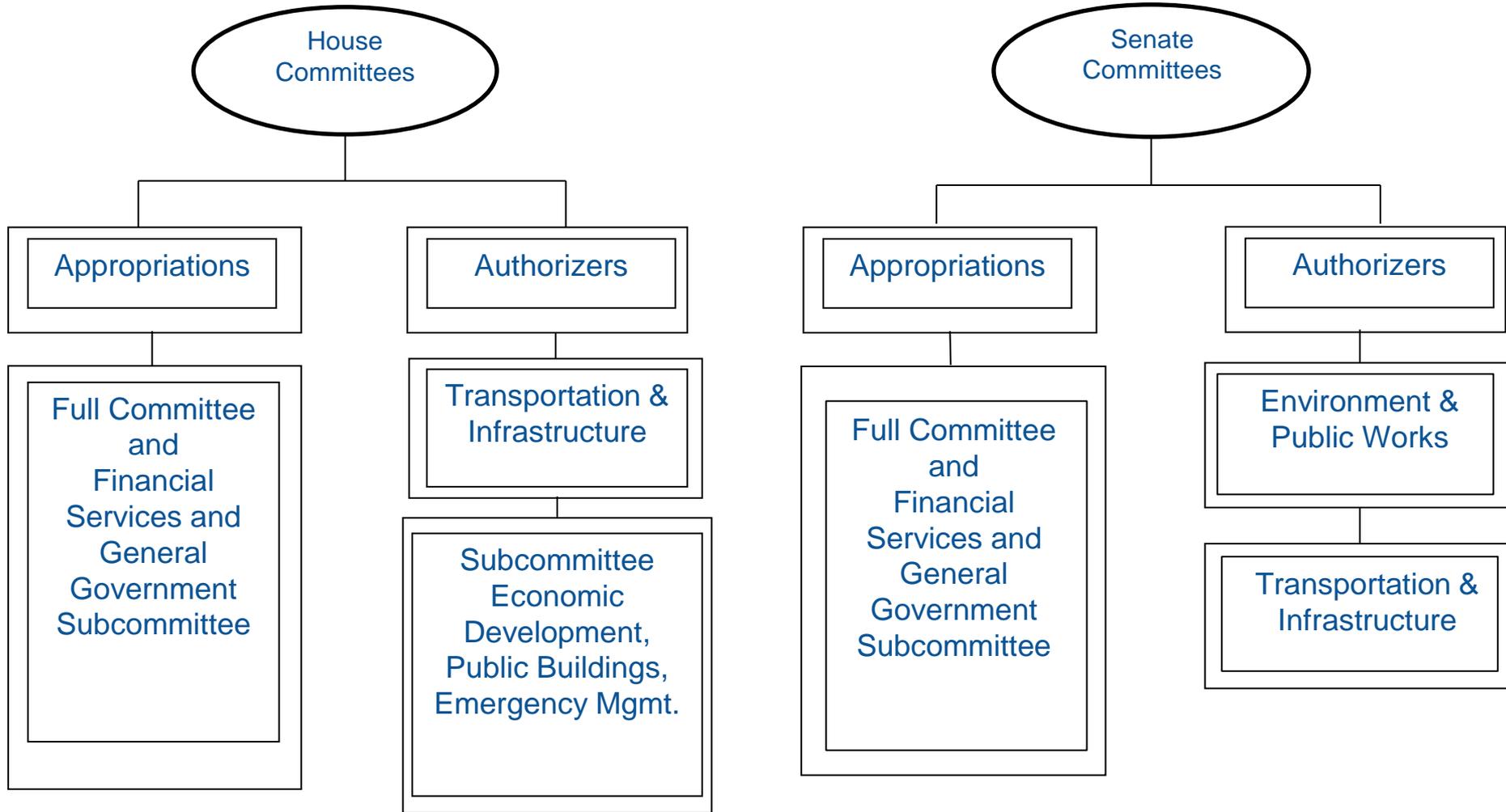
← Project Planning/Development (2/3 FY Prior)

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FY20 CO Directed Call	Regional Calls	Submission Reviews	CO Deep Dive Review All FY20 Submissions	CO Deep Dive Review All FY20 Submissions	Coordinate with Budget Office	Brief GS/Leaders FY20 Capital Program	Submit FY20 Budget to OMB	Work with OMB on FY20 Capital Program	Prospectus Reviews OMB Passback	OMB Passback Appeal
Decision Lens Model Building	Project ROCO Reviews	Cost Estimate Reviews Resubs			Brief PBS Leadership	Finalize Budget and Project Lists	Brief OMB on FY20 Capital Program			Resubmit Projects
Coordinate with PBS Senior Leaders on Capital Priorities	Stakeholder Input on Model Criteria & Weights	Senior Leadership Briefings		Budget Look Back / Look Ahead FY18/19/20						FY20 Prospectus Reviews with OMB
FY18 Prospectus Briefings	FY19 Budget to Hill	FY19 Hill Briefings/Markups - (Prospectuses)				FY20 Five Year Plan Review Prep		Preparation of President's Budget and Congressional Justification		

FY20/FY21 Studies Id'd (2/3+ FY Future) →

GSA's Authorizing and Appropriations Committees



Capital Investment Program Budgets

		FY16	FY17	FY18	FY19
Requested (\$000's)	New Construction	\$1,257,997	\$1,330,522	\$790,491	\$1,257,997
	Repair & Alteration*	\$1,247,067	\$841,617	\$1,444,494	\$1,247,067
	Total	\$2,505,064	\$2,172,139	\$2,234,985	\$2,505,064
*R&A includes Major, Minor, Design, Special Emphasis					
Appropriated (\$000's)	New Construction	\$1,607,738	\$205,749	\$692,069	TBD
	Repair & Alteration*	\$735,331	\$676,035	\$666,335	TBD
	Total	\$2,343,069	\$881,784	\$1,358,404	TBD
Difference Total Request vs Total Appropriated	New Construction	\$349,741	(\$1,124,773)	(\$98,422)	TBD
	Repair & Alteration*	(\$511,736)	(\$165,582)	(\$778,159)	TBD
	Total	(\$161,995)	(\$1,290,355)	(\$876,581)	TBD

FY16 By the Numbers

FY2016 Capital Investment Program By the Numbers

	PRESIDENT'S FY2016 BUDGET		FY2016 APPROPRIATIONS		FY2016 UNFUNDED	
	Number of Projects Programs	Requested Amount (\$000's)	Number of Projects Programs	Appropriated Amount (\$000's)	Number of Projects Programs	Unfunded Amount ⁴ (\$000's)
New Construction¹	10	\$ 1,257,997	15 ³	\$ 1,607,738	6	\$ (558,303)
Major R&A/Design	19	\$ 672,696	7 (Spend Plan)	\$ 310,331	12 (Spend Plan)	\$ (362,365)
Special Emphasis²	4	\$ 260,000	4	\$ 125,000	0	\$ (135,000)
Basic R&A	Nationwide	\$ 314,371	Nationwide	\$ 300,000	Nationwide	\$ (14,371)
TOTAL	33	\$ 2,505,064	26	\$ 2,343,069	18	\$ (1,070,039)

¹ New Construction includes NC LPOE, U.S. Courts, Executive Agencies, Acquisitions, Remediations

² Special Emphasis Programs include Consolidation Activities, Fire Protection and Life Safety, Energy and Water Retrofit and Conservation Measures, Judiciary Capital Security

³ 11 additional Judiciary projects were funded plus partial FBI HQ

⁴ Unfunded Requests

FY17 By the Numbers

FY2017 Capital Investment Program By the Numbers

	PRESIDENT'S FY2017 BUDGET		FY2017 APPROPRIATIONS		FY2017 UNFUNDED	
	Number of Projects Programs	Requested Amount (\$000's)	Number of Projects Programs	Appropriated Amount (\$000's)	Number of Projects Programs	Unfunded Amount ⁴ (\$000's)
New Construction¹	7	\$ 1,330,522	2	\$ 205,749	5	\$ (1,124,773)
Major R&A/Design	11	\$ 397,827	5 (Spend Plan)	\$ 289,245	6 (Spend Plan)	\$ (108,582)
Special Emphasis²	4	\$ 131,700	2	\$ 74,700	2	\$ (57,000)
Basic R&A	Nationwide	\$ 312,090	Nationwide	\$ 312,090	Nationwide	\$ -
TOTAL	33	\$ 2,172,139	9	\$ 881,784	9	\$ (1,290,355)

¹ New Construction includes NC LPOE, U.S. Courts, Executive Agencies, Acquisitions, Remediations

² Special Emphasis Programs include Consolidation Activities, Fire Protection and Life Safety, Energy and Water Retrofit and Conservation Measures, Judiciary Capital Security

⁴ Unfunded Requests

FY18 By the Numbers

FY2018 Capital Investment Program By the Numbers

	PRESIDENT'S FY2018 BUDGET		FY2018 APPROPRIATIONS		FY2018 UNFUNDED	
	Number of Projects Programs	Requested Amount (\$000's)	Number of Projects Programs	Appropriated Amount (\$000's)	Number of Projects Programs	Unfunded Amount ⁶ (\$000's)
New Construction ¹	6	\$ 790,491	5 ⁵	\$ 692,069	3	\$ (398,422)
Major R&A/Design ²	25	\$ 854,538	12 (Spend Plan)	\$ 280,549	13 (Spend Plan)	\$ (573,989)
Special Emphasis ^{3,4}	4	\$ 205,000	3	\$ 73,696	0	\$ (131,304)
Basic R&A	Nationwide	\$ 384,956	Nationwide	\$ 312,090	Nationwide	\$ (72,866)
TOTAL	35	\$ 2,234,985	20	\$ 1,358,404	16	\$ (1,176,581)

¹ New Construction includes NC LPOE, U.S. Courts, Executive Agencies, Acquisitions, Remediations

² \$289,248 was appropriated for Major R&A/Design

³ Special Emphasis Programs include Consolidation Activities, Fire Protection and Life Safety, Seismic Mitigation, Judiciary Capital Security

⁴ GSA allocated \$8,696 of the Major R&A Appropriation to the Seismic Mitigation Program

⁵ 2 additional Judiciary projects were funded

⁶ Unfunded Requests

FY19 By the Numbers

FY2019 Capital Investment Program By the Numbers

	PRESIDENT'S FY2019 BUDGET		FY2019 APPROPRIATIONS		FY2019 UNFUNDED	
	Number of Projects Programs	Requested Amount (\$000's)	Number of Projects Programs	Appropriated Amount (\$000's)	Number of Projects Programs	Unfunded Amount (\$000's)
New Construction ¹	10	\$ 1,257,997	TBD	TBD	TBD	TBD
Major R&A/Design	19	\$ 672,696	TBD	TBD	TBD	TBD
Special Emphasis ²	4	\$ 260,000	TBD	TBD	TBD	TBD
Basic R&A	Nationwide	\$ 314,371	TBD	TBD	TBD	TBD
TOTAL	33	\$ 2,505,064	TBD	TBD	TBD	TBD

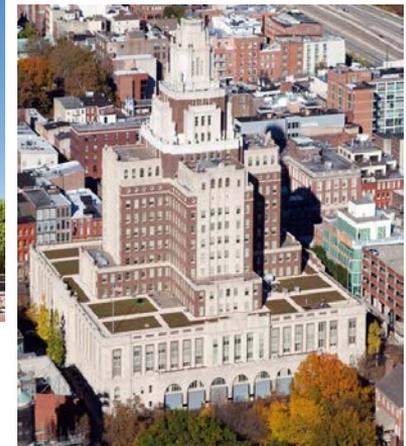
¹ New Construction includes NC LPOE, U.S. Courts, Executive Agencies, Acquisitions, Remediations

² Special Emphasis Programs include Consolidation Activities, Fire Protection and Life Safety, Judiciary Capital Security

We Deliver...

- After GSA has studied, planned, and budgeted for a project and Congress has approved and appropriated the funds to accomplish the project, ***the project can begin...***
- From start to finish, a prospectus level construction or R&A project can take years to accomplish.
- Once approved and appropriated, a project enters the execution stage.

During this final stage, attention must be given to original documents (prospectus, housing plan, resolutions) that were used as the basis for decision to move forward.



Questions?

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