

U.S. Department of Energy

Washington, D.C.

POLICY

DOE P 580.1

Approved: 05-20-02

SUBJECT: MANAGEMENT POLICY FOR PLANNING, PROGRAMMING, BUDGETING, OPERATION, MAINTENANCE AND DISPOSAL OF REAL PROPERTY

PURPOSE:

To establish Department of Energy (DOE) management policy for the planning, programming, budgeting, operation, maintenance and disposal of real property owned by the United States and under the custody and control of DOE. Additionally, DOE policy and management must support innovative and performance based facilities and infrastructure management practices, and be consistent with the following Federal regulations, Office of Management and Budget (OMB) circular and Federal financial reporting standard:

- OMB Circular A-11, Part 3, Planning, Budgeting, and Acquisition of Capital Assets, and the supplement to Part 3, Capital Programming Guide;
- Code of Federal Regulations Title 41, Chapter 101, Public Contracts and Property Management;
- Federal Accounting Standards Advisory Board (FASAB) “Accounting for Property, Plant and Equipment” – Statement of Recommended Accounting Standards - Number 6;

Real property is defined as land, buildings (and related personal property), other structures and facilities, and trailers that are used by the Federal Government in accomplishment of mission. OMB Circular A-11 outlines sound business management principals and the minimum requirements to plan, program, budget, acquire, and manage capital assets (in this case real property.) The mandated requirements and procedures for real property acquisition, inventory, management, excess identification, leasing, disposal, and reporting activities, are codified in various sections of Title 41, Code of Federal Regulations, Chapter 101. The FASAB Statement of Recommended Accounting Standards Number 6 defines Federal agencies financial reporting requirements for all property, plant and equipment (of which real property is a component) in the Department’s Annual Financial Statement.

DISTRIBUTION:

All Departmental Elements

INITIATED BY:

Office of Management, Budget
and Evaluation

POLICY

Ensuring the proper stewardship of real property assets is DOE's principal policy goal. Stewardship in this instance means active, value-based, and informed management processes that ensure the existence of adequate real property assets fully capable of meeting mission, safety, and performance requirements. Federal managers are responsible for this stewardship through proper planning, programming, budgeting, operation, maintenance, and disposal practices. Further, DOE Federal managers are responsible for ensuring that real property assets under their purview are managed with integrity and in compliance with applicable laws.

The major DOE objective is to establish a holistic planning, programming, budgeting and execution (PPB&E) process that links real property assets, and the resources dedicated to them, to mission requirements and performance.

To accomplish the objective, the Department will establish standards, processes, and reporting mechanisms that will:

- Ensure validated data is available in the Facility Information Management System (FIMS), DOE's corporate real property data base, to support informed decision making throughout the PPB&E process;
- Establish demonstrable, consistent, and measurable facility planning processes that prioritize capital, maintenance, and other facility requirements based upon mission need, age and condition of the physical plant;
- Optimize capacity and use of existing facilities;
- Manage the disposition of excess facilities;
- Identify realistic and supportable budgets to provide resources (dollars and personnel) necessary to sustain the physical plant and support recapitalization efforts;
- Ensure the budget formulation policy and the accounting handbook are consistent with good maintenance management business practices; and
- Support management decisions by assessment of facilities planning and performance management effectiveness as measured through FIMS and other relevant information.

The Office of Engineering and Construction Management (OECM), within the Office of the Director, Office of Management, Budget and Evaluation/Chief Financial Officer, will lead implementation of this Policy and will develop and maintain a real property asset program and appropriate directives, procedures, and guidance documents for the Department. OECM will coordinate this effort with Headquarters and field offices. Through such documents and

assessment of performance, OECM will support the Deputy Secretary/Chief Operating Officer and line management with independent analysis, evaluation, and technical assistance in matters pertaining to the DOE real property and facilities management program. The DOE program offices have line responsibility, and DOE functional offices such as budget, chief information officer, legal, safety, and contracting have staff responsibility for assisting line management with implementation of this policy, and related directives.



SPENCER ABRAHAM
Secretary of Energy