



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

SEP 10 2013

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)
UNDER SECRETARIES OF THE MILITARY DEPARTMENTS
DIRECTOR OF COST ASSESSMENT AND PROGRAM
EVALUATION
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

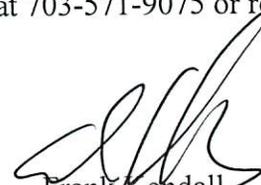
SUBJECT: Standardizing Facility Condition Assessments

The Department of Defense (DoD) requires a standardized process for facility condition assessments to ensure consistent and reliable data necessary for sound strategic investment decisions in managing the Department's built environment. At present, the Components use different methodologies and schedules to assess facility conditions, resulting in facility condition index data that lacks credibility as a measure of DoD facility quality. Establishing a DoD-wide facility condition assessment process will contribute to a more credible DoD asset management program and will support better buying power by allowing Department leadership to better target fiscal resources to those facilities most in need of investment. Further, adopting a standard process will help ensure that condition data will be audit-ready in accordance with Under Secretary of Defense (Comptroller)'s "Financial Improvement and Readiness Guidance" issued in March 2013.

Therefore, I am requiring that Defense Components adopt a common process that incorporates the Sustainment Management System (SMS) developed by the U.S. Army Corps of Engineers Engineer Research and Development Center – Construction Engineering Research Laboratory (see attached SMS factsheet). I am also establishing a Configuration Support Panel to provide program oversight for the SMS as explained in the attached governance document.

The Military Components and Washington Headquarters Service should ensure that a facility condition index for each asset on their installations is properly recorded in their respective real property databases, with inspections using the SMS standard process completed for all facilities and facility components within 5 years of the date of this policy document. This includes facilities occupied or used by tenant organizations per DoD Instruction 4165.70, "Real Property Management."

This memorandum supersedes ODUSD(I&E)/IRM memorandum, "Facility Quality Rating Guidance," dated September 5, 2007. If your staffs require further information, my point of contact is Mr. Robert Lange, ODUSD(I&E), at 703-571-9075 or robert.a.lange.civ@mail.mil.


Frank Kendall

Attachments:
As stated

cc:

Assistant Secretary of Defense (Reserve Affairs)

Assistant Secretary of the Army (Installations, Energy and Environment)

Assistant Secretary of the Navy (Energy, Installations and Environment)

Assistant Secretary of the Air Force (Installations, Environment and Logistics)

Commander, Installations Management Command/Assistant Chief of Staff for Installation
Management, U.S. Army

Commander, Navy Installations Command

Deputy Commandant for Installations and Logistics, HQ USMC/Commander, Marine Corps
Installations Command

Deputy Chief of Staff, Logistics, Installations and Mission Support (AF/A4/7)

Commander, U.S. Army Corps of Engineers

Commander, Naval Facilities Engineering Command

The Air Force Civil Engineer



**US Army Corps
of Engineers.**
Engineer Research and
Development Center

Sustainment Management System (SMS)

Technology The Sustainment Management System (SMS) is a suite of web-based software applications developed by ERDC's Construction Engineering Research Laboratory (CERL) to help facility engineers, technicians, and managers decide when, where, and how to best maintain the built environment. The SMS modules include BUILDER™ and ROOFER™ for assessing building conditions, PAVER™ for pavements, and RAILER™ for railroad infrastructure. (The software modules are DoD Information Assurance Certification and Accreditation Process (DIACAP) approved for use on DoD computer systems.) ERDC-CERL is currently developing FUELER which will be an additional module to support the inspection of fuel storage and distribution facilities.

Because real property assets are so vast and diverse, a “knowledge-based” philosophy drives the SMS process. The process starts with the automated download of real property data, and then more detailed system inventory is modeled and/or collected which identifies components and their key life-cycle attributes such as the age and material.



- Assessment using field module of BUILDER

From this inventory, Condition Index (CI) measures for each component are predicted based on its expected stage in the life-cycle. Objective and repeatable inspections can then be performed on various components to verify their condition with respect to the expected life-cycle deterioration. The level of detail and frequency of these inspections are not fixed like other processes; they are dependent on knowledge of component criticality, the expected and measured condition and rate of deterioration, and remaining maintenance and service life. This “Knowledge-based” inspection focuses attention to the most critical components at the time. In addition to these condition assessments, functionality assessments can be performed to evaluate user requirement changes, compliance and obsolescence issues. This provides a comprehensive picture of the overall performance of real property assets and their key components.

Problem

The Department of Defense owns almost over 550 thousand real property assets which include almost 300 thousand buildings comprising 2.3 billion square feet. The Plant Replacement Value of this portfolio is \$827.9 billion (at end of FY12). Because of increased competition for funding and personnel, traditional inspections and preventative maintenance programs have been impacted or even abandoned at many installations. This has forced facility managers into a largely reactionary mode, responding to unexpected component breakdowns and system failures at the most inopportune and expensive time. The result is that work cannot be properly planned, programmed, and budgeted efficiently. The SMS addresses these issues by providing managers responsible for the real property assets with advanced support tools for making sustainment, restoration, and modernization (SRM) or even demolition decisions.

Benefits

The SMS suite provides an asset management solution to repeated GAO criticisms of past DoD facility management practices. It is an important tool in ensuring mission readiness, and sustaining building infrastructure investment. With information about condition, functionality, and remaining service life, short and long-range work plans can be developed based on sound investment strategies,

prioritization criteria, and budget constraints. “Penalty costs” that arise from not doing the maintenance at the most opportune time are reduced. This allows more work to be accomplished with resulting improvement in mission readiness. Simulations can be run to show the future impact of current M&R decisions. The result is a flexible list of work items expected to be accomplished based on actual funding levels. In all, the SMS process provides a more proactive means of asset management and resource allocation. In addition, the knowledge-based principles have been proven to significantly lower the cost of re-inspections while providing more meaningful decision support metrics.

Information

For more information, visit <http://sms.cecer.army.mil> for product updates, manuals, and presentation materials. To contact the product team, submit a request for information at <http://www.cecer.army.mil/td/tips/product/details.cfm?ID=64&TOP=1>.



*Sustainment Management System
Operations, Governance,
and
Configuration Support Panel
Charter*

Office of the Deputy Under Secretary of Defense
Installations & Environment

September 2013



***Sustainment Management System
Operations, Governance
and
Configuration Support Panel
Charter***

Section 1

1. Introduction

1.1. Sustainment Management System: The Under Secretary of Defense (Acquisition, Technology, & Logistics) established the U.S. Army Corps of Engineers Engineer Research and Development Center - Construction Engineering Research Laboratory (ERDC-CERL) developed Sustainment Management System (SMS) suite of decision-support software as the facility and infrastructure condition assessment methodology and suite of support tools for the Department of Defense.

1.2. Configuration Support Panel: The Installations & Environmental Functional Business Governance Board establishes this Configuration Support Panel (CSP) to provide program oversight, control, and responsibility for the SMS. The SMS suite currently includes the tools: BUILDER™, PAVER™, RAILER™, and ROOFER. Additional modules are anticipated. BUILDER™, PAVER™, and RAILER™ are registered trademarks of the U.S. Army.

1.3. Background:

Executive Order (EO) 13327, "*Federal Real Property Asset Management*," directs efficient and economical use of the Federal Government's real property assets. The EO established the interagency Federal Real Property Council (FRPC) which issues the annual "*Real Property Inventory Reporting*" guidelines. Per the guidelines, Condition Index (CI) is a required data element for all real property assets and is defined as, "a general measure of the constructed asset's condition at a specific point in time. CI (also referred to as a Facility Condition Index (FCI)) is calculated as the ratio of Repair (and Maintenance) Needs to Plant Replacement Value (PRV)." (see References for the FRPC web site).

The collective portfolio value of the FCI formula numerators makes up the total deferred Real Property Maintenance & Repair that is reported on each Component's annual Financial Statement in accordance with Financial Management Regulation (FMR) 7000.14-R, Vol. 6B, Chapter 12, Section 1203. Therefore, the FCI is one of several real property data fields that are required to meet auditing standards by September 2017 per OSD Comptroller's, "*Financial Improvement And Readiness (FIAR) Guidance*." One of the objectives of the CSP is to ensure the condition assessment program provides tools and processes that are auditable in that they are standardized, traceable, repeatable, and verifiable.

1.4. Scope: This governance document establishes asset inspection procedures and guidelines for the SMS-CSP.

Section 2

2. Configuration Support Panel (CSP)

2.1. CSP Overview: The U.S. Army Corps of Engineers ERDC-CERL is the management organization responsible for ensuring the documentation and control of SMS software development by ensuring proper establishment, documentation, and tracking of system requirements. The SMS-CSP serves as the forum to coordinate software changes between DoD Components and assess the impacts caused by these changes. This forum will prioritize approved change requests and review and validate cost estimates for the maintenance and updates to software. The SMS-CSP reports to and takes direction from the Installations & Environment Functional Business Governance Board (I&E FBGB).

2.2. CSP Meetings: CSP meetings will be conducted annually at minimum and will include the following agenda items:

- recommended changes to the CSP Charter;
- project schedules;
- discussion of proposed Change Requests (CRs) for approval/disapproval;
- review of new CRs;
- status of open action items;
- review of new action items and;
- meeting summary.

Panel members and potential participants will be notified by email of the date, time, and place for meetings. (Meetings may be conducted by web conference, teleconference, or other suitable virtual collaboration medium). Formal minutes will be available and distributed within ten business days of the meeting's conclusion.

2.3. CSP Participation & Roles: Office of the Secretary of Defense (OSD), Military Services, Defense Agencies, and Field Activities are hereafter referred to collectively as the DoD Components. Participation is open to all DoD Components. Participants belong to one of seven categories:

- I&E Functional Business Governance Board
- CSP Executive Secretary
- CSP Chair
- CSP Members
- Implementing Members
- Associate Members
- Advisors

In some instances, there are existing working groups that coordinate inter-agency requirements and policy for specific facility types. Examples of these groups include, but are not limited to the PAVER steering committee and the Federal Fuels Engineering Council. The CSP will leverage these groups where possible to coordinate CRs for those specific facility types.

2.4. I&E Functional Business Governance Board (I&E FBGB): The I&E FBGB provides authority and oversight, assigns members, approves CRs, and addresses financial requirements.

The board assigns the Director of ODUSD(I&E)/Facility Investment & Management (FIM) as its Executive Representative to the CSP. The I&E FBGB is comprised of designated representatives as listed in the memorandum at Appendix A.

2.5. I&E FBGB Executive Representative: The Director, FIM, shall:

- appoint the CSP Chair;
- provide oversight of the efforts of the CSP;
- serve as the approval authority of CSP recommendations;
- review the executive summary of the CSP meetings and recommendations, and , where and when necessary, presents recommendations and issues to the I&E FBGB for discussion of further actions.

2.6. CSP Chair: The Chair is appointed by the I&E FBGB Executive Representative. The Chair is the principal executive officer of the CSP with authority and responsibility for the following:

- arranging the meeting location and time for the CSP;
- draft meeting agendas;
- ensuring a proper forum exists for CSP actions;
- facilitating solutions that are in the best interest of all stakeholders;
- ensure compliance with Departmental policy and objectives;
- approve CRs that are administrative in nature (no software impact or funds required);
- prepares the Executive Summary of the SMS-CSP's recommendation for review and approval by the Executive Representative.

2.7. CSP Executive Secretary: The ERDC-CERL appointed Program Manager (PM) is responsible for establishing and running the CSPs in accordance with this plan that includes the following:

- leading the effort to document and control all module items associated with the program;
- collecting, clarifying, coordinating, and distributing CRs for discussion during the CSP;
- accounting for all CRs and their disposition (e.g., approved, disapproved, impending);
- drafting budgets with supporting documentation;
- recording minutes from the meeting and providing a draft to the Chair;
- ensuring minutes and action items are recorded and distributed; and
- providing recommendations collected at CSP for review by the I&E FBGB.

2.8. CSP Members: ODUSD(I&E), the Military Services, and WHS shall appoint a representative to serve on the CSP and form the board's quorum. Each Defense Agency/Activity may appoint a board member. Board members shall be responsible for coordination of CR review within their organization, and be able to commit the organization for implementation of any proposed changes in the timelines established. Board members are responsible for:

- reviewing CRs to ensure they support operational requirements;
- voting to approve/disapprove CRs;
- prioritizing CRs;
- reviewing cost estimates; and
- briefing their leadership.

2.9. Implementing Members: Typically implementing members will consist of additional ERDC personnel responsible for making changes to SMS. Their attendance is intended to facilitate a greater understanding of the DoD Components' requirements and to help ensure requirements are more accurately implemented. However, due to the way these changes may impact other systems that interface with the SMS suite, there may also be members from the DoD Components that are responsible for implementing changes in their systems.

- Implementing members do not vote.
- Implementing members are responsible for the following implementing CRs; and reviewing CRs for adequacy and program impact (cost or schedule).

2.10. Associate Members: DoD Components may desire to appoint Associate Members to advise their Board Member on specific areas of interest. Associate members do not have a vote to approve/disapprove CRs, unless they are acting on behalf of their respective Board Member, who is unable to attend. In addition, other federal agencies that adopt SMS may elect to participate in this forum to coordinate CRs that may come from their organization and/or to determine how the DoD's CRs may apply to their organization.

2.11. Advisors: Advisors are responsible for presenting information relevant to a CR when requested by the sponsoring Operational, Implementing, or Associate Member. The ERDC-CERL SMS Managers for BUILDER™, PAVER™, RAILER™, and ROOFER, (and any future modules) will be Advisors to the CSP. In accordance with DoD Information Assurance policy (DoDI 8500.2), the assigned Information Assurance Manager (IAM) will also review and provide guidance on CRs that have an information assurance element to them. I&E Business Enterprise Integration, ODUSD I&E (BEI), will support the CSP Chair in an advisory role for business process re-engineering, data standards and integration, and the portfolio management/investment review process requirements.

Section 3

3. CSP Process

3.1. General: The CSP is the cross service/agency forum supporting the ODUSD I&E and the I&E Functional Business Governance Board for discussing, developing and acting on all issues or policy for the Sustainment Management System and any related issue brought forward by the Chair. All CSP actions resulting in changes to SMS will be documented as Change Requests, coordinated, and tracked through an established CR process. Any CSP participant may propose CRs, and proprietary CRs will need to be expressed as an interface request so as not to change the base SMS product. It is important to understand that technical interchange meetings provide the forum to brainstorm and discuss preliminary CR ideas prior to the formal process described in this document. The CSP acts only as the final review and adjudication for CRs.

3.2. Software Requirements Specifications (SRSs): Software requirements are under the CSP control process. A CR describing the request for a software requirement is generated and distributed at the CSP. The CR is reviewed following the CR process and when approved, the SRS is accepted for CSP management.

3.3. CR Format: CRs are initiated by filing a Change Request with the Executive Secretary. Prior to the CSP, the Executive Secretary and the SMS development team will generate a CR form from this request, providing additional documentation as necessary to fully describe the desired CR.

3.4. CR Process: CRs can be coordinated using the following method:

- 1) CRs will be provided to the CSP Executive Secretary at least thirty (30) days prior to a CSP meeting (or teleconference) so they may be included in the agenda and distributed to all participants prior to the CSP.
- 2) The Board, Implementing, or Associate Member sponsoring the CR will provide an overview of why the change is needed and what is being changed.
- 3) Any Board, Implementing, or Associate Member that is potentially impacted by the CR will identify himself/herself as a reviewing member for the CR.
- 4) Reviewing members will submit their concurrence or non-concurrence to the sponsoring member and CSP Executive Secretary (silence is considered concurrence). If a reviewing member non-concurs, any issues associated with implementing the CR, including alternate solutions, will be documented and sent to the sponsoring member.
- 5) If issues are identified, the sponsoring member will work with all reviewing members to try and resolve conflicts prior to discussion at the CSP.
- 6) At the CSP, each potential CR is reviewed for concurrence/non-concurrence. CRs that all reviewing Components concur upon will be signed by the Board members and approved by the Chair. CRs for software changes or that require funds will be prioritized and scheduled for implementation pending I&E FBGB approval.
- 7) CRs which have received non-concurs go through a formal review. The formal review consists of each reviewing member presenting a presentation explaining their concurrence or non-concurrence with the CR, including their preferred approach and, contractual/cost/schedule impacts.
- 8) All CRs with concurrence will be ranked by the Board Members. Each CR will include an approximate cost, and available funding will be used to determine which CRs will be able to be executed, and which will be deferred pending additional funding.
- 9) CRs which have been deferred by the Board Members may still be implemented by a DoD Component if it chooses to pay the entire cost for the CR development. CRs which are proprietary in nature will need to be implemented against an interface standard. If a new interface standard is required, than this interface design will require approval by the CSP.
- 10) The CSP Executive Secretary will review the results of the latest commercial user's group meeting. Periodically, ERDC-CERL hosts commercial user's meetings for private

sector customers and partners of SMS to provide input and request changes. The purpose of this update to the CSP is to provide the members with information about how the private sector user's desire to change SMS tools; and how royalties from private-sector use of SMS will be used to implement the desired changes.

Section 4

4. SMS Funding

4.1. Annual Funding: ERDC-CERL will develop the SMS portfolio budget for annual maintenance of software, user's manual and core training documents.

4.2. CR Funding: ERDC-CERL will develop cost estimates for the execution of CSP approved CRs.

4.3. Funding Responsibilities: DoD Components will provide annual Operations & Maintenance funding to ERDC-CERL in proportions that will generally be based on their total Plant Replacement Value. CRs that are specific to one using organization will be funded by the requesting user if it will only benefit that single user.

4.4. I&E FBGB Approval: CRs and funding requirements will be presented to the I&E Functional Business Governance Board for approval.

Section 5

5. SMS Implementation & Operations

5.1. Implementation Guidance: Initial implementation guidance is at Appendix B. ODUSD(I&E) may sign out additional implementing or operations guidance as the need arises.

References:

- DoDI 4165.14, “*Real Property Inventory and Forecasting*”
- DoDI 4165.70, “*Real Property Management*”
- Federal Real Property Council, “*Guidance for Real Property Inventory Report*,” (see para. 11 for condition index) - <http://www.gsa.gov/portal/content/103101>
- OSD Comptroller, “*Financial Improvement And Readiness Guidance*,” March 2013, - http://comptroller.defense.gov/fiar/documents/FIAR_Guidance.pdf
- ODUSD(I&E), “*Installations & Environment Functional Business Governance Board Charter*,” February 4, 2013
- ERDC-CERL - <http://sms.cecer.army.mil> (SMS user manuals)
- DUSD(I&E) – <http://www.acq.osd.mil/ie/>

Appendix:

A – *Installations & Environment Functional Governance Board Charter*, ADUSD(I&E) memo, Feb 4, 2013

B – Initial Implementation Guidance

Appendix A



OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

FEB - 4 2013

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Installations & Environment Functional Business Governance Board Charter

Reference: (a) "Revised Real Property and Installations Lifecycle Management (RPILM) Investment Review Board (IRB) Charter," October 13, 2009

With the creation of the new Deputy Chief Management Office (DCMO) Investment Review Board process, Reference (a) is disestablished, and the Installations and Environment (I&E) Functional Business Governance Board (FBGB) is established under the attached charter. The I&E FBGB is chartered as:

- The authoritative governance body comprised of the DUSD(I&E) and DoD Component I&E offices tasked to carry out express responsibilities and authorities relating to I&E Information Technology (IT) management and business process improvement. These responsibilities and authorizations are defined in Public Law, and are documented in the Department's Strategic Management Plan, the Defense Installations Strategic Plan, and the I&E Functional Business Strategy.
- The governance body that provides oversight, direction, and support needed to enable interoperability in I&E IT capabilities and ensure that I&E business information has the data quality necessary for effective enterprise-wide decision making.
- A cross-Service governance body supporting the DUSD(I&E)'s delegated authority (from the USD(AT&L)) regarding activities of the Defense Business Council and in compliance with the DCMO's Business Enterprise Architecture.

The charter also formalizes working groups and Configuration Control Panels that were a part of Reference (a).

The charter is effective immediately.

The point of contact for the I&E FBGB is Mr. Randall Turner, BEI, (571) 372-6769, Randal.Turner@osd.mil.

John Conger
Acting Deputy Under Secretary of Defense
(Installations and Environment)

Attachments:
As stated

DISTRIBUTION:

ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS, ENERGY AND ENVIRONMENT))

ASSISTANT SECRETARY OF THE NAVY (ENERGY, INSTALLATIONS AND ENVIRONMENT)

ASSISTANT SECRETARY OF THE AIR FORCE (INSTALLATIONS, ENVIRONMENT & LOGISTICS)

DEPUTY CHIEF MANAGEMENT OFFICER

DIRECTOR, LOGISTICS, OFFICE OF THE JOINT CHIEFS OF STAFF (J-4)

DIRECTOR, FORCE STRUCTURE, RESOURCES, AND ASSESSMENT OFFICE OF THE JOINT CHIEFS OF STAFF (J-8)

ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT

U.S. ARMY CORPS OF ENGINEERS

CHIEF OF NAVAL OPERATIONS ENERGY AND ENVIRONMENTAL READINESS DIVISION (N45)

MARINE CORPS ASSISTANT DEPUTY COMMANDANT FOR INSTALLATIONS AND LOGISTICS (FACILITIES)

THE AIR FORCE CIVIL ENGINEER

DOD DEPUTY GENERAL COUNSEL, ENVIRONMENT & INSTALLATIONS

DOD CHIEF INFORMATION OFFICER

· OUSD (COMPTROLLER)

DIRECTOR, FACILITIES SERVICES DIRECTORATE, WASHINGTON HEADQUARTERS SERVICES

ODUSD(I&E) FUNCTIONAL DIRECTORS

DIRECTOR, INSTALLATION SUPPORT, DEFENSE LOGISTICS AGENCY

DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS (MATERIEL AND FACILITIES)

DEPUTY ASSISTANT SECRETARY OF DEFENSE (HEALTH BUDGETS AND FINANCIAL POLICY)

**DEPARTMENT OF DEFENSE
INSTALLATIONS AND ENVIRONMENT
FUNCTIONAL BUSINESS GOVERNANCE BOARD**

CHARTER

Purpose:

This Charter establishes the Installations and Environment (I&E) Functional Business Governance Board (the Board) as an authoritative governance body supporting the Deputy Under Secretary of Defense (Installations & Environment) (DUSD(I&E)) in carrying out the functional responsibilities and authorities assigned to the Department in accordance with Title 10, United States Code, and documented in both the Defense Installations Strategic Plan (DISP) and the I&E Functional Business Strategy. This will include supporting roles and responsibilities of the Under Secretary of Defense (Acquisition, Technology & Logistics) (USD (AT&L)) at the Defense Business Council (DBC) and Investment Review Board (IRB) under the investment management processes established by the Deputy Chief Management Officer (DCMO) in accordance with 10, U.S.C., Section 2222.

Mission and Scope:

The Board will be the main governance body for oversight, direction, and support of a single integrated I&E approach that will enable interoperability and manage data quality for enterprise capabilities across I&E. The Board will gain and build on consensus for new approaches to managing the functional/business mission area and methods for making existing processes more effective and efficient. This will include coordination and approval for strategies, policy, and related budget issues.

The Board will provide oversight of the development and implementation of associated standards and the Business Enterprise Architecture (BEA) for all real property, installation management, environment, safety and occupational health, and energy management business areas under the purview of the DUSD(I&E). The Board will facilitate working groups to articulate problems with existing processes, conduct business process reengineering, and identify business requirements for incorporation into the federated BEA. It will also charter Configuration Control Panels to provide change management for existing requirements resulting from business process reengineering and facilitate insertion of new requirements in the BEA. It will serve as the primary interface between the DCMO staff and the DoD Component's I&E organizations in implementing the BEA architecture, and supporting the I&E Functional Business Strategy goals within the community.

The Board will serve as a cross service governance body supporting the DUSD(I&E) Pre-Certification Authority (PCA) decisions and responsibilities in accordance with the "Department's Defense Business Systems Investment Management Process Guidance" of June 29, 2012. In this capacity, it will also allow the DUSD(I&E) to better address the Department's BEA compliance assertion duties.

This Board also provides the mechanism best suited to supporting DUSD(I&E) functional leadership role on the DBC and IRB, in accordance with the DCMO investment management guidance and DoD policy. This support will include ensuring that the I&E Functional Business Strategy and supporting Organizational Execution Plans are properly aligned, integrated, and communicated to allow the Components to accomplish their missions.

Membership:

All governance Board members and their designated primary and alternate representatives must be Federal Government employees. To maintain rank structure commensurate with or appropriate to chair's rank of DUSD,

Primary members must be Senior Executive Service (SES) or General Officer (GO). Alternates cannot be lower than SES, GO, Officer-6 (O-6), or General Schedule-15 (GS-15).

Chair:

Deputy Under Secretary of Defense (Installations and Environment)

Executive Secretary:

Director of the Office of the Deputy Under Secretary of Defense (Installations & Environment), Business Enterprise Integration (ODUSD(I&E))(BEI)

Members:

Department of the Army

Assistant Secretary of the Army (Installations, Energy and Environment)

Assistant Chief of Staff for Installation Management

Department of the Navy

Assistant Secretary of the Navy (Energy, Installations and Environment)

Chief of Naval Operations Energy and Environmental Readiness Division (N45)

Marine Corps Assistant Deputy Commandant for Installations and Logistics (Facilities)

Department of the Air Force

Assistant Secretary of the Air Force (Installations, Environment and Logistics)

The Air Force Civil Engineer

Washington Headquarters Services

Director, Facilities Services Directorate, Washington Headquarters Services

Advisors:

Joint Chiefs of Staff

Director, Logistics (JCS J-4)

Director, Force Structure, Resources, and Assessment (JCS J-8) (As needed)

Office of the Secretary of Defense

Deputy Assistant Secretary of Defense for Reserve Affairs (Materiel and Facilities) DASD(RA),

Deputy Assistant Secretary of Defense (Health Budgets and Financial Policy), OUSD(P&R)

DoD Deputy General Counsel, Environment & Installations

Director, Enterprise Business Integration, Office of the Deputy Chief Management Officer (DCMO) (As needed)

DoD Chief Information Officer (CIO) (As needed)

OUSD (Comptroller) (As needed)

ODUSD(I&E) Functional Directors (As needed)

Defense Agencies/Field Activities

Director, Installation Support, Defense Logistics Agency

Department of the Army

U.S. Army Corps of Engineers (As needed)

Department of the Navy

Naval Facilities Engineering Command (NAVFAC)

The Chair may add other members and advisors as appropriate.

Roles and Responsibilities:

The business and functions of the Board will be as follows:

1. The Chair will:

- Direct all Board activities;
- Approve agendas and schedules, and preside at meetings of the full Board;
- Consider the issues presented during full Board meetings, and provide guidance or assign specific tasks to be accomplished;
- Establish working groups within the Board to identify alternatives and provide recommendations for implementation of I&E capabilities or solutions for Business Mission Area problem set; and
- Establish Configuration Control Panels to provide change management for established I&E standards and facilitate implementation of emerging capability and associated standards.

2. The Executive Secretary's role is to ensure that the meeting is conducted in accordance with established procedures and to serve as the Chair in his or her absence as appropriate.

3. Members and Advisors will:

- Designate an alternate Board representative responsible for attending meetings of the Board in the absence of the primary member or advisor; (Alternate representatives must be GS-15, 0-6 military equivalent, or higher in rank to maintain voting integrity of the Board)
- Participate in discussions and provide guidance on issues that come before the Board;
- Speak for their organizations in developing consensus on ways to accomplish the Board's and assigned working groups' missions;
- Bring concerns to the full Board for frank and open discussion; and
- Designate members and subject matter experts for standing and ad hoc working groups as agreed upon by the Board.

4. Advisors will act in an advisory capacity to the Board and may be asked to participate as members of the Board and its working groups, when deemed necessary by the Chair.

Working Groups:

The Board may conduct its business through standing or ad hoc working groups.

Working groups are deliberative bodies that review specific segments of I&E's Functional Business Strategy, make recommendations to the Board on courses of action, updates or changes to standards, and coordinate and facilitate their implementation.

A list of existing working groups or configuration control panels that were chartered to support the Real Property and Installations Lifecycle Management Investment Review Board are listed in Appendix 1 and are hereby re-chartered under the purview of this Board.

Meetings:

The Board will meet bi-monthly, or as called by the Chair. Working group meetings will occur as required.



Approved By



Date

APPENDIX 1

DEPARTMENT OF DEFENSE INSTALLATIONS AND ENVIRONMENT FUNCTIONAL BUSINESS GOVERNANCE BOARD WORKING GROUPS

Business Enterprise Architecture (BEA) Requirements Working Group (WG)

Defense Installation Spatial Data Infrastructure (DISDI) Group

Defense Financial Management Improvement Guidance (DFMIG) Governance Board

Enterprise Energy Information Management (EEIM) Configuration Support Panel (CSP)

Environmental Liabilities (EL) Configuration Support Panel (CSP)

Financial Improvement & Audit Readiness (FIAR) Governance

Financial Improvement & Audit Readiness (FIAR) Subcommittee

Imputed Cost Working Group

Information Risk Management (IRM) Technical Working Group (TWG)

Linear Segmentation Working Group

Product Hazard Data (PHD) Configuration Support Panel (CSP)

Procure to Pay (P2P) Working Group (WG)

Real Property (RP) Configuration Support Panel (CSP)

Real Property (RP) Technical Working Group (TWG)

Standard Financial Information Structure (SFIS) Governance (Business Enterprise Common Core Metadata (BECCM))

Appendix B

SMS Initial Implementation Guidance

1. Time-line: SMS implementation begins now. All real property assets shall have a validated Facility Condition Index (FCI) by September 2017.

2. Data Sources & Data Exchanges:

- **Real Property Data:** Real property accountability information required for SMS modules will be sourced only from an authoritative system (e.g., GFEBS, DRRS-A, iNFADs, DRRS-N, NexGen, DRRS-AF). All real property information must be Real Property Information Model (RPIM) compliant.
- **Geospatial Data:** When GIS data is used to represent DoD real property assets, the SMS community/users will use GIS data from the Component's designated authoritative source. In most cases this should be the Component Installation Geospatial Information & Services (IGI&S) program of record. DoDI 4165.14 will clarify the requirement for GIS data representing the location and extent of real property assets, and the applicable DoD standards for developing and maintaining such data. All geospatial data shall be compliant with the Spatial Data Standards for Facilities, Infrastructure, and Environment (SDSFIE) in its most current version.
- **Real Property Facility Quality Rate:** SMS modules are the only authoritative data sources to populate the FCI into the real property inventory system's "*Real Property Facility Quality Rate*" data field.
- **System Reconciliations:** DoD Components shall reconcile data between SMS modules and their real property data base annually prior to October.

3. DIACAP/Information Assurance (IA): ERDC-CERL has performed and will continue to perform the basic clearance for the SMS software to operate on DoD computer networks, to include DIACAP type accreditations and Certificates of Networthiness (CoNs). In instances where a component has unique requirements, ERDC-CERL shall provide the existing exhibits to aid in development of component unique documentation.

4. Condition Index Reporting: Military Departments will ensure that the SMS computed FCI for all assets on their installations are entered in the real property database in the "Facility Physical Quality Rate" data field. This includes the CIs for facilities occupied/used by tenant organizations per DoDI 4165.70, "*Real Property Management*." CI data validation is to be annotated by coding an "Asset Review Type Code" with "INSP" and entering the corresponding review date into the real property asset's record. No recorded inspection data shall be older than five years.

4.1 Real Property Assets Not Supported by a SMS Tool: There are SMS modules for buildings, pavements, and railroad tracks. Modules for other facility types (utilities, structures,

etc.) are under various phases of investigation and development. For assets not presently supported with a SMS module, Components shall inspect those assets with qualified personnel to determine existing physical deficiencies and estimate the cost of maintenance and repairs to correct the deficiencies or to restore to dependable operation using established industry cost guides to derive the FCI.

5. Inspection and Data Update Frequency: Military Departments and DoD Components that manage real property shall use the SMS tools to perform facility condition assessments following the user manual for each tool. The SMS tools are designed to allow facility maintenance technicians the ability to update facility data as they are performing their normal maintenance rounds or responding to service calls. However, the condition data of each asset shall undergo a comprehensive validation on no less than a 5-year cycle at minimum (an average of 20% of installation assets should be reviewed annually). It's recommended that condition validation coincides with the real property physical inventory requirement described in DoDI 4165.14, "*Real Property Inventory and Forecasting*," Enclosure 3, para. 6.

6. Condition Assessment Support Contractors:

- Contract Performance Work Statements for facility condition assessments will establish the SMS as the Department's standard for real property asset inspections. Contractors will have a software option on complying with the standards.
 - Access to SMS software will be provided to contractors with ".mil" access and who are under a government contract to provide facility maintenance and/or infrastructure inspection and condition assessments for the duration of the contract.
 - Contractors who offer inspection services and do not use the SMS software will be required to demonstrate that their assessment protocol is aligned with the SMS assessment processes in their contract proposals (i.e., asset inventory level, data collection standards, assessment processes, and inspector qualifications must be compatible with the SMS). Contractors will also be required to migrate all data from their software/data file to the appropriate SMS software/data file as a contract deliverable. Technical specifications for the data transfer format is maintained on the SMS website.
- **Non-government Contractors:** Venders not under a government contract may purchase a license through one of the ERDC-CERL commercial providers. Contact information for these providers is maintained on the SMS website.

7. Security Classification: DoD real property data shall be designated as, "For Official Use Only (FOUO)," and safeguarded per DoDM 5200.01-V4, "*DoD Information Security Program: Controlled Unclassified Information (CUI)*," Feb 24, 2012. Contractors who compile and store data on their computer servers must comply with DoD computer security requirements:

- Data Sharing / Release: FOUO material shall not be released outside of the contractor's facility except to the designated representative of the DoD. Once DoD FOUO information is transported to an agreed non-publicly accessible, access controlled stand-

alone system, it may be analyzed and processed on the same system without encryption. Any time data is transferred (including back-up) it must be encrypted. The FOUO data shall not be shared with other entities, either internal or external to DoD without the express permission of the Contracting Officer's Representative. DoD's accountability best-practice is for Contractor to provide a statement or Non-Disclosure Agreement signed by individual members of the project support team.

8. **Application Hosting:** An operational environment is being arranged for DoD components that request application hosting. DoD Components should contact the SMS Program Manager at ERDC-CERL for more information if this capability is required.
9. **Application Helpdesk:** As developer of the SMS software, ERDC-CERL is responsible for proper handling of all change requests in accordance with the Configuration Support Panel. DoD components must integrate their support processes with ERDC-CERL to ensure timely and accurate capture of these change requests. ERDC-CERL has established a helpdesk and can work with each Component to identify their unique support requirements. DoD Components should contact the SMS Program Manager at ERDC-CERL for more helpdesk related information.

8. **Additional Information:**

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