

FACILITIES MAINTENANCE

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 2006 ACTUAL	307	45,108	0	75	0	9	0	0
FY 2007 ESTIMATE	307	51,405	0	75	0	20	0	0
FY 2008 ESTIMATE	307	52,273	0	75	0	20	0	0

STRATEGIC GOAL: ENHANCED MANAGEMENT EXCELLENCE

Federal Resource Summary by Performance Objective and Program Category

Performance Objective/ Program Category	FY 2007		FY 2008		Change	
	FTE	\$000	FTE	\$000	FTE	\$000
Enhanced Management Excellence						
<i>Facilities</i>						
Implement an aggressive and professional maintenance program	300	47,889	300	48,698	0	809
<i>Security and Safety</i>						
Provide world-class protection for Smithsonian facilities, collections, staff, visitors, and volunteers	7	3,516	7	3,575	0	59
Total	307	51,405	307	52,273	0	868

BACKGROUND AND CONTEXT

Facilities Maintenance focuses on facility preservation activities and encompasses the upkeep of property and equipment, or the work necessary to realize the originally anticipated useful life of a fixed asset. The Office of Facilities Engineering and Operations (OFE) is responsible for the maintenance and repair of an infrastructure of approximately 10 million square feet of owned and leased buildings and structures, including 18 museums and galleries, 10 science centers, and the National Zoological Park (NZP). The buildings and structures range from the well-known museums to supporting structures such as guard booths, animal shelters, and hay barns.

The current replacement value of the Smithsonian-owned facilities is estimated to be \$4.7 billion.

The National Research Council long ago established guidelines indicating that 2 to 4 percent of the current replacement value of facilities is required annually for routine maintenance and minor repairs. This metric indicates the Smithsonian should apply \$94 million to \$188 million annually for maintenance and minor repairs. Additionally, as new and renovated museums and major exhibits are brought online, maintenance requirements rise dramatically due to technological advances and the increased number of systems supporting the infrastructure.

In its April 2005 report to Congress, the Government Accountability Office (GAO) formally recognized the deteriorating condition of Smithsonian buildings and cited the seriously underfunded maintenance program as one of the principal causes. The GAO report recognized the findings of the 2001 National Academy of Public Administration's review, and reiterated the need for an infusion of maintenance funds.

For FY 2008, the budget estimate includes an increase of \$868,000 for necessary pay for existing staff funded under this line item.

MEANS AND STRATEGY

To support the Institution's goal of Enhanced Management Excellence, OFEO continues an aggressive, long-range facilities maintenance and minor repair program. As funding permits, OFEO uses a Reliability Centered Maintenance (RCM) approach that includes benchmarking efforts with other organizations such as the Association of Higher Education Facilities Officers (APPA). RCM is a widely accepted maintenance industry philosophy that incorporates a cost-effective mix of predictive, proactive, preventive, and reactive maintenance practices. Benchmarking efforts resulted in a staffing goal to achieve APPA's recommended level-2 standard for building maintenance, referred to as "Comprehensive Stewardship." The "Comprehensive Stewardship" level of maintenance will ensure that equipment and building components are in operating condition; that sufficient staffing is in place to respond to maintenance calls in a timely manner; and that electrical and mechanical systems are routinely upgraded.

At current funding levels, the Institution is barely able to sustain the level 4 standard of performance, "Reactive Management." The "Reactive Management" level of maintenance does not employ RCM best practices and at best ensures a chaotic level of maintenance of critical building systems. This level of maintenance also ensures that building systems and equipment

are used to the point of deterioration, eventually making buildings and equipment inadequate to meet the demands of housing and preserving the nation's treasures. The Institution will continue to strive to attain the "Comprehensive Stewardship" level of building maintenance, which will ensure that artifacts are housed and preserved in museums with adequate humidity and temperature controls, and that building systems are maintained in accordance with RCM standards.

In FY 2008, OFEO will continue its efforts to achieve the APPA "Comprehensive Stewardship" level of building maintenance, using those RCM methodologies that funding will allow. The ultimate goal of achieving APPA's "Comprehensive Stewardship" standard is no less than what should be expected at the world's largest and most-visited museum complex.

Additionally, OFEO will continue providing protection for the Institution's facilities, collections, staff, visitors, and volunteers through state-of-the-art physical security measures. Requested resources in FY 2008 will enable OFEO to maintain and enhance physical security systems throughout the Institution, and ensure that all security monitoring systems are maintained at the same levels.

In FY 2007, the Institution will complete a Program Assessment Rating Tool (PART) evaluation of the facilities Operations and Maintenance Program.

STRATEGIC GOALS AND FY 2008 ANNUAL PERFORMANCE GOALS

Enhanced Management Excellence

Implement an aggressive and professional maintenance program (300 FTEs and \$48,698,000)

- Increase planned maintenance level to 55 percent of total annual maintenance expenses
- Maintain temperature and relative humidity levels within the target range 80 percent of the time
- Improve mean time between repairs of critical vertical transportation units to more than 70 days between maintenance calls
- Maintain a rate of more than 95 percent customer satisfaction with maintenance activities

Provide world-class protection for Smithsonian facilities, collections, staff, visitors, and volunteers (7 FTEs and \$3,575,000)

- Ensure that physical protection systems operate as intended 99 percent of the time to minimize the risk to the Institution's collections, staff, visitors, and volunteers

NONAPPROPRIATED RESOURCES—General trust funds support salaries and benefits for personnel and other related costs. Donor/sponsor-designated funds provide support for costs related to programs and projects, such as staff training for maintaining building mechanical systems.