

CONTROLLER ALERT: Federal Real Property Profile Data Elements

This Controller Alert brings your attention to an emerging financial management issue that may require agency attention or action. These Alerts are designed to make sure that the Senior Real Property Officer and CFO communities are aware of key issues where OMB believes further action may be warranted, but do not constitute official guidance or include specific tasks for agencies beyond consideration of appropriate steps to address the issue.

To further improve the consistency and quality of FRPP data among agencies and within agencies (i.e., among agency components) the General Services Administration (GSA) recently issued revised definitions for the critical FRPP data elements repair needs, replacement value, annual maintenance costs, and annual operations costs for the December 2018 data reporting cycle. [The GSA memorandum and revised definitions are attached here.](#)

In preparing this memorandum, GSA recently surveyed the CFO Act agencies to assess how the agencies implement these data elements and found inconsistency among the agencies' interpretation and application of the definitions for FRPP reporting. The identified inconsistency is significant and does not support accurate government-wide assessment of repair needs, facility condition, maintenance cost, and operations cost among the agencies.

We need to improve the government-wide consistency of these four data elements for three reasons. First, consistent implementation of the FRPP repair needs and replacement value data elements is required to calculate accurate and comparable facility condition index (FCI) values for all the government's owned buildings and structures. An accurate and consistent FCI metric can be used in conjunction with the real property performance metrics developed under the President's Management Agenda (PMA) to prioritize the allocation of our limited real property resources to support data driven decisions and deliver more value.

Second, the consistency and accuracy of the maintenance data submitted to FRPP is important to assess the financial risk ongoing maintenance requirements pose to the government's real property portfolio. If the maintenance requirement is large relative to the amount of annual maintenance appropriations, for example, an increasing backlog of deferred maintenance may develop over time. An increasing maintenance backlog increases the risk to the government's investment in its real property portfolio because the backlog becomes costlier to eliminate over time. We therefore need accurate FRPP maintenance data to assess and monitor the financial risk to the government's portfolio.

Finally, our long-term objective to foster a strategic management focus within the government-wide real property program, one that achieves improved mission delivery, efficiency, and cost effectiveness, depends upon accurate data to best characterize repair needs, asset condition, and program financial risk.