

BUILDINGS AND FACILITIES

FDA's Building and Facilities program narrative summarizes the budget program requirements that justify a \$2,433,000 request for FY 2009.

The following table shows a three-year funding history for the Buildings and Facilities program.

FDA Program Resources Table

	FY 2007 Actual ¹	FY 2008 Enacted	FY 2009 Estimate	FY 2009 +/- FY 2008
Program Level	\$10,382,000	\$6,157,000	\$2,433,000	-\$3,724,000
Budget Authority	\$10,382,000	\$6,157,000	\$2,433,000	-\$3,724,000
FDA Buildings and Facilities	\$10,382,000	\$2,433,000	\$2,433,000	\$0
Sec. 734 Natural Products Center		\$3,724,000		-\$3,724,000

¹Includes carry over funds from prior-year appropriations. FY 2007 Buildings and Facilities enacted level was \$4,950,000.

The FDA Building and Facilities program operates under the following legal authorities:

Federal Food, Drug, and Cosmetic Act* (21 U.S.C. 321-399)
 Public Health Service Act (42 U.S.C. §238)
 Energy Policy Act of 2005 (P.L. 109-058)
 Chief Financial Officers Act of 1990 (P.L. 101-576)
 Federal Financial Management Act of 1994 (P.L. 103-356)
 Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. §§471 *et seq.*)
 National Historic Preservation Act of 1966 (P.L. 89-665; 16 U.S.C. 470 *et seq.*)

Allocation Method: Direct Federal; Contract

Program Description and Accomplishments

The Building and Facilities Program is a critical element of the FDA's real property asset management program and provides direct support to accomplishing the Agency mission. It supports FDA's strategic goal to transform administrative systems and infrastructure to support FDA operations. Accordingly, funding is provided for new construction of mission critical laboratory, office and support space as well as for renovations and needed repairs and improvements to existing FDA-owned facilities across the U.S.

The Department of Health and Human Services (HHS) has developed a Real Property Asset Management Plan (RAMP), which outlines a framework and holistic approach for acquiring, managing, and disposing of real property assets. The RAMP contains performance measures and

* Authorities under this act do not appear in sequence in the U.S. Code. The authorities are codified as amended in scattered sections of 21 U.S.C.

benchmarks that monitor key real property asset management criteria, including mission criticality, utilization, facility condition and operating costs.

The physical condition of FDA's owned assets, which includes a substantial amount of laboratory facilities, is of critical importance. A safe, suitable and reliable work environment is essential for FDA to protect the Nation's health, security, and economy. Improving and maintaining facilities often results in a positive effect on associated utilization and operating costs. An important component of FDA real property asset management is conducting facility condition assessments on a three-year cycle. Facility condition assessments evaluate such things as physical systems (*e.g.*, architectural, civil, mechanical, electrical), code compliance, life and other safety conditions, and finishes and aesthetics. The assessments result in a list of maintenance and repair deficiencies (*i.e.*, Backlog of Maintenance and Repair [BMAR]) for the facility, a plant replacement value (*i.e.*, current cost to replace the facility) and a Facility Condition Index (FCI) score.

The BMAR lists and estimates costs associated with addressing needed maintenance, repairs and replacement of equipment that is approaching, at, or past its useful life. This information is used to identify and prioritize short- and long-term projects using Building and Facilities Program funding. The FCI score is calculated using the BMAR and plant replacement value and HHS has established an FCI goal of 90 percent or greater for all owned facilities. Currently, approximately 65 percent of FDA's owned assets have an FCI score below the HHS established goal and require significant repairs and improvements.

FDA has utilized Building and Facilities Program funding provided in the previous two fiscal years to accomplish several BMAR projects at each of its six owned sites to both improve the condition of these assets and to ensure the suitability of owned assets for conducting FDA's mission. The list below is representational and not comprehensive.

FDA's Gulf Coast Seafood Laboratory site located in Dauphin Island, AL is used by the Center for Food Safety and Applied Nutrition (CFSAN) to conduct research programs related to seafood safety, especially seafood harvested from the Gulf of Mexico. FDA has spent approximately \$2.9 million to improve the condition of the main research laboratory building by replacing the HVAC system, key components of the electrical system, the roof, and laboratory casework. Another \$250,000 was spent on a project to replace the storage warehouse and chemical storage buildings that support the mission at the site.

The FDA Muirkirk Road Complex (MRC) located in Laurel, MD is used by CFSAN and the Center for Veterinary Medicine (CVM) to conduct research programs related to food and animal drug safety. In addition, laboratories at this site are used as part of the Laboratory and Food Emergency Response Networks. FDA spent \$1.2 million to install an emergency generator for a laboratory building at the site to ensure mission-critical research was protected. Another \$170,000 was spent to repair a chiller, replace a lightning protection system, and renovate a conference room at the site.

The Jefferson Laboratories Complex (JLC) located in Jefferson, AR houses the National Center for Toxicological Research (NCTR) and the Office of Regulatory Affairs' (ORA) Arkansas Regional Laboratory (ARL). NCTR conducts research that focuses on risk assessment,

investigating toxicity, and studying the extrapolation of data from animal studies to humans, all of which inform FDA's regulatory policies. The ARL provides analytical laboratory support to ORA's regulatory mission in the Southwest Region. FDA spent \$3.9 million to fit-out four floors of a key administrative building and \$545,000 to design projects related to improving animal research space, replacing HVAC systems, and studying electrical loads at the site. In addition, \$2.96 million was spent on various repair and improvement projects such as replacing fire alarm systems, roofs, air handling units, an exhaust fan, and main water lines; and installing a new underground electrical feed, a new fire suppression system for a critical computer room, and new electrical meters.

The assets at FDA's San Juan District Office located in San Juan, PR are primarily used for specialized human drug testing and analysis. Approximately \$775,000 has been spent on projects to repair the campus sanitary sewer system, improve the potable water treatment plant, and plan electrical improvements in a key maintenance building.

The FDA's Pacific Regional Laboratory Southwest is located in Irvine, CA. The PRL-SW provides analytical laboratory support to ORA's regulatory mission in the Pacific Region. The facility also houses the Los Angeles District Office, which serves as ORA's inspection and compliance activity in the Los Angeles area. FDA spent \$57,000 to apply solar film on the windows of the facility to improve energy efficiency and operating costs.

The Winchester Engineering and Analytical Center located in Winchester, MA is an ORA specialty laboratory used to test the safety and performance of medical devices, microwaves, and radiopharmaceuticals; to conduct radionuclide testing with food samples; and to ensure seafood freshness. FDA spent approximately \$375,000 for the main laboratory to remove asbestos, replace the HVAC systems in four laboratory rooms and one training/meeting room, and replaced carpeting in a conference room, lobby/entrance and hallway.

FDA also occupies space in four buildings on the campus of the National Institutes of Health (NIH). A total of \$1.92 million was spent to renovate laboratory space for the Center for Biologics Evaluation and Research (CBER) to create a Biosafety Level 3 facility for safely manipulating the avian flu virus in support of FDA's pandemic flu mission.

The historical funding and FTE levels table shows a five-year history of program level funding, budget authority funding, and user fee funding.

Five Year Funding Table

Fiscal Year	Program Level	Budget Authority	User Fees
2005 Actual ¹	\$2,199,000	\$2,199,000	\$0
2006 Actual ²	\$8,510,000	\$8,510,000	\$0
2007 Actual ³	\$10,382,000	\$10,382,000	\$0
2008 Enacted ⁴	\$6,157,000	\$6,157,000	\$0
2009 Estimate	\$2,433,000	\$2,433,000	\$0

¹ FY 2005 enacted level was \$0. FY 2005 Actual includes carry over funds from prior year appropriations.

² FY 2006 enacted level was \$7,920,000. FY 2006 Actual includes carry over funds from prior year appropriations.

³ FY 2007 enacted level was \$4,950,000. FY 2007 Actual includes carry over funds from prior year appropriations.

⁴ Includes \$3,724,000 for FY 2008 Omnibus Appropriations Act General Provision Sec. 734 that appropriates \$3.75 million (minus 0.7% rescission) to the National Center for Natural Products Research for construction and renovation.

Budget Request

The total FY 2009 request for the buildings and facilities account is \$2,433,000. FDA will use its base resources in FY 2009 to fund various projects at its mission critical, owned sites that will enhance the FDA's ability to achieve its mission, provide a safe and productive work environment, and improve the condition of its owned assets.

FDA will prioritize the multitude of renovation, repair and improvement projects identified in its Backlog of Maintenance and Repair and utilize the FY2009 funding to complete top priority projects. Such projects could include replacing or renovating HVAC systems, replacing air handling units, improving fire alarm systems, repairing processing areas, renovating space to support mission-critical research, replacing piping associated with heating systems, installing new controls for emergency generators, correcting electrical deficiencies and completing other miscellaneous repairs noted in the BMAR.

FDA's use of Building and Facilities Program funding for FY 2009 will continue to make sustaining and improving the condition of its owned real property assets a priority. Completion of these projects enhances the FDA's ability to achieve its critical mission of protecting and promoting the health of the American public.

Buildings and Facilities Program Activity Data¹

Facility	Avg. FCI Score FY 2007	Avg. FCI Score FY 2008 (Enacted)	Avg. FCI Score FY 2009 (Request)
Gulf Coast Seafood Laboratory ²	33	32	31
Jefferson Laboratory Complex ³	80	80	79
Muirkirk Road Complex ⁴	57	57	57
Pacific Regional Laboratory Southwest ⁵	99	99	98
San Juan District Office and Laboratories ⁶	74	73	73
Winchester Engineering and Analytic Center ⁷	84	83	82

¹The Backlog of Maintenance and Repairs (BMAR) at each site is significant. Funding is allocated to projects at each site in an effort to reduce the BMAR and improve the average Facility Condition Index (FCI) for the site.

Without ongoing repair and improvement projects, the increase in BMAR each year would result in no change or a decrease in the FCI rather than an increase.

²Based on funding levels in FY2008 and FY2009, the BMAR for this site will increase by approximately \$296K to a total of approximately \$3M.

³Based on funding levels in FY2008 and FY2009, the BMAR for this site will increase by approximately \$851K to a total of approximately \$51M.

⁴Based on funding levels in FY2008 and FY2009, the BMAR for this site will decrease by approximately \$597K to a total of approximately \$8.5M.

⁵Based on funding levels in FY2008 and FY2009, the BMAR for this site will increase by approximately \$2K to a total of approximately \$81K.

⁶Based on funding levels in FY2008 and FY2009, the BMAR for this site will decrease by approximately \$42K to a total of approximately \$2.3M.

⁷Based on funding levels in FY2008 and FY2009, the BMAR for this site will increase by approximately \$305K to a total of approximately \$4.9M.