

WASHINGTON HEADQUARTERS SERVICES
Department of Defense Buildings Maintenance Fund
Summary of Operations

Industrial Fund Functions:

The Buildings Maintenance Fund (BMF) is a revolving fund that operates under authority of Section 2208 of Title 10, United States Code. The BMF finances the operation, maintenance, protection and repair of government-owned and leased facilities (exclusive of the Pentagon Reservation) that are controlled by the Washington Headquarters Services (WHS) and are occupied by Department of Defense (DoD) military and/or civilian personnel. Such facilities include, but are not limited to those operated by WHS under delegations of authority from the General Services Administration (GSA). Services provided by the BMF include:

Real Property Operations. Includes cleaning, preventive maintenance, operation and repair of building mechanical and electrical systems, administrative support, perimeter Protection and law enforcement services.

Repair. Includes repair projects over \$10,000 and cyclic painting. These projects maintain the facilities at levels adequate to support the assigned missions and to prevent deterioration and damage to buildings, their support systems and operating equipment. Repair projects are prioritized and accomplished within available revenues. Protection of the Government's investment, cost effectiveness, health and safety of workers and the public are among the most important criteria for determining project priorities.

The BMF has been designed to operate on a break-even basis over the long term. Revenue to the BMF is generated from various sources. However, the BMF is primarily dependent upon user fees paid by DoD Components for operation, maintenance, and repair services provided in twenty-nine federally owned and leased facilities that are managed by WHS under GSA/DoD interagency agreements. In addition, costs incurred for alterations, security, heating, air-conditioning and other building services above those levels supported by GSA are recovered on a reimbursable job-order basis from the DoD tenants receiving the premium services.

Budget Highlights:

Obligations for real property operations and repairs for FY 1999 through FY 2001 are \$27.1 million, \$29.3 million, and \$33.0 million, respectively. Estimates for FY 2001 assume average annual inflationary increases for utilities, fuels, supplies and service contracts of 1.5 percent.

FY 2001 estimates provide for FY 2001 civilian pay raises of 3.7 percent for General Schedule and Wage Grade personnel and the annualization of FY 2000 increases. An increase of \$3.3 million in FY 2001 provides for the enhancement of perimeter protection for these facilities in accordance with The Presidential Directive of June 28, 1995 and the Department of Justice (DOJ)

“Vulnerability Assessment Study.” Protection services at these facilities include, but are not limited to, site and structural modification, security systems monitoring, guarding/response services, enforcement of applicable building rules, regulations and federal and state laws established to maintain law and order and protect life and property. Operation, maintenance, and repair services will be maintained at commercially equivalent levels. WHS, as the delegated agency responsible for the operation and protection of these GSA facilities, is required to recover these costs directly from the Military Services, other DoD Components and Government agencies and others that are assigned space in these buildings.

**WASHINGTON HEADQUARTERS SERVICES
BUILDINGS MAINTENANCE FUND
PROGRAM AND FINANCING SUMMARY
(Dollars in Millions)**

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
Fund Balance (Unobligated Balance Available) Start of Year:	\$ 12.8	\$ 11.5	\$ 9.5
User Charges			
Federal Funds	\$ 22.8	\$ 27.3	\$ 33.4
Non Federal Funds	\$ -	\$ -	\$ -
Total User Charges:	\$ 22.8	\$ 27.3	\$ 33.4
Obligations:			
Real Property Operations:			
Cleaning	\$ 0.9	\$ 0.9	\$ 1.0
Maintenance	\$ 0.7	\$ 0.7	\$ 0.7
Utilities and Fuels	\$ 1.9	\$ 1.0	\$ 1.0
Protection	\$ 2.2	\$ 3.0	\$ 6.7
Other Building Services	\$ 0.6	\$ 0.5	\$ 0.6
Administrative	\$ 5.9	\$ 5.3	\$ 5.4
Repairs (over \$10,000)	\$ 0.4	\$ 0.5	\$ 0.5
Reimbursable Services (Above Std.):			
Cleaning	\$ 0.5	\$ 0.7	\$ 0.7
Maintenance	\$ 0.2	\$ 0.2	\$ 0.3
Utilities and Fuels	\$ 0.9	\$ 1.1	\$ 1.1
Protection	\$ 3.1	\$ 3.3	\$ 3.3
Space Adjustments and Other	\$ 9.8	\$ 12.1	\$ 11.7
Administrative	\$ -	\$ -	\$ -
Total Obligations:	\$ 27.1	\$ 29.3	\$ 33.0
Recovery of Prior Year Obligations	\$ 3.0	\$ -	\$ -
Fund Balance (Unobligated Balance Available) End of Year	\$ 11.5	\$ 9.5	\$ 9.9

**WASHINGTON HEADQUARTERS SERVICES
BUILDINGS MAINTENANCE FUND
REVENUE AND EXPENSES
(Dollars in Millions)**

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
Revenue*	\$ 24.8	29.5	33.4
Operating Expenses:			
Real Property Operations:			
Cleaning	0.9	1.0	1.0
Maintenance	0.6	0.8	0.8
Utilities and Fuels	1.4	1.0	1.0
Protection	3.5	3.8	7.4
Other Building Services	0.0	0.5	0.6
Administrative - RE&F	5.2	4.3	4.5
Repairs (over \$10,000)	0.4	0.4	0.4
Reimbursable Services (Above Std.):			
Cleaning	0.0	0.0	0.0
Maintenance	0.0	0.0	0.0
Utilities and Fuels	1.3	1.8	1.8
Protection	4.8	6.6	6.6
Space Adjustments and Other	6.7	9.3	9.3
Administrative	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0
Total Operating Expenses:	24.8	29.5	33.4
Cost of Services:	24.8	29.5	33.4
Net Operating Results	0.0	0.0	0.0
Accumulated Operating Results:	(0.0)	0.0	0.0

***NOTE: Revenue determined based upon percentage of completion method of revenue recognition. Revenue reflects Work-in-Place/Delivered Orders/Accrued Cost vice Orders Rec'd.**