

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

Buildings and Facilities (B&F)

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FY 2010 Proposed Appropriation Language

NATIONAL INSTITUTES OF HEALTH

Buildings and Facilities

For the study of, construction of, renovation of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, \$125,581,000, to remain available until expended.

(Department of Health and Human Services Appropriations Act, 2009)

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Amounts Available for Obligation ^{1/}

Source of Funding	2008 Actual	2009 Enacted	2010 Estimate
Appropriation	\$121,081,000	\$125,581,000	\$125,581,000
Rescission	-2,115,000		
Subtotal, adjusted appropriation	118,966,000	125,581,000	125,581,000
Recovery of prior year obligations	7,818,000		
Subtotal, adjusted budget authority	126,784,000	125,581,000	125,581,000
Unobligated Balance, start of year	71,922,000	71,479,000	15,000,000
Unobligated Balance, end of year	-71,479,000	-15,000,000	
Total obligations	127,227,000	182,060,000	140,581,000

1/ Excludes the following amounts for reimbursable activities carried out by this account:
FY 2008 - \$1,607,000; FY 2009 - \$2,000,000; FY 2010 - \$2,000,000.

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

**Budget Authority by Program
(Dollars in Thousands)**

Project	2009 Enacted	2010 Estimate	Change
<u>Essential Safety & Regulatory Compliance:</u>			
Anatomical Pathology	61,000	0	-61,000
Asbestos Abatement Program	2,000	2,000	0
Fire Protection & Life Safety Program	5,000	5,000	0
Eliminate Barriers to Persons With Disabilities	1,500	1,500	0
Environmental Assessments / Remediations	1,000	1,000	0
Rehabilitation of Animal Research Facilities	5,000	5,000	0
Physical Security Improvements	2,000	2,000	0
Sustainability Program	1,000	1,000	0
<u>New Construction:</u>			
Concept Development Studies	500	500	0
Child Care Center		15,000	15,000
Repairs & Improvements	46,581	92,581	46,000
Total budget authority	125,581	125,581	0
Unobligated balance, start of year	71,479	15,000	-56,479
Unobligated balance, end of year	-15,000	0	15,000
Total obligations	182,060	140,581	-41,479

Buildings and Facilities includes funds only appropriated to this account. Some Institutes and Centers also budget for facilities renovations and associated construction costs in other operating mechanisms, which are not reflected in this table. The HHS Facilities Program Manual provides specific guidelines for use of operating funds.

Major Changes in the FY 2010 Budget Request

Major changes by budget activity are briefly described below. Note that these highlights will not sum to the total change for the FY 2010 budget request for the Buildings and Facilities, which is equal to the FY 2009 Omnibus Appropriations Act, for a total of \$125.581 million.

Repair and Improvements (+\$46.000 million; total \$92.581 million): The NIH-wide Repairs and Improvements (R&I) program goal is to sustain efficient and effective facility performance throughout the life cycle of facilities. We develop annual program investment levels to help ensure that NIH achieves the full service life of its facilities and its components. This requested funding level supports NIH's efforts to maintain research requirements.

Northwest Child Care Center (+\$15.000 million): The FY 2010 Budget request includes funds to construct the Northwest Child Care Center on the Bethesda Campus. The Child Care Center will allow NIH to provide excellent and affordable child care to help attract and retain a high quality workforce including young scientists with a good representation of women and minority groups. The NIH's current Child Care Centers has a waiting list of over 1,000 children. This project is subject to the DHHS Capital Investment Review Board process. Project documentation capturing budget, scope, and schedule must be approved before design and/or construction award.

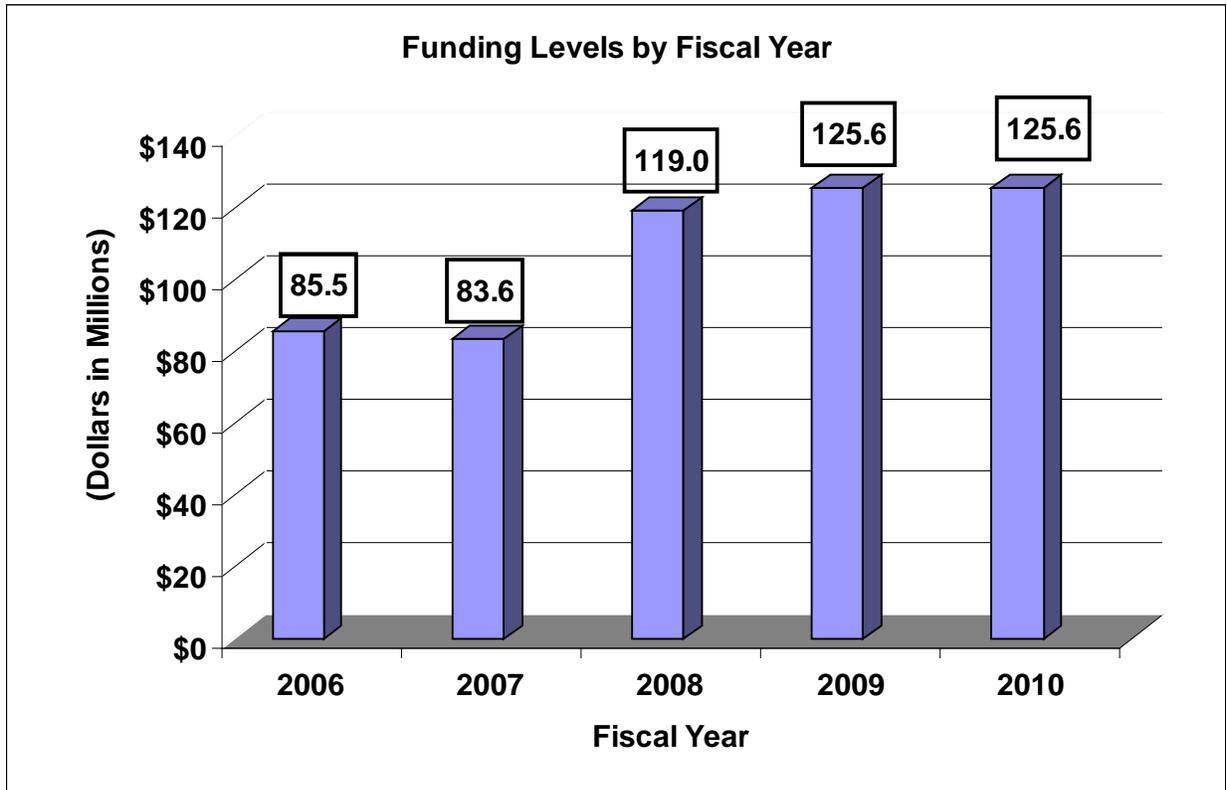
**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Summary of Changes

2009 Enacted		\$125,581,000
2010 Estimated budget authority		125,581,000
Net change		0
	2009 Current Estimate Budget Authority	Change from Base Budget Authority
<u>Increases:</u>		
A. <u>Program:</u>		
1.	Asbestos Abatement Program	2,000,000 0
2.	Fire Protection and Life Safety Program	5,000,000 0
3.	Eliminate Barriers to Persons With Disabilities	1,500,000 0
4.	Environmental Assessments / Remediation	1,000,000 0
5.	Rehabilitation of Animal Research Facilities	5,000,000 0
6.	Physical Security Improvements	2,000,000 0
7.	Sustainability Program	1,000,000 0
8.	Concept Development Studies	500,000 0
9.	Child Care Center	15,000,000
10.	Repairs and Improvements	46,000,000
Total increases		64,581,000 61,000,000
<u>Decreases:</u>		
A. <u>Program:</u>		
1.	Anatomical Pathology	61,000,000 -61,000,000
Total decreases		61,000,000 -61,000,000
Total Changes		125,581,000 0

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Budget Graph



**Buildings and Facilities
Justification of Budget Request**

Authorizing Legislation - Section 301 and title IV of the Public Health Services Act, as amended.

	FY 2008 Appropriation	FY 2009 Omnibus	FY 2009 Recovery Act	FY 2010 President's Budget	FY 2010+/- FY 2009 Omnibus
BA	\$118,966,000	\$125,581,000	\$500,000,000	\$125,581,000	\$0
Total Obligations	\$127,227,000	\$182,060,000	\$275,000,000	\$140,581,000	-\$41,479,000

This document provides justification for the Fiscal Year (FY) 2010 activities of the Buildings and Facilities (B&F) appropriation.

DIRECTOR'S OVERVIEW

The NIH strives to strike a balance between its emerging infrastructure needs to address a broad spectrum of health threats and research opportunities and the need to remain responsible stewards over existing investments in our buildings, which represents an integral component of the research enterprise. Of the major components of the B&F program, the R&I program has the most significant impact on the condition of existing NIH facilities. The major goal of the R&I program is to sustain efficient and effective facility performance throughout the life cycle of the facility. Deterioration of a facility's condition, and ultimately its performance, has both direct and indirect impacts on overall program performance, and it jeopardizes NIHs ability to perform research in an environment that promotes scientific advancements.

As responsible stewards, part of NIH's strategy is to sustain the condition of existing facilities to prevent deterioration and the curtailment of research, while raising the average Condition Index (CI), which is a function of the ratio of the cost of needed repairs to the replacement value at a specific point in time, to 90 or greater.

The American Recovery and Reinvestment Act (ARRA) provides \$500.000 million to B&F. With the \$500.000 million, the NIH will:

- Build the Porter Neurosciences Research Center II, which will reduce the need for leased facilities by FY 2013.
- Renovate the Building 10 F Wing, which is currently vacant and will become fully utilized.
- Renovate Building 3, which is currently vacant and will become fully utilized.
- Renovate Building 16A, which is currently vacant and will become fully utilized.
- Provide for needed repairs and improvements across several buildings and sites.

These investments will allow the NIH to improve the gross CI from 72 to 75.5 and coupled with the 1.5 gross CI improvement planned with the FY 2009 Omnibus, the NIH will improve the gross CI from 72 to 77 with seven key buildings moving to a CI greater than 90

Overall Budget Policy

Table 1 is a summary of the funding for B&F from FY 2002 through FY 2010.

Table 1 - Summary of B&F Funding by Program Activity FY 2002 through FY 2010:

Year	Construction	Essential Safety and Regulatory Compliance	Physical Security	Repairs and Improvements	Renovations	Equipment/ Systems/ Enabling	Total
FY 2002	127,000,000 ^{1/}	61,579,000	25,000,000 ^{1/}	64,600,000	14,100,000	3,600,000	295,879,000
FY 2003	470,618,000	6,200,000	80,000,000	55,800,000 ^{2/}	24,069,000	2,000,000	638,687,000
FY 2004	9,500,000	13,472,000	0	70,500,000 ^{2/}	5,500,000	0	98,972,000
FY 2005	28,059,000	6,000,000	0	58,429,000	10,800,000	7,000,000	110,288,000
FY 2006	5,180,000	13,944,300	0	66,381,000	0	0	85,505,300
FY 2007	3,200,000	14,500,000	0	65,881,000	0	0	83,581,000
FY 2008	30,500,000	15,500,000	0	72,966,000	0	0	118,966,000
FY 2009 ^{3/}	61,500,000	17,500,000	0	46,581,000	0	0	125,581,000
FY 2010	15,500,000	17,500,000	0	92,581,000	0	0	125,581,000

^{1/} Includes funding provided through the HHS supplemental emergency appropriation for Physical Security Improvements (\$25,000,000) and for construction of a BSL-4 facility at the NIH Rocky Mountain Laboratories (\$66,500,000)

^{2/} Amount includes \$10,000,000 comparable adjustments for IC R&I projects.

^{3/} Excludes ARRA funding of \$500.000 million

The FY 2010 budget estimate of \$125.581 million provides funds for specific projects in three program areas: Construction, Essential Safety and Regulatory Compliance, and Repairs and Improvements. These programs and projects will help the NIH to fulfill its continuing commitment to sustain its facilities and improve the overall Condition Index (CI).

Table 2 - Summary of FY 2010 Request

Year	Construction	Essential Safety and Regulatory Compliance	Repairs and Improvements	Renovations	Equipment/ Systems/ Enabling	Total
FY 2010	15,500,000	17,500,000	92,581,000	0	0	125,581,000

FY 2010 JUSTIFICATION BY ACTIVITY DETAIL

Program Descriptions and Accomplishments

The FY 2010 budget estimate funds the NIH's multiple research infrastructure priorities. Rapid advances in the understanding of basic biology and the complexity of human disease present unique research challenges. To address these challenges, we must upgrade our facilities to integrate new research tools that could accelerate the pace of research discoveries. The proposed construction, renovations, and improvements will support creating and sustaining a robust, modern, safe, and secure physical infrastructure for the research agenda and maintain the vitality and competitiveness of the NIH biomedical research enterprise.

This budget request provides funds for specific projects in three program areas: Construction, Essential Safety and Regulatory Compliance, and R&I, within the context of a five-year strategy. The following programs and projects are included in the B&F tables and are described in detail below:

Construction: Planning, design, and construction of new research and research support facilities for ongoing and new scientific initiatives.

- Concept Development Studies
- Northwest Child Care Center

Essential Safety and Regulatory Compliance: Planning, design, and construction to remediate unsafe conditions, upgrade obsolete non-code compliant systems, and bring existing facilities into compliance with current regulatory requirements.

- Asbestos Abatement Program
- Fire Protection and Life Safety Program
- Elimination of Barriers to Persons with Disabilities
- Environmental Assessments / Remediation Program
- Rehabilitation of Animal Research Facilities
- Physical Security Improvements
- Sustainability Program

Repairs and Improvements: We will use this funding to repair and improve major building systems that have worn out or failed. These repairs and improvements will extend the useful life and improve the overall CI of NIH's facilities and allow for improvements that will enable our facilities to better support NIH's mission.

Construction: \$ 15.000 million

The FY 2010 Budget request includes funds to construct the Northwest Child Care Center on the Bethesda Campus. The Child Care Center will allow NIH to provide excellent and affordable child care to help attract and retain a high quality workforce including young scientists with a good representation of women and minority groups. The NIH's current Child Care Centers has a waiting list of over 1,000 children.

Concept Development Studies: \$ 0.500 million

The request for Concept Development Studies will fund pre-project planning activities to define the scope, cost, and life cycle benefits of projects before NIH initiates formal requests for design and construction funds. This approach informs and enhances the HHS-wide B&F priority-setting process and expedites project design.

Essential Safety and Regulatory Compliance: \$17.500 million

The funds allocated to Essential Safety and Regulatory Compliance enable the NIH to maintain valuable research capacity and to ensure the safety of NIH facilities and their occupants. As buildings age and health and safety guidelines change, facilities once considered modern become outmoded, non-compliant, and in some cases hazardous. The NIH continues to upgrade many of its older facilities for safe use so research and research support activities may continue without disruption.

Asbestos Abatement: \$2.000 million

The budget request level for these activities will support the continued removal of asbestos-containing materials from various NIH buildings. Asbestos is present in virtually all the older NIH buildings' insulation, fireproofing, ceilings, and walls. Disturbed or deteriorating asbestos fibers can be released into the air, potentially risking the health of those persons exposed. The NIH is committed to removing asbestos as part of any renovation or when the material is in a friable condition. The key component of this program is to abate asbestos-containing material in building utility spaces on the Bethesda Campus, where the majority of friable, deteriorated asbestos is located.

Fire Protection and Life Safety: \$5.000 million

We request funding to upgrade fire protection and life safety systems, features and equipment in NIH buildings to provide full protection for all occupants and critical research subjects. Early in this program, a fire protection master plan was developed. Since that time, the NIH has implemented elements of the plan including the installation of fire alarm and automatic sprinkler systems, and other fire suppression systems. In addition, this program's plan is to meet fire safety code requirements pertaining to fire barriers and emergency egress components throughout NIH facilities by upgrading fire doors, fire door hardware, emergency lighting, exit signage, and related fire safety

improvements.

Elimination of Barriers to Persons with Disabilities: \$1.500 million

This program continues to remove existing barriers in and around NIH buildings to comply with the Architectural Barriers Act (ABA) of 1968. The NIH is updating its accessibility plan through a systematic facility survey and development of a corrective action prioritization plan. We completed the facility survey for the Bethesda campus in 2007. We reviewed the results and ranked the deficiencies to focus on buildings that serve the public, such as administrative buildings, laboratories, and support buildings. We will use the requested funds to continue to eliminate barriers to NIH facilities for persons with disabilities. The current request will support NIH's short-term goal to ensure all facilities have at least one accessible route, entrance, and toilet facility for each gender, and to support requests by persons with disabilities for reasonable accommodation where the accommodation is part of the built facility.

Environmental Assessments/Remediation: \$1.000 million

The funds requested will allow for environmental remediation activities at all government owned NIH sites. The program conducts environmental audits to identify potentially hazardous conditions and, when warranted, remediates conditions that could pose a health and safety threat to NIH employees, visitors, and contractors, or the general public and the environment. This includes the ongoing development and implementation of a program to clear and decontaminate laboratories at NIH prior to their renovation, continued ongoing work in soil and groundwater remediation, and rapid response to new remediation requirements.

Rehabilitation of Animal Research Facilities: \$5.000 million

An important factor in the effective application of animal models in biomedical research is high-quality animal care provided in well-built, well-maintained, and well-equipped facilities. These funds will continue to support a comprehensive program of repairs and improvements needed to ensure compliance with stringent Association for the Assessment and Accreditation of Laboratory Animal Care (AAALAC) standards. The AAALAC standards and guidelines drive improvements in heating, ventilation, and cooling systems, provisions for appropriate storage space, animal housing requirements, and repairs or replacement of various interior finish systems to help ensure strict sanitary conditions. Planned projects include replacement of damaged building finishes and repairs or replacements of HVAC systems or components.

Physical Security Improvements: \$2.000 million

Physical security improvements will continue to enhance NIH's ability to provide a safe and secure environment for research staff, employees, and visitors. As the Nation's preeminent leader in medical and behavioral research, we maintain a careful balance between the application of federally mandated security and emergency response requirements and the fostering of an environment for open and free exchange of information within NIH's scientific community. In pursuit of both objectives, the NIH will enhance the overall security posture and expedite the NIH's first responder capabilities

for the various NIH locations by integrating existing physical security, intruder detection, and surveillance systems using non-proprietary open architecture solutions.

Sustainability Program: \$1.000 million

The HHS Sustainable Buildings Implementation Plan requires the assessment of all existing facilities for compliance with the Guiding Principles in the *Federal Leadership in High Performance and Sustainable Buildings Memorandum of Understanding* referenced in Executive Order 13423. As part of our compliance with this Executive Order, NIH will strive to build facilities in a sustainable manner, to identify priorities for improvements, and to complete sustainability improvements and recommissioning at all facilities over a prescribed schedule of several years. We will use the requested funding to analyze, track, and monitor current projects and collect lessons learned to ensure that we are meeting required goals and implementing demonstration projects.

Repairs and Improvements (R&I): \$92.581 million

Requested resources support repairs and improvements to the physical plant, building structures, utility systems, roads, and grounds at all the sites in which the NIH has an asset interest. These funds will be used to sustain efficient and effective performance of NIH's real property assets to meet ongoing and projected research requirements and to offset the deterioration and obsolescence caused by age and use.

Projects for the R&I program are identified using NIH facilities and program staff recommendations, various facilities studies, and by ongoing facilities assessments performed on each building on a three year cycle by a firm experienced in facility assessment methodology. To ensure focus on the most critical projects within resource constraints, we rank order these projects using a decision model with input from program officials and Subject Matter Experts (SMEs). Final project selections are made by an R&I Board consisting of senior facilities personnel. Facilities infrastructure improvements are necessary to meet changing mission requirements and to meet NIH and HHS goals for improving the condition of NIH buildings. Such efforts may include upgrading building systems, extending utility infrastructure, and implementing other changes that extend the useful life of existing facilities.

This request specifically supports the continued repair and upgrade of deteriorated infrastructure, including steam and chilled water distribution systems, structural repairs to older buildings, upgrade of plumbing systems, repair of elevators, upgrade of HVAC systems, and replacement of deteriorated fan coil units in multiple facilities. This request supports improvements to address evolving research requirements and supports, when needed, certain limited IC renovations. A focus area for NIH is Building 10, the original Warren Grant Magnuson Clinical Center on the Bethesda campus. The NIH has initiated a phased renovation program for this building to address critical deficiencies by using FY 2008 and FY 2009 Buildings & Facilities funds.

American Recovery and Reinvestment Act

As described above, The American Recovery and Reinvestment Act (ARRA) provide

\$500.000 million to the B&F. With the \$500.000 million, the NIH will:

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- Renovate the Building 10 F Wing, which is currently vacant and will become fully utilized.
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- Provide for needed repairs and improvements across several buildings and sites.

These investments, along with the FY 2009 Omnibus, will allow the NIH to improve the gross CI from 72 to 77 with seven key buildings moving to a CI greater than 90.

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Budget Authority by Object

	FY 2008 Actual	FY 2009 Estimate	FY 2010 PB	Increase or Decrease	Percent Change
- Operations & Maintenance of Facilities (25.4)	118,966	125,581	125,581	0	0.0%
Obligations	127,227	182,060	140,581	-41,479	-22.8%
Total budget authority by object	118,966	125,581	125,581	0	0.0%
Total obligations by object	127,227	182,060	140,581	-41,479	-22.8%

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Authorizing Legislation

	PHS Act/ Other Citation	U.S. Code Citation	2008 Amount Authorized	FY 2009 Enacted	2009 Amount Authorized	FY 2010 Budget Estimate
Buildings and Facilities	Title IV, Section 301	42§282(b)	Indefinite	\$125,581,000	Indefinite	\$125,581,000
Total Budget Authority				\$125,581,000		\$125,581,000

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Appropriation History

Fiscal Year	Budget to Congress	House Allowance	Senate Allowance	Appropriation ^{1/}
2000	148,376,000	148,376,000	140,732,000	175,376,000 ^{2/}
Rescission				-10,000,000
2001	148,900,000	178,700,000	148,900,000	153,790,000
2002	236,600,000	311,600,000	306,600,000	309,600,000
Rescission				-30,000,000
Transfer				-75,221,000 ³
2003	632,800,000	632,800,000	632,800,000	632,800,000
Rescission				-4,113,000
2004	80,000,000	80,000,000	89,500,000	89,500,000
Rescission				-528,000
2005	99,500,000	99,500,000	114,500,000	111,177,000
Rescission				-889,000
2006	81,900,000	81,900,000	113,626,000	81,900,000
Rescission				-819,000
Transfer				-55,700 ^{4/}
				4,480,000 ^{5/}
2007	81,081,000	81,081,000	81,081,000	81,081,000
Transfer				2,500,000 ^{6/}
2008	136,000,000	121,081,000	121,081,000	121,081,000
Rescission				-2,115,000
2009	125,581,000	125,581,000	146,581,000	125,581,000

1/ Reflects enacted supplementals, rescissions, and reappropriations.

2/ Includes \$40,000,000 of advanced appropriation for the Mark O. Hatfield Clinical Research Center.

3/ Reflects \$75,000,000 for the Global AIDS transfer and HHS Secretary's transfer of \$221,000.

4/ Reflects HHS Secretary's transfer of \$55,700,000 to the Centers for Medicare and Medicaid Services

5/ Reflects NIH Director's transfer of \$4,480,000 from the NIEHS appropriation for the Clinical Research Unit

6/ Reflects NIH Director's transfer of \$2,500,000 from NIAID appropriation for the Modular Animal Vivarium Facility