

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

Buildings and Facilities

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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 NIH, including the acquisition of real property, \$126,111,000 to remain available until expended.

Figure 1

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Amounts Available for Obligation ¹
(Dollars in Thousands)

Source of Funding	FY 2012 Actual ²	FY 2013 CR	FY 2014 PB
Appropriation	125,581	126,111	126,111
Rescission	(237)	0	0
Subtotal, adjusted appropriation	125,344	126,111	126,111
Secretary's Transfer for AIDS authorized by PL 112-74, Section 206	(36)	0	0
Recovery of prior year obligations	5,707	0	0
Unobligated balance, start of year	3,025	31,627	0
Subtotal, adjusted budget authority	134,040	157,738	126,111
Total Obligation	102,413	0	0
Unobligated balance, end of year	31,627	0	0
Unobligated balance lapsing	0	0	0

¹ Excludes the following amounts for reimbursable activities carried out by this account:
FY 2012 - \$15 FY 2013 - \$2,500 FY 2014 - \$2,500

² This display aggregates X year account and the five year account created in FY 2012.

Major Changes in the Fiscal Year 2014 President's Budget Request

Major changes by budget activity are briefly described below. The FY 2014 Buildings and Facilities (B&F) President's Budget request is \$0.803 million more than the FY 2012 level, for a total of \$126.111 million.

Repairs and Improvements (-\$51.347 million; total \$47.561 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. NIH develops annual program investment levels to help ensure that the full service life of its facilities and components. This requested funding level supports NIH's efforts to maintain research requirements. The proposed decrease in funding reflects the priority status of the project to expand chilled water capacity within the main Bethesda campus.

New Construction (+\$68.200; total \$78.550 million): NIH's FY 2014 plan includes funding for Assure/Expand Chilled Water Capacity on the Bethesda Campus. Funds requested are for the renovation of approximately 72,547 GSF of an existing multi-level chiller plant building (Building 34/34A) located at the corner of Lincoln Drive and the Service Road West on the Bethesda Campus. This building formerly housed chillers and cooling towers which are now decommissioned and have not been used for several years. The designed plant will accommodate three new 5,000 ton chillers along with associated pumping, cooling towers, piping, concrete equipment pads and electrical services which will ensure the reliability of a chilled water system that is essential to the NIH mission. The \$8.2 million of design funding needed for this effort was requested as part of the FY13 President's Budget. During the derecho of 2012, NIH operated its chillers near full capacity in order to maintain patient and animal safety. In the future, additional chiller capacity will assure that NIH does not run its chiller equipment to the point where patients, animals, or the equipment itself is at risk.

In FY 2014, NIH plans to design the renovation of the G-wing in Building 10 located on the Bethesda Campus. The G Wing project involves the complete renovation of floors 2 thru 10 (approximately 73,000 Gross Square Feet) including demolition and replacement of all interior components and refurbishment of the exterior brick facade and roof including new windows. Although many hospital accreditation issues were resolved through the construction of the CRC, NIH identified a significant short fall of clinical office space for Institutional Review Board staff, Protocol Service Center staff, and physicians and nurses who conduct clinical research protocols. This space is necessary to support review of protocols and protect the confidentiality of patient records and information related to human subjects. NIH is requesting funding for G-Wing design only in FY2014.

**National Institutes of Health
Buildings and Facilities**

**Summary of Changes
(Dollars in Thousands)**

FY 2012 Actual			125,308
FY 2014 President's Budget			126,111
Net change			803
<u>Increases:</u>	FY 2014	Change	
A. <u>Program:</u>			
1. Assure/Expand Chilled Water Capacity, Bethesda	0	74,700	
2. Renovation of Building 10 G-Wing, Bethesda Campus	0	3,850	
Total Increases	0	78,550	
<u>Decreases:</u>			
A. <u>Program:</u>			
1. Fire Protection and Life Safety Program	5,000	(5,000)	
2. Rehabilitation of Animal Research Facilities	5,000	(5,000)	
3. Environmental Assessments / Remediation	3,200	(3,200)	
4. Physical Security Improvements	1,800	(1,800)	
5. Sustainability Program	1,000	(1,000)	
6. Concept Development Studies	1,000	(1,000)	
7. Building 29A Renovation, Bethesda, Md	9,400	(9,400)	
12. Repairs & Improvements	98,908	(51,347)	
Total Decreases	125,308	(77,747)	
Total Changes	125,308	\$803	

Figure 2

Buildings and Facilities

Budget Graph

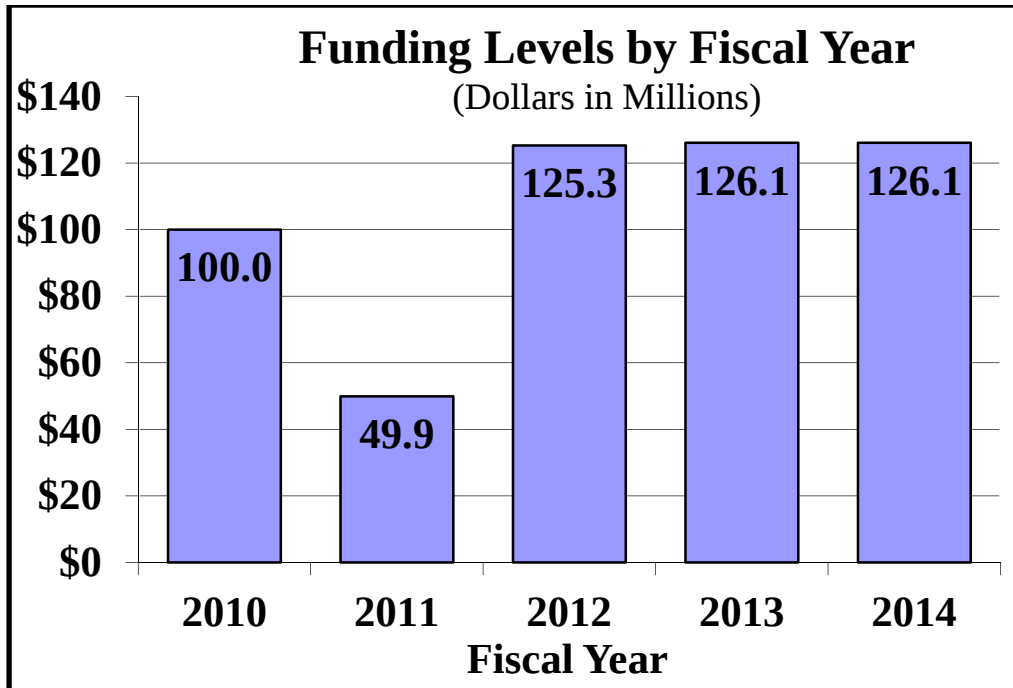


Figure 3

**National Institutes of Health
Buildings and Facilities**

Budget Authority by Activity
(Dollars in Thousands)

Project	FY 2012 Actual	FY 2013 CR	FY 2014 PB	Change FY 2012 to FY 2014
<u>Essential Safety & Regulatory Compliance:</u>				
Fire Protection & Life Safety Program	5,000	5,000	0	-5,000
Environmental Assessments / Remediations	3,200	3,200	0	-3,200
Rehabilitation of Animal Research Facilities	5,000	5,000	0	-5,000
Physical Security Improvements	1,800	1,800	0	-1,800
Sustainability Program	1,000	1,000	0	-1,000
<u>New Construction:</u>				
Assure/Expand Chilled Water Capacity, Bethesda	0	8,200	74,700	74,700
Renovation of Building 10 G-Wing, Bethesda Campus	0	0	3,850	3,850
Building 29A Renovation, Bethesda, Md	9,400	0	0	-9,400
Concept Development Studies	1,000	1,000	0	-1,000
Renovation of Building 10 E Wing, Bethesda Campus	0	20,600	0	0
Demolition of Building 7, Bethesda Campus	0	3,300	0	0
Demolition of Building 9, Bethesda Campus	0	2,900	0	0
Emergency Power Generation to Assure Chilled Water, Bethesda Campus (design only)	0	2,100	0	0
Northwest Child Care Center		0		0
Research Triangle Park Site Utility Loop, RTP Campus	0	1,200	0	0
Repairs & Improvements	98,908	70,811	47,561	-51,347
Total budget authority	125,308	126,111	126,111	803
Unobligated balance, start of year	3,025	31,627	0	-3,025
Unobligated balance, end of year	-31,627	0	0	31,627
Total obligations *	96,706	157,738	126,111	29,405

*Obligations are net of prior year recoveries

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 Manual provides specific guidelines for use of operating funds.

Figure 4

Figure 5

NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities

Authorizing Legislation

	PHS Act/ Other Citation	U.S. Code Citation	2013 Amount Authorized	FY 2013 CR	2014 Amount Authorized	FY 2014 PB
Research and Investigation	Section 301	42§241	Indefinite	\$126,111,000	Indefinite	\$126,111,000
Buildings and Facilities	Section 401(a)	42§281	Indefinite		Indefinite	
Total, Budget Authority			\$126,111,000		\$126,111,000	

NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities

Appropriations History

Fiscal Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
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) ¹
Transfer				\$4,480,000 ²
2007	\$81,081,000	\$81,081,000	\$81,081,000	\$81,081,000
Transfer				\$2,500,000 ³
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
Rescission				-
2010	\$125,581,000	\$125,581,000	\$100,000,000	\$100,000,000
Rescission				-
2011	\$125,581,000	-	\$125,420,000	\$50,000,000
Rescission				(\$100,000)
2012	\$125,581,000	\$125,581,000	\$125,581,000	\$125,581,000
Rescission				(\$237,348)
Transfer				(\$35,709)
2013	\$125,308,000	-	\$125,308,000	-
Rescission				-
2014	\$126,111,000	-	-	-

¹ Reflects HHS Secretary's transfer of \$55,700,000 to the Centers for Medicare and Medicaid Services.

Figure 6

² Reflects NIH Director's transfer of \$4,480,000 from the NIEHS appropriation for the Clinical Research Unit.

³ Reflects NIH Director's transfer of \$2,500,000 from NIAID appropriation for the Modular Animal Vivarium Facility.

Justification of Budget Request

Buildings and Facilities

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

Budget Authority:

Figure 7

	FY 2012 Actual	FY 2013 CR	FY 2014 President's Budget	FY 2014 + / -FY 2012
BA	125,308,000	126,111,000	126,111,000	+ 803,000
Total Obligations	96,706,000	157,738,000	126,111,000	+29,405,000

Director's Overview

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.

Table 1 is a summary of the funding for B&F from FY 2004 through FY 2014.

Table 1 - Summary of B&F Funding by Program Activity FY 2004 through FY 2014

Year	Construction	Essential Safety and Regulatory Compliance	Physical Security	Repairs and Improvements	Renovations	Equipment/ Systems/ Enabling	Total
FY 2004	9,500,000	13,472,000	-	70,500,000 ^{1/}	5,500,000	-	98,972,000
FY 2005	28,059,000	6,000,000	-	58,429,000	10,800,000	7,000,000	110,288,000
FY 2006	5,180,000	13,944,300	-	66,381,000	-	-	85,505,300
FY 2007	3,200,000	14,500,000	-	65,881,000	-	-	83,581,000
FY 2008	30,500,000	15,500,000	-	72,966,000	-	-	118,966,000
FY 2009	61,500,000	17,500,000	-	46,581,000	-	-	125,581,000
FY 2009 ARRA	428,000,000	-	-	72,000,000	-	-	500,000,000
FY 2010	16,000,000	16,000,000	-	68,000,000	-	-	100,000,000
FY 2011	-	1,127,000	-	48,773,000	-	-	49,900,000
FY 2012	10,400,000	16,000,000	-	98,908,000	-	-	125,308,000
FY 2013	39,300,000	16,000,000	-	70,811,000	-	-	126,111,000
FY 2014	78,550,000	-	-	47,561,000	-	-	126,111,000

¹ Amount includes \$10,000,000 comparable adjustments for IC R&I projects.

Figure 8

Overall Budget Policy: The FY 2014 President's Budget request is \$126.111 million, which is \$0.803 million or 0.6 percent more than the FY 2012 Actual level. This request provides funds for specific projects in two program areas: Construction and Repairs and Improvements. These

programs and projects will help NIH fulfill its continuing commitment to sustain its facilities and improve the overall Condition Index (CI).

Figure 9

Table 2 - Summary of FY 2014 Request

Year	Construction	Essential Safety and Regulatory Compliance	Physical Security	Repairs and Improvements	Renovations	Equipment/ Systems/ Enabling	Total
FY 2014	78,550,000	-	-	47,561,000	-	-	126,111,000

Program Descriptions and Accomplishments

The B&F FY 2014 budget request funds 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 Construction, Essential Safety and Regulatory Compliance, and R&I, within the context of a five-year strategy. R&I funds will be used for any required Concept Development or Essential Safety and Regulatory Compliance Program efforts in FY 2014. This will allow NIH to focus FY 2014 resources on two critical construction projects while preserving flexibility to maintain reliable utilities and facilities necessary to support clinical and basic research capabilities.

The following programs and projects are included in the B&F tables and are described in detail below:

Construction Program: Planning, design, and construction of new research and research support facilities for on-going and new scientific initiatives:

- Assure/Expand Chilled Water Capacity
- Renovation of Building 10 G-Wing

Budget Policy: The FY 2014 President's Budget request is \$78.550 million, an increase of \$68.200 million over the FY 2012 Actual level.

Assure/Expand Chilled Water Capacity: The FY 2014 President's Budget request includes funds for the renovation of approximately 72,547 gross square feet of an existing multi-level chiller plant building (Building 34/34A) located at the corner of Lincoln Drive and the Service Road West on the Bethesda Campus. This building formerly housed chillers and cooling towers which are now decommissioned and have not been used for several years. The designed plant will accommodate three new 5,000 ton chillers along with associated pumping, cooling towers, piping, concrete equipment pads and electrical services which will ensure the reliability of a campus-wide chilled water system that is essential to the NIH mission. The \$8.2 million of

design funding needed for this effort was requested as part of the FY13 President's Budget. During the recent storm, NIH operated its chillers near full capacity in order to maintain patient and animal safety. In the future, additional chiller capacity will assure that NIH does not run its chiller equipment to the point where patients, animals, or the equipment itself is at risk.

Budget Policy: The FY 2014 President's Budget request is \$74.700 million.

Renovation of Building 10 G-Wing: The FY 2014 President's Budget request includes funds to design the renovation of the G-wing in Building 10 located on the Bethesda Campus. The G Wing project involves the complete renovation of floors 2 thru 10 (approximately 73,000 Gross Square Feet) including demolition and replacement of all interior components and refurbishment of the exterior brick facade and roof including new windows. Although many hospital accreditation issues were resolved through the construction of the CRC, NIH identified a significant short fall of clinical office space for Institutional Review Board staff, Protocol Service Center staff, and physicians and nurses who conduct clinical research protocols. This space is necessary to support review of protocols and protect the confidentiality of patient records and information related to human subjects. NIH is requesting funding for G-Wing design only in FY2014.

Budget Policy: The FY 2014 President's Budget request is \$3.850 million.

Repairs and Improvements (R&I) Program: 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. The FY 2012 level included \$1.0 million for Concept Development Studies and \$16.0 million for Essential Safety and Regulatory Compliance Program. The FY 2014 President's Budget request does not stipulate specific amounts for these programs and will use R&I funds for any required Concept Development or Essential Safety and Regulatory Compliance Program efforts. This will allow NIH to focus FY 2014 resources on two critical construction projects while preserving flexibility to maintain reliable utilities and facilities necessary to support clinical and basic research capabilities.

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, B&F rank orders 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.

Budget Policy: The FY 2014 President's Budget request is \$47.561 million, a decrease of \$51.347 million from the FY 2012 level. NIH regards the needed upgrade in campus wide cooling capacity as a high priority, thus the President's Budget prioritizes funding for this request.

Concept Development Studies: Concept Development Studies funds 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.

Essential Safety and Regulatory Compliance Program: The Essential Safety and Regulatory Compliance program enables NIH to maintain valuable research capacity and to ensure the safety of NIH facilities and their occupants. These activities include the following:

- Fire Protection and Life Safety Program
- Environmental Assessments / Remediation Program
- Rehabilitation of Animal Research Facilities
- Physical Security Improvements
- Sustainability Program

Budget Policy: The FY 2012 level included \$1.0 million for Concept Development Studies and \$16.0 million for Essential Safety and Regulatory Compliance Program. The FY 2014 President's Budget request does not stipulate specific amounts for these programs and will use R&I funds for any required Concept Development or Essential Safety and Regulatory Compliance Program efforts. This will allow NIH to focus FY 2014 resources on two critical construction projects while preserving flexibility to maintain reliable utilities and facilities necessary to support clinical and basic research capabilities.

Fire Protection and Life Safety Program: This program upgrades fire protection and life safety systems, features and equipment in NIH buildings and allows for the full protection for all occupants and critical research subjects. In addition, this program's plan is to meet fire safety code requirements pertaining to fire barriers and emergency egress components throughout the 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: This program removes existing barriers in and around NIH buildings to comply with the Architectural Barriers Act (ABA) of 1968.

Environmental Assessments/Remediation: This program allows 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.

Rehabilitation of Animal Research Facilities: 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. This program supports a comprehensive program of repairs and improvements to ensure compliance with stringent Association for the Assessment and Accreditation of Laboratory Animal Care standards.

Physical Security Improvements: Physical security improvements enhance NIH's ability to provide a safe and secure environment for research staff, employees, and visitors. This program enhances the overall security posture and expedites 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: The HHS Sustainable Buildings 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 strives 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.

**National Institutes of Health
Buildings and Facilities**

Budget Authority by Object Class

	FY 2012 Actual	FY 2014 PB	Increase or Decrease	Percent Change from FY 2012
Operations & Maintenance of Facilities (32.0)	125,308	126,111	803	0.6%
Obligations *	96,706	126,111	29,405	30.4%
Total Budget Authority by Object	125,308	126,111	803	0.6%
Total Obligations by Object	96,706	126,111	29,405	30.4%

*Obligations are net of prior year recoveries.

Figure 10