

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

Buildings and Facilities

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FY 2009 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, ~~\$121,081,000~~ **\$125,581,000**, to remain available until expended.

[Department of Health and Human Services Appropriations Act, 2008]

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Amounts Available for Obligation ^{1/}

Source of Funding	2007 Actual	2008 Enacted	2009 Estimate
Appropriation	\$81,081,000	\$121,081,000	\$125,581,000
Rescission		-2,115,000	
Subtotal, adjusted appropriation	81,081,000	118,966,000	125,581,000
Transfer to B&F through NIH Director's one percent transfer authority for construction of a modular Vivarium Facility	2,500,000		
Subtotal, adjusted budget authority	83,581,000	118,966,000	125,581,000
Unobligated Balance, start of year	77,454,000	71,921,000	15,000,000
Unobligated Balance, end of year	-71,921,000	-15,000,000	
Total obligations	89,114,000	175,887,000	140,581,000

1/ Excludes the following amounts for reimbursable activities carried out by this account:
FY 2007 - \$3,000,000; FY 2008 - \$2,140,000; FY 2009 - \$2,000,000.

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

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

Project	2008 Enacted	2009 Estimate	Change
<u>Essential Safety & Regulatory Compliance:</u>			
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	1,000	2,000	1,000
Sustainability Program	0	1,000	1,000
<u>New Construction:</u>			
Concept Development Studies	500	500	0
Pet Current-Good Laboratory Practices Facility & Radio-Chemistry Laboratory	7,000	0	-7,000
Fit-Out of B3- East Laboratory for NIMH	2,000	0	-2,000
Repairs & Improvements	93,966	107,581	13,615
Total budget authority	118,966	125,581	6,615
Unobligated balance, start of year	71,921	15,000	-56,921
Unobligated balance, end of year	-15,000	0	15,000
Total obligations	175,887	140,581	-35,306

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.

Major Changes in the FY 2009 Budget Request

Major changes by budget activity detail are briefly described below. Note that these highlights will not sum to the total change for the FY 2009 budget request for the Buildings and Facilities, which is \$6.615 million more than the FY 2008 Consolidated Appropriations Act, for a total of \$125.6 million.

Repair and Improvements (+\$13.615 million; total \$107.581 million): The NIH-wide Repairs and Improvements (R&I) program sustains efficient and effective facility performance throughout the life cycle of the facility. This requested funding level will enable the NIH to maintain research requirements. This investment ensures that NIH achieves the full service life of its facilities and its components.

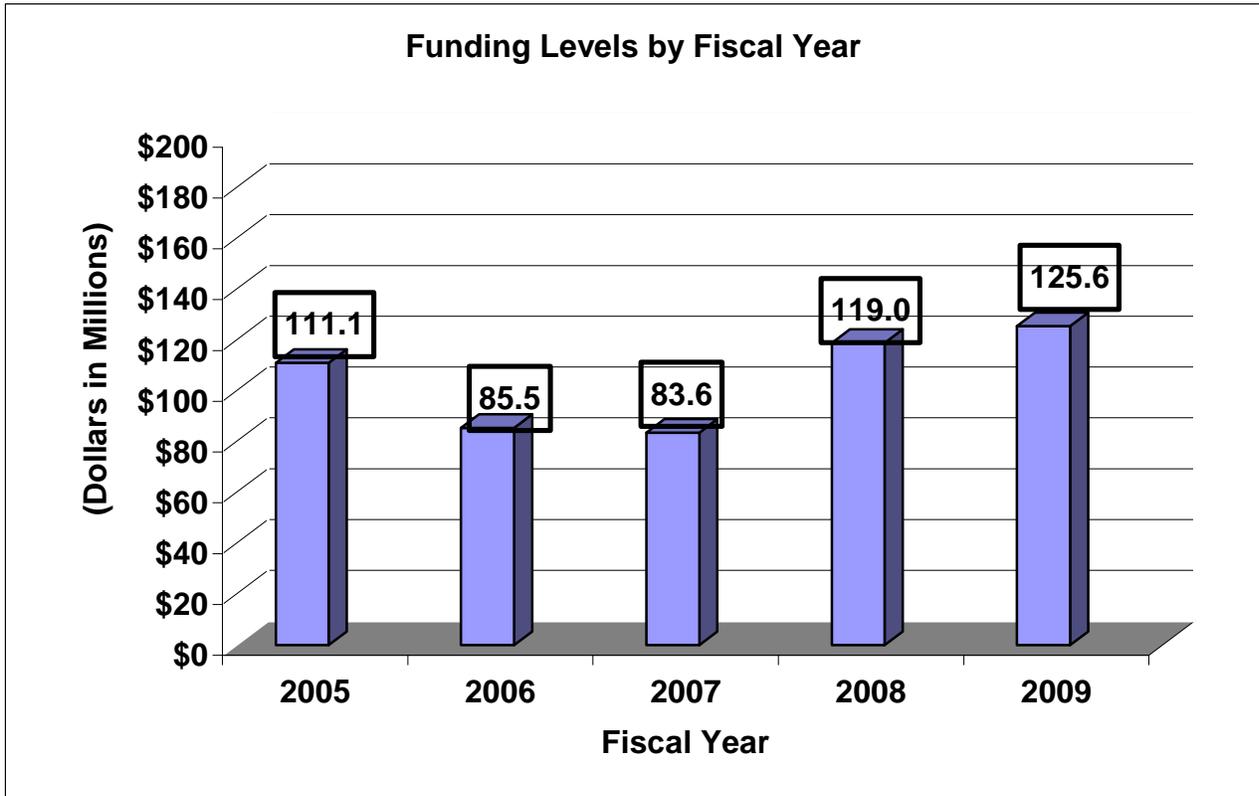
**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Summary of Changes

2008 Enacted		\$118,966,000
2009 Estimated budget authority		125,581,000
Net change		6,615,000
	2008 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	1,000,000 1,000,000
7.	Sustainability Program	0 1,000,000
8.	Concept Development Studies	500,000 0
9.	Repairs and Improvements	93,966,000 13,615,000
Total increases		109,966,000 15,615,000
<u>Decreases:</u>		
A. <u>Program:</u>		
1.	PET Current-Good Laboratory Practices Facility and Radio-Chemistry Laboratory	7,000,000 -7,000,000
2.	Fit-Out of B-3 East Laboratory	2,000,000 -2,000,000
Total decreases		9,000,000 -9,000,000
Total Changes		118,966,000 6,615,000

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Budget Graph



**Buildings and Facilities
Justification of Budget Request**

Authorizing Legislation - Section 402(b) of the Public Health Service Act, as amended.

	<u>2007 Actual</u>	<u>2008 Enacted</u>	<u>2009 Estimate</u>	<u>Increase or Decrease</u>
Budget authority	\$81,081,000	\$118,966,000	\$125,581,000	\$6,615,000
Total obligations	89,114,000	175,887,000	140,581,000	-35,306,000

This document provides justification for the Fiscal Year (FY) 2009 activities of the Buildings and Facilities appropriation.

DIRECTOR’S OVERVIEW

NIH strives to strike a balance between its infrastructure needs for tomorrow’s research to address a broad spectrum of emerging health threats and the need for responsible stewardship of yesterday’s investments in the “bricks and mortar” of the research enterprise. Of the major components of the B&F program, the R&I program has the most significant impact on NIH facilities’ condition. 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 the ability to perform research in an environment that promotes scientific advancements.

As responsible stewards, part of the NIH strategy is to sustain the condition of existing facilities to prevent deterioration and over time, to raise the average Condition Index (ratio of cost of repair needs to replacement value at a specific point in time) to 90 or greater.

With the increase requested in FY 2009 NIH will be able to improve its portfolio’s average CI and will be able to sustain, renew and improve its facilities.

FY 2009 Justification by Program Activity Detail

Budget Policy

Table 1 is a summary of the funding for Buildings and Facilities (B&F) in FY 2002 through FY 2009.

Table 1 - Summary of B&F Funding by Program Activity FY 2002 through FY 2009:

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	9,500,000	15,500,000	0	93,966,000	0	0	118,966,000
FY 2009	500,000	17,500,000	0	107,581,000	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/} Includes \$10,000,000 comparable adjustments for IC R&I projects.

The FY 2009 budget authority request of \$125,581,000 provides funds for specific projects in three program areas. The listed projects and programs will help enable the NIH to effectively fulfill its continuing commitment to sustain its facilities and to begin improving its overall Condition Index.

Table 2 - Summary of FY 2009 Request

Year	Construction	Essential Safety and Regulatory Compliance	Repairs and Improvements	Renovations	Equipment/ Systems/ Enabling	Total
FY 2009	500,000	17,500,000	107,581,000	0	0	125,581,000

Program Activities

The FY 2009 Buildings and Facilities (B&F) proposed budget request funds the NIH's multiple research infrastructure priorities. Rapid advances in the understanding of basic biology and the complexity of human disease are providing unique research challenges and opportunities for new treatments and cures. To continue this success, facilities are upgraded to integrate new research tools that could accelerate the pace of research

discoveries. These proposals for 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 Repairs and Improvements, within the context of a five-year strategy. The following programs and projects are included in the B&F tables and described in greater detail below:

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

- Concept Development Studies

Essential Safety and Regulatory Compliance: Planning, design, and construction to remediate unsafe conditions, upgrade obsolete non-code complying 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: Repair and/or replacement of major building systems that have worn out and/or failed in order to extend the useful life and utility of the facility and improve the overall Facilities Condition Index (CI) of NIH's facilities.

Construction: \$ 0.5 million

While the FY 2009 Budget does not request resources to construct stand-alone, new facilities, it does include funds to continue conceptual studies of projects for consideration in the NIH strategic facilities plan.

Concept Development Studies: \$ 0.5 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: \$17.5 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 that valuable activity can be continued efficiently and effectively without disruption.

Asbestos Abatement: \$2.0 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, and ceiling and wall finishes. Disturbed or deteriorating asbestos fibers can be released into the air, risking the health of those persons exposed. The major emphasis of this program is to abate asbestos-containing material from the remaining 28 buildings on the Bethesda Campus in utility spaces where the majority of friable, deteriorated asbestos is located.

Fire Protection and Life Safety: \$5.0 million

Funding is requested to upgrade the fire protection and life safety equipment of NIH buildings to provide full protection to all occupants, as well as protection of critical research facilities and resources. Early in this program, a master fire protection plan was developed. Since that time, the NIH has been implementing elements of the plan including the installation of automatic fire alarm, fire sprinkler and suppression systems. The program is also meeting safety code regulations and enhancing the emergency egress components throughout NIH facilities. These include the upgrade of fire doors, fire door hardware, emergency lighting, exit marking and related improvements. The Bethesda Campus Fire Alarm Reporting / Mass Evacuating System has been completed. This request for funding will also support the phased installation of sprinkler systems on the NIH Bethesda Campus: three buildings are planned to be completed in FY 2009.

Elimination of Barriers to Persons with Disabilities: \$1.5 million

This program continues to systematically remove existing barriers in and around NIH buildings to comply with the Architectural Barriers Act. The NIH is updating its accessibility plan through a systematic facility survey and development of a corrective action prioritization plan. The facility survey is complete. The survey has been reviewed and the deficiencies have been placed in priority order focusing on buildings that serve the general public such as administrative buildings, laboratories, and support buildings. The requested funds will be used to continue to improve and eliminate barriers to NIH facilities for persons with disabilities. The current request will support NIH's short-term goal of ensuring that all facilities have at least one accessible route, entrance, and toilet facility for each gender, and support requests by persons with disabilities for reasonable accommodation where the accommodation is part of the built facility.

Environmental Assessments/Remediation: \$1.0 million

The funds requested will allow for environmental remediation activities at all government owned NIH sites. The program conducts environmental audits on NIH sites to identify potentially hazardous conditions and when warranted, remediates conditions that could pose a threat to the health and safety of researchers, the general public, or the environment. This includes the ongoing development and implementation of a program to clear/decontaminate laboratories at NIH prior to their renovation; continued ongoing

work in soil and groundwater remediation; and rapid response to any new remediation needs that become necessary.

Rehabilitation of Animal Research Facilities: \$5.0 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 animal facilities. These funds will continue the support of a comprehensive program for the upgrading and long-term preventive maintenance of NIH animal facilities to support compliance with stringent Association for the Assessment and Accreditation of Laboratory Animal Care (AAALAC) standards and requirements. The standards drive improvements in heating, ventilation, and cooling systems; the provision of appropriate storage space for sanitized animal caging; and repairs to or replacement of various interior finish systems to help ensure strict sanitary conditions. Types of projects to be accomplished include replacement of hollow metal core doors with solid doors in the animal facilities because of their tendency to harbor insects; and patching, repairing, painting, and caulking of animal facilities as needed to enhance sanitization and eliminate pest harborage.

Physical Security Improvements: \$2.0 million

Physical security improvements will bolster NIH's ability to provide a safe and secure environment to perform its mission at all NIH government owned facilities.

Sustainability Program: \$1.0 million

The DHHS Sustainable Buildings Implementation Plan requires the assessment of all existing facilities for compliance with the Memorandum of Understanding (MOU) between the DHHS and other Federal Agencies and Executive Order 13423 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. The requested funds will be used to analyze, track and monitor current projects and collect lessons learned to ensure we meet our required goals and to provide needed feedback for future projects. Reaching certification levels under LEED or Green Globes provides credits for campus wide programs such as an integrated storm water management plan or a forest conservation plan, which require additional funds outside of normal project requirements. Campus-wide sustainable initiatives will also be funded through this program especially since many sustainable features are innovative approaches which may require additional analysis to ensure their appropriate implementation at federal facilities.

Repairs and Improvements: \$107.581 million

These resources support repairs and improvements to the physical plant, building structure, building infrastructure, utility systems, roads, and grounds at all the sites for which the NIH has an asset interest. Their purpose is to sustain the 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 projects included in the Repair and Improvement program are identified by mission need, engineering studies, and comprehensive facility assessments, then

prioritized using a decision model along with input from facility and program officials to ensure the most critical projects are addressed within resources. Improvements to the facility infrastructure are also necessary to meet changing mission requirements and to improve the CI to a target of 90 for all buildings by 2017. Such efforts may include upgrading building systems, extending utility infrastructure, and other changes that extend the useful life of an existing facility. This request specifically supports the continued repair and upgrade of the 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; and upgrade of the antiquated primary electrical distribution and switchgear systems in Buildings 1, 13, 16, 22, and 31A on the Bethesda campus. This request also supports improvements to accommodate changes in the direction of research and to support more extensive IC renovations. Particular attention will be paid to replacing systems in old Building 10 in order to stabilize the research environment until a major renovation of this facility can be undertaken. With a CI of only 20, Building 10 repairs will improve the overall CI, as well as return portions of the building to active use in a critical central campus location.

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Budget Authority by Object

	2007 Actual	2008 Enacted	2009 Estimate	Increase or Decrease	Percent Change
Operations & Maintenance of Facilities (25.4)	83,581,000	118,966,000	125,581,000	6,615,000	5.6%
Obligations	89,114,000	175,887,000	140,581,000	-35,306,000	-20.1%
Total budget authority by object	83,581,000	118,966,000	125,581,000	6,615,000	5.6%
Total obligations by object	89,114,000	175,887,000	140,581,000	-35,306,000	-20.1%

**NATIONAL INSTITUTES OF HEALTH
Buildings and Facilities**

Authorizing Legislation

	PHS Act/ Other Citation	U.S. Code Citation	2007 Amount Authorized	FY 2008 Enacted	2008 Amount Authorized	FY 2009 Budget Estimate
Buildings and Facilities	Title IV, Section 402(b)(4)	42§282(b)	Indefinite	\$118,966,000	Indefinite	\$125,581,000
Total Budget Authority				\$118,966,000		\$125,581,000

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**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

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