NIH Policy Manual

1210 - Utilization of Administrative Space

Issuing Office: OD/OM/ORFDO/DFP **Phone:** (301) 496-5037

Issuing Office Email: frank.piatkowski@nih.gov

Release Date: 8/13/2020 ? **Technical Revision Date:** 5/03/2021 ?

Transmittal Notice

1. **Explanation of Material Transmitted:** This chapter sets policies and procedures to evaluate administrative space utilization rates on National Institutes of Health (NIH) campuses and leased facilities. This revision explains new regulations and procedures established by the Department of Health and Human Services (HHS) and the NIH Space Recommendation Board (SRB). In addition, updates were made to provide more accurate definitions, detail new terms and more accurately reflect the stakeholders' responsibilities in this policy.
2. **Filing Instructions:**

   Remove: NIH Manual Issuance 1210, dated 07/23/2014
   Insert: NIH Manual Issuance 1210, dated 08/13/2020

PLEASE NOTE: For information on:

- Content of this chapter, contact the issuing office listed above.
- NIH Policy Manual, contact the Division of Management Support (DMS), OMA on (301) 496- 2832 or enter the URL below:https://oma.od.nih.gov/DMS/Pages/Manual-Chapters.aspx

A. Purpose

This policy outlines the National Institutes of Health's (NIH) targeted Utilization Rates (UR) for administrative space to facilitate optimal use, recapture, or reassignment of space as appropriate. This policy also allows NIH to reduce UR that exceed targeted rates established by the Department of Health and Human Services' (HHS) Real Property Asset Management Plan.

B. Scope

This policy applies to NIH owned and leased facilities with space for administrative use on all NIH campuses. This policy excludes office space in laboratory facilities.

C. Background

NIH occupies approximately 20 million square feet of rentable space, which includes an NIH building's actual square-unit ready for lease or rent to tenants; this is the area used to compute expected lease or rental payments. This rentable space excludes common areas, elevator shafts, stairways, and space devoted to cooling, heating, or other equipment are typical excluded areas, on the Bethesda Campus and in leased facilities in the National Capital Region (NCR) which includes approximately 23 percent of administrative space.

On the Bethesda campus, Buildings 1, 2, 3, 12A, 12B, 13, 15K, 16, 16A, 31, 38A, 45, 61A and 82 includes 1,646,890 rentable square feet primarily used for administrative purposes. NIH leased facilities totaling 2.9 million rentable square feet are primarily located in Montgomery County, Maryland.

NIH's standard UR for administrative space is 160 Net Assignable Square Feet (NASF) per person for both on- and off-campus. This standard UR is a means of controlling the allocation of administrative space assignments, allowing NIH to meet the maximum 170 Useable Square Feet (USF) per person guidelines, as established by the HHS. (See Section G, References, Item #1.)

D. Policy

NIH's Institutes, Centers and Offices (ICO) programs occupying space in administrative facilities must maintain URs at, or near, the NIH target UR of 160 NASF per person. If the Office of Research Facilities Development and Operations (ORFDO)/Division of Facilities Planning (DFP) annual UR analysis determines an ICO program exceeds the target UR goal of 160 NASF per person, the ICO program may be required to relinquish that space exceeding the target UR at the location, if economically feasible. If an ICO program requests additional space, and its utilization rate is above 160 NASF, but below 180 NASF, an evaluation of the existing space will be conducted to determine if the request may be approved, or if the ICO program may utilize the existing space, with minimal impact and cost.

E. Responsibilities

1. **ICOs** are responsible for paying rent for all space that it occupies, as well as providing accurate staffing data in the NIH Enterprise Directory (NED), for the annual June 30th NIH Census. If the UR analysis identifies under-utilized space, the ICO will work with DFP to reduce, or eliminate, this space.
2. **ORFDO/Division of Facilities Planning (DFP)** is responsible for:

   a. providing staff support to the Space Recommendation Board (SRB) by coordinating the programmatic and facility analyses of the utilization of administrative space, identifying options, and developing recommendations, with technical input from the Space Advisory Team (SAT), comprised of representatives from ORFDO, the Office of Research Services (ORS) and the

Center for Information Technology (CIT), as needed; and

     b. evaluating the UR calculations by building, for each ICO program. The UR is calculated by dividing the assigned space by the ICO staff identified in the space evaluation census (space and census data as of June 30th). DFP will identify and analyze space usage and prepare a report for SRB.

3. **ORFDO Division of Facilities Stewardship (DFS) Program Assessment and Reporting Branch (PARB); generally known as "FIMS Team"** is responsible for compiling the necessary census and space assignment data to allow determination of ICO's UR, and to make required changes in the assignment of space.

4. **Space Recommendation Board (SRB)** is responsible for:

     a. allocating space to individual ICO program;

     b. making the final decision on DFP's recommendations for ICO programs to retain, or relinquish, under-utilized space; and

     c. notifying ICOs of any under-utilized space and request DFP to justify either the retention, or relinquishment, of such space.

5. **Facilities Working Group (FWG)** is responsible for:

     a. evaluating NIH's programmatic needs;

     b. balancing competing priorities;

     c. exploring alternative means of meeting NIH's changing needs for capital facilities; and

     d. reconciling space requirements into a rolling five-year Strategic Facilities Plan, including the annual Buildings and Facilities (B&F) Plan, Leased Facilities Plan and Freeze the Footprint Strategic Plan.

F. Procedures

The following procedures set forth the required steps for DFP to conduct an annual review and analysis of UR and to take necessary action to obtain justification for an ICO program to retain, or relinquish, under-utilized administrative space.

Step #1: DFP assembles the data for the UR study as follows:

1. DFS PARB prepares an EXCEL data table for administrative facilities using the completed annual NIH Census (as of June 30th) and the NASF (in the FIMS system, as of June 30th) by ICO program, and by building; and

2. DFP Administrative Space Coordinator (or Analyst) receives the EXCEL data table from the DFS PARB Team and evaluates the data. The DFP Administrative Space Coordinator (or Analyst) identifies ICO Programs with under-utilized space, in excess of the above-mentioned criteria.

Step #2: Upon completion of the UR study, DFP develops a presentation of its evaluation for review by the SRB, recommending approval to proceed with requesting ICO program

justifications for under-utilized space. The presentation will include:

1. Overall analysis of the administrative facilities UR by ICO program, by building;
2. Identification of ICO programs with under-utilized space in excess of the standard UR target range, a listing of the evaluation criteria and a strategy to create contiguous blocks of space to be relinquished; and
3. Identification of potential ICO programs to backfill the space from pending Space Requests.

Step #3: Upon SRB approval of the above recommendations, DFP will prepare a memorandum, to be signed by the SRB, then forward the memorandum to the ICO Director or designee overseeing the under-utilized space; a copy of the signed memorandum will be provided to the ICO Executive Officer. The memorandum must include the following:

1. Define the analysis and the amount of space identified as under-utilized;
2. Request the ICO program to confirm the accuracy of their NIH space inventory;
3. Identify any initiatives not reflected in the latest census, or any other staff, not captured in the census;
4. For tracking purposes, a Space Request number will be assigned, and the ICO must submit justification as to why the space should not be relinquished, subject to SRB determination;
5. DFP may recalculate the UR, based on updated information from the ICO. If the UR still exceeds maximum criteria, the ICO will have one year to make adjustments and present any new information for reconsideration, including any necessary renovation funds in the program's subsequent budget to achieve the UR reduction; and
6. If the ICO program has not reduced the UR by the following year, the SRB may request that a severable portion of the space be relinquished and transferred to Director's Reserve so that the space becomes properly utilized. Alternatively, the SRB may choose to freeze the ICO's space until such time that the issue is resolved, thus providing an incentive to the ICO to either improve the UR or relinquish enough space to correct the underutilization of the space.
7. If the ICO program has not reduced the UR by the following year, SRB will issue a memorandum requesting the contiguous block of space to be relinquished, at the program's expense.

Step #4: Upon receipt of the ICO's Space Request, the standard process of SRB evaluation and presentation will be conducted, based on the following criteria:

1. Justifications for ICO programs with under-utilized space will be deemed acceptable if the following conditions are met: 1) there are well-defined future initiatives, supported by the ICO's budgetary and/or strategic plans, resulting in additional staff requirements; and 2) the ICO program plans to house the additional staff in under-utilized space.
2. SRB criteria to capture under-utilized space are as follows:

   a. On-campus ICO programs exceeding the 180 UR, and where a minimum of 250 NASF (typical front and back office) can be isolated, will be considered for assignment to Director's Reserve (DR);

b. Off-campus ICO Programs exceeding the 180 UR, and where a minimum of 1,000 NASF of contiguous space can be isolated, will be considered for assignment to DR. If space is not contiguous, SRB may request the ICO program to realign staff and/or make any necessary adjustments, at the program's expense, to isolate a contiguous block of space to be assigned to DR;

c. If the amount and/or location of the under-utilized space is not deemed as acceptable for reassignment to another ICO program, the SRB would receive a recommendation from DFP to not assign the space to DR; and,

d. If under-utilized space to be relinquished is deemed acceptable, SRB will document its decision in the FIMS database, with the estimated rent reduction calculations (per location and in NASF) and the estimated Fiscal Year (FY) in which the rent amount ceases, including forced move agreements, if any.

3. The FIMS Database is updated, as necessary, to reflect the SRB's decision, including any other data deemed necessary in reaching said decision.

Step #5: *NIH Director's Reserve Space:* NIH policy authorizes the ORFDO/DFP to have up to 25,000 NASF of research and administrative space available in any FY. If an ICO program is required to relinquish under-utilized space to DR inventory exceeding the 25,000 NASF, the ICO Program may be required to continue to fund the rent until the DR threshold falls below the maximum. To minimize the amount of time required to fund the rent, every effort will be made to reassign the space to another ICO program.

G. References

1. HHS Facilities Program Manual (Volume II), Section 2-4 Utilization Rate for Office and Related Space.
2. Memorandum dated March 29, 2005, signed by Chairman, Facilities Working Group, Subject: Update to the Space Justification Document Process.
3. NIH Census
4. NIH Delegation of Authority, Property: Real, No. 05 entitled "Space Management"
5. NIH Records Schedule System
6. NIH Rules for Calculating Space
7. ORFDO Space Request Website

Appendix 1: Definitions

1. **Administrative Space** is primarily used for offices, private and open workstations, including internal circulation space, plus associated storage and any other program space in a building used predominantly as administrative space.
2. **(NIH) Census** is used for NIH Master Planning and for more specific space and other planning purposes by the ICOs. The Census is also used for calculating utilization rates for administrative space. The Census is based on an annual snapshot, occurring on the last workday of June (by June 30th), of the NIH Enterprise Directory (NED) staff count occupying NIH facilities on a regular basis. The space evaluation census is used to calculate UR. Special government employees are included in the count, but summer

students are not, part-time and limited-term employees are counted as one occupant.

3. **DFP Space Coordinator** oversees the review and evaluation of space requests submitted by an ICO program.

4. **Facilities Information Management System (FIMS)** is a Computer Aided Facility Management (CAFM) system used for NIH space management. CAFM data includes NIH facilities' floor plan drawings and reports via the internet and/or other intelligent data sources; thus allowing the viewing and printing of CAFM drawings with detailed information including, but not limited to, room numbers, office types and administrative space assignments designated by color code.

5. **Facilities Working Group (FWG)** advises the NIH Steering Committee, NIH ICOs and NIH Director on matters pertaining to the planning, acquisition, development and use of land and facilities for the pursuit of the NIH mission.

6. **Joint Use Spaces** are shared spaces and amenities used by more than one ICO program, including cafeterias/vending stands, auditoriums, day care facilities, health units, data centers, fitness centers, travel offices, credit unions, conference centers, training centers, and libraries, or other uses as deemed appropriate. A pro-rata share of joint use space is included in each tenant's assigned useable square feet.

7. **Net Assignable Square Feet (NASF) is** the area of a floor or office suite suitable for occupancy, including secondary corridors found within secured tenant areas, conference rooms, copy rooms and break rooms used exclusively by the tenants. It excludes shared space such as main egress corridors, cafeterias, retail, exercise areas and other non-programmable space. In calculating NASF, no deduction is made for columns and projections necessary to the building structure.

8. **NIH Director's Reserve (DR) Space** resides within the NIH space inventory available for loan or assignment by the SRB, on behalf of the NIH Director. The DR Space is made available for new initiatives and swing space for programs displaced by renovations or improvements to their "permanent" assigned space or facilities. On May 13, 2002, the NIH Director established a "rolling NIH Director's Reserve Space" of 25,000 NASF for research space and 25,000 NASF for administrative space. The cost of the unassigned NIH DR Space is captured in the space billing rates as a vacancy factor.

9. **Pro-Rata** is the calculation of the amount to be paid based on the share of space occupied by an ICO Program.

10. **Office Support Space** is typically used for secondary activities, including, but not limited to, file storage, reception areas, copy rooms, conference rooms, supply storage, internal circulation, training rooms, LAN or telephone rooms, libraries, break/kitchen rooms and any similar space assigned to a specific tenant.

11. **Space Analysis is the** calculation of UR. It is determined by dividing the total NASF assigned to an ICO program (including internal circulation space, dedicated conference rooms, break rooms, and other assigned space), by the number of staff in the building (based on the space evaluation census). This calculation excludes NIH-wide, joint use space, such as ORS managed conference rooms and cafes. An ICO program is not eligible for additional administrative space in a building if the program's UR in that building, or an adjacent (directly next-to or adjoining) building, is greater than 180 NASF per person. If the ICO's Program URs falls in the range of 160-180 NASF per

person, any request for additional space will be evaluated based on the efficient use of the existing space.

12. **Space Recommendation Board (SRB)** is a standing subcommittee of the NIH Facilities Working Group (FWG), which meets monthly to advise the NIH Steering Committee and the NIH Director, and has the delegated authority to assign space, based on strategic facility planning and priorities.

13. **Space Request** is made through FIMS by an ICO program to request new, expanded, replacement space or to relinquish space.

14. **Staff** includes Employees (Full-Time Equivalent), Contractors, Guest Researchers, Fellowship Appointees, Tenants and Volunteers.

15. **Target Range (Utilization)** is the accepted net assignable square feet, 160-180 NASF per person, for on- and off-campus NIH administrative facilities.

16. **Under-Utilized Space** is assigned administrative space exceeding the target UR of 160-180 NASF per person.

17. **Usable Square Feet (USF)** is the office and office support space area assigned to a specific tenant, including a pro-rata share of any joint use space; such inclusion of joint use space in the USF calculation is the General Service Administration (GSA) standard.

18. **Utilization Rate (UR)** is the rate at which an ICO program occupies space, measured by NASF per person. The UR captures offices and open work stations, including internal circulation space, storage, conference rooms and special spaces (e.g., high density file rooms, LAN closets, break/kitchen rooms, reception areas, meeting/training rooms and libraries, and other uses as deemed appropriate).