

## Chapter 17

### Installation Command and Management

*“As our people continue to deliver the excellence that makes the Army successful, we must continue to invest smarter, always seeking and seizing new opportunities to make life better for Army families. Installations are the tangible evidence of our resolve to support our national security, our soldiers and their families, and our commitment to Army readiness.”*

Army Green Book, Association of the United States Army, October 2002: “Army Installations - The Future of the Force,” by Major General Larry J. Lust, Assistant Chief of Staff for Installation Management.

#### Section I

#### Introduction

##### 17-1. Chapter content

This chapter describes how the Army manages installations. It includes—

- An overview of the Army’s installation environment.
- Installation Management Agency mission and organization.
- A description of key installation management positions.
- Installation management professional development.
- Organization of installation staffs.
- The Army Installation Strategy.
- Major installation management initiatives and programs.

##### 17-2. The Army’s installation environment

*a.* The United States Army today is a power projection force capable of responding rapidly to threats against national interests anywhere in the world. Army installations are power projection bases, power projection support bases, and sustaining bases. However, they all have one important aspect in common - they must continue to provide an adequate working environment for our quality people. Quality of life for soldiers, civilian employees and family members is an integral part of sustaining the force.

*b.* The Army, now largely based in the CONUS, continues to refine and enhance its power projection and sustainment capabilities. Constrained budgets are focusing renewed attention on effective installation management.

*c.* What is an installation? An installation is defined as an aggregation of contiguous or near contiguous, common mission-supporting real property holdings under the jurisdiction of the DOD or a state, the District of Columbia, territory, commonwealth, or possession, controlled by and at which an Army unit or activity (AA, USAR, or ARNG) is permanently assigned. Installations reflect a diversity of organizations, tasks, and missions - all of which challenge the ability to command and manage. Within the Army, an installation may be referred to by such names as post, camp, station, fort, subpost, depot, arsenal, proving ground, base, laboratory, or ammunition plant. No two installations are exactly the same.

*d.* Installations are the Army’s “face” to the nation and the world. Although the focus is on installations, the Installation and/or Garrison Commander plays an important role interfacing with the civilian community. Garrison Commanders are often expected to be involved in community relations events and may represent the command in business and social organizations, such as Chamber of Commerce, Rotary and Lions Clubs, etc. CONUS installations are the only “Army installation” most Americans see on a regular basis while OCONUS installations provide that perspective to the international community. Most CONUS installations today are more than 50 years old; many are more than 100 years old. Most OCONUS installations were acquired directly after World War II and the Korean War. Installations are assigned to MACOMs or components based upon the units that are located at the installations.

*e.* Installations are big business. The ACSIM, HQDA manages Defense and Army resources in excess of \$13 billion. Approximately 97,000 persons, paid by military funds, APFS, and NAFs, perform installation management functions. Installations cover over 16 million acres of land, more than the combined acreage of the States of Maryland, Connecticut and Rhode Island. Installations maintain more than 160,000 buildings covering more than one billion square feet (the area of 160 Pentagons). Army facilities represent a replacement value of more than \$220 billion.

*f.* Most importantly, installations are home to the force and home to the Army family—where the Army lives, works, trains, sustains and prepares to meet tomorrow’s challenges. Army posts and surrounding communities are home to well over one million service members and their families. Installations house half of Army families and nearly 200,000 single soldiers. Army posts are where a quarter of a million civilian employees and tens of thousands of contract employees come to work every day.

*g.* What is installation management? Installation management is defined as the process of directing and integrating the provision of all functions, to include base support, MILCON, and Army family housing, as well as the resources

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needed to operate the installation on a day-to-day, long-term, strategic basis. Installation management is a fairly new term in the Army. During the 1980s and early 1990s a host of inspections, studies, and surveys determined that installations could be managed far more efficiently and effectively. As a result, the Army leadership in the mid-1990s took these major actions—

- (1) Establishment of the ACSIM in 1993.
- (2) Establishment of centrally selected garrison commanders in 1993.
- (3) Establishment of pre-command courses for both garrison and installation commanders in 1994.
- (4) Publication of the first installation management doctrine, FM 100–22, *Installation Management*, in 1994.

*h.* These actions were taken to improve integration of the widely varying, often competing, functional areas at the DA level, to better train commanders for the increasingly complex and important work of running installations and to support the Transformation of Installation Management.

*i.* On 1 October 2002, the Installation Management Agency (IMA) was activated to support the Transformation of Installation Management (TIM). The SECARMY's intent for TIM is to:

- Provide corporate structure focused on installation management
- Support and Enable Mission Commanders
- MACOM Commanders provide strategic guidance through Installation Management BOD
- Eliminate migration of Installation Support dollars (BASOPS, Envr, Family Programs, Base Commo, SRM)
- Achieve regional efficiencies
- Provide consistent and equitable services via "Standard Levels of Service"
- Integrate Reserve Components
- Enhance Army Transformation
- Support IT and Contracting centralization efforts

### 17–3. ACSIM mission and functions

The ACSIM is an element of the ARSTAF and acts for and exercises authority of the Army Chief of Staff in the promulgation of policy and integration of doctrine pertaining to the operation of Army installations. Major responsibilities of the ACSIM are:

*a.* Executes plans, policies, programs and procedures on matters relating to overall management and resourcing of Army installations worldwide.

*b.* Directs execution of Army programs and management concepts to ensure installations are capable of supporting and promoting stationing plans, strategic mobility power projection, military training and readiness, environmental quality, and quality of life for soldiers and their families.

*c.* Recommends and executes senior Army leadership approved policy, planning, budgeting and programming for installation resource requirements (except Army National Guard) including family housing construction and operations, unaccompanied personnel housing, MILCON (except MILCON, National Guard (MCNG) and homeowners assistance), sustainment, restoration, and modernization, energy, environmental compliance, conservation, pollution prevention, BRAC, competitive sourcing, community and family support programs, civilian workforce, retired community, morale, welfare and recreation (MWR), and other BASOPS support to provide a sense of community and well-being.

*d.* Recommends the standards, in coordination with the appropriate HQDA proponents, and evaluates the condition of installation facilities, environmental quality and BASOPS services.

*e.* Serves as the proponent for installation management doctrine, professional development of installation and garrison commanders and staff, and operational policy for the reorganization, realignment and closure of installations in coordination with the appropriate HQDA proponents.

*f.* Recommends and directs the implementation of ASA(I&E) policies and procedures to identify and exploit opportunities to achieve economies and efficiencies through outsourcing and privatization of base operation activities.

*g.* Provides the infrastructure (facilities, environmental management, support services) to maintain installation readiness to train, project, sustain, recover, reconstitute and protect forces.

*h.* Responsible for new equipment fielding facility requirements, facilities condition and readiness, force structure stationing/realignment/restationing, facility strategies and plans, real estate management, real property management, master planning program, and facility standards.

*i.* Ensures consistent and equitable delivery of services among installations, tenants and components.

## Section II

### Installation management agency (IMA) organization

#### 17–4. General

Army installation "ownership" transferred from functional MACOMs to the IMA effective 1 October 2002. All installation management accountability and reporting will be through the IMA regions. Region directors will be rated

by the IMA Director and senior rated by the ACSIM. Garrison commanders will be rated by region directors and senior rated by the designated senior mission commander. This rating scheme will keep senior mission commanders linked to the base support process and optimize mission support. Strategic direction from Army senior leadership will be provided through the Installation Management Board of Directors (IMBOD).

*a. IMA.* IMA is a two-star directed FOA of DA ACSIM. The IMA is a single organization consisting of Headquarters, IMA (HQ IMA), seven region offices (RO), garrison commands at each active component Army installation, the Army Reserve Directorate (IM-ARD) and garrison staffs at regional support commands. IMA will perform as a unified ARSTAF agency to manage installations worldwide.

*b. HQ IMA.* The HQ IMA is located at HQDA and composed of discrete resource management and operating units. Mission: Provide equitable, efficient and effective management of Army installations worldwide to support mission readiness and execution, enable the well-being of soldiers, civilians and family members, improve infrastructure and preserve the environment. The HQ IMA will accomplish integrated program execution of installation management related policies, plans, and programs as developed and promulgated by the ARSTAF. It will direct and oversee regional program execution. HQ IMA functions include: fund the garrisons; disseminate planning, programming and budgeting guidance as prepared by the ARSTAF; implement operational plans & Army-wide standards; and seek Army-wide installation management initiatives and standardize implementation of those initiatives. The HQ IMA, in coordination with ACSIM and ASA(I&E), also provides liaison with Congress; and Director, IMA, serves as executive secretary for the IMBOD.

*c. U.S. Army Installation Management—Army Reserve Directorate (IMA-ARD).* The Army Reserve will integrate within the new IMA structure through the creation of the U.S. Army Installation Management Agency—Army Reserve Directorate (IMA-ARD). The IMA-ARD will operate within IMA HQ as both a managing directorate and an equivalent to the IMA region offices. Mission: For all regional support commands and Army Reserve installations (Fort McCoy, WI, Fort Dix, NJ, and their sub-installations) implement, direct, and oversee program and policy execution. The IMA-ARD will support RSCs and Army Reserve installations by being responsible for: enforcing Army Reserve-wide standards and ensuring equity among RSCs and Army Reserve installations; adopting best business practices; identifying and tracking performance metrics; optimizing use of technology; identifying and implementing regional efficiencies and partnerships; coordinating with MACOMs and other Services/Agencies and supporting the ASA (I&E) in liaison with Congressional delegations.

*d. IMA Regions.* Seven geographically based regions (Korea (KORO), Europe (EURO), Pacific (PARO), Northeast (NERO), Southeast (SERO), Northwest (NWRO), and Southwest (SWRO)) report to the HQ IMA; each is directed by a SES/GO Region Director (RD). Mission: For garrisons within the region, the RO will implement, direct, and oversee program and policy execution. The RO will support garrisons by being responsible for: enforcing Army-wide standards and ensuring equity among installations; adopting best business practices; identifying and tracking performance metrics; optimizing use of technology; identifying and implementing regional efficiencies and partnerships; interfacing with MACOMs and other services/agencies; and supporting the ASA(I&E) in liaison with Congressional delegations as needed.

### **17-5. Installation organization**

Garrison Commands. Each Army installation will have a garrison command reporting to its geographic RO. Mission: Garrison commands support and enable mission commanders by providing the full range of installation and base support services to all local units, tenants and customers. They are responsible for local program execution, implementing and managing to Army-wide standards, and maintaining real property. The Army has upgraded its strategic mobility infrastructure to speed deployment. This work must now be continued by maintaining those facilities, adapting them to changing requirements and linking units and all their support bases in order to provide continuous power projection. A typical installation organization consists of a command element and four functional groupings of organizations.

## **Section III**

### **Key installation positions**

#### **17-6. Installation commander and senior mission commander**

The installation commander is usually the senior mission commander on the installation. The installation commander has responsibility for general oversight and direction of installation and mission support services. The senior mission commander is responsible for the primary mission activity of the installation. Commanders of depots, arsenals, proving grounds, and Army divisions and corps may also be installation commanders. Commanders of divisions or corps must consider that in most cases they will deploy with the force. Therefore, garrison or installation support activity commanders provide the continuity of the installation command when the installation commander deploys.

#### **17-7. Garrison commander and installation support activity commander**

Garrison commanders are centrally selected for lieutenant colonel and colonel posts on the Command Selection List (CSL). They are selected for a two-year assignment and unlike all other CSL positions may be extended for a third

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year by the Director, Installation Management Agency. The garrison and installation support activity commanders are responsible for day-to-day operations. They are responsible for the comprehensive planning necessary to achieve and maintain excellent living and working conditions for all personnel on the installation. They are also responsible for supporting local mobilization plans. During deployment they remain at the installation to receive follow-on reserve components. They also care for the families and civilians left behind and sustain other critical post missions. The installation commander may assign other missions for the garrison and installation support activity commander to accomplish as required. For example, on some installations the garrison commander is assigned the additional duty of being the installation chief of staff. The garrison commander may be assisted in all aspects of BASOPS management (except in instances of command authority) by a civilian deputy to the commander.

### **17-8. Area support group (ASG) commander**

a. The Army uses an ASG to manage multiple, geographically dispersed installations OCONUS. Unlike organizations in the reserve components with the same title, these active component units generally do not have a mission of providing combat service support. In Europe and Korea the ASG serves as a command and control headquarters for subordinate base support battalions (BSB). Although some may have an on-order requirement or mission to support continuity of operations (CONOPS), most are focused exclusively on a fixed installation management mission.

b. Central selection boards select the commanders for these groups. These officers are colonels or promotable lieutenant colonels. ASG commanders execute the day-to-day management of installations under their control in much the same way garrison and installation support activity commanders perform in the CONUS.

### **17-9. Base support battalion commander**

The Army may use the BSB to manage garrisons OCONUS. Usually these BSB commanders operate under the command of an ASG. They perform their functions in much the same way garrison and installation support activity commanders do at a CONUS sub-installation. Their primary focus is the delivery of services with policy and management oversight provided by the ASG. OCONUS ASGs and BSBs use area support teams to manage sub-installations. These are small activities of service providers who operate under the command and control of the ASG or BSB.

### **17-10. Deputy to the garrison commander**

The deputy to the garrison commander or ASG/BSB commander is a civilian position. The incumbent may act in the absence of the commander on all matters except those involving command authority. A civilian deputy is generally responsible for the overall administrative management within the garrison, coordination of requirements and activities between the garrison and multiple clientele, and assistance to the commander in implementing all policies, programs and services in support of BASOPS. This position may serve as a target for BASOPS civilian employees engaged in cross-functional professional development.

## **Section IV**

### **Installation management professional development**

#### **17-11. Additional skill identifier (ASI) 6Y (Installation Management)**

The complexity of installation management presents a challenge to the managerial expertise of military garrison staff officers. Officers having performed effectively in their BASOPS capacity may be recommended by their commander for ASI 6Y validation. The installation commander is the certifying official for awarding of the 6Y skill identifier at the installation level. This ASI identifies positions requiring personnel trained in installation functions such as resource management, engineering management, logistical management, contract management, plans and training management, and community and family support management. This personnel designation may lead to BASOPS assignments as an installation commander, garrison commander, deputy garrison commander, chief of staff, installation manager at a MACOM or HQDA, or as a principal garrison staff officer.

#### **17-12. Garrison pre-command course (GPC)**

The Army Management Staff College conducts this course, with a target population of lieutenant colonels and colonels centrally selected for garrison command. The course is also available to civilian deputies. It is an intensive 4-week coverage of personnel, financial, facility engineering, environmental, anti-terrorism/force protection, morale, welfare and recreation (MWR) practices and issues, as well as other related topics. It is taught in small group seminars that focus on real-world issues, problems, options and relationships. Hands-on experience is achieved through staff walks, roundtable discussions with current garrison commanders and a series of computer aided, crisis response simulations. In addition, presentations are made by the ACSIM or Deputy ACSIM and the Director, IMA.

#### **17-13. General officer installation commander's course (GOIC)**

The Community and Family Support Center (CFSC), in conjunction with the Army Management Staff College offers this 5 day course for general officer installation commanders which focuses on installation management and MWR

functions. The Chief of Staff, Army has designated the course as mandatory for all installation commanders, deputy installation commanders, and MACOM staff principals with installation responsibilities. The course is conducted as a small group seminar and requires active participation by the attendees. Attendees are presented with computer aided force protection/anti-terrorism/crisis management scenarios for discussion. The course utilizes groups processes and case study techniques to challenge values and assumptions and provide important information and tools enabling attendees to excel in executing their BASOPS and MWR program responsibilities.

#### **17-14. Garrison Sergeant Major Course (GSGMC)**

This 6 day course is designed for garrison/ASG/BSB sergeants major. It is focused at the command group level and deals with the decisions that the garrison commander/sergeant major team will be asked to make on a daily basis, and on the information that they will need to make those decisions. The course introduces BASOPS and Installation Management functional area structure, as well as current doctrine and policy. Employing panels, case studies, practical exercises and computer aided crisis response simulations, the program explores actual garrison situations, and the tools, techniques, and procedures in use by commanders and sergeants major across the MACOMs to achieve mission requirements under conditions of limited resources. The course is conducted in an interactive, seminar format. Participants must actively participate in order for the objectives to be reached. Each GSGMC is conducted concurrently with a GPC so that there is interface between the participants of both programs. The course includes senior Army leaders and functional area experts as guest presenters, addressing current and future garrison issues.

### **Section V**

#### **Installation staff organization**

#### **17-15. Installation special and personal staff**

The commander appoints and specifies the duties of the installation special and personal staff. The staff size and composition will vary by installation based on its mission. The positions are listed below. FM 100-22, *Installation Management*, provides descriptions of their responsibilities.

- a. Inspector general (IG).
- b. Staff judge advocate (SJA).
- c. Internal review and audit compliance (IRAC).
- d. Command historian.
- e. Public affairs officer (PAO).
- f. Installation chaplain.

#### **17-16. Garrison/area support group/installation support activity**

The installation, ASG, or installation support activity staff provides the garrison commander assistance and functional area expertise in assigned areas of responsibility. Functional areas are listed below. Refer to the functional descriptions in FM 100-22 as a guideline for organization structure considerations.

- a. Directorate of plans, training and mobilization (DPTM).
- b. Directorate of counterintelligence and security (DCINT/SEC).
- c. Equal employment opportunity office (EEO).
- d. Director of health services (DHS)/ director of dental services (DDS).
- e. Headquarters commandant.
- f. Office of the provost marshal (PM).
- g. Directorate of personnel and community activities (DPCA).
- h. Directorate of resource management (DRM).
- i. Directorate of logistics (DOL).
- j. Directorate of public works (DPW).
- k. Directorate of installation support (DIS).
- l. Directorate of information management (DOIM).
- m. Directorate of contracting (DOC).
- n. Civilian Personnel Advisory Center (CPAC)

#### **17-17. Installation management personnel designations**

AR 600-3, *The Army Personnel Proponent System*, reflects the following career designations for Army installation management proponenty:

- a. Additional Skill Identifier (ASI) 6Y, Installation Management.
- b. Career Field 29, Installation Management.
- c. Career Field 27, Housing Management.
- d. Career Field 51, Morale, Welfare and Recreation.

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e. Career Field 18, Engineers and Scientists (Resources and Construction) (limited to facilities engineering and environmental management responsibilities).

### Section VI

#### Installation strategy

##### 17–18. Strategy.

The Army's rapidly changing mission and tactical environment calls for maximum agility and intensive management on the part of commanders. Army Transformation causes changes to mission that require swift response and deft balancing of priorities. This volatility requires an installation management system that responds quickly to commanders' mission requirements. Installations must support power projection by expanding appropriately and rapidly to provide the full spectrum of reliable services. Tactical commanders must be able to focus on core Army missions and rely on garrison commanders to provide base support services that are common to all residents of the installation and/or services that must remain in garrison when tactical commanders deploy. Over years of downsizing and seeking greater efficiencies, garrison commanders have become integral to tactical commander needs and responsible for mission support. They do not just provide housing and community services, they help protect, move, equip, train and deploy the force; their competence and responsiveness are vital to mission accomplishment.

##### 17–19. Strategic goals.

Five strategic goals have been established by the Installation Management Agency to guide accomplishment of the installation strategy.

- a. Goal 1: Manage installations equitably, effectively and efficiently.
- b. Goal 2: Enable the well-being of the Army's people.
- c. Goal 3: Provide sound stewardship of resources.
- d. Goal 4: Deliver superior mission support to all organizations.
- e. Goal 5: Develop and sustain an innovative, team-spirited, highly capable, service-oriented workforce – a vital component of the Army team.

### Section VII

#### Major installation management initiatives and programs

##### 17–20. Strategic communications

ACSIM and Director, IMA make every effort to keep garrison commanders and other members of the installation management community informed. ACSIM and Director IMA established web sites on the Internet at <http://www.hqda.army.mil/acsim> and <http://www.ima.army.mil/index.asp>, respectively, that provide news of current initiatives, commentary from the ACSIM and Director IMA, and an on-line version of the newsletter as well as links to ACSIM and IMA division sites and other installation management-related web sites. The ACSIM and Director IMA also provide Garrison Commanders' Notes-items of interest to region directors, garrison commanders, executive officers, and BASOPS action officers-via email on an as-needed basis.

##### 17–21. Doctrine

The ACSIM established installation management doctrine with the publication of FM 100–22, *Installation Management*, on 11 October 1994. The doctrine described how installations supported the Army's role in the NMS and warfighting doctrine. It served as the authoritative foundation for organizing, structuring and managing garrison operations. However, since FM 100–22 does not address TIM, it is scheduled for revision in the near future.

##### 17–22. Privatization and outsourcing

a. Outsourcing is a powerful tool that the Army uses to re-engineer, streamline, become more business-oriented, and ultimately to make better use of resources. Outsourcing is defined as the transfer of a function previously performed in-house to an outside provider. Privatization is a subset of outsourcing that involves the transfer or sale of government assets to the private sector.

b. Privatization and outsourcing provide opportunities to leverage technology and achieve cost savings. These management tools can assist in increasing the share of resources applied to other Army priorities such as modernization. The installations conducting the studies and implementing the initiatives are key to the success or failure of the effort. Installations should take the broadest possible view of outsourcing, one that explores innovative partnerships with both private enterprise and the public sector, i.e., state/local governments, other DOD/Federal entities, and non-profit agencies. If outsourcing is narrowly defined as simply contracting out in-house functions, other opportunities for economies and efficiencies will be missed. As privatization and outsourcing opportunities continue to be examined, risks and capabilities must be assessed before taking action.

c. Private industry support is imbedded in many of the Army's functions today. Army training, maintenance and other logistics functions, research and development, manufacturing, and base level services are all carried out with

substantial industry support. The current Army outsourcing focus is on the DOD effort to address and implement CORM recommendations in the areas of depot maintenance, material management, housing, base commercial activities, education and training, data centers, and finance and accounting. The Army is researching and implementing solutions to problems through greater reliance on private industry in other areas as well. Specific initiatives are cited below.

(1) In February 1996, President Clinton signed into law the Defense Authorization Bill, now Public Law 104-106, known as the Military Housing Privatization Initiative. These authorities provide the Services with alternative means for construction and improvement of military housing (family and unaccompanied personnel). Under these authorities, the Services can leverage appropriated housing construction funds and government-owned assets to attract private capital in an effort to improve the quality of life for our soldiers and their families. This legislation provides a way to maximize use of limited APFs, land, and existing facilities to encourage private sector investment. Under the RCI, the Army plans to establish long-term business relationships with private sector developers for the purpose of improving military family housing communities. The Army will provide the developer a long-term interest in both land and family housing assets. These developers will become the master community developers for the Army community. The primary source of financial return for the developers will be the revenue stream generated from the military personnel's basic allowance for housing, which will be paid as rent. The Army is engaged in a pilot program for family housing privatization, which includes projects at Forts Carson, Hood, Lewis and Meade. In November 1999, Fort Carson became the first Army installation to privatize family housing. The other three pilot projects are in various stages of development and will be fully privatized in FY 2001. These projects represent almost 14 percent of all the Army's owned military family housing units in the United States. The Army plans to extend privatization to other sites once pilots can be fully evaluated. Recently, Congress extended housing privatization authorities through 31 December 2004.

(2) Owning and operating utilities are not Army core functions. Privatizing installation utilities frees the Army of ownership responsibilities and leverages the financial, technical and management capabilities of public and private utility organizations. The DOD has released new guidance to assist military services and defense agencies in privatizing nearly 1,600 utility systems located on military installations worldwide. The guidance will significantly enhance DoD efforts to privatize its roughly \$50 billion inventory of electric, natural gas, water and sewage utility systems. By incorporating five years of lessons learned and more consistently addressing industry concerns, the guidance will encourage participation by regulated and non-regulated members of the utility industry. As a key feature the new guidance requires the military services to use a DoD-approved cost analysis model, which will better evaluate the costs and benefits of privatization. The new guidance also supports the DoD goal to upgrade all facilities by fiscal 2010. The guidance and additional information may be found at: <http://www.acq.osd.mil/ie/utilities/privatization.htm> (click on "Laws and Policies")

### 17-23. Commercial activities

a. The Army has had an active Commercial Activities Program in place since the late 1970s. Studies are conducted at the installation level, under the guidance of OMB Circular A-76, *Commercial Activities*. The circular provides for competition between the government and commercial sources and specifies how to conduct cost comparisons. Army Regulation 5-20 and DA Pamphlet 5-20 provide the Army's policy and instructions for meeting the statutory and other regulatory guidelines. The Army and DOD understand the problems associated with the Commercial Activities Program and are working to change laws, remove barriers, and streamline the processes to facilitate outsourcing where it makes good business sense. Commanders have a variety of lessons-learned and other documented experience, audit and inspection reports, and standard study and contracting documents that can help reduce the work of the study process so that efficiencies and economies can still be achieved in the near-term.

b. In conducting an A-76 cost competition, installations—

- Solicit bids or proposals from private firms.
- Streamline the in-house organization into a most efficient organization (MEO).
- Develop an "in-house bid" based on the MEO (following detailed costing rules) and have it reviewed by an auditing organization (Army Audit Agency or Installation Internal Review).
- Select the lowest bid or best value proposal from the solicitation, and add 10 percent of the personnel-related in-house costs to account for intangible transition costs.
- If the result is lower than the "in-house bid," convert to contract; if the result is higher, reorganize into the MEO.

c. While commercial activities cost competitions are difficult, lengthy and stressful, they make the Army more efficient and significantly reduce costs.

### 17-24. Environmental compliance program

This program focuses on activities designed to ensure that current operations at Army installations and activities (including civil works project sites) meet or exceed Federal, State and local environmental requirements, as well as the applicable final governing standards (FGS) overseas. These requirements include statutes, case law, Presidential Executive orders, regulations, policies and directives principally in the areas of clean air quality, toxics (radon, asbestos, lead-based paint), safe drinking water, wastewater management, watershed management, hazardous and munitions waste, integrated solid waste, underground storage tanks (USTs) and spill management. This makes full

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compliance a very challenging and sometimes elusive goal. Nevertheless, the Army continues to make progress in this area as reflected by the gradual decline in the overall violation rate and number of enforcement actions received and the number of open enforcement actions. The greatest challenge for the Army will be to continue to improve its compliance posture, and at the same time, effectively transition to a compliance through pollution prevention mode of operation.

### 17–25. Hazardous Substances Management System (HSMS)

The Army utilizes the Hazardous Substances Management System as the standard management information system supporting the business practice of centralized HAZMATs management. It provides installation-level cradle-to-grave management of HAZMATs and hazardous waste, as well as preparing many required environmental reports for the installation.

### 17–26. Toxic Release Inventory (TRI) Reduction Strategy

Facilities exceeding certain toxic chemical release thresholds report these amounts annually to the Environmental Protection Agency (EPA) in accordance with the *Emergency Planning and Community Right-to-Know Act*. The Army was required to significantly reduce agency-wide releases from the calendar year 1994 baseline that was then established. Subsequent analysis led to an Army-wide TRI Reduction Strategy maximizing cost savings and eliminating sources of pollution, while minimizing the investment of required Army resources. The Army successfully met and exceeded the reduction requirement. Beginning in CY 2000, release reports are required for open burning / open detonation sites which exceed the release threshold.

### 17–27. Installation pollution prevention plans

Army installations are required to maintain pollution prevention plans. These plans support the overall Army Pollution Prevention Strategy and focus on meeting all the pollution prevention measures of merit identified by OSD. Projects identified through installation level pollution prevention opportunity assessments are incorporated in the plan and submitted forward as requirements in program development. Installations are also required to develop plans for the elimination of ozone depleting substances (ODS) identified in the Montreal Protocol and the 1990 Amendments to the *Clean Air Act*. These plans are an integral part of the overall installation pollution prevention plan.

### 17–28. Recycling

Army installations must recycle to be in compliance with Executive Order 12873, *Acquisition, Recycling and Waste Prevention*, 20 Oct 93; Executive Order 13101, *Federal Acquisition, Recycling and Waste Prevention*, 14 Sep 98; and DOD Instruction (DODI) 4715.4, *Pollution Prevention*, 18 Jun 96. The DODI requires installations to have, or be associated with, a qualifying recycling program (QRP) which is available to all tenants. This recycling policy includes contractors and contractor facilities on installations. QRPs may sell their recyclable materials directly on the open market or through local DRMOs. DRMO will return 100 percent of the proceeds from sales of recyclable materials, including firing range scrap (expended brass and mixed metal gleaned from firing range clearance) to installations with a QRP. Sales proceeds must first be used to reimburse installation-level costs incurred in the operation of the recycling program. The installation commander may then use up to 50 percent of the remaining proceeds for pollution abatement, energy conservation, and occupational safety and health projects. Finally, any remaining sale proceeds may be transferred to the non-appropriated MWR account of the installation. Additional financial benefits of recycling, beyond the revenues generated, are reduction of current year solid waste handling and landfill costs, extension of landfill capacity, and avoidance/deferral of future landfill costs. Installation reporting of recycling activities is captured in the Solid Waste Annual Reporting (SWAR) System for determination of progress towards achieving the DOD Measure of Merit (MoM) of 40 percent diversion of solid waste from landfills and incineration by 2005. This program does not apply to Army Working Capital Fund operations.

### 17–29. Army Energy Program

a. Energy management on Army installations is focused on improving efficiency, eliminating waste, and enhancing the quality of life while meeting mission requirements. Accomplishing these objectives will reduce costs and ensure that the program goals are achieved. Executive Order 13123 established the facilities energy reduction goal of 30 percent by FY 2005 and 35 percent by FY 2010, using FY 1985 as the baseline year. At the end of FY 2000, the Army had achieved a reduction of 22.9 percent toward the FY 2010 goal. The challenge now is to maintain this momentum in a rapidly changing fiscal and business environment.

b. The facilities energy program is decentralized, with Army installations managing site-specific energy and water conservation programs. The installations are responsible for maintaining awareness, developing and implementing projects, and ensuring that new construction meets their requirements. Army headquarters provide guidance and funding through the major commands. The responsibilities and functions of Army elements implementing the program are outlined in AR 11–27, *Army Energy Program*, and in the DOD Energy Manager's Handbook.

c. The energy program uses a multifaceted approach made up of several interrelated initiatives. These include



energy awareness, energy manager training, energy engineering and project development efforts, project implementation, new construction standards, and demonstrations of innovative technology. Funding of projects also has a multifaceted approach with a combination of government and alternative financing initiatives.

### **17–30. Energy savings performance contracts (ESPC)**

a. The *Energy Policy Act of 1992* authorized Federal agencies to use private sector capital funding sources to finance costs associated with achieving mandated reductions in energy consumption levels. Various Federal mandates required that energy consumption be significantly curtailed in Federal facilities, regardless of funding source. As such, the government must achieve these mandated reductions by implementing energy efficiency measures, either through appropriate funding sources or alternative financing approaches. Executive Order 13123, issued in June 1999, changed the energy reduction goals for all the Services. Using 1985 as a baseline for our energy usage, the Army must reduce its energy usage by 35 percent by 2010. The Executive order increased the reduction goal from 30 to 35 percent with an additional five years to meet the target. The Executive order also emphasizes the use of renewable resources and new and innovative approaches. To meet these goals, the Army must invest more than \$800 million in its facilities.

b. Many Army facilities have outdated energy equipment in lighting, heating and cooling systems and other energy consuming devices. The limited resources available to maintain and improve facilities are a major challenge to our installations and their commanders. In order to improve facilities and reduce energy costs, the Army must look to the private sector for the necessary capital.

c. ESPC is a contracting methodology in which a private contractor, called an energy services company (ESCO), performs services that include audits, evaluation, design, financing, acquisition, installation and maintenance of energy efficient equipment, altered operation and maintenance improvements, or technical services for the installation. The ESCO receives compensation based on the savings generated. The terms and conditions set forth in the contract determine the level of compensation to the ESCO, with the remainder of savings retained by the installation. Current statutes allow DOD components to enter into such contracts for their installations and/or facilities, including leased facilities. ESPC provides an alternative method of implementing energy saving projects when installation resources such as manpower, technical expertise, or funding are not available.

### **17–31. Army installation restoration program (IRP)**

a. The Army's IRP is a comprehensive program to identify, investigate and clean up contamination at AA installations (including off-post migration). The program focuses on cleanup of contamination associated with past Army activities. The IRP is part of the DOD Defense Environmental Restoration Program (DERP) which was formally established by Congress in 1984 under Title 10 USC 2701–2707 and 2810. The IRP provides centralized management for clean up of hazardous waste sites consistent with provisions of the *Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERLA)*.

b. The objective of the IRP is to clean up contaminated sites. The IRP is funded by the Defense Environmental Restoration Account (DERA), established by Section 211 of the *Superfund Amendments and Reauthorization Act of 1986 (SARA)*. The IRP complies with state, regional and local requirements applicable to the clean up of HAZMATs contamination. The IRP has the following goals:

- (1) To protect the health and safety of installation personnel and the public.
- (2) To restore the quality of the environment.

### **17–32. Army conservation program.**

The Army's conservation program is focused on compliance with a wide variety of natural and cultural resource laws. Major areas of conservation compliance fall within the *Sikes Improvement Act of 1997*, *Endangered Species Act of 1973*, *Clean Water Act*, *National Historic Preservation Act*, *Native American Graves Protection and Repatriation Act*, *American Indian Religious Freedom Act*, and *Archeological Resources Protection Act*. The Army Conservation Program emphasizes the integration of compliance requirements into natural and cultural resources management plans. These required plans are designed for installation commanders to make informed decisions regarding the management of natural and cultural resources to enable maximum short and long term availability of Army lands for mission use and ensure compliance with law.

### **17–33. Military Construction Army (MCA) Process**

a. Although installation commanders may see MILCON projects completed and occupied on their installations, a predecessor, or a predecessor's predecessor will likely have initiated the projects. Normally an installation commander will be planning and programming projects that will not be completed during that assignment. Identifying the point in time when DA and the MACOM issue programming guidance to the installation as 'Day One,' it will likely be more than 36 months from Day One before construction of a MILCON project would begin, and another 18 to 24 months for construction to be completed.

b. Because of the length of time involved in the process, and because of the competitiveness of the process, the installation commander must be farsighted and determined, especially in the current fiscal environment. He or she must

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be farsighted in order to plan and program years ahead of the true requirement, and be determined in order to fully justify and support a project through the planning and programming years.

### 17–34. Army Facility Reduction Program

a. Army policy is to maximize the utilization of existing facilities and aggressively reduce facility inventory excess to mission requirements. Army facilities continue to deteriorate because of insufficient real property maintenance (RPM) funding necessary to properly sustain them. Excess facilities aggravate this problem by using RPM dollars that should be spent on required facilities. The Army's funding policy, therefore, is to only fund required facilities.

b. At the direction of the Vice Chief of Staff, the Army initiated facilities reduction in FY 1992, funded at \$20 million per FY through FY 1997. By the end of FY 1997, the Army had disposed of 47 million square feet (MSF) of excess space. Recognizing the importance of further reducing excess space, the Army adopted a three-pronged approach to analyzing and correcting the excess space problem:

- Ensure installation real property inventories are accurate and current.
- Ensure installation requirements are reflected properly in the Real Property Planning and Analysis System (RPLANS), the Army's system to calculate allowances and requirements).
- Centrally fund a Facility Reduction Program (FRP).

c. The Army's Facility Reduction Program has three objectives:

- Focus on stewardship of facilities through maximizing utilization and maintaining only required facilities.
- Focus limited RPM resources on required facilities.
- Reduce infrastructure through consolidation and disposal of excess.

d. In May 1997, the OSD issued Management Reform Memorandum (MRM) #8 that endorsed the Army's emphasis on the demolition of excess facilities. OSD required the services to submit a list of excess facilities and plan for disposal. The Army submitted 53 MSF based on its ongoing program. OSD subsequently issued Defense Reform Initiative Directive (DRID) #36 in May 1998, setting an Army target of 53.2 MSF of disposal between FY 1998 and FY 2003, and directed that funding be provided to accomplish disposals.

e. The Army programmed approximately 100 million dollars per year for FYs 1998–2003 for facility disposal.

### 17–35. Revitalization

a. The Secretary of Defense directed the Services to eliminate all inadequate family housing by FY 2007 and barracks by FY 2008. For family housing, the Congress directed in Public Law 106–52 for each service to submit a Family Housing Master Plan (FHMP) to demonstrate how they will meet the Secretary's goal. The Army submitted their first FHMP to Congress in June 2000, which used a combination of traditional MILCON, operation and maintenance support, as well as increased reliance on privatization to reach the goal. The Congress requires an annual update of the FHMP. As for the barracks program, Public Law 105–621, *the Strom Thurmond National Defense Authorization Act for FY 1999*, requires the Secretary of Defense to provide an annual report to Congress on Service plans and estimated costs to improve housing for unaccompanied members.

b. Revitalization is the cornerstone of our vision to provide excellent facilities. We must revitalize in a systematic way to repair, upgrade, or replace our family housing and barracks facilities, as well as our infrastructure to modern standards. The ACSIM has developed two programs to focus scarce revitalization resources where the greatest benefit is achieved.

(1) *Army Barracks Modernization Program*. Started in FY 1994, the Army Barracks Modernization Program upgrades permanent party enlisted unaccompanied personnel housing through two programs: the Whole Barracks Renewal Program (WBRP) and the Barracks Upgrade Program (BUP). The WBRP is a MILCON funded program primarily for new construction. The BUP is a centrally funded OMA RPM program predominately for major renovations of Volunteer Army (VOLAR) era barracks, and other barracks where it is more cost effective to renovate to the DOD 1+1 barracks standard versus replacing them.

(2) *Whole neighborhood revitalization*. The Army Family Housing Master Plan (FHMP) is being revised to reflect changes in investment strategies and Secretary of Defense guidance. The revised FHMP FY 2003–09 provides an investment plan that reaches the Secretary of Defense goal to eliminate all inadequate family housing worldwide by 2007 and lines up spending with the annual submission of the POM/BES. This plan also supports the Secretary of Defense three-prong initiative to improve Family Housing — eliminate out-of-pocket housing expenses for Soldiers living in private housing in the United States, increase the use of housing privatization, and continue to rely on traditional MILCON for revitalizing owned housing. An aggressive Residential Communities Initiative (RCI) program will privatize 82% of the U.S. housing inventory - 71,790 of 87,618 units. A similarly aggressive traditional revitalization program has \$283M in FY 2003, \$358M in 2004, and plans another \$2,000M in FY 2005–07. The Army's deficit reduction program supports Stryker Brigade deployments and a planned increase of accompanied tours to Korea.

### 17–36. Installation Status Report (ISR)

a. The ISR is designed to: communicate the conditions of installation programs to HQDA, OSD and Congressional leaders during the POM process, articulate how installation program quality impacts force readiness, help identify the "true costs" of a program, enable the Army to compete more effectively for budgetary dollars, and support a fair distribution of resources consistent with priorities.

b. The ISR is a decision support system to improve management and decision making for Army installations. The ISR is comprised of three components:

(1) ISR Infrastructure (Formerly Part I) is designed to give installation and MACOM commanders and HQDA an evaluation of both the quality and quantity of each installation's facilities and infrastructure.

(2) ISR Environment (Formerly Part II) captures macro-level status of installations' environmental programs and improves the justification and prioritization of limited resources.

(3) ISR Services (Formerly Part III) evaluates the conditions of basic services required at installations and will form the basis for standardizing service support Army wide.

c. The ISR program provides an overall picture of an installation's status and shows how deficiencies in installation condition affect the environment and mission performance. It provides information which links installation conditions, priorities and resources to readiness. While serving the needs of different customers—HQDA, MACOMs, and installations—the ISR is also the installation commander's opportunity to influence the Army's strategy. The ISR provides a common standard and language for the Army to speak with one voice. Details concerning the ISR are contained in AR 210–14, *Installation Status Report Program*. Additionally, the Army began implementing the Strategic Readiness System (SRS) this year. The objectives of the SRS are to:

- Communicate in a single document the Army's Strategy, Vision, Priorities, and Focus.
- It evaluates the readiness of all Army elements against their ability to accomplish the strategy.
- Focused on results — reported against performance measures — to assist in making policy and resourcing decisions.
- Enables leaders to use leading indicators to plan policy and resource decisions.
- Links Strategy/Purpose/Mission to day-to-day activities throughout the Army.

### 17–37. Army Facility Strategy

a. The Army Facility Strategy has changed from a 30 year program conducted in 10 year increments to a 20 year program to improve Army facilities conditions overall from C3 to C–2 for consistency with DOD objectives as stated in the DPG approved in May 2002.

b. The strategy requires that minimum annual sustainment be fully funded to halt further deterioration and properly maintain current and future restoration and modernization efforts. Building upon the success of the Barracks and Strategic Mobility investment programs, the AFS requires continuing the level of restoration and modernization funding to tackle the most critical facilities issues of the Army. The AFS proposes to focus investment on seven basic facility types to bring them up to a quality C1 rating by 2010. The selected facilities were based on the facility condition as evaluated against standards in the ISR. The seven facility types are Vehicle Maintenance Facilities (and supporting hardstand requirements), general instruction classrooms, fitness centers, trainee complexes, Reserve Centers, National Guard Readiness Centers, and Chapels.

c. In addition to the DPG goals already mentioned, the Facility Strategy now encompasses the DPG goal of reaching a 67-year recapitalization cycle for existing assets. Also included in the AFS, is the Army goal of reducing facility shortfalls (deficits) over 20 years. During the POM FY 2004–09, funding of sustainment slipped from POM 03–07 levels. Sustainment is now at approximately 82% of our requirements across the FY 2004–09 planning period. The AFS focused investment was only funded at approximately 29% in POM 04–09. In the future the Army will continue to seek full funding of the AFS restoration and modernization requirement during the FY 2005–09 planning period.

### 17–38. Managing installations to standards

a. *Managing to standards.* Installation readiness is an important aspect of the *Army Vision* and Transformation process. As Army Transformation progresses, we must—

- Focus investments to gain the most benefit from limited resources.
- Identify required infrastructure and support services necessary for the desired level of readiness.
- Make a dedicated effort to stop further deterioration of existing infrastructure and prevent erosion of services.
- Target limited modernization dollars to mission critical and soldier well being requirements.

b. *Army Base Operations (BASOPS) and Support Strategy.* Standards allow us to manage this process. Managing Army installations to standards will ensure that installation support for the warfighter is ready and available when needed. Based on a mature ISR process, we now have an Army Facility Strategy to focus our investments on facilities. As the ISR services reporting process matures, we will establish an Army BASOPS and Support Strategy parallel to the Army's Facility Strategy. An Army BASOPS and Support Strategy will focus our investments and apply resources to services where critically needed to support the warfighter and the well being of our soldiers and family members.

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*c. Establishing Standards.* ISR standards for infrastructure and environment have already been implemented. Efforts to establish standards for services have been initiated.

(1) *Infrastructure.* Defined, published standards cover about 90 percent of the real property inventory. Detailed standards have been grouped into 60 subcategories encompassing 219 facility category groups, each defining similar types of facilities.

(2) *Environment.* Defined standards are established for 19 media, such as air, water, and hazardous wastes; grouped in 5 pillars of Compliance, Conservation, Restoration, Pollution Prevention, and Foundation.

(3) *Services.* An ongoing effort is underway to provide a means for commanders to report results against defined standards of performance. Specific metrics and standards were developed for each of 37 installation services. Ongoing development and implementation will capitalize on lessons learned as the ISR program evolves.

*d. Resourcing to standards.* A prerequisite to resourcing to standards is articulating "ground truth" requirements necessary to achieve the standard.

(1) *Infrastructure.* Standards allow us to succinctly show the cost to maintain current facility conditions and to improve facility conditions to achieve specific C-ratings.

(2) *Environment.* Standards direct attention to projects which need funding to correct a non-compliant issue (i.e., exceeding permit limits) or to prevent future environmental violations.

(3) *Services.* The key here is to maintain a link between cost and performance against established standards. This is accomplished by using a common list of 95 installation services and the Army's methodology for accumulating the costs of services (service based costing).

### 17-39. Improved business practices

*a.* Today's fiscal restraints make it imperative that the Army goes even further in doing business differently. We must be innovative in setting new standards for financial management, in implementing good business practices and in seeking every opportunity to "make money" in order to provide quality base services. Normally, the law precludes installations from using assets that are supported with APFs to generate revenues to offset costs. Unless specifically authorized by law to retain revenues, those proceeds or "profits" from installation operations or sale of assets must be deposited in the U.S. Treasury. However, Congress demonstrated some willingness to consider limited, amendatory legislation to use proceeds from the sale or outlease of property for the specific purposes of maintenance and repair and environmental restoration.

*b.* Specifically, the *FY 1991 National Defense Authorization Act* included two new authorities that were initially authored by the Army. Sections 2805 and 2806 of Public Law 101-510 provide DOD the authority to retain revenues generated from the sale or transfer of excess non-BRAC real property and the outlease of non-excess real and personal property, respectively. Any funds earned by an installation through these authorities would not be offset by a reduction elsewhere in the installation budget. The Resource Recovery and Recycling Program, under which installations with a "qualified Recycling Program" market recyclable materials through the DRMO or through direct sales, provide that all proceeds go to the generating installation. Proceeds will first cover program operating costs and of the remaining amount, up to 50 percent can be used for environmental, energy or safety programs with all other proceeds used for MWR activities.

### 17-40. Civilian inmate labor programs

In pursuing new and more economical methods of providing services, several installations have sought minimum security civilian inmates as an alternative source of labor. Such an arrangement benefits both the Army and correctional facilities. Civilian inmates accomplish tasks not otherwise possible under current manning and funding constraints. Correctional facilities benefit because the Army provides meaningful work for inmates, and in some cases additional space to relieve overcrowding. Except for nominal operating costs, this labor pool has no direct labor cost to the Army. An evaluation of initial test cases revealed that under certain circumstances this arrangement can be very beneficial to the Army - cost-avoidance has been significant. A civilian inmate labor program can be implemented on an installation simply with a HQDA approved memorandum of agreement (MOA) between the commander and the warden, and an installation inmate labor plan.

### 17-41. Army Communities of Excellence (ACOE)

*a.* The ACOE program is a commander's process that is broad enough to accommodate a variety of approaches that can be tailored to any organization, command or installation. Leaders and managers take advantage of the entrepreneurial genius of the people within the community to develop better ways of helping people and getting work done. It is a program that encourages ideas and initiatives to float upward. The Army Performance Improvement Criteria (APIC) are the basis for award programs such as ACOE. The Criteria have three important roles in strengthening mission performance:

- to help improve organizational performance practices, capabilities, and results
- to facilitate communication and sharing of best practice information among organizations of all types
- to serve as a working tool for understanding and managing performance and for guiding planning and opportunities

for learning

b. The mission of the ACOE Program is to provide a quality environment, excellent facilities and services. Our installations, both at home and abroad, will have an increasingly critical role in sustaining and launching our forces worldwide. Continuing to strive for greater excellence in customer service and facilities will contribute significantly to the improvement of Army readiness.

c. The ACOE program is a multiyear/component program that spans the current year, prior year, and one out year. This funding profile allows the PM to manage long lead items such as trophies for the award ceremony in May and near term requirements such as training for MACOM examiners during September. Finally, out year funding presents incentive award dollars to winning communities in the first quarter following the competition (October/November).

d. The ACOE program makes an unambiguous contribution to the single overarching characteristic that must be the Army's hallmark into the 21st Century: the quality of the force.

## Section VIII

### Summary and references

#### 17–42. Summary

The IMA concept provides effective Army-wide installation management through use of best corporate business models, comprehensive adherence to Army standards, and partnership with MACOMs and mission commanders, who will receive focus on their unique issues, while geographic efficiencies will be realized through economies of scale. IMA regions ensure mission commanders receive personalized support. The concept cares for people while ensuring readiness is not compromised; it positions installations for Army and DoD transformation initiatives and represents a new Army commitment to improve installations, preserve the environment, enable well-being of soldiers, civilians and family members, and support mission readiness of all stakeholder units.

#### 17–43. References

- a. General Order Number 4, *Assistant Chief of Staff for Installation Management (ACSIM)*
- b. Office of Management and Budget (OMB) Circular A–76 (Revised), *Performance of Commercial Activities*.
- c. Army Regulation 1–1, *Planning, Programming, Budgeting, and Execution System*.
- d. Army Regulation 5–1, *Army Management Philosophy*.
- e. Army Regulation 5–9, *Area Support Responsibilities*.
- f. Army Regulation 5–20, *Commercial Activities Program*.
- g. Army Regulation 11–27, *Army Energy Program*.
- h. Army Regulation 200–1, *Environmental Protection and Enhancement*.
- i. Army Regulation 200–2, *Environmental Effects of Army Actions*.
- j. Army Regulation 210–14, *Installation Status Report Program*.
- k. Army Regulation 210–20, *Master Planning for Army Installations*.
- l. Army Regulation 210–50, *Housing Management*.
- m. Army Regulation 405–70, *Utilization of Real Property*.
- n. Army Regulation 405–90, *Disposal of Real Estate*.
- o. Army Regulation 415–15, *Army Military Construction Program Development and Execution*.
- p. Army Regulation 420–10, *Management of Installation Directorates of Public Works*.
- q. Army Regulation 600–3, *The Army Personnel Proponent System*.
- r. Field Manual 100–22, *Installation Management*.