

PORTFOLIO AND ASSET MANAGEMENT HANDBOOK

Residential Communities Initiative

Version 6.0 – December 2019

“Back to Basics”





DEPARTMENT OF THE ARMY
ASSISTANT SECRETARY OF THE ARMY
INSTALLATIONS, ENERGY AND ENVIRONMENT
110 ARMY PENTAGON
WASHINGTON, DC 20310-0110

SAIE

DEC 26 2019

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Portfolio and Asset Management (PAM) Handbook, Version 6.0, Residential Communities Initiative (RCI)

1. The purpose of this memorandum is to provide an update to PAM Handbook version 5.0, dated 11 Sep 14. Accordingly, PAM Handbook version 6.0 is immediately released as implementing guidance.
2. The RCI PAM Handbook serves as guidance describing the processes, procedures and oversight management roles and responsibilities for the RCI program, and requirements of stakeholders from the installation-asset management level to the Army Headquarters-portfolio level. Army stakeholders must understand and perform their duties within the legal framework of the RCI Companies; ensuring healthy, safe, and quality housing for Soldiers and Families. The goal of the PAM Handbook is to foster communication and collaboration between all government stakeholders as well as private sector partners.
3. This update incorporates the requirements of the Army Housing Campaign Plan; reinforces oversight responsibilities; and includes updated training, quality assurance, and environmental hazard requirements at all echelons. This version also provides entirely new compliance requirements focusing on Life, Health, and Safety oversight for RCI housing. Additional compliance requirements per the FY2020 NDAA, or future policy decisions will be incorporated into the handbook and disseminated via separate memoranda.
4. Major updates and new additions in version 6.0 are highlighted in the Summary of Key Updates. Further, this Handbook is available as a PDF file on the ASAIEE website. The DCS, G-9 point of contact is Mr. Orin "Brad" Collier, (703) 545-4200, email: orin.b.collier.civ@mail.mil.

A handwritten signature in cursive script that reads "Alex A. Beehler".

ALEX A. BEEHLER

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SUBJECT: Portfolio and Asset Management (PAM) Handbook, Version 6.0, Residential Communities Initiative (RCI)

DCS, G-9

Commander, Army Materiel Command

Commander, Installation Management Command

Office of General Counsel

The Judge Advocate General

SUMMARY OF KEY UPDATES TO PORTFOLIO AND ASSET MANAGEMENT
HANDBOOK V6.0

Section I – Portfolio and Asset Management Overview

- Provides detail on Army Materiel Command and Installation Management Command roles and responsibilities
- Portfolio and Asset Management (PAM) tools and associated summaries updated to match changes made throughout the Handbook

Section II – Roles and Responsibilities

- Provides detail on Senior Commander, Army Materiel Command, and Installation Management Command HQ/Directorate roles and responsibilities

Section III – Major Decisions

- Provides updates on the Major Decision process in accordance with the ASA (IEE) Policy, *RCI Major Decision Policy* (dated 23 Oct 2018)

Section IV – Incentive Performance Management Plans

- Provides updates in accordance with the new ASA (IEE) Policy designating AMC as the approval authority on incentive fee metrics and payments

Section VI – RCI Company Planning

- Provides clarification on requirements for Out-year Development planning

Appendix A – RCI Program Compliance and Quality Assurance

- Provides updates to the compliance process to include checklists for environmental health and safety housing assessments by Army personnel at the installation. Also, provides information on the process for residents who have been displaced from RCI housing.
- Updates compliance review process completed at the USAG, HQ IMCOM, and HQDA levels

Appendix B – RCI Accounting and Financial Reporting

- Updates the new annual budget review process to include AMC roles and responsibilities
- Updated Monthly RCI Company Dashboard, RCI Company Quarterly Reporting templates, and glossary
- Provides detail on the HUB and Spoke process

Appendix C – RCI Transition Planning (Deleted)

Appendix C – RCI Company Reviews

- Provides updated Compliance visit templates and checklists for IMCOM HQ

Appendix E – Document Management

- Updates roles and responsibilities for document management with particular focus on the new document management system in the Electronic Military Housing database

Appendix G – Summary of RCI Policies

- Updated summary to include all current policies

Appendix H – Glossary of Terms

- Minor updates throughout

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- Appendix H:** Glossary of Terms

Portfolio and Asset Management Overview

Overview

The purpose of this document is to outline elements entailed in Portfolio and Asset Management (PAM) oversight of the Department of the Army Residential Communities Initiative (RCI) Companies. This RCI PAM Handbook is intended for use by Army personnel and RCI Company Representatives involved with RCI housing privatization. The PAM tools discussed in this section are designed to assist the Army in performing RCI program oversight. These tools ensure the Army fulfills its roles and responsibilities detailed in RCI business and legal agreements with a focus on ensuring delivery of quality housing, revitalized communities, and sound fiscal management of privatized housing.

The primary purpose of PAM is to proactively and systematically monitor financial performance and manage the risks associated with the RCI portfolio, as well as the individual assets, to meet the Army's housing privatization objectives. The PAM program also supports Army strategy by ensuring attainment of programmatic goals, uses financial and performance standards for evaluating financial performance over the short and long-term, and ensures accountability, transparency, and efficient management of the RCI Companies.

The Military Housing Privatization Initiative (MHPI) Act, which was originally enacted in 1996 and codified at 10 US Code 2871 et. seq., provides the Military Services with alternative authorities for the construction and improvement of military housing (family and unaccompanied personnel). Under these authorities, the Services leverage appropriated housing construction funds and government-owned assets to attract private capital and expertise to improve the quality of life for Service Members and their Families. Using these authorities, RCI has changed the government's role from a "provider" or "supplier" of housing for Soldiers to a "partner" with the private sector for provision of these services.

Ensuring a strong relationship between the Army and the RCI Company Representatives is critical to the successful implementation and ongoing success of each RCI Company. Five key focus areas to building strong partnerships include:

- (1) Common Objectives
- (2) Understanding Responsibilities
- (3) Understanding How Decisions Impact RCI Companies from an Operational, Financial, and Risk Management Point of View
- (4) Developing Mutual Trust and Respect
- (5) Regular and Frequent Communication

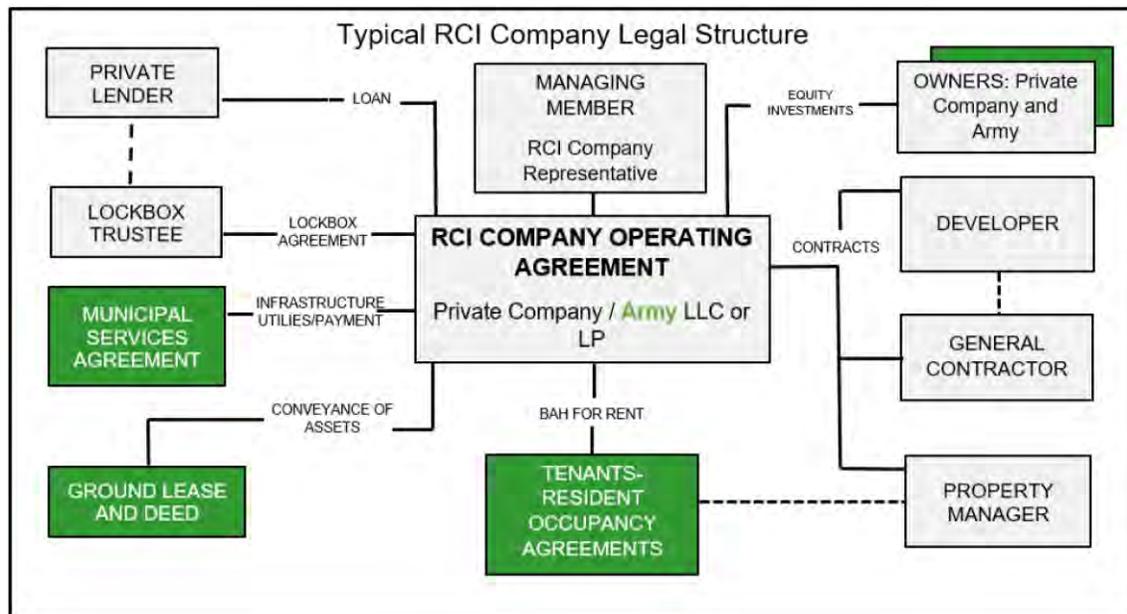
The PAM program supports the objectives listed above. Effective use of the PAM tools

ensures all parties are engaged in oversight and management of RCI Companies, leading to RCI Company specific or portfolio issues being resolved and resulting in the long-term success of the program.

The Office of the Deputy Assistant Secretary of the Army for Installations, Housing and Partnerships, Capital Ventures Directorate (ODASA (IH&P-CVD)) is the proponent for formulating policy and program objectives, portfolio oversight and transaction management for the RCI Program. The Deputy Chief of Staff, G-9, Housing Division (DCS, G-9 (DAIN-ISH)) is the proponent responsible for administering and monitoring objectives for the RCI Program. Installation Management Command Headquarters (IMCOM HQ), through Army Materiel Command (AMC), is responsible for installation level day-to-day oversight of RCI housing in addition to ensuring installation resources are available to support Army Housing staff and RCI Companies. The U.S. Army Corps of Engineers (USACE), at the direction of the DASA (IH&P), is responsible for providing RCI ground lease administration and technical advice and assistance on all real estate issues including management, oversight, and compliance, as well as acquisition, disposal and conveyance.

Figure I-1 below illustrates the basic legal structure for RCI Companies. While various RCI Companies may differ from this structure, in every case, the fundamental relationships remain the same. The Army’s RCI portfolio consists of minority ownership interests in Limited Liability Companies (LLCs) or Limited Partnerships (LPs) (also referred to as “RCI Company”), each of which is formed to own, operate, develop, and maintain family housing at one or more installations. A typical RCI Company consists of two owners – the RCI Company Representative and the Department of the Army. The Secretary of the Army, through the Assistant Secretary of the Army for Installations, Energy and Environment (ASA (IE&E)), grants limited authority to the Garrison Commander (GC) to serve as the senior military representative on the ground of the LLC or LP entity. Additionally, each RCI Company has an on-site U.S. Army Garrison (USAG) Housing Manager responsible for coordinating with the project director and representing the Army’s interests on a day-to-day basis.

Figure I-1 Basic RCI Legal Structure



Day-to-day operational decision-making authority rests with the RCI Company Representative whereas specific strategic decisions (referred to as Major Decisions) require consent of the RCI

Company owners and may require consent of the RCI Company’s lender. Major Decisions are defined by the RCI Company Operating Agreement, however, the Army has supplemented the Major Decision criteria in published policy. Most Major Decisions specified in the Operating Agreement require review and approval of DASA (IH&P). Coordination, normally in the form of a concurrent review, for certain proposed actions (e.g., real estate or environmental actions) may also be required with AMC, IMCOM HQ, or other entities. The ASA (IE&E) policy for Major Decisions is provided in Section III; refer to that section on approval requirements for Major Decisions.

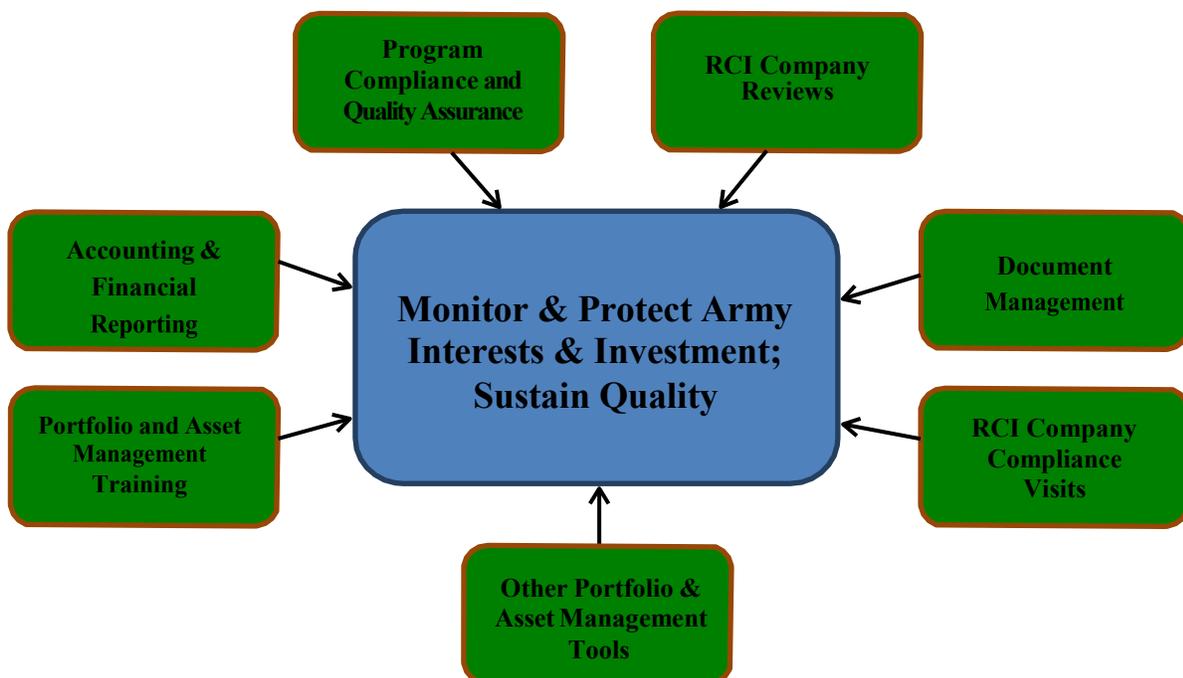
Army PAM Tools

In the private sector, the primary benchmark for measuring the success of an asset or a portfolio of assets is the financial return generated for the client. While this measure is not the fundamental criteria for RCI PAM, the same underlying principles, strategies, approaches, and tools apply. Thus, the Army’s housing privatization performance will be measured on:

- (1) **Service Member and Family Member satisfaction with housing**
- (2) **The continuous enhancement/preservation of housing and community facilities over the life of the project**
- (3) **The ability to limit risk to the project**
- (4) **Successful completion of housing development scopes of work, and**
- (5) **Sound financial management**

Each RCI Company entails an integrated structure involving three components – development, operations and finance. Due to the interrelated nature of the components, the success of each RCI Company is dependent upon meeting agreed upon targets for each of the components. Knowledge and insight into the short- and long-term interdependencies of the three key components of RCI Companies are critical requirements for portfolio and asset management. To proactively monitor the health of each company, RCI PAM is structured around seven primary tools shown below:

Figure I-2 Primary PAM Tools



Portfolio and Asset Management

PAM uses the tools shown above to ensure accountability and efficiency of RCI Companies and to evaluate the financial, operational, and development performance over the short- and long-term. The PAM tools are intended to strengthen the financial performance of the portfolio as well as to provide information to inform stakeholders when making RCI Company decisions. PAM involves assessment, consolidation, distribution, and management of relevant data required by the Army including the Assistant Secretary of the Army for Installations, Energy and Environment (ASA (IE&E)), DASA (IH&P), DCS G-9, AMC, IMCOM HQ, Office of the Secretary of Defense (OSD), Office of Management and Budget (OMB), and Congress to ensure the overall success of the Army's housing privatization program.

The OASA (IE&E) provides input and promulgates Army policies and strategic plans affecting the RCI Program. DASA IH&P and DCS G-9 monitor the portfolio's overall performance and lead the coordination and negotiation of Major Decisions. Information collected from all RCI Companies is analyzed by ODASA IH&P, DCS G-9, and AMC HQ and is provided back to IMCOM HQ in the form of lessons learned to enhance the success of each RCI Company. The DASA (IH&P) executes transactions (Major Decisions negotiated by HQDA (CVD and ISH)) and manages transition support efforts.

AMC and IMCOM HQ provide installation level oversight for all RCI Companies. The USAG Housing Manager, as the installation level RCI functional expert, acts on behalf of and serves at the direction of their GC. The ISH PM, AMC, IMCOM HQ/Directorates and the USAG Housing Manager work in concert to ensure Army involvement in legal compliance, Major Decisions, project recommendations, courses of action, and to resolve project issues.

Army RCI Program – PAM Tools

The Army's approach to PAM envisions tailoring an oversight program that meets the specific needs of each RCI Company at both the portfolio and the asset level. The PAM process provides key lessons learned to enhance and improve the policies and procedures at RCI Companies and drive a "best practice" approach. The following section presents an overview of the key PAM tools designed to meet RCI requirements; all tools are discussed in more detail throughout the remaining sections of the handbook.

Program Compliance and Quality Assurance

Ensuring compliance with the legal documents, business agreements, the Davis-Bacon Act, and 10 U.S.C. 2884-2885 requirements are key responsibilities of the DASA IH&P, DCS G-9, AMC HQ, IMCOM HQ, USAG Housing team and the RCI Company Representative. The compliance checklists are tools the USAG Housing teams use to ensure all parties adhere to the compliance requirements as detailed in the business agreements for each RCI Company. Asset management oversight is focused on ensuring processes and procedures, including quality control / assurance inspections and subcontracting practices, comply with the legal documents and business agreements of each RCI Company.

The ground lease establishes a legal relationship between the Army and the RCI entity (LP or LLC). Annual Ground Lease Compliance Inspections (GLCI) are used to ensure good management of the land under Army jurisdiction and compliance by the Lessee with the terms of use, as set out in the terms and conditions of the Ground Lease. The ground lease compliance and inspection process is part

of the ground lease administration, management and oversight by USACE and is important in monitoring Lessee's compliance with the terms and conditions of the ground lease, identifying issues that may be implicated in, or lead to, eventual non-compliance with the ground lease, including not only real property issues such as boundaries and encroachment, but also items that may affect the protection of the RCI project itself, insofar as the health or viability of the project may ultimately impact the real property. The GLCI is one of the tools used to not only identify and monitor compliance with the ground lease, but can also be used to implement and enforce rights and obligations of parties to the ground lease. Compliance checklists are used to obtain information from both the Lessee and the Army installation housing staff for use in lease oversight and compliance inspections.

HQDA, AMC and IMCOM receive copies of USACE Lease Compliance Reports and are responsible for follow-up and resolution of issues with the Lessee. The ground lease contains remedies and procedures that apply in circumstances and situations of non-compliance.

Appendix A presents a more detailed description of the compliance checklists along with compliance and quality assurance inspection templates.

DASA (IH&P)

- Monitor portfolio-level compliance issues. Report deficiencies to OSD per legislative requirements
- Conduct annual Ground Lease Inspection in coordination with USACE
- Identify program / RCI portfolio level challenges, interact with RCI Company senior level personnel, and provide approaches to resolve
- Develop recommendations for portfolio enhancements

DCS, G-9

- Monitor portfolio-level compliance issues
- Identify program / RCI portfolio level challenges, interact with RCI Company senior level personnel, and provide approaches to resolve
- Develop recommendations for portfolio enhancements
- Perform program reporting in support of 10 U.S.C. 2884-2885 submittal requirements

USACE – Real Estate

- Implement, administer, and execute MHPI real property program for the Army
- Complete Annual Ground Lease Compliance Inspections (GLCI) at RCI locations
- Complete and distributed GLCI Reports
- Draft, negotiate, coordinate, and execute transactions that affect the ground lease and leased property and improvements
- Review due diligence and documentation including documentation and reviews generated by the ROA Process

AMC HQ

- Monitor RCI compliance responsibilities at the IMCOM HQ and garrison level

IMCOM HQ

- Ensure RCI Company compliance oversight responsibilities are executed by the USAG Housing Manager
- Oversight of Quality Assurance and Environmental Hazard Inspection process as well as updating guidance and changes to checklists

Garrison Requirements – USAG Housing Manager

- Monitor Ground Lease Compliance on a regular basis as guided by USACE lease administration and management and provide information as requested by USACE as part of USACE Ground Lease administration and compliance inspections
- Complete and submit the Davis-Bacon compliance checklist on a semi-annual basis
- Perform legal compliance oversight
- Conduct detailed legal compliance review
- Perform QA inspections per IMCOM HQ guidance
- Perform program reporting in support of 10 U.S.C. 2884-2885 requirements

RCI Company Management

- Perform RCI Company compliance oversight
- Conduct detailed compliance reviews for legal requirements, Davis-Bacon Act requirements, and 10 U.S.C. 2884-2885 Congressional reporting requirements. Ensure each member of the service provider teams (developer, general contractor(s), and property manager) comply with all applicable legal and regulatory requirements imposed on the project.

Accounting and Financial Reporting

This component of PAM involves the oversight/review of critical accounting and financial reporting aspects of the RCI Company, including installation-level financial statements, cash management functions (including lockbox and escrow review), budget versus actual, loan servicing, trend analysis, etc. Accounting and Financial Reporting requirements are completed on a monthly, quarterly, semi-annual, and annual basis and conform to the requirements of 10 U.S.C. 2884-2885; a table which includes the timing of each reporting requirement follows this section. A more detailed description of Accounting and Financial Reporting is presented in Appendix B, including sample templates of the Quarterly RCI Company Report, OSD MHPI Report to Congress, and the RCI Company Monthly Dashboard Report.

DASA (IH&P)

- Monitor portfolio-level performance
- Provide periodic briefings and reports on portfolio performance to Army, OSD, OMB and Congressional leadership

- Provide portfolio status updates for all initiatives and respond to external inquiries involving programmatic performance issues
- Develop recommendations for portfolio-level enhancements
- Direct and perform audits of RCI housing, Unaccompanied Housing (UH), and other privatization initiatives, as required
- Identify and develop solutions to project challenges with enterprise-wide impacts (i.e., sustainability, financial structure options, etc.)
- Monitor asset-level performance

DCS, G-9

- Develop and monitor program/portfolio-level performance metrics
- Track, assess, and analyze financial reports and provide consolidated portfolio information
- Publish quarterly portfolio reports and provide required input to MHPI Report to Congress
- Provide portfolio status updates for all initiatives and respond to external inquiries involving programmatic performance issues
- Direct and perform audits of RCI housing, Unaccompanied Housing (UH), and other privatization initiatives, as required
- Develop and monitor asset-level performance metrics
- Provide periodic briefings and reports on asset performance to ARSTAF, HQ IMCOM, and other Army stakeholders, as needed

AMC HQ

- Develop and monitor asset-level performance metrics
- Track, assess, and analyze asset-level reports

IMCOM HQ

- Develop and monitor asset-level performance metrics
- Track, assess, and analyze asset-level reports

Garrison Requirements – USAG Housing Manager

- Review, validate and provide additional comments on financial reporting prepared by RCI Company
- Prepare annual OSD MHPI Report to Congress installation submission
- Review the annual budget submission in coordination with the RCI Company Representative

RCI Company Management

- Prepare required financial reports
- Provide the Annual RCI Company Plan and Budget submission

- Provide all required financial reports to the USAG Housing Manager on time

Timing of Required Financial Reports:

Report	Responsible Party	Frequency	Timing
RCI Company Monthly Dashboard Report	RCI Company Representative/ USAG Housing Manager	Monthly	15 days after end of month
RCI Company Quarterly Project Report	RCI Company Rep / USAG Housing Manager	Quarterly	30 days after end of quarter
Portfolio Report	DCS, G-9	Quarterly	60 days after end of quarter
2884 (c) Semi-annual Report to Congress	DASA (IH&P)	Semi-Annual	Subject to OSD deadline
OSD MHPI Report to Congress	USAG Housing Manager / DASA (IH&P)	Annual	Subject to OSD deadline
RCI Company Plan and Budget	RCI Rep / USAG Housing Manager	Annual	As required in legal docs

RCI Company Reviews

RCI Company Reviews will be conducted when an issue requires resolution or appears as a potential problem. HQDA may direct a review to gain greater insight into a situation which may impact the entire portfolio. AMC, IMCOM HQ, a Garrison Commander, or the USAG Housing Manager may request a review in response to a specific installation or project-level issue or problem.

Depending on the situation, a review could include participation by the Army Audit Agency (AAA), USACE, or other government entities. RCI Company Reviews provide PAM training, gather information, evaluate performance, and reinforce the importance of communication between HQDA, AMC, IMCOM HQ, GCs, USAG Housing Managers, and RCI Company Representatives. They allow IMCOM HQ PMs to verify that submitted reports reflect actual conditions on the ground. They may be focused on: lockbox management, development and construction, capital repair and replacement, project operations, resident satisfaction, insurance, incentive performance management plans, municipal service agreements, utility costs and reimbursement, etc. A more detailed description of RCI Company Reviews is included in Appendix C.

DASA (IH&P)

- Conduct/participate in site visits to keep current with the RCI Company, as well as assess the physical condition and operational performance of the RCI Company

DCS, G-9

- Conduct/participate in site visits to keep current with the RCI Company, as well as assess the physical condition and operational performance of the RCI Company

- Assess the effectiveness of the Development Manager in representing the interests of the Army as an owner amenities at budgeted costs within agreed unit delivery schedules
- Assess the effectiveness of the Property Manager in delivering efficient, responsive services to Soldiers and Families and sustaining project assets at desirable quality levels

USACE –Real Estate

- Implements, administers and executes Ground Lease; utilizes Ground Lease compliance checklist to elicit information from the RCI Company Representative and Army Installation, reviews checklist information, ground lease, exhibits, related agreements, and conducts GLCI annually or as determined by HQDA
- Support HQDA as required

IMCOM HQ

- Assess the effectiveness of the Property Manager in delivering efficient, responsive services to Soldiers and Families and sustaining project assets at desirable quality levels
- Assess the effectiveness of the USAG Housing Team in representing the interests of the Army

Garrison Requirements – USAG Housing Manager

- Coordinate with DASA (IH&P), DCS G-9, USACE, or IMCOM HQ to arrange site visits, participate in meetings during site visits and assist in coordination
- Request an RCI Company Review when required

RCI Company Management

- Coordinate with the USAG Housing Manager on all site visits including preparation of required presentations and materials and attending meetings

Portfolio and Asset Management Training

The IMCOM HQ Housing Manager will establish a program for systematic training of garrison and senior Army leadership, the USAG Housing team and RCI Company representatives in RCI PAM directives, principles, practices, and procedures. Training will include real estate fundamentals and their applicability to the RCI Program as well as incorporation of lessons learned. A more detailed description of Army PAM Training is presented in Appendix D.

Document Management

Successful implementation of PAM oversight includes the collection and retention of documents and materials from each project. DCS G-9, with the support of USACE, manages the entirety of RCI and PAL program documents, setting document retention policy and procedures and maintaining a permanent document repository. ISH manages the system and ensures information is updated continuously. A more detailed description of Document Management is presented in Appendix E.

Other Portfolio and Asset Management Tools

Other tools may be needed to address issues that may surface from compliance reporting, accounting and financial reports, RCI Company Reviews or site visits; or to focus special expertise to provide advice on critical issues such as project expansion or restructuring.

HQDA RCI Resident Survey

The resident survey is intended to provide those responsible for privatized housing operations, AMC HQ, IMCOM, HQ, GCs, USAG Housing Managers, and RCI Companies with specific feedback from which to gauge and improve the satisfaction of the residents with various aspects of housing. The resident survey analysis provides the Army with a portfolio snapshot of how successful projects meet the goals of the RCI program and leads to the development of action plans to improve each RCI Company's performance.

A detailed description of Other Portfolio and Asset Management Tools is presented in Appendix F.

Summary

A robust PAM program requires the coordinated use of the PAM tools at the portfolio and asset levels. Used effectively, the tools will provide early indications of RCI Company or portfolio issues and allow for timely resolution of those issues. Communication among all levels of the RCI Company is critical to ensuring resolution of any issues which may arise. The following sections of the PAM Handbook provide detail on the roles, responsibilities, and requirements for Army PAM oversight and should be understood by all Army representatives involved with the RCI Companies. Questions about any of the information should be forwarded to AMC HQ, IMCOM HQ, or HQDA.

The following chart displays the expected frequency of PAM tool utilization:

PAM Tools	Frequency
Program Compliance: Legal, Davis Bacon Act, and 10 U.S.C. 2884/5, Quality Assurance	Monthly, Quarterly, Semi-Annually, Annually
Accounting and Financial Reporting	Monthly, Quarterly, Semi-Annually, Annually
RCI Company Compliance Visit	Annually, or As Required
RCI Company Reviews	As Required
Development Reviews	Out-year: Within one year prior to each new out-year development plan. As required.
Portfolio and Asset Management Training	Ongoing
Document Management	Ongoing
Other PAM Tools	As Required
Development Plan Close-out Process/Out-year Development Plan	Six-month period prior to planned Out-Year Close-out date/Out-year Development Plan completion

Roles and Responsibilities

Overview

This section outlines the roles and responsibilities of the Army, RCI Companies, and applicable third parties for execution and oversight of the Army's RCI housing privatization program. RCI Companies support complex, large-scale, long-term real estate transactions. They involve extensive connections between development, operations, and financial components, requiring significant interactions at multiple stakeholder levels and coordination of challenging government and military processes. The full support and understanding of all parties is critical to a successful long-term PAM program.

The Institute of Real Estate Management defines portfolio and asset management as those functions focused on long-term accomplishment of owner objectives while ensuring the physical and financial integrity of the underlying real estate assets. Portfolio managers are focused on monitoring and managing the overall financial performance of the assets. This role involves financial analysis, reporting, and compliance oversight but mostly hands-off oversight of day-to-day facilities/property management decisions of the on-the-ground assets.

In the case of RCI privatized military housing, ODASA (IH&P) and DCS, G-9 are considered the portfolio managers. DASA (IH&P) executes the investment decisions and DCS, G-9 is focused on financial monitoring, long-term RCI Company health, and compliance oversight of the portfolio.

AMC, IMCOM, SCs, GCs, and USAG Housing Managers provide asset management oversight for the RCI portfolio. Asset management oversight is involved in hands-on day-to-day oversight of the property. The garrison is at the execution level of the RCI Company where on-the-ground oversight is focused; efforts are led by the USAG Housing Manager.

The USAG Housing Manager, provides oversight, not operational control, over RCI operations at the installation level. The RCI Company Representative is responsible for providing day-to-day operational control and management of the project. There will be many decisions that could be classified as either operational control or oversight of the RCI Company. The USAG Housing Manager should ensure there is clear communication between the GC and the RCI Company representative to determine who is responsible for making the RCI Company decision and whether higher level authorities must be involved.

Key PAM Roles and Responsibilities

The roles and responsibilities of the Army's RCI PAM functions continue throughout the lease term. The garrison housing staffing requirements (after transfer of ownership and operation) should be continuously evaluated. As RCI Companies move into and out of major construction and/or renovation, oversight requirements will change. The Army should be flexible in adapting to the requirements of each different project phase.

Skills

Multiple skill-sets are needed to effectively perform the roles of RCI Company oversight including, but not limited to: engineering, housing programs, legal, finance, quality assurance/quality control, environmental, property management, operations and maintenance. Maintaining and continually training garrison-level personnel to understand both the RCI Company transaction details and execution requirements is important to successful and sustained oversight.

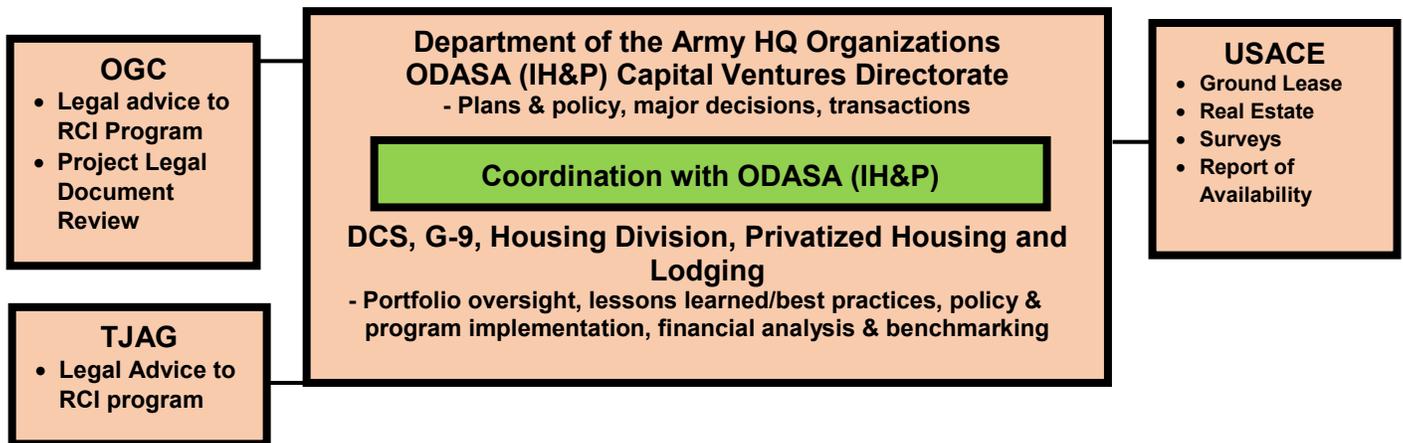
Army RCI Company oversight responsibilities can be divided into four separate core functions:

- Development and Construction
- Operations and Maintenance
- Financial Management
- Legal and Governance

Figure II-1 and II-2 on the following pages outline the overall Army structure for RCI portfolio and asset management oversight.

As shown in the charts below, each organization has key duties; more detailed explanations are provided below each chart; first with a summary of primary roles and responsibilities of key positions followed by more detailed explanations of all installation-level positions.

Figure II - 1 RCI Portfolio Management Oversight Organization



RCI Portfolio Management Roles and Responsibilities

DASA (IH&P) Program Manager:

Role: Provides RCI Program portfolio level strategy, oversight, guidance and support for RCI Companies and other privatization initiatives

Responsibilities:

- Obtain necessary approvals from HQDA (ARSTAF/Secretariat), Congress, OSD, OMB, and USACE

- Recommend legislative initiatives where appropriate
- Identify strategic business opportunities and complete feasibility analysis
- Conduct industry outreach and solicitation preparation/issuance
- Develop program structures for initiatives determined to be economically viable
- Secure appropriate approvals for implementation of initiatives
- Negotiate new privatization initiatives from initial concept/due diligence to financial closing
- Negotiate RCI Company and privatization initiative business terms, agreements and RCI Major Decisions (MDs)
- Review and approve Concept Paper requests submitted to DASA (IH&P)
- Provide Green Light Letter detailing RCI Company/Army requirements for Major Decision Approval Package
- Analyze, negotiate, and obtain DASA (IH&P) approval for Major Decision Requests
- Review annual operating budgets and obtain DASA (IH&P) approval on capital repair and replacement (CRR) budgets
- Monitor portfolio-level compliance issues. Report deficiencies to OSD per legislative requirements.
- Identify program / RCI portfolio level challenges, interact with RCI Company senior level personnel, and provide approaches to resolve
- Review drivers of RCI Company successes and challenges and ensure feedback and lessons learned are provided across the RCI portfolio
- Organize/conduct periodic Senior Executive Meetings (SEM) between RCI Company Representatives and Senior Army Leadership
- Establish and implement policies and procedures related to strategic sourcing initiatives
- Direct RCI Company Reviews to ensure Army interests are protected
- Develop recommendations for portfolio enhancements
- Review business opportunities outside the scope of RCI brought forward by an RCI Company

DCS, G-9 Program Manager:

Role: Provides RCI Program programmatic oversight, guidance and support for RCI Companies and other privatization initiatives

Responsibilities:

- Obtain necessary approvals from HQDA (ARSTAF/Secretariat), Congress, OSD, OMB, and USACE
- Recommend legislative initiatives where appropriate
- Collaborate with CVD to help identify strategic business opportunities and assist with

feasibility studies as requested

- Secure appropriate approvals for implementation of initiatives
- Negotiate RCI Company and privatization initiative business terms, agreements and RCI MDs
- Review Concept Paper requests submitted to DASA (IH&P)
- Analyze, negotiate, and obtain DASA (IH&P) approval for Major Decision Requests
- Review annual operating budgets and obtain DASA (IH&P) approval on CRR budgets
- Monitor portfolio-level compliance issues
- Identify program / RCI portfolio level challenges, interact with RCI Company senior level personnel, and provide approaches to resolve
- Review drivers of RCI Company successes and challenges and ensure feedback and lessons learned are provided across the RCI portfolio
- Organize/conduct periodic RCI Company working group meetings
- Direct, assist and monitor installation production of the Report of Availability and associated real estate documentation
- Track, assess, and analyze financial reports and provide consolidated program information
- Direct Special Purpose Reviews to ensure Army interests are protected
- Develop recommendations for portfolio enhancements

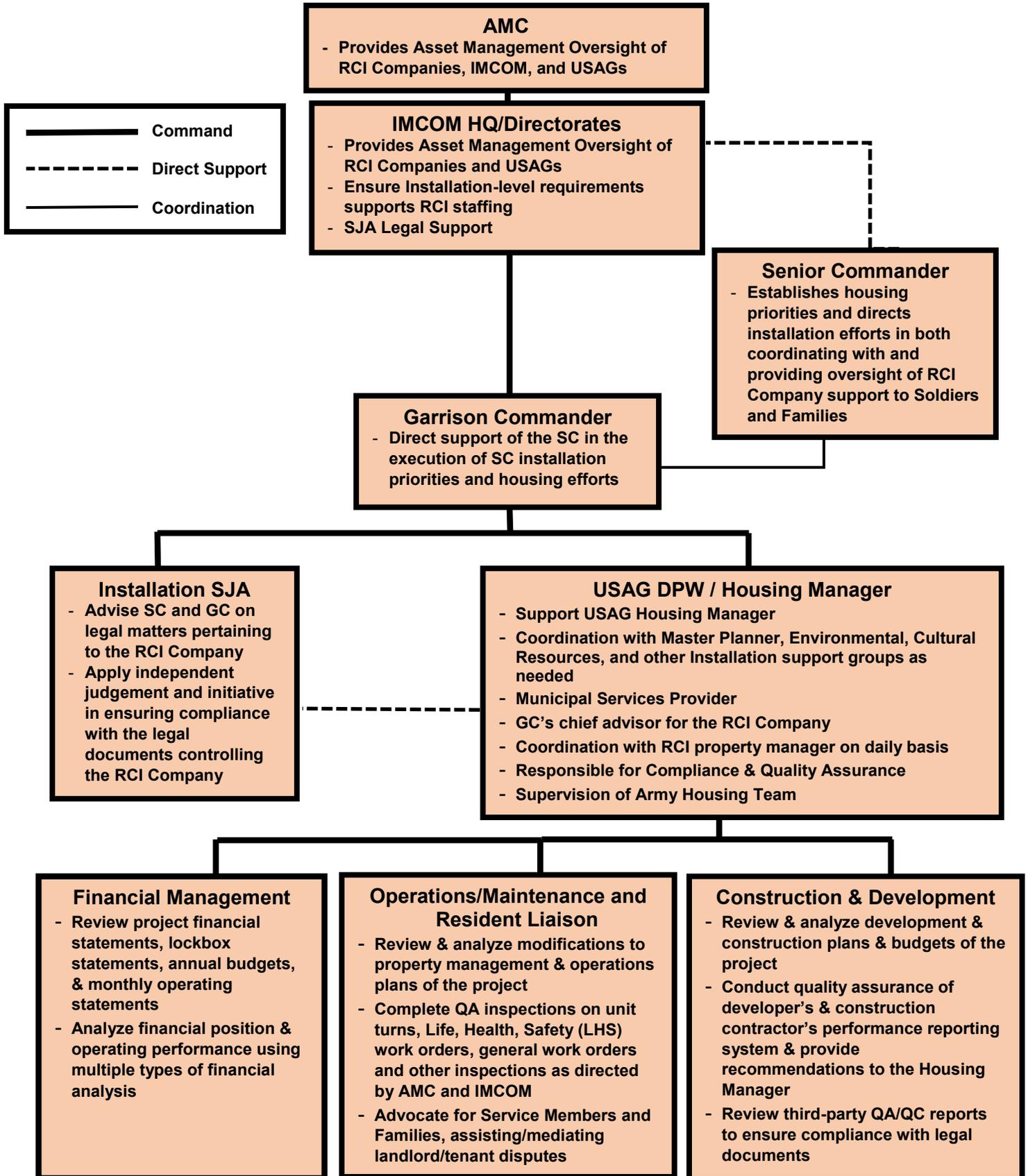
USACE, Real Estate:

Role: Supports USAG, IMCOM, AMC, and HQDA in consummating all actions necessary to effectuate the real estate transactions underlying the RCI Company

Responsibilities:

- Implement, administer and execute MHPI real property program for Army
- Perform ground lease negotiations, control ground lease document revisions, and administer ground leases
- Administer, manage, monitor and conduct regular compliance and inspection site visits and publish and distribute compliance reports on behalf of the government
- Issue guidance on procedural and technical implementation of the policies and general procedures for real estate
- Review surveys prepared by lessee/ installation for RCI real estate or ground lease actions
- Support DCS, G-9 and Installation Real Estate Specialists in review of Report of Availability (ROA) and associated documentation, including surveys
- Serve as Contracting Officer for the ground lease
- Notify DASA (IH&P) of instances of lessee failure to comply with, or satisfy, the terms and provisions of the ground lease

Figure II - 2 AMC Housing Management Oversight



RCI Asset Management Functions

AMC:

Role: Provides RCI asset management oversight, guidance and support to IMCOM, SC, GC, and USAG Housing representatives.

Responsibilities:

- Ensure IMCOM HQ is aware of force structure actions (activation, conversion, relocation) across every post, camp, and station in the Army that may impact the RCI program
- Review/support Major Decisions as required
- Provide guidance, oversight, and review of RCI Company incentive performance management plans and payments
- Monitor the staffing and structure of the USAG Housing Division to ensure consistency with current Garrison, IMCOM, AMC and HQDA objectives
- Develop and monitor asset-level performance metrics
- Monitor RCI compliance responsibilities at the IMCOM HQ and garrison level

IMCOM HQ:

Role: Provides RCI asset management oversight, guidance and support to SC, GC, and USAG Housing representatives.

Responsibilities:

- Ensure USAG Housing Managers and Garrison Commanders are aware of issues that may impact the program (re-stationing, leasing priority waterfall, etc.)
- Serve as the IMCOM subject matter expert on all RCI issues
- Coordinate housing privatization issues within the public works (master planning, real estate, housing and environmental), resources (budget), public affairs, legal and operations offices to ensure awareness and planning for the RCI program
- Coordinate housing issues that may impact the installation RCI Company
- Monitor/support Major Decisions as required
- Provide guidance, oversight, and review of RCI Company incentive performance management plans and payments
- Manage the staffing and structure of the Army Housing Office to ensure consistency with current Garrison, IMCOM, AMC and HQDA objectives
- Develop and monitor asset-level performance metrics
- Track, assess, and analyze asset-level reports
- Ensure RCI Company compliance oversight responsibilities are executed by the USAG Housing Manager

- Coordinate and provide comprehensive training to RCI Housing personnel, Garrison Commanders and Senior Commanders at echelon

Senior Commander (RCI - related):

Role: To care for Soldiers, Families, and Civilians, and to enable unit readiness.

Responsibilities:

- Direct the Garrison Commander's efforts and priorities in coordinating and oversight of RCI Company support to Soldiers and Families
- Synchronizing and integrating Army priorities and initiatives at the installation
- Communicate issues and resource requirements through command channels

Garrison Commander (RCI - related):

Role: Serves as the Secretary of the Army's local representative to the RCI Company

Responsibilities:

- Maintain good order and discipline, health, safety, security, and protection of project
- Assist with landlord/tenant disputes that cannot be resolved by property or USAG Housing Manager. Resolve resident/property management disputes utilizing all command authorities necessary. Elevate unresolved disputes with RCI Company thru dispute resolution channels. Monitor formal Resident Dispute Resolution Process.
- Ensure oversight of displaced resident process and procedures and assist Soldiers and Families as necessary.
- Ensure municipal and other installation level services are provided to RCI Company as determined by agreements (Municipal Service Agreement (MSA), Utility Privatization, etc.)
- Utilize ASA (IE&E) - RCI Major Decision Policy as framework for Army HQ coordination requirements
- Utilize the USAG Housing Manager as an expert resource for RCI guidance
- Maintain a long-term focus on RCI Company Major Decisions
- Review the annual operating budget with RCI Company Representative, endorse and forward to AMC for approval
- Review and approve the incentive fee distributions (as required by business agreements)
- Support, not control of, property manager resident eviction process
- Ensure adequate installation support and execution of the Annual Basic Allowance for Housing (BAH) Survey data collection process

Table II-1 on the following pages provides additional clarification on roles and responsibilities of the SC and GC in oversight of the RCI Company.

Table II - 1 RCI Asset Management Responsibilities

General Responsibilities	Garrison Commander	Senior Commander
<p>Maintain good order and discipline across the Installation; protection of health and safety</p>	<ul style="list-style-type: none"> a. Regulate installation access control and activities necessary to maintain good order and discipline on the installation in accordance with AR 600-20, DoD policies, and Joint Base Memorandum of Agreements (MOAs), as applicable. Exercise command and control with respect to installation emergency services, traffic control, and force protection in accordance with AR 600-20, DoD policies, and Joint Base Memorandum of Agreements (MOAs), as applicable, and as delegated by the Senior Commander. b. Support SC requirements with garrison services and resources in accordance with AR 600-20, DoD policies, and Joint Base MOAs, as applicable. c. The Army’s right of access to the Project shall be governed by the Ground Lease. Questions regarding right of access should be coordinated with the local Staff Judge Advocate. The Lessor (Army) will enter the Project during regular business hours, give Lessee at least twenty-four (24) hours prior notice, and permit a representative of Lessee to be present unless: (i) the Lessor determines that emergency entry is required for emergency situations, or (ii) entry is necessary for Lessor’s immediate compliance with or enforcement of regulatory requirements where such twenty four (24) hours prior notice and/or entry during regular business hours would not be feasible, including, but not limited to, safety, fire control, environmental, operations, law enforcement or security purposes; or entry is required as a matter of military necessity, but not limited to, the right to enforce good order and discipline with respect to Military Tenants. d. Review with Lessee changes to the key and essential list, which may be amended from time to time. 	<ul style="list-style-type: none"> a. Exercise command authority and oversee installation force protection in accordance with AR 600-20, DoD policies, and Joint Base Memorandum of Agreements (MOAs), as applicable. b. Communicate issues and resource requirements through command channels. (600-20) c. The Army’s right of access to the Project shall be governed by the Ground Lease. Questions regarding right of access should be coordinated with the local Staff Judge Advocate. The Lessor (Army) will enter the Project during regular business hours, give Lessee at least twenty-four (24) hours prior notice, and permit a representative of Lessee to be present unless: (i) the Lessor determines that emergency entry is required for emergency situations, or (ii) entry is necessary for Lessor’s immediate compliance with or enforcement of regulatory requirements where such twenty four (24) hours prior notice and/or entry during regular business hours would not be feasible, including, but not limited to, safety, fire control, environmental, operations, law enforcement or security purposes; or entry is required as a matter of military necessity, but not limited to, the right to enforce good order and discipline with respect to Military Tenants. d. Approve, changes to the key and essential list, which may be amended from time to time.
<p>RCI Company Oversight (General)</p>	<ul style="list-style-type: none"> a. Serve as the local Army Representative to the RCI Company. b. Ensure sufficient knowledge of RCI Company’s finances, operational goals and development plans. c. Ensure oversight is provided by the Army Housing team to monitor and oversee the RCI Company’s compliance with requirements imposed by regulations, legal documents, business agreement, the Portfolio and Asset Management Handbook, and Army policy applicable to RCI Projects. 	<ul style="list-style-type: none"> a. Direct GC’s efforts and priorities in coordination with and oversight of RCI Company support to Soldiers and Families. b. Oversee services and resources provided to Soldiers and Families (600-20) c. NA

General Responsibilities	Garrison Commander	Senior Commander
<p>RCI Asset Management Operations</p>	<ul style="list-style-type: none"> a. Discuss Operations Budget focus areas with RCI Company Representative prior to RCI Company Budget Submission. Review/endorse final Operations Budget in coordination with SC. b. ICW AMC & HQDA, review results of RCI Resident Survey. Complete survey action planning with RCI Company. Submit resident satisfaction survey Action plans through the chain of command to higher HQs for consolidation and oversight. c. Assist with landlord tenant issues that cannot be resolved by RCI Company Representative/Army Housing Manager. Elevate concerns and/or any landlord tenant issues as needed to SC. d. Review/endorse RCI Company incentive fee approval package per applicable policy. Provide formal written feedback to the RCI Company through the SC detailing areas where the RCI Company did not achieve 100% of the incentive fee and the expectation of performance in order to achieve 100% of the fee. e. Review and Monitor Change of Occupancy (COM) and all categories of maintenance work orders; life, health, and safety, and other directed inspection reports; incentive fee results; and resident and service surveys to assess performance and provide feedback to RCI Company. 	<ul style="list-style-type: none"> a. Synchronize and integrate Army priorities and initiatives at the installation. (600-20) Review/endorse final Operations Budget and forward to IMCOM HQ per AMC guidance. b. ICW AMC & HQDA, review results of RCI Resident Survey; communicate results and action planning to residents as appropriate and ICW AMC & HQDA guidance. c. Assist with landlord tenant issues that cannot be resolved by GC. Elevate tenant issues that cannot be resolved to IMCOM/AMC. d. Endorse RCI Company Quarterly Incentive Fees and forward to IMCOM HQ per AMC guidance. Endorse formal written feedback to the RCI Company detailing areas where the RCI Company did not achieve 100% of the incentive fee and the expectation of performance in order to achieve 100% of the fee. e. Assess performance/provide feedback to RCI Company. Ensure a long-term focus on quality property maintenance practices by timely disclosure to USAG Housing Team by RCI Company, and orchestrate corrective measures as needed.
<p>Development and Construction</p>	<ul style="list-style-type: none"> a. Ensure coordination of required garrison assets to include: DPW, fire/police, master planning, environmental, real estate, safety, etc. (e.g. design review, road closures, land planning, environmental issues, historical review). b. Ensure Quality Assurance oversight of all categories of property maintenance work orders as well as all capital improvement, modernization and/or construction projects through in-house or third-party expertise (e.g. USACE, Independent Construction Consultant) Ensure QA. c. Review Third Party Inspection Reports of all construction/reno 	<ul style="list-style-type: none"> a. Synchronize mission requirements which may impact RCI development and construction. (600-20) b. NA c. NA
<p>Finance</p>	<ul style="list-style-type: none"> a. Review monthly dashboard and quarterly reports with RCI Company Representative to understand the financial health of the Project. b. Ensure applicable municipal services rates are reviewed/updated annually to include utilities, fire/police, etc. Rates should be charged in accordance with ASA (IE&E) Utility and Services Reimbursement Policy. c. Ensure execution of the BAH survey. 	<ul style="list-style-type: none"> a. Oversee project financial reports as necessary to understand the overall financial health of the Project. b. Ensure applicable municipal services rates are charged in accordance with ASA (IE&E) Utility and Services Reimbursement Policy. c. Endorse installation support and execution of the BAH survey.

General Responsibilities	Garrison Commander	Senior Commander
<p>Major Decisions</p>	<p><u>Residential Communities Initiative Major Decisions Policy</u> <u>October 23, 2018</u> Additional detail provided in Section III of the PAM Handbook <u>Development / Funding / Real Estate</u> (Major Decision 1-9)</p> <p>a. In coordination with RCI Company Representative, develop Major Decision Request in the form of a Concept Paper. Ensure RCI Company Representative has understanding of installation risks/issues which may affect construction and development planning to include troop levels, deployments, etc. Maintain long-term focus on RCI Company decisions.</p> <p>b. Endorse or provide reasons for non-concurrence of Concept Paper and forward to SC for review.</p> <p>c. If concept approved by higher HQs, provide appropriate installation support for delegated responsibilities/actions to complete the Major Decision Approval Package.</p> <p><u>Legal</u> (Major Decision 10-14)</p> <p>a. In coordination with RCI Company Representative, develop Major Decision Request in the form of a Concept Paper. Ensure local SJA review of Concept Paper prior to endorsement.</p> <p>b. Endorse or provide reasons for non-concurrence of Concept Paper and forward to SC for review.</p> <p>c. If concept approved by higher HQs, provide appropriate installation support for delegated responsibilities/actions to complete the Major Decision Approval Package.</p>	<p><u>Residential Communities Initiative Major Decisions Policy</u> <u>October 23, 2018</u> Additional detail provided in Section III of the PAM Handbook <u>Development / Funding / Real Estate</u> (Major Decision 1-9)</p> <p>a. Ensure concept is consistent with Installation Master Plan, mission requirements, and future personnel requirements.</p> <p>b. Endorse or provide reasons for non-concurrence of Concept Paper and forward to IMCOM Directorate for review.</p> <p>c. NA</p> <p><u>Legal</u> (Major Decision 10-14)</p> <p>a. NA</p> <p>b. Endorse or provide reasons for non-concurrence of Concept Paper and forward to IMCOM Directorate for review.</p> <p>c. NA</p>
<p>Town Halls / Communications</p>	<p>a. Establish and host installation/community outreach discussions as directed by the SC and Army Leadership.</p> <p>b. Support public relations efforts through garrison public affairs office.</p>	<p>a. Communicate property management or other RCI Company policies and initiatives through multiple communication channels. Support Army leadership or Army PAO as requested through town halls and/or other communication channels.</p> <p>b. NA</p>

USAG Housing Manager:

Role: Serves as the Garrison Commander's chief advisor on the RCI project

Responsibilities:

- Army's point-of-contact for installation-level asset management, serves as the direct source of communication between the Garrison Commander, RCI Company representative at the installation, IMCOM, AMC and HQDA
- Consult with the property manager on a frequent (normally daily) basis to ensure coordination of RCI issues
- Utilize ASA (IE&E) - RCI Major Decision Policy as framework for Army HQ coordination requirements
- Provide oversight of the RCI Company and make certain all processes and procedures are in place and functioning to ensure compliance with the project's legal documents (supported by IMCOM HQ, AMC, HQDA, and USACE RCI PM)
- Analyze adjustments to the RCI Company development scope or schedule
- Understand and evaluate risks that may affect the RCI Company and alert IMCOM HQ if assistance is needed in evaluating potential or existing risks
- Monitor and interface with Army agencies in the routine completion of BAH Surveys, Housing Market Analyses (HMA) and HMA Updates
- Review and coordinate submission of required reports for IMCOM, AMC, HQDA, OSD and others as requested

Director of Public Works (DPW):

Role: Serves as supervisor to the USAG Housing Manager

Responsibilities:

- Support the USAG Housing Manager to ensure utilities, fire and emergency services, and other services furnished per authority 10 U.S.C. 2872(a), are provided to RCI housing per the MSA
- Update the MSA rates on an annual basis
- Oversee and coordinate the sale of utility services to privatized housing, ensuring the utility rates / expense allocations are in compliance with the MSA and ASA (IE&E) – RCI Utility Reimbursement to Installation Policy
- Ensure utility and other municipal service bills are provided to the RCI Company in a timely manner
- Provide coordination support for RCI Company integration with Installation Master Planning, Environmental, and other installation activities and functions
- Request USACE support as needed to supplement installation capabilities

RCI Asset Management Functions at the Garrison Level

Provided below is more detailed information on the oversight functions and responsibilities

of the USAG Housing Team overseeing the RCI Company at the installation level. In certain cases, responsibilities detailed below may require multiple individuals while at smaller installations the responsibilities may be combined and completed by one individual.

Project Oversight

USAG Housing Manager

The USAG Housing Manager serves as the chief advisor to the Garrison Commander on RCI Company matters. The USAG Housing Manager is responsible for coordination of plans, implementation, resolution of issues, and long-term oversight of the RCI Company at the installation-level. The USAG Housing Manager will also be responsible for non-RCI programs such as UH, the Army Barracks Management Program, budgeting and execution (Army Family Housing and Operation and Maintenance Account), facilities and infrastructure management, Housing Services Office (HSO) advocating for residents on and off-post, furnishings management and information/data collection and management in support of installation housing programs. The USAG Housing Manager supervises the Army Housing team members providing RCI asset management oversight and performs related personnel management duties.

The USAG Housing Manager ensures full coordination of program implementation and long-term asset management with HQDA, AMC, IMCOM, Installation, and RCI Company installation-level personnel.

Compliance of the RCI Company with all compliance requirements (discussed in detail in Appendix A of this Handbook) is a joint responsibility of the RCI Company Representative and Army Housing team. The RCI Representative is focused on implementation of processes and actions to ensure the RCI Company is in compliance with all requirements imposed by regulations, legal documents and business agreements. The Army Housing Team monitors and oversees the RCI Company's compliance with these requirements. Compliance checklists, examples of which are provided in Appendix A, are tools to assist the Army Housing team in ensuring all parties adhere to compliance requirements. Asset management oversight should be focused on ensuring the RCI Company processes and procedures, including quality control inspections, satisfy these requirements -- efforts which comprise a portion of the USAG Housing Manager job responsibilities. These duties require in-depth knowledge and understanding of the mission objectives, applicable laws, IMCOM, AMC, HQDA and OSD guidance and directives, resources, and various internal and external stakeholders' interests in the program. The USAG Housing Manager applies extensive knowledge of effective management principles and best business practices in conjunction with housing and privatization policies and procedures to plan, implement, and provide long-term oversight of the RCI Company.

Additional RCI-related duties of the USAG Housing Manager are provided below:

- Serve as the Garrison Commander's chief advisor on the RCI Company and make recommendations regarding modifications to the RCI Company plans
- Lead the Army Housing Team and coordinate with the HQDA, AMC, and IMCOM in collaboration and negotiations with the RCI Company relating to proposed modifications to the RCI Company's scope, schedules, financial projections, and/or associated documents.
- Engage the Army Housing team members and other subject matter experts as needed to support installation efforts involving Major Decisions

- Coordinate RCI Company operations and construction with affected installation agencies
- Support RCI Company compliance, partnering and project review visits
- Provide oversight of RCI Company business processes/procedures which ensure compliance with the RCI Company requirements as outlined in Appendix A – Compliance with Legal, Davis-Bacon Act, and Congressional areas of focus.
- Ensure RCI Company complies with all HQDA, AMC, IMCOM, OSD and Congressional reporting requirements
- Provide input on the composition of the Army's annual resident survey and the process by which it is administered
- Conduct regular quality control inspections and quality assurance of the RCI Company's incentive fee reporting process to ensure the submission is accurate, complete and draws appropriate conclusions with respect to earned incentive fees.
- Make recommendations to the Garrison Commander on RCI Company performance and assist the Garrison Commander with recommendations to AMC regarding incentive fees and confirm that property management and operations goals have been met
- Provide support and advocacy for Service Members and Families regarding resident issues that cannot be resolved by the Property Manager; resolve every resident complaint that comes to the Army Housing Office, request assistance from the Garrison Commander when necessary to resolve a resident issue.
- Ensure oversight of displaced resident process and procedures and assist Soldiers and Families as necessary
- Respond to inquiries from the Senior Commander and Garrison Commander, and assist the RCI Company in their interactions with the Army installation, HQDA, AMC, or IMCOM staff
- Assist with the RCI Company Representative's resident and outside public relations efforts through the garrison's Public Affairs Office
- Engage local government, chambers of commerce, school districts, congressional and state representatives, and other private and public sector stakeholders to inform, advise, and resolve issues related to housing privatization
- Assist HQDA, AMC, or IMCOM on Congressional inquiries when requested

Financial Management

Financial Specialist

The Financial Specialist supports privatized housing success by providing decision makers/senior leadership with qualitative and quantitative analysis on the financial health of the RCI Company. Financial management oversight requires close coordination with the USAG Housing Manager and other stakeholders. They must communicate a clear and detailed understanding of the financial status of the RCI.

Specific functions relating to financial oversight are provided below:

- Review financial statements, lockbox statements, annual budgets, and monthly operating statements. Identify impacts affecting RCI Company financial performance and/or financial

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reporting. Provide financial updates to the USAG Housing Manager

- Analyze financial position and operating performance using multiple types of financial analysis (trend, variance, cash flow)
- Develop and maintain proficiency with the RCI Company pro forma and using this tool, forecast the effect of actual project operations and annual budgets on future project cash flows and how this affects the development/construction plan and reinvestment funding
- Ensure the Developer is in compliance with financial aspects of applicable legal documents
- Communicate with the Property Manager regarding occupancy, rank mix, and marketing incentives as these items affect project finances
- Coordinate with the USAG Housing Manager and RCI Company Representative on the development, review and approval of proposed major decisions to include changes in the phasing schedule, scopes of work, or draw schedules.
- Maintain database of RCI Company financial documents and budget information
- Support the Annual BAH Survey data collection process and validate information to ensure compliance with survey requirements

Operations and Maintenance Oversight

Operations and Maintenance Specialist

The Operations and Maintenance Specialist monitors and assesses the property management and maintenance operations of privatized family housing and ancillary facilities for appropriate quality, condition, and performance levels and advises the USAG Housing Manager concerning adherence to the current approved development plans and/or legal documents. The Operations and Maintenance Specialist inspects facilities, utilities, roadways, and surrounding grounds to evaluate use patterns and identify maintenance requirements and review cost factors affecting preventative and major maintenance items. Additionally, the Operations and Maintenance Specialist studies maintenance and property management operations and reviews property manager recommendations on facility maintenance processes. The Specialist ensures that facility and associated systems are acquired, operated, maintained, and cleaned in a manner that provides the most suitable, productive, and safe environment for normal operations in conformance with established criteria.

As part of the monitoring responsibility, the Specialist will observe property management and operations activities in cooperation with the RCI Company representative at the installation level.

Specific functions of the Operations and Management Specialist are provided below:

- Review and analyze modifications to property management and operations plans of the project with property management personnel and make recommendations to the USAG Housing Manager and the Garrison Commander
- Complete QA inspections on unit turns, Life, Health, Safety (LHS) work orders, general work orders and other inspections IAW AMC and IMCOM policies.
- Review turnover maintenance program and survey turnover completions and review turnover checklists to ensure the Property Manager meets established maintenance requirements

- Coordinate with the USAG Housing Manager when Property Manager seeks information or assistance from the DPW or Garrison Commander
- Submit periodic status reports on the execution of property management and operations plans to the USAG Housing Manager
- Provide recommendations to the USAG Housing Manager and the Garrison Commander on property management and operations incentive fee metrics
- Communicate with the Financial Specialist on matters affecting finances (e.g. occupancy, rank mix, and marketing incentives)

Customer Service/Resident Liaison

The Customer Service/Resident Liaison serves as the Army Housing staff member who specializes in handling exceptional inquiries from Service Members or Families that cannot be resolved by the property manager or project director. On larger projects, this position could be specific to resident population groups (e.g., Senior Officers, Command Sergeant Majors, Sergeant Majors, Field Grade, Company Grade, etc.). The vast majority of resident inquiries will be placed with and handled by the property manager. Issues that cannot be resolved by the property manager will be handled by the RCI Customer Service/Resident Liaison. The Resident Liaison will also review resident and property management policy changes, as compared to what was in the legal documents or CDMP, which could affect all residents. Recommendations on policy changes should be forwarded to the USAG Housing Manager for review.

Specific functions of the Customer Service/Resident Liaison position are provided below:

- Ensure that the property manager fully complies with the Resident Bill of Rights
- Advocate for Service Members and Families, assisting/mediating landlord/tenant disputes when requested by the resident
- Ensure oversight of displaced resident process and procedures and assist Soldiers and Families as necessary
- Support residents and the property manager in oversight of Exceptional Family Member Program (EFMP) requirements
- Coordinate with the property manager on resident eviction actions
- Receive, review, and make recommendations to the USAG Housing Manager on exceptions to policy from housing applicants and residents not resolved at property manager level
- Assist the USAG Housing Manager, Operations and Maintenance Specialist, and Construction and Development Specialist in all Quality Control reporting
- Coordinate with the property manager on the development, review, and approval of proposed modifications property management policies detailed in the CDMP or other RCI Company legal or business documents
- Provide support to property manager on General/Flag Officer's Quarters (GFOQ) policies and statutes and Key and Essential personnel issues

Construction and Development Oversight

Construction and Development Specialist

This position fulfills the engineering/construction technician role. This person monitors the development and construction of family housing and ancillary facilities for appropriate quality and safety standards and advises the USAG Housing Manager concerning adherence to the RCI Company development and construction plans and associated legal documents. These responsibilities require the ability to read and interpret engineering and architectural plans and specifications as well as to provide quality control by independently inspecting a wide variety of standardized items or operations which require substantial knowledge of the methods and techniques of construction inspection and of construction methods, equipment, materials, and practices. The Construction and Development Specialist works closely with the USAG Housing Manager and other installation staff components to communicate a clear and detailed understanding of the development and construction status of the RCI Company.

As part of the monitoring responsibility, the representative will observe and analyze development and construction activities in cooperation with the RCI Company Representative's personnel -- specifically ensuring the construction meets standards required in the development plan, including applicable RCI Construction Standards and Installation Design Guide standards.

Specific functions of the Construction and Development Specialist position are provided below:

- Review and analyze development and construction plans and budgets of the RCI Company and make recommendations to the USAG Housing Manager and the Garrison Commander
- Coordinate with the USAG Housing Manager when the RCI Company Representative seeks information or assistance from the Garrison Leadership
- Communicate on matters affecting project finances (e.g. changes to the phasing schedule, scope of work, or draw schedule)
- Submit periodic status reports to the USAG Housing Manager on the execution of development and construction plans, development and construction draws, and variances from approved goals
- Conduct quality assurance/quality control (QA/QC) of developer's and construction contractor's performance reporting system and provide recommendations to the USAG Housing Manager and the Garrison Commander whether development and construction performance goals have been accurately reported for consideration of incentive fee awards
- Review third party QA/QC reports (Construction Consultant and/or Lender's Construction Inspector) to ensure compliance with local and state building code requirements and achievement of construction standards required in the legal documents
- Review an adequate number of punch lists and punch list inspections to ensure that no adverse trends are noted with specific aspects of construction
- Review all certificates of occupancy
- Oversee a substantial number of the home acceptance processes between Developer / General Contractor and the Property Manager
- Participate in code compliance inspections

- Accompany the Independent Construction Consultant on a substantial number of compliance visits
- Coordinate with the USAG Housing Manager on the development, review, and approval of proposed Concept Papers, Major Decisions or Modified Scope Plans
- Ensure RCI Company Representative and major service provider compliance with Davis-Bacon Act requirements
- Monitor progress of Capital Repair and Replacement (CRR) and unit renovation/replacement projects; evaluate RCI Company's annual CRR plan, including proposed utilization of CRR Reserves and Reinvestment Reserves and provide recommendations to USAG Housing Manager and Garrison Commander

Legal Counsel

Legal Compliance

When complicated legal situations arise, or the USAG Housing Manager requires additional legal expertise, the USAG Housing Manager should consult with the installation's Staff Judge Advocate (SJA). The installation SJA will coordinate, when necessary, with IMCOM HQ SJA, the HQDA Office of General Counsel (OGC), or USACE Legal Counsel for additional legal support and RCI programmatic legal guidance.

Installation Staff Judge Advocate

The Installation SJA position will provide support to the Senior Commander and garrison as follows:

- Advise the Senior Commander and Garrison Commander and/or USAG Housing Manager on legal matters pertaining to the RCI Company
- Apply independent judgment and initiative in ensuring compliance with the unique and complex legal documents controlling the RCI Company
- Request proposals, prepare Army positions, and conduct negotiations with the RCI Company Representative to incorporate or change provisions of the business agreements (as agreed to by the DASA (IH&P) necessitated by mission changes, change in regulations, or as otherwise directed by HQDA
- Consult with SJA and/or OGC as necessary for additional legal support and RCI programmatic legal guidance.

RCI Company Roles and Responsibilities

The roles and responsibilities of the RCI Company are detailed in the operating agreement between the Army and the RCI Company Representative with additional requirements detailed in the Ground Lease and other legal/business agreements. The service agreements between the RCI Company and Developer, Design Builder or Construction Contractor, Renovation Contractor, Property Manager, Asset Manager, and Independent Construction Consultant detail responsibilities of these service providers to the RCI Company. While these agreements are always crafted as "arms-length" third-party contracts, some of the service providers are frequently affiliated with the RCI Company. Below is a list of some of the responsibilities of the above noted parties;

this list is not exhaustive. Where questions arise as to specific responsibility, the legal documents between the parties must be consulted.

Figure II - 3 RCI Company Management Organization

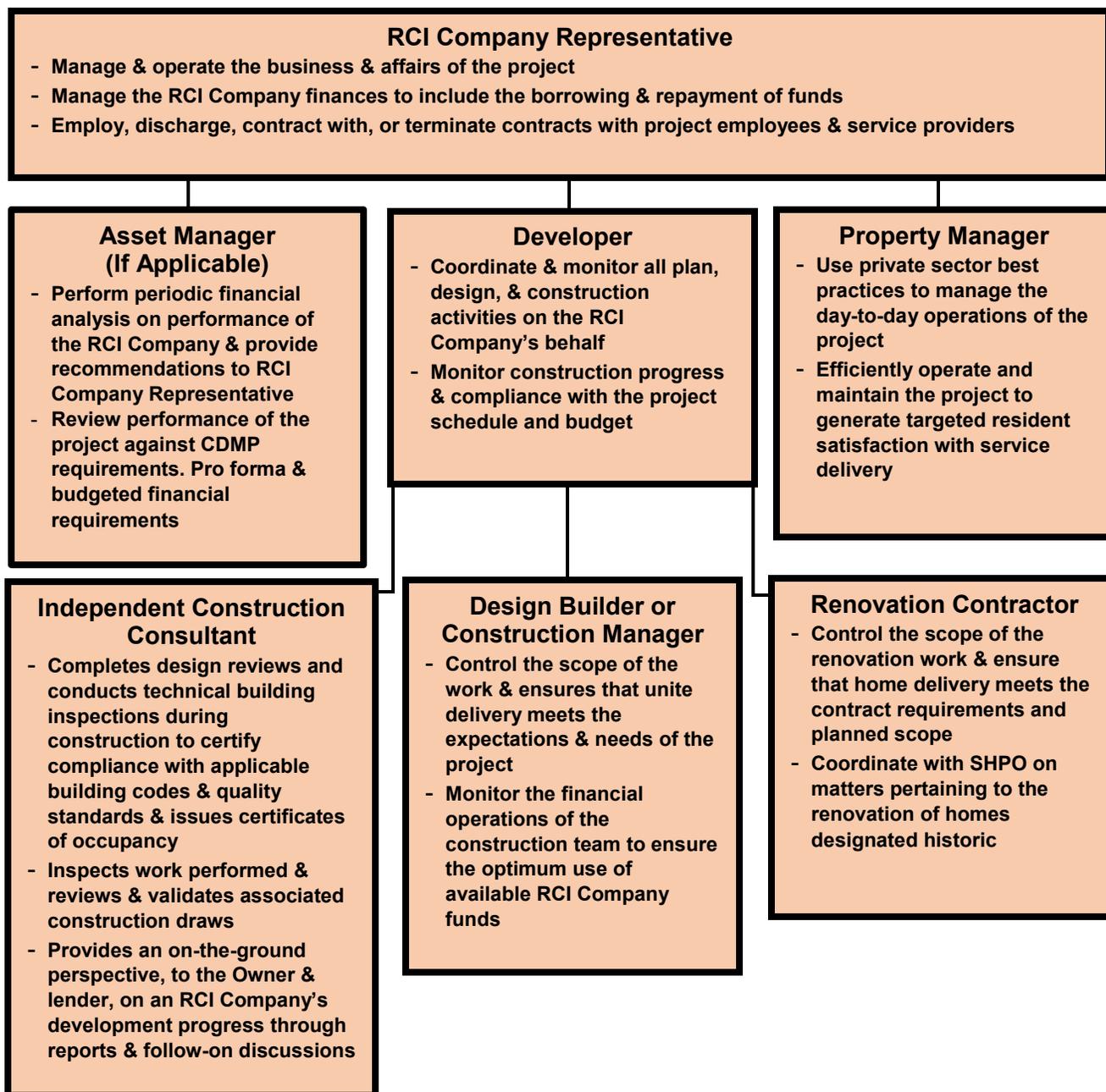


Table II - 2 RCI Company Responsibilities

General Responsibilities	RCI Company
Maintain good order and discipline across the Installation; protection of health and safety	<ul style="list-style-type: none"> a. Keep the project in good order and repair and in a decent, safe, and sanitary condition by and at the sole expense of the RCI Company and pursuant to the Ground Lease. b. Comply with all applicable Federal, state, borough and municipal laws, codes, ordinances and regulations relating to the activities and obligations under the Ground Lease. c. Respect the Army's right of access to the Project under the Ground Lease. The Lessor (Army) will enter the Project during regular business hours, give Lessee at least twenty-four (24) hours prior notice, and permit a representative of Lessee to be present unless: (i) the Lessor determines that emergency entry is required for emergency situations, or (ii) entry is necessary for Lessor's immediate compliance with or enforcement of regulatory requirements where such twenty four (24) hours prior notice and/or entry during regular business hours would not be feasible, including, but not limited to, safety, fire control, environmental, operations, law enforcement or security purposes; or entry is required as a matter of military necessity, but not limited to, the right to enforce good order and discipline with respect to Military Tenants. d. Review changes to the key and essential list with the Lessor which may be amended from time to time and house key and essential personnel IAW the Ground Lease and Property Management Agreement.
RCI Company Oversight (General)	<ul style="list-style-type: none"> a. RCI Company Representative shall, within the limits of their authority, supervise and cause the Company's compliance with, and performance of its obligations under, the Company Operating Documents and shall enforce the Company's rights and remedies under the Company Operating Documents. b. NA c. RCI Company Representative shall ensure implementation of processes and actions to ensure the RCI Company is in compliance with all requirements imposed by regulations, legal documents and business agreements.
RCI Asset Management Operations	<ul style="list-style-type: none"> a. RCI Company Representative shall cause to be prepared and submitted to the Army for its consideration, a Project Budget for the fiscal year of the Company. b. Review results of RCI Resident Survey. Where survey results indicate a need for improvement, RCI Company representative will coordinate with Army to develop and implement resident satisfaction survey action plans. c. Property Manager is authorized to institute and defend, in Owner's name, all legal actions or proceedings for the enforcement of any rental term, for the collection of rent or other income due to the Project, or for the eviction or dispossession of tenants or other persons from the project. d. RCI Company Representative shall forward incentive fee award request to Army prior to payment of incentive fees under applicable service agreement. e. Perform Change of Occupancy and all categories of maintenance work orders within the prescribed time and quality standards. Resolve life, health, and safety issues promptly and perform maintenance IAW the Housing Maintenance Quality Assurance & Environmental Hazard Oversight Program and Lead Safe Maintenance Cycle Lead-based Paint (LBP) Risk Assessment Decision Tool (Appendix A).

General Responsibilities	RCI Company
Development and Construction	<ul style="list-style-type: none"> a. RCI Company Representative is required to prepare/file documents required to obtain the necessary approvals of governmental authorities having jurisdiction over development and construction IAW DASA (IH&P) Development, Construction and Renovation Standards for Residential Communities Initiative (RCI) Family Housing Program – Update #5. b. The Construction Contractor is responsible for all aspects of the construction including, without limitation, performance of cost estimating, scheduling and value engineering services, administration of the bid process, negotiation and entry into contracts and subcontracts relating to the construction of the Project, negotiation, management and administration of change orders, provision of periodic progress reports on the construction of the Project, maintenance of construction records, assembly of operation manuals, and preparation of "as-built" drawings. c. RCI Company shall hire independent construction consultant for all construction and renovation projects funded by the reinvestment account IAW DASA (IH&P) Development, Construction and Renovation Standards for Residential Communities Initiative (RCI) Family Housing Program – Update #5, unless waiver approved by DASA (IH&P)
Finance	<ul style="list-style-type: none"> a. Submit required RCI Company financial reports to Army based on agreed timelines. b. Comply with provisions of the Municipal Services Agreement and ensure review/agreement on updated rates on an annual basis. c. N/A
Major Decisions	<p style="text-align: center;"><u>Residential Communities Initiative Major Decisions Policy</u> <u>October 23, 2018</u> Additional detail provided in Section III of the PAM Handbook <u>Development / Funding / Real Estate</u> (Major Decision 1-9)</p> <ul style="list-style-type: none"> a. In coordination with USAG Housing Manager and Garrison Commander, develop Major Decision Request in the form of a Concept Paper. b. Endorse or provide reasons for non-concurrence of Concept Paper prior to review by SC. c. If concept approved by higher HQs, provide appropriate support for delegated responsibilities/actions to complete the Major Decision Approval Package. <p style="text-align: center;"><u>Legal</u> (Major Decision 10-14)</p> <ul style="list-style-type: none"> a. In coordination with USAG Housing Manager and Garrison Commander, develop Major Decision Request in the form of a Concept Paper. b. Endorse or provide reasons for non-concurrence of Concept Paper prior to review by SC. c. If concept approved by higher HQs, provide appropriate support for delegated responsibilities/actions to complete the Major Decision Approval Package.
Town Halls / Communications	<ul style="list-style-type: none"> a. Communicate property management or other RCI Company policies and initiatives through multiple communication channels. Support Army leadership or Army PAO as requested through town halls and/or other communication channels.

RCI Company Representative:

Role: Serves as the decision maker with authority for the business and the affairs of the RCI Company and applicable business and legal agreements

Responsibilities:

-
- Manage and operate the business and affairs of the RCI Company in accordance with the legal documents
 - Coordinate Major Decisions for approval
 - Comply with any applicable federal, state or local laws
 - Manage the RCI Company finances to include the borrowing and repayment of funds as well as RCI Company cash flow
 - Employ, discharge, contract with, or terminate contracts with project employees and service providers
 - Commence or defend litigation related to the RCI Company
 - Coordinate with service providers to ensure delivery of scope established in the legal documents and understand the financial impacts of changes to approved scope
 - Monitor potential and existing risks to the RCI Company and recommend solutions to the USAG Housing Manager, IMCOM HQ, AMC, or HQDA as applicable
 - Coordinate with Army Housing Team, IMCOM HQ, AMC, or HQDA as appropriate
 - Prepare PAM reports
 - Develop and implement corrective action plans when such plans are deemed necessary

Developer:

The Developer coordinates and monitors all planning, design, demolition, renovation, construction and support activities on the RCI Company's behalf. This includes ensuring performance of services and administration of any contracts/agreements and activities relating to work detailed in the development agreement.

Role: Serves as the RCI Company's advocate in all planning, design and construction activity

Responsibilities:

- Comply with the legal requirements detailed in the Development Agreement
- Coordinate and monitor all planning, design and construction activities on the RCI Company's behalf
- Establish reporting requirements and coordinate among the RCI Company, Architect, Construction Contractor, and other contractors, consultants, and technical team members
- Review plans and specifications to include designs and delivery schedules
- Ensure that bids for construction/renovation are competitive and reflect best price and/or best value for the RCI Company
- Ensure transparency with the Army on pricing and selection of contractors
- Understand impacts to the budgets resulting from changes to designs and delivery schedules
- Inspect the project site, schedule, and conduct regular progress meetings with Architect, Construction Contractor, and other contractors, consultants and technical team to discuss

matters such as costs, procedures, scheduling and progress

- Monitor construction progress and compliance with the project schedule and budget
- Coordinate final inspections and ensure compliance with relevant codes and standards
- Secure Certificates of Occupancy
- Coordinate RCI Company audits
- Oversee contractor retainage release and construction close-out documents
- Ensure safety plans are properly implemented

Design Builder or Construction Manager:

The Construction Manager generally coordinates and oversees all construction activities for the RCI Company. This includes ensuring performance of services and administration of the Construction Contract as it applies to new construction and may include renovation work if required in the contract documents. The Construction Manager monitors the daily progress of the construction.

Role: Oversees all matters pertaining to construction

Responsibilities:

- Comply with the legal requirements detailed in the Construction Agreement
- Monitor the financial operations of the construction team to ensure the optimum use of available RCI Company funds
- Control the scope of the work and ensure that unit delivery meets the expectations and needs of the project
- Ensure compliance with relevant codes and standards
- Responsible for scheduling and procurement of subcontractors
- Responsible for the supplying of all material, labor, equipment (engineering vehicles and tools) and services necessary for the construction
- Ensure avoidance of delays, major changes and disputes
- Monitor compliance with legal issues pertaining to labor and wages, including compliance with the Davis-Bacon Act
- Direct implementation of a construction safety plan and oversee ongoing safety concerns

Renovation Contractor:

The Renovation Contractor coordinates, monitors, plans, and oversees all activities related to the renovation of existing homes. This includes ensuring the performance of services and administration of the Renovation Contract.

Role: Oversees the performance of all areas relating to the renovation of existing homes

Responsibilities:

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-
- Comply with the legal requirements detailed in the Renovation Agreement
 - Control the scope of the renovation work and ensure that unit delivery meets the expectations and needs of the RCI Company
 - Responsible for scheduling, including procurement and scheduling of subcontractors for all work associated with unit renovation
 - Responsible for the supplying of all material, labor, equipment (engineering vehicles and tools) and services necessary for renovations
 - Ensure avoidance of delays, major changes and disputes
 - Ensure compliance with relevant codes and standards
 - Monitor compliance with legal issues pertaining to labor and wages, including compliance with the Davis-Bacon Act
 - Coordinate with the DPW Cultural Resource Manager on matters pertaining to the renovation of homes designated historic or historic-eligible

Property Manager:

Role: Serves as the manager of the property under the Ground Lease

Responsibilities:

- Ensure full compliance with the Resident Bill of Rights
- Comply with the legal requirements detailed in the Property Management Agreement
- Use private sector best practices to monitor occupancy on a daily/weekly basis and market homes for residential leasing and tenant priority in accordance with the legal documents
- Efficiently operate and maintain the project to generate targeted resident satisfaction with service delivery
- Manage tenant disputes. Raise issues that cannot be resolved to the Army Housing Office
- Ensure consistent application of displaced resident process and procedures. Raise issues that cannot be resolved to the Army Housing Office
- Ensure accurate books and records are kept for the project in accordance with generally accepted accounting principles
- Ensure accuracy and timeliness in submitting all reports
- Manage day-to-day operations and applicable RCI Company accounts in accordance with the approved budget
- Understand financial impacts to the RCI Company caused by variances between actual and budgeted figures
- Develop and implement corrective action plans to address negative variances
- Prepare annual operating budgets as part of the RCI Company's Annual Business Plan submittal

Asset Manager (If Applicable):

Role: Serves the RCI Company by providing financial, market, and other analysis to gauge the performance of the RCI Company. Provide solutions to financial, development, or property management problems

Responsibilities:

- Periodically collects information pertaining to real estate investments, the economy, and the local markets and communicates this information to the RCI Company
- Maintain all records relating to the status of taxes, assessments, and liens on the RCI Company's assets and expenses
- Perform periodic financial analysis on the performance of the project and provide recommendations to project owner to improve performance
- Provide information and reports regarding the performance of the RCI Company
- Review performance of the project against IDP/ODP/Modified Scope Plan (MSP) requirements, pro forma and budgeted financial requirements
- Support the implementation of solutions to potential project challenges

Lender Controls

RCI lenders impose certain controls on the projects to ensure that RCI Company funds (comprised of the BAH rent stream, borrowed funds, cash equity investments, and investment interest earnings) are utilized consistent with the requirements specified in the RCI Company's legal documents, and that all construction is completed in accordance with applicable legal requirements. Lenders typically engage the services of a Construction Consultant to review the Progress Certificate and Disbursement Requests and a Lockbox Agent (also called Lockbox Trustee, Trustee, or Servicing Agent) that exercises control over disposition of the RCI Company's funds to assure compliance with the Lockbox Agreement.

Independent Construction Consultant(s)

The Construction Consultant(s) are one or more specialized consultants, frequently architects or engineers experienced in residential design, codes, and construction standards;

Role: Represents the RCI Company's and Lender's interests, providing Certificates of Occupancy and frequent reports on progress certificates and site observations.

Responsibilities:

- Conduct routine technical building inspections during the progress of construction to certify compliance with applicable building codes and quality standards and issue certificates of occupancy in accordance with requirements set forth in the RCI Company legal documents
- Inspect work performed and review and validate associated construction draws
- Provide an on-the-ground perspective, to the Owner and lender, on an RCI Company's development progress through reports and follow-on discussions
- Influence how the servicing agent views a project's performance using RCI Company supplied information

- Prepare feedback comments to send to the Owner and Lender regarding the quality of construction at the installation

Lockbox Agent (Servicing Agent):

Role: Serves in a fiduciary capacity to collect, disburse, account for, and protect RCI Company funds to ensure compliance with the Lockbox Agreement

Responsibilities:

- Ensure funds are being deposited and withdrawn from the proper accounts
- Disburse collected funds only for intended uses set forth in the Lockbox Agreement
- Disburse amounts in accordance with approved budget to fund operating expenses into accounts controlled by the RCI Company or major service provider on a monthly basis
- Assemble monthly cash waterfall statements for review by RCI Company, USAG Housing Manager, and other RCI Company stakeholders
- Notify the RCI Company and the USAG Housing Manager in the event critical accounts experience shortfalls or unauthorized disbursement requests are received

Summary

Table II-3 provides an overall summary of PAM responsibilities by echelon.

Table II - 3 – Army Portfolio and Asset Management Responsibilities

		AMC	DCS, G-9	ASAIEE
		Asset Management Oversight	Portfolio Management, Programmatic Oversight, Strategy, Long-term RCI Company Health	
E-Execution, O-Oversight, QC-Quality Control, QA-Quality Assurance, PA-Portfolio Analysis, A-Authority				
Operations				
O1	Review and analyze modifications to property management and operations plans of the project with property management personnel and make recommendations to Garrison Commander	E		
O2	Complete QA inspections during both unit turn-over and when addressing lead-based paint activities IAW the Housing Maintenance Quality Assurance & Environmental Hazard Oversight Program and Lead Safe Maintenance Cycle Lead-based Paint (LBP) Risk Assessment Decision Tool as directed by AMC.	E		
O3	Resident Liaison: Assist/mediate landlord/tenant disputes, support Exceptional Family Member Program (EFMP), other resident outreach as needed.	E		
O4	Resident Survey and Action Plan	E	PA/O	
O5	RCI Energy Conservation Program (RECP)	E	QC/O	A
O6	Ad Hoc Project Issue Resolution	E	PA/O	O
O7	Legal Compliance of Business Agreements- 10 USC 2885 requires annual compliance report to Congress and quarterly compliance report to ASAIEE. DCS, G-9 monitors portfolio level compliance issues. IMCOM HQ develops portfolio compliance and accountability summary. Legal requirements include ensuring appropriate operating and ground lease agreements are in place and adhered to.	E	PA/QA	PA/QA/A
Development and Construction				
D1	Review third party QA/QC reports (Construction Consultant and/or Lender’s Construction Inspector) to ensure compliance with local and state building code requirements and achievement of construction standards required in the legal documents	E	QA	
D2	Review an adequate number of punch lists and punch list inspections to ensure that no adverse trends are noted with specific aspects of construction	E	QA	

		AMC	DCS, G-9	ASAIEE
		Asset Management Oversight	Portfolio Management, Programmatic Oversight, Strategy, Long-term RCI Company Health	
E-Execution, O-Oversight, QC-Quality Control, QA-Quality Assurance, PA-Portfolio Analysis, A-Authority				
D3	Legal Compliance of Business Agreements- 10 USC 2885 requires annual compliance report to Congress and quarterly compliance report to ASAIEE. DCS, G-9 monitors portfolio level compliance summary. IMCOM HQ develops portfolio compliance and accountability summary. Legal requirements include ensuring construction/renovation meets performance and schedule requirements as well as ensuring appropriate operating and ground lease agreements in place and adhered to.	E	QA	PA/O/A
D4	Conduct quality assurance of developer’s and construction contractor’s performance reporting system	E	QA	
Finance				
F1	Dashboard Analysis-	E	QA	
F2	Consolidated Dashboard Report-		PA	O
F3	RCI Draw/Lockbox Analysis- USAG Housing Team required to review sample of operating expenses on a monthly basis as well as tracking of all construction and renovation funds spent during the month. Housing team should review lockbox statements on a monthly basis and track to quarterly reports. Lockbox Analysis is a complete review of all cash flows into and out of all lockbox accounts. The lockbox review ensures fidelity of all the lockbox accounts and associated cash transactions.	E	PA/O	A
F4	Quarterly Report Submission and Analysis-	E	QA/PA	

		AMC	DCS G-9	ASAIEE
		Asset Management Oversight	Portfolio Management, Programmatic Oversight, Strategy, Long-term RCI Company Health	
E-Execution, O-Oversight, QC-Quality Control, QA-Quality Assurance, PA-Portfolio Analysis, A-Authority				
F5	Asset Management Report- Each Asset Level Report provides a snapshot of the financial and overall health of the project using information from the operations, finance and development sections of the quarterly project submission by providing analysis on variance to pro forma on key project metrics. Information from the project quarterly report is also used for 10 USC 2884 required assessments.		QA	O
F6	Portfolio Report- Consolidated summary report provides information to understand how actual results compare with pro forma projections and provides performance benchmarking across the portfolio. Report ensures compliance with 10 USC 2885 Financial Integrity and Accountability Measures requiring review of financial health and performance of project. Data for report is also used for 10 USC 28884 required assessments.		QA	O
F7	Municipal Services Agreements- On-going and annual reviews of all rates and agreements for services provided by or through the DPW or utility privatization contractor.	E		A
F8	BAH Data Collection and Verification	E	QA	
F9	Create the Commander Dashboard	E		
Major Decisions				
M1	Develop Concept Paper or Major Decision request (IMCOM)	E		
M2	Review Concept Paper (AMC)	E	QA	A
M3	Provide Green Light Letter detailing Managing Member/Army requirements for Major Decision Approval Package		QA	A
M4	Negotiate business terms, agreements, and other requirements for Major Decisions		PA	O/A
M5	Annual Property Management Budget	E	PA/QA	A
Congressional Reporting / Stakeholder Engagement / Other				
C1	Service Secretary Meetings (SA and CEO Level)			PA
C2	Senior Executive Meetings (CEO Level)			PA/A
C3	Partnership Meetings (Corporate Portfolio Level)	O	PA	

		AMC	DCS G-9	ASAIEE
		Asset Management Oversight	Portfolio Management, Programmatic Oversight, Strategy, Long-term RCI Company Health	
E-Execution, O-Oversight, QC-Quality Control, QA-Quality Assurance, PA-Portfolio Analysis, A-Authority				
C4	OSD Program Evaluation Report (PER)- The PER provides current project structure, demographic, financial, and operational data, along with a long-term financial outlook for each MHPI project. The six 2884(c) questions address certain performance metrics of interest to Congress.	E	PA/QA	PA/A
C5	Congressional Requests, Actions, etc.	E	PA	A
C6	Document Management (eMH)	E	PA	O/A
C7	Special Purpose Reviews Tools to support administration of the PAM program and ensure the financial and operational progress of the project. Examples include Development Reviews, Operations Reviews, CRR Reviews, Project Reforecasts, etc.	QC	PA	PA
C8	Electronic Military Housing (eMH) Reporting	E	QA/O	O/A
C9	MDEP, POM, PB, and BES Requirements (Requirements Build Process)	E	PA/QA	QA/O
C10	Identify program / RCI Company level challenges, interact with Managing Member senior level personnel, and provide approaches to resolve	O	PA	PA/A
C11	PAM Handbook / RCI Policy – Handbook to be developed into Directive	O	PA/O	A

Major Decisions

Overview

The dynamic flexibility of RCI Companies better enable them to sustain short- and longer-term changes in market demand and installation and Army requirements for housing. All RCI Companies provide a framework for these decisions that establishes the roles of the RCI Company Representative and the Army. The RCI Company's Operating Agreement identifies decisions which can be made solely by the RCI Company Representative without review and approval of the Army and those decisions which require Army approval (Major Decisions). Decisions not contemplated at the time the original Operating Agreements were executed have also been designated Major Decisions to the extent agreed to by the RCI Companies.

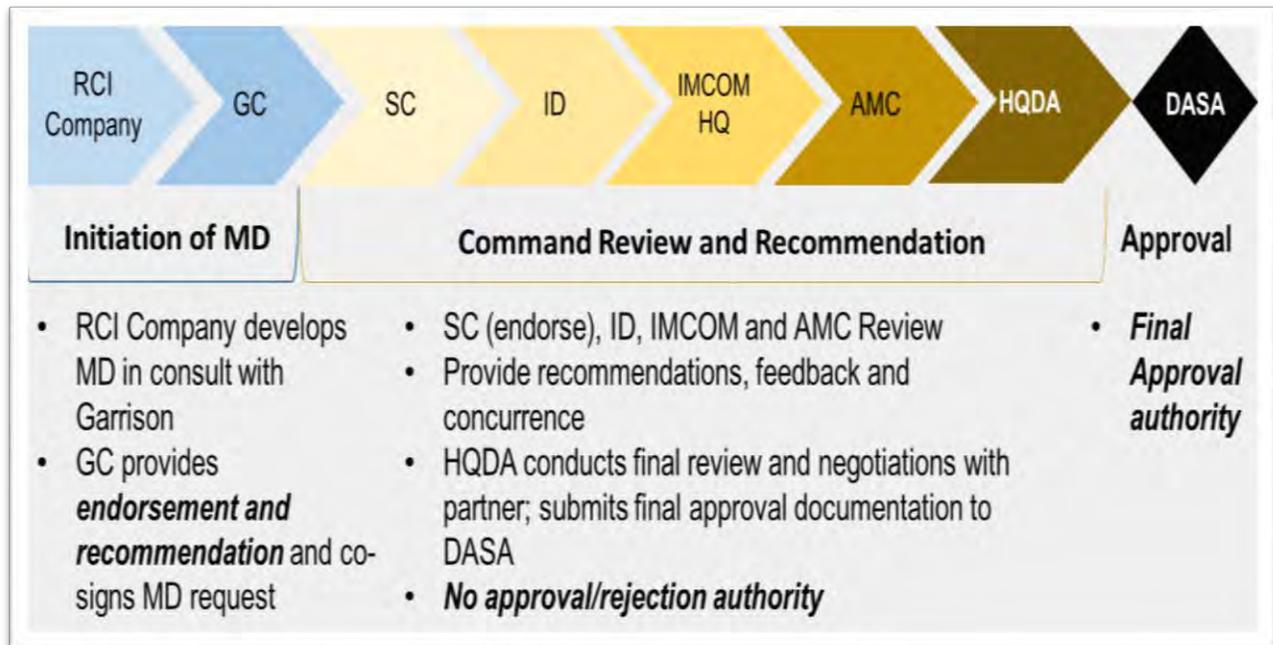
All Major Decision (MD) actions require approval of the DASA (IH&P) unless delegated by the ASA (IE&E). The Secretary of the Army, through the ASA (IE&E), has authorized the GC to serve as the senior military representative to the RCI Company at the installation level. A MD is initiated with the submittal of a Concept Paper by the Garrison Commander and/or RCI Company Representative through the Senior Commander, IMCOM ID, IMCOM HQ and AMC HQ to the DASA (IH&P). DASA (IH&P) will review the Concept Paper and either assign development of the MD request to the Garrison, AMC, IMCOM HQ, DCS G-9, or retain the action within IH&P for development and processing.

MD Approval must be evidenced by written signature of the DASA (IH&P) prior to implementation by the RCI Company. Although the number of RCI Company MDs are limited, the potential impact of those decisions on the success of the RCI Company can be significant. The guidelines below, and the accompanying MD process diagram and MD Policy, are provided to clarify the responsibilities and approval levels between the HQDA and Garrison levels. Decisions covered by these guidelines include financial decisions, development decisions, legal or organizational structure decisions and other appropriate decisions.

Participants and Levels of Involvement

The participants in the MD process are the installation Garrison Commander, Senior Commander, RCI Company Representative, USAG Housing Manager, IMCOM ID, IMCOM HQ, AMC HQ, DCS G-9, and the DASA (IH&P) (supported by USACE, or OGC as required). The decision-making process necessitates direct liaison authority between the installation staff, the RCI Company and HQDA staff. Coordination for certain real estate and environmental actions may also require IMCOM HQ, AMC HQ and HQ USACE engagement.

Figure III-1: RCI MD Coordination Requirements



Concept Paper – Initiates MD Process

To initiate the MD Approval process, the USAG Housing Manager, Garrison Commander, RCI Company Representative, or DASA (IH&P) identifies a MD requirement. The RCI Company Representative in coordination with the USAG Housing Manager prepares a Concept Paper with supporting documentation for consideration by the Garrison Commander. A Concept Paper is required to be submitted and approved by DASA (IH&P) prior to committing RCI Company funds or Army installation support for the preparation of any MD Approval Package.

If the Concept Paper request involves a significant variance or departure from the approved business plan or legal documents, and the Concept Paper is approved by the Army, the Army may require that an associated MSP be prepared by the RCI Company Representative and submitted as detailed in Section VI. The Army’s approval of a Concept Paper does not constitute approval of an associated MSP or MD, thus actions contemplated by the RCI Company pursuant to an MSP must be held in abeyance pending receipt of Army approval of the MSP.

RCI Policy for MDs Authority

The RCI MDs Policy dated 23 October 2018 provides detailed requirements for initiation and approval of MDs. It is important to note that **each RCI Company’s Operating Agreement specifically identifies which RCI Company decisions are to be considered MDs in addition to those identified in the MD Policy.** If the USAG Housing Manager is uncertain whether DASA (IH&P) approval of a MD is required, or there are questions related to this process, they should discuss with HQDA staff. The Army Policy is provided on the following pages.



DEPARTMENT OF THE ARMY
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OCT 23 2018

SAIE-IHP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Residential Communities Initiatives (RCI) Major Decision Policy

1. This memorandum identifies the approval authority for RCI Major Decisions and also details the responsibilities of each Garrison Commander as the Secretary of the Army's Garrison representative for each RCI Project's Major Decision. Army representatives must understand and perform their duties within the framework of the RCI Limited Liability Company (LLC) (or Limited Partnerships) structure for each RCI project. This policy supersedes ASA (IE&E) memorandum on policy for RCI Major Decisions dated 5 February 2013.
2. As described in the Portfolio and Asset Management Handbook, Garrison Commanders are expected to possess sufficient knowledge of an RCI Project's finances, operational goals, and development plans and act as the Secretary of the Army's local representative for the determination of the annual or quarterly performance incentive fee award. In addition, Garrison Commanders retain their inherent Title 10 authority to regulate Installation access control and activities to the extent necessary to maintain good order and discipline. The RCI private sector Partner/Managing Member of each RCI Project, however, owns and is responsible for overall Project management to include housing management functions and maintaining the financial health of the Project.
3. The procedures shown at Attachment 1 guide the orderly and efficient disposition of Major Decision requests and Attachment 2 provides the specific types of actions requiring higher level approval. Local input for RCI Major Decisions should be provided at the Garrison level.
4. All Major Decision actions require approval of the Deputy Assistant Secretary of the Army for Installations, Housing and Partnerships (DASA (IH&P)) or designee.

SAIE-IHP

SUBJECT: Residential Communities Initiatives (RCI) Major Decision Policy

5. Please address any questions concerning this policy to Mr. Scott Chamberlain at scott.chamberlain.civ@mail.mil or (703) 614-5286.



PAUL D. CRAMER

Deputy Assistant Secretary of the Army
(Installations, Housing and Partnerships)

Distribution:

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Commander, Installation Management Command (IMCOM)

RCI Partners

ATTACHMENT 1 – Major Decision Process

1. General.

The Army's Residential Communities Initiative (RCI) program and Projects may require periodic policy updates, re-structures, re-scopes, additional equity contribution, or other actions as identified at attachment 2 and/or project legal documents. All Major Decision actions require approval of the Deputy Assistant Secretary of the Army for Installations, Housing and Partnerships (DASA (IH&P)).

2. Procedures.

Step 1. The Installation Garrison Commander or designated RCI Housing Manager and/or RCI Partner identifies the requirement for a Major Decision after discussions with the relevant stakeholders and prepares an RCI Major Decision Request in the form of a Concept Paper as detailed below. The Concept Paper should include signatures from both the Army's and the Partner's authorized representatives, however, should the parties not reach conceptual agreement in a timely manner on an issue, a Concept Paper may still be forwarded by either party with annotation that consensus has not been reached.

Step 2. The Project team forwards the Concept Paper to ASAIE&E - DASA (IH&P).

Step 3. If the Concept Paper is approved, the ODASA (IH&P) will provide a detailed list of the requirements to complete the Major Decision Approval Package. IAW Attachment 2 the DASA (IH&P) will delegate responsibility as appropriate for all actions associated with the Major Decision.

Step 4. All required documents/information, detailed in Step 3 above, will be finalized into a Major Decision Approval Package. Upon approval by the DASA (IH&P), the signed Major Decision Memorandum will be forwarded to the installation-level Project team with copies furnished as appropriate.

3. Concept Papers.

A Concept Paper must be submitted to ODASA (IH&P) for approval prior to committing Project funds or installation support for the preparation of any Major Decision Approval package. Concept Papers should include only the minimum supporting documentation necessary to articulate the proposed/requested Major Decision action. The Concept Paper should not normally exceed 3 pages and will include the following information:

- a. Purpose - identify the applicable situation that triggers a Major Decision from the table in Attachment 2;
- b. Background – conditions leading to the proposal;

- c. Justification – rationale for proposed action, to include short and long term impacts on the project;
- d. Projected sources and uses of funds;
- e. Impacts if proposed action is disapproved; and
- f. Garrison Commander and RCI Partner signatures.

ATTACHMENT 2 – Major Decision Matrix

The following matrix identifies typical triggers which lead to a Major Decision. Please note each Project's Operating Agreement specifically identifies decisions requiring Army consent which may be more or less comprehensive than the matrix below. The Army requests that the projects comply with the matrix below, as a minimum, in order to ensure consistency throughout the program. Additional consent requirements which exist in the project legal documents are still applicable.

Major Decision (MD) Matrix for Major Decision Concepts / Requests	
All Major Decision (MD) concepts / requests are initially reviewed by ASAIE&E and assigned to the Garrison, IMCOM, ACSIM or retained within IE&E for action.	
DEVELOPMENT	
1	DEVELOPMENT: Out-Year Development Plans, including increases to development costs above approved plans, and changes to end-state housing inventory, renovation versus replacement of housing
FEES	
2	FEES: Change in Property Management Incentive Fee Program Metrics
3	FEES: Change in the aggregate fee amounts/percentages
FUNDING	
4	FUNDING: Use of any reinvestment account funds
5	FUNDING: Submittal of the Annual Property Management Budget (See Note 1)
6	FUNDING: Change in the approved annual operating or capital repair and replacement budget where total cumulative financial impact is greater than 5%
7	FUNDING: Movement of funds between Projects using the Integrated LLC
8	FUNDING: Increase or decrease in Project debt / equity
REAL ESTATE	
9	REAL ESTATE: Change in ground lease or acquisition or disposal of real property
LEGAL	
10	LEGAL: Change to Project legal agreements
11	LEGAL: Change requiring lender / bond holder / Army notification or consent
12	LEGAL: Merger or consolidation of the Partnership or removal or change of primary partners
13	LEGAL: Removal, addition, or change of a Property/Asset Management, Construction Management and Oversight or Development Management Contractors
14	LEGAL: Requirement for Army consent required by Project legal documents not listed in this Matrix

NOTE 1. Items meeting the criteria for one of the above listed Major Decisions in this matrix, except for #5, will not be approved in the Annual Property Management Budget/Business Plan. Do not include other Major Decisions from this list in the Annual Property Management Budget/Business Plan unless previously approved as a separate Major Decision.

Incentive Performance Management Plans

Overview

This section provides guidance on Incentive Performance Management Plan (IPMP) objectives and includes lessons learned in evaluating and determining the amount of the incentive fee award, recommendations for assessing and adjusting metrics, and considerations when setting indicators used to evaluate performance.

During the drafting of the Community Development and Management Plan (CDMP), the parties focused on establishing a performance-based fee system to monitor performance and reward the service providers for exceeding plan metrics. Each IPMP sets forth the criteria and process used to evaluate and award incentive fees for each functional service area (property, asset, development and construction management), along with procedures to determine the appropriate percentage of available incentive fees to be paid in a specified period for a given level of performance. Ideally, the implementation of a balanced, objective, and reasonable IPMP will afford the Garrison Commander and USAG Housing Team an opportunity to influence outcomes of key Army RCI objectives and priorities for the duration of the lease.

Participants in IPMP Process

Each RCI Company is organized under an Operating Agreement as well as service agreements for property management, asset management (if applicable), construction management and development management. The service providers under these agreements are often entities related to the RCI Company Representative. However, it is critical to understand the distinction between the RCI Company and the service provider.

The service providers enter into a fee-based relationship with the RCI Company (LLC or LP). Through the legal agreements, the parties identify the services to be provided and the fees, broken down into base and incentive, paid for providing those services. The incentive component of each fee is based on metrics identified during the CDMP process and adjusted at agreed times throughout the life of the project. The RCI Company entity does not receive fees directly. The RCI Company Representative entity, as defined in the legal documents, is an owner of the RCI Company and may only receive a return on its actual cash equity investment. While the RCI Company Representative and the service provider may be affiliated with the same overarching private entity, the relationship between the Army and the two entities is separate and distinct.

Review of Objectives

The first step in developing the IPMP is to ascertain the objectives of both parties and to define the purpose of the IPMP. This step ensures that the parties are not negotiating from set positions but are instead seeking a program that acknowledges and attempts to achieve the objectives of both parties. In addition, defining the purpose of the IPMP ensures that the parties approach the discussion

with the same end-result in mind – to develop a program that targets critical performance metrics and defines success for each metric. The first step in assessing the IPMP during project execution should again be a review of the objectives of each of the parties; as the RCI Company matures, objectives will evolve.

The parties should apply the following principles during both the development and review of the IPMP:

- **Partnering and Relationship Management** – Trust between the parties’ forms the foundation of a partnering-oriented program. The IPMP focuses on the relative strengths of both organizations in successful partnering and relationship management. The program facilitates the on-going working relationship of the parties, fosters open and honest communications, encourages creative problem solving, and builds on the teaming approach used in the CDMP collaboration phase.

The management and evolution of the IPMP should be based on the principles of partnering and relationship management. The USAG Housing Manager and the RCI Company Representative should work together to evaluate the relative successes and challenges of the project in general and the IPMP specifically. Based on the identified characteristics of project performance, the parties should refine the IPMP to reflect lessons learned and important considerations for the specific RCI Company.

- **Align RCI Company Representative’s goals and strategies with overall RCI Company’s goals and strategies** – The IPMP defines success as those key relationship management and performance measures that will, if achieved, clearly demonstrate successful attainment of the overall RCI program goals for the RCI Company. If an objective of the RCI Company is not being met, or if the performance of the project is not at a level satisfactory to both parties, the metrics and indicators should be reevaluated to better align the goals and strategies.

- **Adjust with evolutionary nature of RCI Company needs and requirements** – RCI is a long-term program that must be able to adjust to changes over time without jeopardizing the partnering relationship. Thus, relative weights of performance goals will change from time to time to keep the service provider’s goals and objectives aligned with those of the Army. This is especially true as the RCI Company moves from periods of heavy development and construction to periods of stabilized neighborhood operations where capital repair and replacement will be more critical to ensuring overall project success. Additionally, as the RCI program and specific projects identify lessons learned, the SC, GC, USAG Housing Manager, and RCI Company Representative should work together to incorporate those best practices into the IPMP.

- **Reward the service providers for meeting goals and requirements** – The objective of the Army and the RCI Company is for each service provider to receive 100% of incentive fees, signifying that all of the metrics are met or exceeded. This does not mean the service provider should receive 100% of incentive fees if metrics are not reflecting the success parameters set out in the IPMP. While the relationship is built on trust and partnering principles the RCI Company is a legal venture dictated by the rules of business. Maintaining a partnering relationship is not always an easy task and the USAG Housing Team must be prepared to balance awarding appropriate incentive fees to service providers with fostering a relationship with the partner. Inherent in this is the mitigation of the comment “it’s not our fault” in the event a service provider is unable to meet the identified indicators. Exempting a service provider from the incentive fee benchmarks agreed in the IPMP will merely postpone the inevitable impact of not meeting the standards identified as critical to achieving the partnership objectives.

In addition, the parties should avoid assuming that resounding success in one specific area means the service provider should receive 100% of the total incentive fee. The measured metrics are critical to ensuring that the RCI Company achieves its overall operational and financial goals. If performance does not indicate success in a specific metric, the long-term success of the project may be compromised. Short-term successes must be evaluated against long-term implications. The structure of the IPMP should ensure the parties focus on multiple areas; therefore, variation from the agreed approach to awarding incentive fees creates an imbalance in the areas of focus.

One exception to this practice is the accommodation of unforeseen circumstances. The legal and operational structure of the RCI Company recognizes that during the development of the CDMP the parties cannot anticipate all possible outcomes for a fifty-year partnership. Situations may arise that are beyond the control of the service provider; those situations may warrant an evaluation of the metrics applied for the most recent period. For example, if a fire destroys several occupied homes, the parties may recognize that addressing the needs of the displaced families will supersede metrics such as timeliness of vacant quarters maintenance.

- **Enable and foster continuous reevaluation of metrics** – A benefit of the performance management approach over traditional contract arrangements is the impetus for the RCI Company, the RCI Company Representative, the service providers and ultimately the soldiers and families to benefit from improved performance. The RCI Company is not seeking merely to perpetuate the status quo for its on-post family housing. While building appealing homes is important, continuously improving the on-post quality of life at the project through neighborhood development and provision of additional amenities and services while providing competitive returns to the partner are key elements of the RCI program. Both metrics and indicators will be re-evaluated to identify opportunities to foster improvement in the performance of the service provider and therefore the RCI Company.

Similarly, not all of the specific conditions affecting the success of the RCI Company can be identified during the CDMP process. As a result, if a metric or indicator is not achievable based on current conditions or is deemed an unreliable indicator of successful performance of the service provider or Project, the parties should reevaluate the use of the metric or the specific indicators. For example, maintenance of a minimum debt coverage ratio may no longer be an indicator of performance following the first years of the project. The parties may elect to eliminate that metric and reassess the relative weightings of the remaining metrics or to replace the metric with a better indicator of the success of the service provider in meeting the partners' objectives.

In another example, the parties may recognize that occupancy targets are not being met as a result of the condition of existing housing. Adjusting the indicators may be appropriate based on the experience of the parties during the initial years of the project. However, as stated above, the indicators are intended to provide a tool to evaluate the performance against both short and long-term financial and operational objectives. As a result, if the indicators for occupancy are adjusted in the IPMP, a corresponding adjustment in the pro forma model and potentially the development scope may be necessary. Under the Asset Management umbrella, the parties should work together to balance the identification of appropriate target indicators with the reassessment of project scope.

- **Monitor metrics and indicators** – During the CDMP, the parties define success for key critical outcomes and establish metrics for the partnership to review, audit and evaluate to ascertain the service provider's performance in specified areas. Examples of metrics are resident satisfaction survey results or on-time delivery of units. For the most part, metrics should be objective rather than subjective. Objective measures are clearly identified and quantifiable, whereas subjective

measures are indistinct and not readily discernible. Examples of an objective measure would be resident satisfaction scores. An example of a subjective metric might be “Property Manager was responsive to the Residential Communities Office”. In some instances, subjective content can be converted into objective measures if supported by an appropriately rigorous system of data collection. An example of this cross-over is measurement and reporting of resident satisfaction utilizing surveying tools. The individual resident completing a satisfaction survey is certainly issuing subjective opinions; however, the consistent polling, collection of statistically relevant sample sizes, and rigorous analysis of collected data generates a measure of resident satisfaction that is a valid objective performance metric. It is recommended that subjective measures, if any, represent no more than 15% of the potential incentive award for any service provider.

The processes and practices employed by the service providers generate indicators -- the measurements that quantify the service provider’s performance relative to the metrics. For the two metrics above, an indicator of resident satisfaction would be the average score for overall resident surveys over a specified quarter and an indicator of on-time delivery is the acceptance of newly constructed units for occupancy compared to the original schedule. The service provider should be able to use indicators to react to performance shortcomings in time to implement corrective action and to avoid an unfavorable outcome in a metric for the measurement period.

While metrics are general in nature, indicators are discrete and must be well defined. In the example of resident satisfaction, the parties should define exact types of surveys to use and the corresponding rating that corresponds to incentive fee award percentages. By establishing the measurement criteria in advance, the parties mitigate the risk of misunderstandings that affect the partnering relationship. The indicators must be measurable and the approach to measuring those indicators must be agreed to within the IPMP.

As stated above, the metrics and indicators should be re-evaluated at regular intervals, end of the IDP, at the end of each five-year plan, etc., to ensure the performance measurements distinguish success or challenges in meeting the objectives of the parties. In addition, the administration of the IPMP should be efficient and the outcomes readily identifiable by the parties in advance of the fee determination. A successful IPMP should not require several months and significant personnel resources to administer and the service provider should be able to monitor their performance against the indicators in the given evaluation period. Timeliness in the consolidation and review of IPMP indicators allows the service provider to identify, recommend and implement solutions in a more proactive manner when the Project is not achieving targeted results.

- **Create balanced goals and focus** – The IPMP must reflect a balanced vision of relationship management versus work performance and the trade-offs between cost and quality and between short and long-term goals. No particular performance incentive, or group of functionally oriented performance measures, should be given such importance that it diverts either party’s attention from pursuing desired performance in all other key performance areas. Avoid the inclusion of too many metrics in the evaluation criteria; metrics that comprise a minimal portion of the overall incentive fee may not incite the service provider as intended. The objective of the IPMP is to ensure successful implementation of all components of the project, not to ensure achievement of any one particular indicator. A robust and integrated IPMP will ensure that all components are operating successfully.
- **Ensure a consistent level of service over time** – The Garrison Commander normally makes

a recommendation for incentive fees quarterly and the USAG Housing Team should evaluate the level of service provided over that time versus the month or weeks prior to the timing of payment. Performance evaluation should take place at regular intervals throughout the quarter to incite superior service levels at all times.

- **Consistently communicate status and effectiveness of the RCI initiative** – Stakeholders are very interested in the outcomes of the MHPI strategies in general and of the RCI Companies’ successes in particular. The IPMP must clearly communicate relevant data about the results, effectiveness, and achievements of the project to the USAG Housing Team. They must then provide necessary communications to all stakeholders at various levels. In managing these communications, care must be exercised to protect any proprietary information.

- **New paradigm for government and role of the RCI Asset Management Team**

– The USAG Housing Team must shift focus from monitoring *processes* that:

- involve significant government inspection and administration resources,
- duplicate the service providers’ quality inspection programs,
- are oriented towards compliance with minimum specifications and “committed” processes, and procedures, and
- often involve adversarial strategies.

– To focusing on key program *results* that:

- share and link goals and success pictures so that one party’s success is tied to the other’s,
- rely principally on the service provider’s approved quality control program and performance measurement reporting system,
- involve limited government resources for quality assurance and control (auditing via a random sampling process) over the service providers’ quality control and performance measurement system,
- seek to perform forward-looking strategic planning for housing representing the installation vision, mission, military culture, and challenges, and
- exercise appropriate and efficient levels of control over funds.

Identifying Objectives

Before diving into an evaluation of the IPMP, the parties must assess their objectives for property management, construction and development. What issues or actions are important to the RCI Company? By taking an inventory and evaluating against performance to date, the parties can strive to refine the IPMP as necessary to emphasize project objectives. Regardless of the specific objectives, the primary objectives for each RCI Company are dictated by the program requirements, which focus on enhancing the quality of life for Service Members and their Families

through sustainable housing privatization. Each specific objective should support the primary objectives, defined below:

- *Customer satisfaction* – Each RCI Company includes a number of stakeholders; the most engaged being the residents, the Garrison Command and the USAG Housing Team. Customer satisfaction measures the success of the service providers at delivering high quality property management and development while minimizing the impact to the residents and the project. Additionally, the working relationship between the service providers and the USAG Housing Team must be positive to ensure success over the 50-year term of the Project.
- *Sound financial management* – Fiscal responsibility includes prudent and efficient spending of RCI Company funds, accurate and timely reporting of the financial status of operations and development expenditures, and careful planning and annual budgeting. As the backbone of the project, financial management includes a consistent and regular review of the financial status of the RCI Company and ensures expenditures for property management and construction are in accordance with planned uses of funds.
- *Eliminating inadequate housing* – An original goal of the MHPI legislation, elimination of inadequate housing is one of the most important objectives.
- *Sustainable construction and renovation* – Each RCI Project is structured with a 50-year ground lease. As the RCI Companies are intended to be self-sustaining through the Reinvestment Account, the quality of construction and renovation will impact the future burdens on the reinvestment account. Making decisions with a long-term perspective and ensuring the use of quality materials and efficient designs supports the management of operating expenses and out year construction and renovation requirements and costs.
- *Sustainable housing and communities* – The management of the capital repair and replacement program to sustain the assets in the out-years is a critical component of the RCI Program. Having a good CR&R plan is important as an operating tool, but must be considered along with the reinvestment account. Underpinning *both* should be a comprehensive capital needs projection (Facility Condition Assessment). Determining which service provider will be responsible for CR&R requirements will allow specific IPMP metrics to be developed to drive performance in this category.

Refinement of Metrics

The IPMP identifies specific methods for measuring performance. The details of the IPMP provide the incentive to the service providers to achieve the goals of the RCI Company and the project. The following discussion provides insight into metrics utilized on past RCI projects, key points when considering incorporating each metric in the IPMP, and recommendations for the use of each metric.

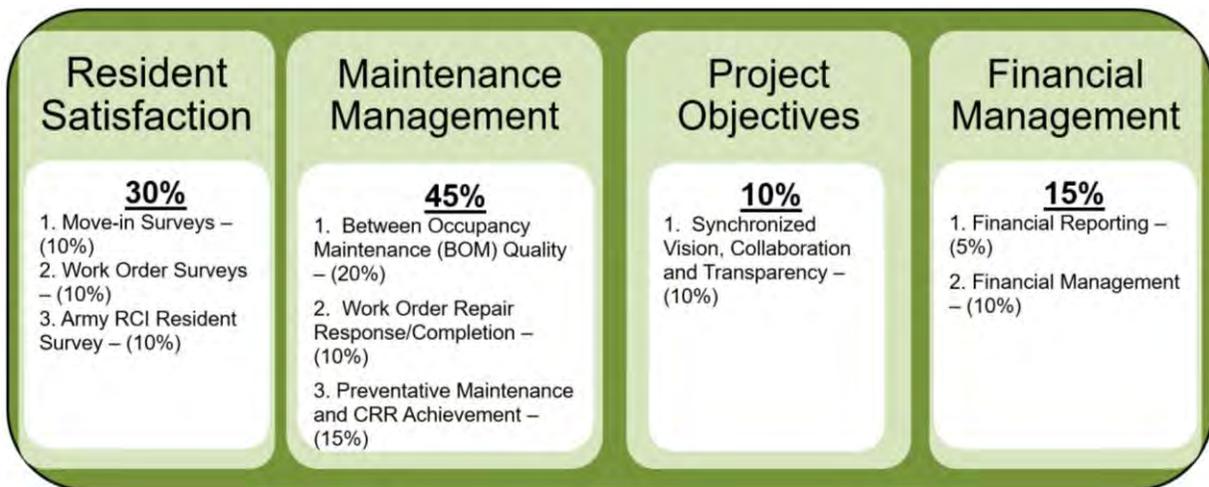
It is critical to understand that the number of metrics utilized does not determine the success of an IPMP. Rather, the IPMP should focus on those metrics that support the overall objectives of the parties. In many situations, the legal documents, business model or other metrics achieve the same or better results. For example, the timeliness of vacant quarter maintenance may be a valid metric, however, the RCI Company has an incentive to encourage efficient turnover of units from the property manager to maximize the occupancy and therefore the income upon which the property management fee is calculated. The partners should evaluate the links between metrics and other factors to develop the appropriate focus.

Reevaluation Process for IPMP

It is very important to review the IPMP periodically to ensure it is driving performance of the service providers to improve the quality of the housing experience for residents. The ASA (IE&E) had delegated authority for changes and award of incentive fees to the Commander, Army Materiel Command. The AMC Commander may re-delegate this authority, in writing, to individuals holding the rank of General Officer or serving in the Senior Executive Service. All RCI Company suggested changes to the IPMP will be provided to AMC for approval along with justification for the changes and expected financial impact to the Project.

All RCI Companies' Incentive Performance Management Plans for property management are required to use the IPMP metrics below beginning 1 Jan 2020. Changes to these IPMP metrics will be reviewed annually and approved by the Commander, AMC.

Incentive Performance Management Plan Metrics



1. Objective

The Property Management Incentive Performance Management Plan (IPMP) sets forth the criteria and processes used to evaluate and award incentive fees to the Property Manager. The plan details the procedures used to determine the appropriate percentage of available incentive fees to be awarded in a specified period for a given level of performance.

This measurement criteria in paragraph 2 below have been agreed to by the Commander, AMC and corporate leadership from the RCI Companies. Accordingly, neither the measurement criteria, nor any component thereof, may be changed, altered, adjusted, discounted, excluded, or substituted for any reason. This prohibition includes any adjustments to the calculated fee amount based on garrison commander or senior commander’s review of the proposed award.

2. Measurement Criteria

Each RCI Company’s Property Management Agreement includes the methodology used to calculate the maximum potential incentive fee paid to the Property Manager. The criteria below will be used

to calculate the total amount of the fee to be awarded to the Property Manager.

A. Resident Satisfaction (30%)

This component will account for thirty percent (30%) of the total potential incentive fee. The Property Manager’s performance will be measured by three specific criteria: 1) Move-in Surveys (10%); 2) Work Order Surveys (10%); and 3) the results from the most recent Army RCI Resident Survey (10%). If survey results are not available for the current quarter the results from the last approved survey will be used.

1) Move-in Surveys (HQDA Directed) (10%)

Measured quarterly and based on a third-party satisfaction survey (comparable to SatisFacts). The rating will be based on the below scale assuming a 5-point questionnaire containing 5 scored questions. The total score should be based on an average of all scored questions. Supporting documents for this metric will be provided by the RCI Company.

Move-in Survey Scores	Percent Earned
≥4.2	100%
4.0 – 4.19	90%
3.8 – 3.99	80%
3.6 – 3.79	70%
3.4 – 3.59	60%
< 3.4	0%

2) Work Order Surveys (10%)

Measured quarterly and based on a third-party satisfaction survey (SatisFacts or other comparable). The rating will be based on the scale below assuming a 5-point questionnaire containing 5 scored questions. The total score should be based on an average of all scored questions. Supporting documents for this metric will be provided by the RCI Company.

Work Order Survey Scores	Percent Earned
≥4.2	100%
4.0 – 4.19	90%
3.8 – 3.99	80%
3.6 - 3.79	70%
3.4 – 3.59	60%
< 3.4	0%

3) Army RCI Resident Survey (10%)

Resident satisfaction will be determined by residents’ responses to the RCI Resident Survey administered by the Army. The RCI survey that is most recently administered will serve as the scored survey for incentive fee award purposes. Incentive fees awarded

will be based on the “Service” score for the RCI Company utilizing the following matrix to determine the percentage of the award earned. Supporting documents for this metric will be provided by the Garrison.

Army RCI Resident Survey Results	Rating	Percent Earned
100 to 85	Outstanding	100%
84 to 80	Very Good	90%
79 to 75	Good	70%
74 to 70	Average	50%
69 to 65	Below Average	0%
64 to 60	Poor	0%
59 to 55	Very Poor	0%
54 to 0	Crisis	0%

B. Maintenance Management (45%)

This component will account for forty-five percent (45%) of the total potential incentive fee. The Property Manager’s performance will be measured by three specific criteria: 1) Between Occupancy Maintenance (BOM) Quality (20%), 2) Work Order Repair Responsiveness (10%), and 3) Preventative Maintenance and CR&R Achievement (15%).

1) Between Occupancy Maintenance (BOM) Quality (20%)

The quality measurement is derived from the number of vacant homes undergoing a BOM quality assurance (QA) check conducted by the Army Member. The expectation is all vacated homes will receive a BOM quality assurance inspection prior to new tenants’ occupancy of the home using the Army-approved QA checklist. Homes that have not undergone a QA inspection by the Army will not be utilized in the calculation of this metric. Supporting documents for this metric will be provided by the Garrison.

Quality Assurance of BOM	Percent Earned
≥95% of BOM Passed Army QA Inspection	100%
≥90% of BOM Passed Army QA Inspection	80%
≥85% of BOM Passed Army QA Inspection	60%
<85% of BOM Passed Army QA Inspection	0%

2) Work Order Repair Response/Completion (10%)

Work order responsiveness will be based on the composite score for the following work order categories: Emergency, Urgent and Routine. The total score will be calculated by taking the average score for each category and multiplying it by the weight for the category as shown in the following table. Emergency, Urgent and Routine repair response times will be in accordance with project legal documents. Supporting documents for this metric will be provided by the RCI Company.

Work Order Response/Completion Weighting	Weight
Emergency	33.33%
Urgent	33.33%
Routine	33.33%

Emergency Response Time Standard

By calling in the emergency service request, resident has authorized the manager to respond immediately and has granted “permission to enter” the house, regardless of the day or hour. Initial response means the Property Manager will respond to the resident service request within the time limits specified in the Property Management Agreement and will work continuously to resolve or stabilize the emergency or to correct the condition to a point where the service requirement becomes an urgent or routine work order.

Individual emergency service requests will be scored as pass/fail based on the established response time goals. The percentage of emergency service calls meeting the required response time (number of “pass” service calls divided by the total number of emergency service calls) will equal the percentage earned.

Urgent Response Time Goal

Upon receipt of an urgent work order request the Property Manager will respond on-site within the time limits specified in the Property Management Agreement.

Individual urgent service requests will be scored as pass/fail based on the established response time goals. The percentage of urgent service calls meeting the required response time goal as specified in the Property Management Agreement (number of “pass” service calls divided by the total number of service calls) will equal the percentage earned.

Routine Maintenance Completion Time Goal

The Property Manager will respond to and complete the routine maintenance requests in the time and completion goal established in the Property Management Agreement. Instances where the time and/or completion goals cannot be adhered to due to the requirement of unique parts, supplies, third-party expertise, unavailability of resident to schedule repair or resident scheduling requests within the required timeframe will result in the work order being placed in a suspended status until said requirement can be met. These cases will be excluded from the incentive fee calculation on a case by case basis. These circumstances must be clearly documented with full transparency and justification and are subject to further post-award review by the Army.

At no time will the original work order be closed out or a new work order generated until the original maintenance issue is fully resolved.

Individual service requests will be scored as pass/fail based on the established completion time goals. The percentage of service calls completed within the established

completion time requirements (number of “pass” service calls divided by the total number of service calls) will equal the percentage earned.

% Service Orders Response/Completion Times Within the Specified Time	Percent Earned
96% or above	100%
95 to 95.9%	80%
94 to 94.9%	60%
93 to 93.9%	40%
92 to 92.9%	20%
< 92%	0%

3) Preventative Maintenance and CR&R Achievement (15%)

Preventative Maintenance Achievement (10%)

The Property Manager will ensure an annual Preventative Maintenance/ Life Safety Inspection is completed in all homes. Achievement of this metric will be based on meeting the quarterly schedule of these inspections. Components to be evaluated will be based upon the current local preventative maintenance program as provided by the RCI Company during the budget approval cycle at the beginning of the fiscal year. At the end of each fiscal year, at the normal meeting of the 4th Quarter IRB, a reconciliation and reassessment of these performance metrics will be undertaken in an effort to allow the Project Company to recoup previously lost quarterly incentive fees occurring during the fiscal year in review. Preventative Maintenance achievements are largely subject to outside influences that may require delayed activity and funding. As long as the program is adhered to over the course of the given fiscal year, award of previously withheld fees is possible with recommendation from the IRB and approval from appropriate Army representatives. Supporting documents for this metric will be provided by the RCI Company.

% Preventative Maintenance Visits Within the Specified Time	Percent Earned
≥95%	100%
92 to 94.9%	85%
90 to 91.9%	65%
87 to 89.9%	25%
84 to 86.9%	10%
≤84%	0%

Capital Repair and Replacement (CR&R) Achievement (5%)

CR&R achievement will be based on the Property Manager’s adherence to the approved CR&R budget/plan. The primary components of the CR&R achievement metric will be the on-time and quality completion of critical CR&R projects and the on-time and quality completion of elective CR&R projects.

Timely and quality completion of proposed CR&R projects is the principal outcome of the CR&R plan. For un-programmed critical and elective projects, the garrison commander shall evaluate whether projects were completed in accordance with the work scope articulated in the approved CR&R budget. The garrison commander shall take extenuating circumstances into account, i.e., a determination is made not to complete certain CR&R work when conflicts exist due to newly planned renovation or new construction or unforeseen conditions. At the end of each fiscal year, at the normal meeting of the 4th Quarter IRB, a reconciliation and reassessment of these performance metrics will be undertaken in an effort to allow the Project Company to recoup previously lost quarterly incentive fees occurring during the fiscal year in review. CR&R achievements are largely subject to outside influences that may require delayed activity and funding. As long as the program is adhered to over the course of the given fiscal year, award of previously withheld fees is possible with recommendation from the IRB and approval from appropriate Army representatives. Supporting documents for this metric will be provided by the RCI Company.

C. Project Objectives (10%)

Synchronized Vision, Collaboration and Transparency (10%)

A synchronized vision between the Garrison Commander and the RCI Company is a critical element to define annual goals while maintaining visibility for the overall project objectives long term. As part of developing the annual operating budget the Garrison Commander will host a meeting with the Property Manager to review the financial objectives for the year and meet each quarter to discuss progress for meeting the objectives for the year and determine what adjustments to the operating budget are warranted to either meet or adjust the objectives. The Garrison Commander will publish minutes of this meeting to be shared with the Property Manager. Award of this metric is at the discretion of the Garrison Commander based on the Property Manager's demonstrated efforts to collaborate and transparency in establishing annual goals and subsequent adjustments.

D. Financial Management (15%)

This component will account for fifteen percent (15%) of the total potential incentive fee. The Property Manager's performance will be measured by two specific criteria: 1) Financial Reporting and 2) Financial Management.

1) Financial Reporting (5%)

The Property Manager is be responsible for the on-time delivery of multiple reports in accordance with the latest version of or update to the Portfolio Asset Management (PAM) Handbook and project financial reports: Annual Project Budget; Quarterly RCI Company Report; Monthly RCI Company Dashboard Report; and the RCI Company Annual Audited Financial Statements.

Reliability And Timeliness Of Reporting – Measured quarterly by the garrison commander and defined as follows: calculations are correct, all necessary accruals and journal entries have been included and, there are no material errors. Supporting documents for this metric will be provided by the RCI Company.

Financial Reporting	Rating	Percent Earned
Reports are materially reliable and on time	Outstanding	100%
Reports are reliable and not more than two days late	Satisfactory	50%
Reports have material errors or are more than two days late	Below Satisfactory	0%

For purposes of rating, “materially reliable” is defined as follows:

- “Reliable” means the financial information can be depended upon to represent faithfully, and without bias or undue error, the transactions or events that it either purports to represent or could reasonably be expected to represent.
- Information is “material” if its omission, non-disclosure or misstatement is likely to affect economic decisions or other evaluations made by users entitled to rely on the accounts.

2) Financial Management – Controllable Net Operating Income (CNOI) - (10%)

This item is based on how closely actual Controllable Net Operating Income (CNOI) meets or exceeds final approved budgeted Controllable Net Operating Income (CNOI). CNOI is computed by taking gross operating income less all project controllable operating expenses. More specifically, the following expense categories are non-controllable (Taxes, Insurance, Utilities, Fire and Police, Refuse and Snow Removal, Storm Damage, and Base Management Fees); all other expenses categories are considered controllable operating expenses.

In determining the award for project performance to final approved budgeted CNOI, consideration may be given for circumstances beyond the control of the Project Company that adversely impact CNOI, such as: BAH changes, deployments, troop reductions, etc.

At the end of each fiscal year, at the normal meeting of the 4th Quarter IRB, a reconciliation and reassessment of this metric will be undertaken in an effort to allow the Project Company to recoup previous quarterly incentive fees lost for the year under review. CNOI achievements are largely subject to unforeseen conditions or influences, including seasonality, that may require delayed spending patterns. As such, if actual CNOI calculations meet or exceed the final approved budgeted levels, award of previously withheld fees is possible with recommendation from the IRB and approval from the appropriate Army representative.

Supporting documents for this metric will be provided by the RCI Company.

Formula: “Actual/Budgeted” Ratio:
$$\frac{\text{Actual “CNOI”}}{\text{Final Approved Budgeted “CNOI”}}$$

NET OPERATING INCOME (NOI)	Percent Earned
Actual / Budgeted ratio ≥ 1.00	100%
Actual / Budgeted ratio $\geq .975$	80%
Actual / Budgeted ratio $\geq .95$	60%
Actual / Budgeted ratio $\geq .925$	40%
Actual / Budgeted ratio $\geq .90$	20%
Actual / Budgeted ratio $< .90$	0%

The following chart provides a list of metrics, recommendations for the inclusion or exclusion of each, and a suggested weighting.

Table 1: Metrics and Recommendations for Inclusion		
Metric	Inclusion	Suggested Weighting
Property / Asset Management		
Annual Resident Surveys	Recommended	25%
Move-in, Move-out and Maintenance Surveys	Recommended	10%
Command Satisfaction	Recommended	5%
RCI Office Satisfaction	Recommended	5%
Timeliness of Service Order Response / Resolution	Recommended	10 %
Managing to Plan	Recommended	10%
Timeliness and Quality / Accuracy of Report Preparation	Recommended	10%
Quality of Vacant Quarters Maintenance / Turnover	Potential	5%
Quality of Service Order Resolution	Potential	5%
Timeliness of Vacant Quarters Maintenance / Turnover Completion	Potential	10%
CR&R Planning	Potential	5%
CR&R Execution	Potential	5%
CR&R Costs	Potential	5%
Occupancy	Not Recommended	N/A
Maintaining Required Debt Coverage Ratios	Not Recommended	N/A
Common Area Beautification Standards	Not Recommended	N/A
Availability of Units	Not Recommended	N/A
Frequency of Moves	Not Recommended	N/A
Construction Management		
Timeliness of Delivery of New Homes	Recommended	35%
Timeliness of Delivery of Renovated Homes	Recommended	25%
Performance against Budget	Recommended	15%
Quality of Construction	Recommended	15%
Small Business Subcontracting	Recommended	5%
Safety Records / Davis-Bacon Compliance	Recommended	5%
Development Management		
Timeliness / Accuracy of Reporting	Recommended	10%
Timeliness of Delivery of New Homes	Potential	15%
Timeliness of Delivery of Renovated Homes	Potential	15%
Quality of Development	Potential	10%
Completion of Development Phases to Include Delivery of Amenities	Potential	35%
Safety and Environmental Performance	Potential	5%
CR&R Planning	Potential	5%
CR&R Execution	Potential	5%
CR&R Costs	Potential	5%
Annual Assessment of Out-year Plan	Potential	10%
Construction Consultant Coordination	Not Recommended	N/A
Timeliness of Design and Planning	Not Recommended	N/A
Development Satisfaction	Not Recommended	N/A
Value Engineering	Not Recommended	N/A

The table below discusses each metric and identifies considerations for each.

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
Property Management/Asset Management		
<p>Annual Resident Surveys <i>Indicator:</i></p> <ul style="list-style-type: none"> Average score based on agreed benchmark. 	<p>Recommendation: Resident satisfaction is among the most critical identifiers of the success of an RCI Company.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Each quarter, one-fourth of the residents should receive a survey. This allows for continuous feedback while avoiding the need for a family to respond to surveys more than annually. The parties should agree in advance on the calculation of the average “score”. Specifically, the weighting of each question should be determined to allow for an overall score of each survey and the average of all surveys. 	<p>A third party firm should prepare the annual survey form, with input from the Army and the RCI Company, and administer the survey. The third party firm should send the results to the RCI Company, the USAG Housing Manager and the Property Manager.</p> <p>The average score should be compared to a set of agreed benchmarks with both a floor and a ceiling. In the event the score falls below the floor, the Property Manager will receive 0% of the available fee. In the event the score exceeds the ceiling, the Property Manager will receive 100% of the available fee. All scores between the floor and the ceiling will receive a portion of the available fee based on a sliding scale.</p> <p>For example, if the floor is 70% and the ceiling is 90%, then an 80% might result in an awarded fee of 50% of this component incentive fee.</p>
<p>Move-in, Move-out and Maintenance point-of-service Surveys <i>Indicator:</i></p> <ul style="list-style-type: none"> Average score based on agreed benchmark. 	<p>Recommendation: The results of surveys of residents upon move-in, move-out and service order response completion should be included in the determination of the incentive fee.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The parties should agree in advance on the calculation of the average “score”. Specifically, the weighting of each question should be determined to allow for an overall score of each survey and the average of all surveys. 	<p>Each resident should have the ability to complete a digital survey upon move-in, move-out or completion of a service order. The Property Manager or third party firm should receive and compile the responses and should keep copies of all responses.</p> <p>Scoring of the variable surveys should be similar to the scoring of the annual surveys. The USAG Housing Manager should validate the data by comparing complaints and discussions with residents to the results of the survey.</p>
<p>Command Satisfaction <i>Indicator:</i></p> <ul style="list-style-type: none"> Average score based on agreed benchmark. 	<p>Recommendation: Command satisfaction is critical and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Incorporating measurement of satisfaction of the Command, Army Housing Office and potential residents (i.e., applicants and families on the wait list) ensures that the focus of the property manager is on building relationships with the key stakeholders for the project. The parties should agree in advance on the calculation of the average “score”. Specifically, the weighting of each question should be determined to allow for an overall score of each survey and the average of all surveys. 	<p>The Property Manager and USAG Housing Manager should develop a survey for completion by the Senior Commander, Garrison Commander, their deputies and Command Sergeant Majors, as appropriate. The Property Manager should distribute the survey electronically to each of the parties and the respondents should provide their completed surveys to both the Property Manager and the USAG Housing Manager.</p> <p>Scoring of the Command surveys should be similar to the scoring of the annual surveys. In the event of negative or constructive comments, a meeting should be scheduled with all recipients of the survey. The Property Manager should present a plan to address concerns and include the status of performance against that plan in the monthly reporting package.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
<p>RCI Office Satisfaction Indicator:</p> <ul style="list-style-type: none"> Average score based on agreed benchmark. 	<p>Recommendation: RCI Office satisfaction is critical and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Incorporating measurement of satisfaction of the Command, RCI Office and potential residents (i.e., applicants and families on the wait list) ensures that the focus of the property manager is on building relationships with the key stakeholders for the Project. The parties should agree in advance on the calculation of the average “score”. Specifically, the weighting of each question should be determined to allow for an overall score of each survey and the average of all surveys. 	<p>The Property Manager and USAG Housing Manager should develop a survey for completion by the RCI Office staff. The Property Manager should distribute the survey electronically to each of the parties and the respondents should provide their completed surveys to both the Property Manager and the Project Manager.</p> <p>Scoring of the RCI Office surveys should be similar to the scoring of the annual surveys.</p> <p>In the event of negative or constructive comments, a meeting should be scheduled with all of the recipients of the survey. The Property Manager should present a plan to address concerns and should include the status of performance against that plan in the monthly reporting package.</p>
<p>Quality of Vacant Quarters Maintenance / Turnover Indicator:</p> <ul style="list-style-type: none"> Results of move-in condition checklist or survey pertaining to condition of unit. 	<p>Recommendation: If the parties agree that this is an appropriate metric, it may be worthwhile for inclusion in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The Property Manager will participate in the development and implementation of a checklist related to the condition of the unit. The results of that checklist should be confirmed based on responses from residents following move-in. 	<p>The Property Manager should utilize their internal move-in condition checklist to determine the condition of the unit following vacant quarters maintenance / turnover. The results of this review should be filed or input into Yardi or other property management software. If this metric is utilized, the number of identified errors or problems should be reported to the USAG Housing Manager on a monthly or quarterly basis.</p> <p>The results can be validated by review of service orders or complaints within the first few months of occupancy. In the event the service orders or complaints are related to the condition of the unit upon occupancy, the quality assurance process conducted by the Property Manager may be compromised and should be reviewed.</p>
<p>Timeliness of Service Order Response / Resolution Indicators:</p> <ul style="list-style-type: none"> Response to emergency service orders within specified time periods. Response to urgent service orders within specified time periods. Completion of routine service orders within specified time periods. 	<p>Recommendation: Performance against agreed response metrics for emergency and urgent service orders and completion metrics for routine service orders should be included in the IPMP. The performance should be evaluated on a scale for completion of routine service orders, meaning that if not every service order is completed within the specified time period, the Property Manager can still receive a portion of the incentive fee component.</p> <p>Considerations:</p> <ul style="list-style-type: none"> While response is critical for emergency and urgent service orders, completion or resolution is the appropriate measure for routine service orders. Urgent or routine service orders may be weighted more heavily as these occur more often than emergency service orders. Completion of routine service orders should be adjusted for parts not typically held in stock. Response to emergency service orders is typically within 30 minutes during business hours and one hour outside of business hours. Response to urgent service orders is typically within four to eight hours. Completion of routine service orders is typically within two to four days, subject to availability of parts not typically held in stock. The parties should clearly categorize service orders as emergency, urgent and routine in advance. 	<p>The Property Manager should structure Yardi or the other Property Management reporting software to identify the time when the initial service order call was received, the category of the service order (routine, urgent or emergency) and the time the service order was responded to (for urgent or emergency) or completed (routine). The Property Manager should provide a report on the number of service orders of each type, the average time to respond to or complete the service orders of each type, and the number of service orders responded to or completed within agreed times.</p> <p>For each category, the results (measured in terms of percentage of service orders responded to or completed within the stated time periods) should be compared to a set of agreed benchmarks with both a floor and a ceiling. In the event the results fall below the floor, the Property Manager will receive 0% of the available fee. In the event the results exceed the ceiling, the Property Manager will receive 100% of the available fee. All results between the floor and the ceiling will receive a portion of the available fee based on a sliding scale.</p> <p>The USAG Housing Manager should utilize the results of the surveys to validate the Property Manager’s data on the responses to and completion of service orders. If resident surveys are indicating problems with completion of or response to service orders, the results should be reflected in this metric.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
Objective		
<p>Managing to Plan</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> Performance against annual budget (based on percentage over / under budget). Performance against pro forma agreed at closing. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The performance against the annual budget is important, but it is recommended that the incentive metric allow for expenditures over the agreed budget without forfeiture of the entire fee. If, for example, the budget is exceeded by 2%, the Property Manager should receive a reduced incentive fee, but should not forfeit the entire fee. 	<p>In addition to internal budget performance data generated from Yardi or other property management software, the Property Manager will provide bank statements or lockbox agent reports to confirm the beginning and ending balance of the accounts.</p> <p>The USAG Housing Manager should have the right to review the Project books for Property Management at any time. A periodic review will allow the USAG Housing Manager to confirm the results reported by the Property Manager.</p> <p>Additionally, if the results of the annual audit identify significant deficiencies in the financial reports, the Property Manager should forfeit the entire portion of the fee related to this metric.</p>
<p>Timeliness and Quality / Accuracy of Report Preparation</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Receipt of quarterly and monthly reports to all identified recipients no later than timelines established by the parties. 	<p>Recommendation: Reporting is an important component of the communication process between the Property Manager and the RCI Company. These metrics should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The metric may be based on the submission of the reports to the RCI Company, as the legal relationship is between the RCI Company and the Property Manager. However, receipt of the reports by the Army is the determinant of the fulfillment of this objective. Therefore, the metric should be based on submission of the reports to the RCI Company and identified stakeholders. 	<p>The USAG Housing Manager will determine timeliness of reports based on the receipt of the reports and a review of the reports for completeness. To ensure appropriate documentation, the USAG Housing Manager should provide written correspondence (i.e., email) to the Property Manager that reports have been received. The accuracy of the Property Manager’s assessment of their performance related to this metric can be validated by the documentation maintained by the USAG Housing Manager.</p>
<p>Quality of Service Order Resolution</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> Number of follow-up service order calls pertaining to the same issue. Results of quality control / quality assurance program instituted by Property Manager. 	<p>Recommendation: If the parties agree that this is an appropriate metric, it may be worthwhile for inclusion in the IPMP. However, quality of service order resolution may be partially addressed through requirements to manage to budget and resident satisfaction.</p> <p>Considerations:</p> <ul style="list-style-type: none"> This metric requires agreement between the parties on the method for evaluating the Property Manager’s performance, as it includes subjective measurements. If a requirement to perform in accordance with the agreed annual budget is included, the Property Manager has incentive to effectively and efficiently perform service order work to levels that will minimize engagement of maintenance personnel as well as the likelihood of a repeat call from dissatisfied residents. 	<p>The Property Manager should track the number of “repeat” calls, namely service order requests for the same issue.</p> <p>The results can be validated by review of service orders or complaints. In the event the service orders or complaints are related to recurring issues, the quality assurance process conducted by the Property Manager may be compromised and should be reviewed.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
<p>Timeliness of Vacant Quarters Maintenance / Turnover Completion</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Completion of a specified percentage of vacant quarters maintenance within specified time periods. 	<p>Recommendation: Timeliness of vacant quarters maintenance is reflected in the occupancy rate, as a unit cannot be occupied until it is available for the maintenance provider. Therefore, while this is a good metric to consider, the impact of timeliness of VQM will be reflected in the occupancy rate. Performance should be evaluated on a scale, if every vacant quarters maintenance item is not completed within the specified time period, the Property Manager can still receive a portion of the incentive fee component.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The parties should determine whether the metrics will change during times of significant activity, such as the summer PCS period. 	<p>The Property Manager should structure Yardi or the other Property Management reporting software to identify both the day of move-out and the date the unit is available for re-occupancy. For each quarter, the Property Manager should provide a report detailing the date of move-out, the date available for re-occupancy, and the number of days in maintenance for each unit that is vacant during the quarter.</p> <p>The USAG Housing Manager can validate the data by reviewing the reports. Additionally, a period review of the status of vacant units should provide anecdotal data on the efficiency of the turn process.</p>
<p>Capital Repair and Replacement: Planning</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> CR&R Annual Project Plan Identification of critical CR&R projects Identification of elective CR&R projects 	<p>Recommendation: Developing a CR&R Annual Project Plan is critical to housing and community sustainment, as it provides a roadmap for the cost and scope of repairs, replacements, and improvements necessary to ensure resident satisfaction while exercising cost control. The CR&R plan is particularly important in the post-IDP phase, where new construction and renovations have been completed, and success is measured primarily through restoration and sustainment of housing assets.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The CR&R Project Plan should separate projects into critical (projects vital to the success and operation of the Project that are often more capital intensive) and elective (more routine, on-going, and less capital intensive) projects, which facilitates more effective implementation and oversight. The CR&R Project Plan should delineate which projects are completed by the development manager, property manager, or asset manager. Each receives a different level of fees, and no one project should be executed by both parties that would result in “double payment” of fees. CR&R Budget should tie to funding approved in the Out-year Development Plan. 	<p>The USAG Housing Manager should ensure that the CR&R Project Plan is prepared annually and includes the granularity necessary to understand at a minimum: work scopes, estimates, and project management strategies. Schedules for completion should also be provided for projects when appropriate. The CR&R Project Plan should be included with the annual budget.</p> <p>The USAG Housing Manager should ensure that the CR&R Plan specifically identifies 1) critical CR&R projects that are vital to the success and operations of the Project (e.g. larger cost replacements such as roofs, HVAC systems, etc.), and 2) elective CR&R projects for more routine, on-going work that does not require specific approval for the project owner to execute. All associated costs with these projects should also be delineated for each project.</p> <p>Furthermore, the USAG Housing Manager should ensure the CR&R Project Plan identifies the responsible party for each project that is proposed, as that determines the level and association of fees. Often times, work on more technical or broader scale may need to be carried out by a development manager, where the development manager receives a certain level of fees. More routine, less complicated projects are generally be overseen by the property or asset manager.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
<p>Capital Repair and Replacement: Execution</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> On-time and quality completion of critical CR&R projects On-time and quality completion of elective CR&R projects 	<p>Recommendation: Timely and quality completion of proposed CR&R projects is the principal outcome of the CR&R plan and is one of the primary drivers of resident satisfaction. This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Expectations related to delivery schedule need to be communicated with the USAG Housing Manager if they deviate significantly from the budget and will impact operations. Expectations related to project scope need to be communicated with the USAG Housing Manager if they deviate significantly from the budget and will impact operations. USAG Housing Manager should regard deviations with respect to how they accommodate the needs of the residents and Command, as well as how they reduce cost without impact to quality, during the incentive fee determination process. 	<p>For critical and elective projects, the USAG Housing Manager should evaluate whether projects were completed in accordance with their work scope articulated in the Annual Budget. Full credit should be awarded in cases where the quality and workmanship were consistent with that of the work scope; full credit can also be awarded based on whether the work scope or quality level were changed in order to reduce costs and still met the needs of residents, and whether or not there were extenuating circumstances. Partial credit can be awarded on a sliding scale at the discretion of the Garrison Commander.</p> <p>The USAG Housing Manager can evaluate whether projects were completed in a timely manner and consistent with the schedule outlined in the annual budget. Full credit should be awarded in cases where the duration of the project did not exceed the schedule and it was delivered on time; full credit can also be awarded based on whether the work scope or quality level were changed in order to reduce costs and still met the needs of residents, and whether or not there were extenuating circumstances. Partial credit can be awarded on a sliding scale at the discretion of the GC.</p>
<p>Capital Repair and Replacement: Costs</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Completion of critical CR&R projects within budgeted allowance Completion of elective CR&R projects within +/- 10% of CR&R budget 	<p>Recommendation: Judicious cost management of proposed CR&R projects is critical to maximizing limited resources, managing DM and PM fees, and enabling adequate funding of the CR&R account for future projects to be executed. This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Significant unfavorable deviations in project cost may affect viability and timely deliveries of future projects in the CR&R plan. USAG Housing Managers should ascertain whether critical and elective projects with unfavorable cost variances resulted in higher quality or better tailored to serve the needs of residents, during the incentive fee determination process. Projects in an intermediate stage (not yet completed) that are over budget should not be counted against the service provider, as they may still be completed within budget. 	<p>For critical and elective projects, the USAG Housing Manager should review incurred project costs on a line-item basis each quarter when the incentive fee is determined, and consider the stage of project completion (for projects in progress) to correctly match expected cost and work completion.</p> <p>Full credit should be awarded where project costs match project performance/completion. Partial credit can be awarded based on the discretion of the Garrison Commander in cases where completed project costs were higher than budget (and higher than the threshold in the case of elective projects). In cases of partial credit, the Garrison Commander should consider whether the project resulted in better quality, faster schedule delivery, better accommodations to GC requests, or affected by circumstances outside the property or development managers' control that justified the higher cost.</p>
<p>Occupancy</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Average occupancy over course of review period 	<p>Recommendation: The results of this metric will be reflected in effective gross revenue and NOI. This metric should not be included in the IPMP.</p>	<p>Not Recommended</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
<p>Maintaining Required Debt Coverage Ratios</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Maintenance of required debt coverage ratios during the review period. 	<p>Recommendation: This metric is required by the lender and is covered by the legal documents. This metric should not be used in the IPMP.</p>	Not recommended.
<p>Common Area Beautification Standards</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Performance against agreed common area beautification standards. 	<p>Recommendation: This metric is difficult to measure and should not be used in the IPMP.</p>	Not recommended.
<p>Availability of Units</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Average percentage of units available during the review period. 	<p>Recommendation: This metric is captured in the timeliness of vacant quarters maintenance. This metric should not be included in the IPMP.</p>	Not recommended.
<p>Frequency of Moves</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Number of families required to relocate more than once as a result of development activities. 	<p>Recommendation: The results of this metric will be reflected in the resident satisfaction and, more significantly, in the number of families electing to move off the installation, thereby impacting the occupancy rate. This metric should not be included in the IPMP.</p>	Not recommended.

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
Construction Management		
<p>Timeliness of Delivery of New Homes</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Delivery of agreed number of homes for the review period, based on the delivery schedule in the Construction Contract. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The Construction Manager and / or Development Manager may be forfeit all or a portion of the fee if the new homes are not delivered within the agreed time period or following an agreed period beyond the original delivery date (this would be due to an issue the developer / construction manager had no control over). For example, if 20 units are delivered three months past schedule a portion of the fee may be forfeited entirely, a specified percentage of the fee may be awarded, or the entire fee may be awarded, to be paid only upon acceptance of the units. 	<p>The Development Manager should provide a list of new units delivered to and accepted by the Property Manager for each quarter. For units that have been delivered on time, the entire fee associated with those units should be awarded to the Construction Manager. In the event a unit has been delivered past the scheduled date in the Construction Contract, the fee associated with that unit should be reduced proportionately for every day past schedule, up to an agreed point, at which the Construction Manager will forfeit the entire fee associated with that unit.</p> <p>The USAG Housing Manager can validate the delivery of new units by reviewing the occupancy or turnover certificates. Additionally, by reviewing online/offline reports generated from Yardi or other property management software, the USAG Housing Manager can confirm when a unit was transitioned to the Property Manager. The actual online/offline schedule used to determine the Construction Management incentive fee associated with this metric should be consistent with the most recently approved construction schedule based on the construction agreement or approved change order.</p>
<p>Timeliness of Delivery of Renovated Homes</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Delivery of agreed number of renovated homes for the review period, based on the delivery schedule in the Construction Contract. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The Construction Manager and / or Development Manager may be forfeit all or a portion of the fee if the renovated homes are not delivered within the agreed time period or following an agreed period beyond the original delivery date. 	<p>The Development Manager should provide a list of renovated units that were offline during the quarter, including the dates the Property Manager turned over units and accepted the units for occupancy. For units that have been within the agreed timeframes, the entire fee associated with those units should be awarded to the Construction Manager. In the event a unit has been delivered after the agreed timeframe in the Construction Contract, the fee associated with that unit should be reduced proportionately for every day past schedule, up to an agreed point, at which the Construction Manager will forfeit the entire fee associated with that unit.</p> <p>The USAG Housing Manager can validate the online/offline schedule of renovated units by reviewing the online/offline reports generated from Yardi or other property management software to confirm when a unit was transitioned from and to the Property Manager. The actual online/offline schedule used to determine the Construction Management incentive fee associated with this metric should be consistent with renovation agreement or approved change order.</p>
<p>Performance against Budget</p> <p><i>Indicators:</i></p> <ul style="list-style-type: none"> Performance against annual budget (based on percentage over budget). Performance against construction agreement or approved change order 	<p>Recommendation: The construction and development may be structured with a Guaranteed Maximum Price (GMP) contract, in which case this metric may be more appropriate for inclusion in the IPMP for the Development Manager.</p> <p>Considerations:</p> <ul style="list-style-type: none"> If the Project is structured with a GMP, the mechanism for evaluating performance against the GMP should be clearly understood by all parties. The Development Manager should be evaluated for performance against the pro forma agreed at closing or approved MSP. The Construction Manager has a lesser role in the delivery of the scope agreed at closing and should manage to the annual budget or GMP. 	<p>In addition to internal budget performance data provided by the Construction Manager or Development Manager, the Construction Manager will provide copies of draws and lockbox agent reports to confirm the outflows as well as the beginning and ending balance of the accounts.</p> <p>The USAG Housing Manager should have the right to review the documentation for Development Management at any time. A periodic review allows the USAG Housing Manager to confirm results reported by the Development Manager.</p> <p>Additionally, if the annual audit identifies significant deficiencies in the financial reports, the Development Manager should forfeit the entire fee related to this metric.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
<p>Quality of Construction <i>Indicator:</i></p> <ul style="list-style-type: none"> ▪ Delivery of homes and acceptance by Owner based on third party and Property Management inspection. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> ▪ Definition of correctable errors is important to ensure agreement between the parties on the results of this metric. 	<p>The Property Manager will conduct a walk-through of the units utilizing their internal move-in condition checklist. The results of this review should be filed. The number of identified errors or problems should be reported to the USAG Housing Manager on a monthly or quarterly basis.</p> <p>Additionally, the results of the Construction Consultant should provide insight into the quality of the construction relative to agreed codes, regulations and standards.</p> <p>The results can be validated by review of service orders or complaints within the first few months of occupancy. In the event the service orders or complaints are related to the quality of construction, the quality assurance processes conducted by the Construction Manager, Development Manager and/or Property Manager may be compromised and should be reviewed.</p>
<p>Small Business Subcontracting <i>Indicators:</i></p> <ul style="list-style-type: none"> ▪ Performance against small and local business objectives agreed in the CDMP or annual plan. ▪ Execution of a specified number of small business workshops during the IDP. 	<p>Recommendation: Small and local business subcontracting is an important part of the construction program and this metric should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> ▪ Defining small and local businesses is critical during the CDMP process. 	<p>The Development Manager or Construction Manager should provide a list of subcontracted work and detail on the firms to which the contracts were awarded. The report should state whether the firm is local and what, if any, small business classification the firm has.</p> <p>The Construction Manager should be awarded the fee if the small and local business goal is met or exceed for each defined category within the CDMP. Otherwise, the fee for that quarter should be forfeited.</p> <p>A periodic review of the Project books will allow the USAG Housing Manager to confirm the results reported by the Development Manager.</p>
<p>Achievement of Safety Records <i>Indicator:</i></p> <ul style="list-style-type: none"> ▪ Achievement of specific safety record standards in accordance with OSHA Residential index 	<p>Recommendation: Safety is a critical responsibility of the construction manager and this metric should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> ▪ The OSHA standard is to evaluate safety based on the Experience Modification Rate (EMR). Performance against the industry standard is an appropriate benchmark. 	<p>The General Contractor should calculate the EMR and provide it in the quarterly reports. The EMR is calculated and reported to OSHA on a regular basis.</p>
<p>Compliance with Davis-Bacon <i>Indicator:</i></p> <ul style="list-style-type: none"> ▪ Maintenance of required payroll and certifications from sub-contractors regarding Davis-Bacon wages. 	<p>Recommendation: Davis-Bacon compliance is a critical responsibility of the construction manager and this metric should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> ▪ Davis-Bacon compliance checklist provides minimum requirements of Construction Manager in regards to meeting reporting requirements. 	<p>The USAG Housing Manager should review the Davis-Bacon compliance checklist with RCI Company Representative to ensure Construction Manager is meeting requirements.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
Development Management		
<p>Timeliness / Accuracy of Reporting</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Receipt of quarterly and monthly reports by all identified recipients no later than timelines established by the parties. 	<p>Recommendation: Reporting is an important component of the communication process between the Development Manager and the RCI Company. These metrics should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The metric may be based on the submission of the reports to the RCI Company, as the legal relationship is between the partnership and the Development Manager. However, receipt of the reports by the Army is the determinant of the fulfillment of this objective. Therefore, the metric should be based on submission of the reports to the RCI Company and identified stakeholders. 	<p>The USAG Housing Manager will determine timeliness of reports based on the receipt of the reports and a review of the reports for completeness. To ensure appropriate documentation, the USAG Housing Manager should provide written correspondence (i.e., email) to the Development Manager that the reports have been received. The accuracy of the Development Manager’s assessment of their performance related to this metric can be validated by the documentation maintained by the USAG Housing Manager.</p>
<p>Timeliness of Delivery of New Homes</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Delivery of agreed number of homes for the review period, based on the delivery schedule in the Construction Contract. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The Construction Manager and / or Development Manager may forfeit all or a portion of the fee if the new homes are not delivered within the agreed time period or following an agreed period beyond the original delivery date. For example, if 20 units are delivered three months past schedule a portion of the fee may be forfeited entirely, a specified percentage of the fee may be awarded, or the entire fee may be awarded, to be paid only upon acceptance of the units. 	<p>The Development Manager should provide a list of new units delivered to and accepted by the Property Manager for each quarter. For units delivered on time, the entire fee associated with those units should be awarded to the Development Manager. In the event a unit has been delivered past the scheduled date in the Construction Contract, the fee associated with that unit should be reduced proportionately for every day past schedule, up to an agreed point, at which the Development Manager will forfeit the entire fee associated with that unit.</p> <p>The USAG Housing Manager can validate the delivery of new units by reviewing the certificates of occupancy. Additionally, by reviewing online/offline reports generated from Yardi or other property management software, the USAG Housing Manager can confirm when a unit transitioned to the Property Manager. The actual online/offline schedule used to determine the Development Management incentive fee associated with this metric should be consistent with the construction schedule from the construction agreement.</p>
<p>Timeliness of Delivery of Renovated Homes</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Delivery of agreed number of renovated homes for the review period, based on the delivery schedule in the Construction Contract. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The Construction Manager and / or Development Manager may be forfeit all or a portion of the fee if the renovated homes are not delivered within the agreed time period or following an agreed period beyond the original delivery date. 	<p>The Development Manager should provide a list of renovated units that were offline during the quarter, including the dates the Property Manager turned over units and accepted the units for occupancy. For units within the agreed timeframes, the entire fee associated with those units should be awarded to the Development Manager. In the event a unit was delivered after the agreed timeframe in the Construction Contract, the fee associated with that unit should be reduced proportionately for every day past schedule, up to an agreed point, at which the Development Manager will forfeit the entire fee associated with that unit.</p> <p>The USAG Housing Manager can validate the online/offline schedule of renovated units by reviewing the online/offline reports generated from Yardi or other property management software to confirm when a unit transitioned from and to the Property Manager. The actual online/offline schedule to determine the Development Management incentive fee associated with this metric should be consistent with the most recently approved construction schedule based on the construction or renovation contract.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
<p>Quality of Development <i>Indicator:</i></p> <ul style="list-style-type: none"> Delivery of development scope and acceptance by Owner with limited variances from the CDMP. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Definition of correctable errors is important to ensure agreement between the parties on the results of this metric. 	<p>The results can be validated by review in relation to the approved Out-year Development plan or development scope.</p>
<p>Completion of Development Phases to Include Delivery of Amenities <i>Indicator:</i></p> <ul style="list-style-type: none"> Achievement of development milestones, defined as a specific development phases to include one or more neighborhoods and/or amenities. 	<p>Recommendation: This metric focuses on the delivery of the scope within the original CDMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Completing phases of development requires significant coordination on the part of the developer and incites the developer to use resources efficiently and complete phases on time and within budget. This approach requires that the fee be paid as phases are completed and the scope is achieved. The USAG Housing Manager should meet with the Development Manager preceding each award period to determine appropriate upcoming milestones and completion dates. This metric should be awarded as detailed in the development or construction agreement. It is important to identify completion dates for each award period. If no neighborhood or amenity is scheduled for completion, the RCO Asset Manager and Development Manager may work together to identify other appropriate milestones. 	<p>The metric integrates the on-time delivery requirements with the on-budget requirements. Similar determination and validation processes should be used to evaluate the award of the portion of the fee associated with the achievement of milestones. Ensure that phases are well-defined.</p>
<p>Safety and Environmental Performance <i>Indicators:</i></p> <ul style="list-style-type: none"> Achievement of specific safety record standards in accordance with OSHA Residential index. Performance against agreed environmental standards, to include recycling of materials. 	<p>Recommendation: Safety is a critical responsibility of the construction manager and this metric should be included in the IPMP for Construction Management.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The OSHA industry standard is to evaluate safety based on the EMR. Performance against the industry standard is an appropriate benchmark. 	<p>The Construction Manager should calculate the EMR and provide it in the quarterly reports. The EMR is calculated and reported to OSHA on a regular basis.</p>
<p>Capital Repair and Replacement: Planning <i>Indicator:</i></p> <ul style="list-style-type: none"> CR&R Annual Project Plan Identification of critical CR&R projects Identification of elective CR&R projects 	<p>Recommendation: Developing a CR&R Annual Project Plan is critical to housing and community sustainment, as it provides a roadmap for the cost and scope of repairs, replacements, and improvements necessary to ensure resident satisfaction while exercising cost control. The CR&R plan is particularly important in the post IDP phase, where new construction and renovations have been completed, and success is measured primarily through restoration and sustainment of housing assets.</p> <p>Considerations:</p> <ul style="list-style-type: none"> The CR&R Project Plan should separate projects into critical (projects vital to the success and operation of the Project that are often more capital intensive) and elective (more routine, on-going, and less capital intensive) projects, which facilitates more effective implementation and oversight. 	<p>The USAG Housing Manager should ensure that the CR&R Project Plan is prepared annually and includes the granularity necessary to understand at a minimum: work scopes, estimates, and project management strategies. Schedules for completion should also be provided for projects when appropriate. The CR&R Project Plan should be included with the annual budget.</p> <p>The USAG Housing Manager should ensure that the CR&R Plan specifically identifies 1) critical CR&R projects that are vital to the success and operations of the Project (e.g. larger cost replacements such as roofs, HVAC systems, etc.), and 2) elective CR&R projects for more routine, on-going work that does not require specific approval for the project owner to execute. All associated costs with these projects should also be delineated for each project.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
	<ul style="list-style-type: none"> The CR&R Project Plan should delineate which projects are completed by the development manager, property manager, or asset manager. Each receives a different level of fees, and no one project should be executed by both parties that would result in “double payment” of fees. CR&R Budget should tie to funding approved in the Out-year Development Plan. 	<p>Furthermore, the USAG Housing Manager should ensure the CR&R Project Plan identifies the responsible party for each project that is proposed, as that determines the level and association of fees. Often times, work on more technical or broader scale may need to be carried out by a development manager, where the development manager receives a certain level of fees. More routine, less complicated projects are generally be overseen by the property or asset manager.</p>
<p>Capital Repair and Replacement: Execution</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> On-time and quality completion of critical CR&R projects On-time and quality completion of elective CR&R projects 	<p>Recommendation: Timely and quality completion of proposed CR&R projects is the principal outcome of the CR&R plan and is one of the primary drivers of resident satisfaction. This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Expectations related to delivery schedule need to be communicated with the USAG Housing Manager if they deviate significantly from the budget and will impact operations. Expectations related to project scope need to be communicated with the USAG Housing Manager if they deviate significantly from the budget and will impact operations. USAG Housing Manager should regard deviations with respect to how they accommodate the needs of the residents and Command, as well as how they reduce cost without impact to quality, during the incentive fee determination process. 	<p>For critical and elective projects, the USAG Housing Manager should evaluate whether projects were completed in accordance with their work scope articulated in the Annual Budget. Full credit should be awarded in cases where the quality and workmanship were consistent with that of the work scope; full credit can also be awarded based on whether the work scope or quality level were changed in order to reduce costs and still met the needs of residents, and whether or not there were extenuating circumstances. Partial credit can be awarded on a sliding scale at the discretion of the GC.</p> <p>The USAG Housing Manager can evaluate whether projects were completed in a timely manner and consistent with the schedule outlined in the annual budget. Full credit should be awarded in cases where the duration of the project did not exceed the schedule and it was delivered on time; full credit can also be awarded based on whether the work scope or quality level were changed in order to reduce costs and still met the needs of residents, and whether or not there were extenuating circumstances. Partial credit can be awarded on a sliding scale at the discretion of the GC.</p>
<p>Capital Repair and Replacement: Costs</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Completion of critical CR&R projects within budgeted allowance Completion of elective CR&R projects within +/- 10% of CR&R budget 	<p>Recommendation: Judicious cost management of proposed CR&R projects is critical to maximizing limited resources, managing DM and PM fees, and enabling adequate funding of the CR&R account for future projects to be executed. This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Significant unfavorable deviations in project cost may affect viability and timely deliveries of future projects in the CR&R plan. USAG Housing Managers should ascertain whether critical and elective projects with unfavorable cost variances resulted in higher quality or better tailored to serve the needs of residents, during the incentive fee determination process. Projects in an intermediate stage (not yet completed) that are over budget should not be counted against the service provider, as they may still be completed within budget. 	<p>For critical and elective projects, the USAG Housing Manager should review incurred project costs on a line-item basis each quarter when the incentive fee is determined, and consider the stage of project completion (for projects in progress) to correctly match expected cost and work completion.</p> <p>Full credit should be awarded where project costs match project performance/completion. Partial credit can be awarded based on the discretion of the Garrison Commander in cases where completed project costs were higher than budget (and higher than the threshold in the case of elective projects). In cases of partial credit, the GC should consider whether the project resulted in better quality, faster schedule delivery, better accommodations to GC requests, or affected by circumstances outside the property or development managers’ control that justified the higher cost.</p>

Table 2: Review of Potential Metrics and Indicators for Incentive Performance Management Plans		
Metric and Indicator	Recommendation and Considerations	Determination and Validation
<p>Annual Assessment of Out-Year Plan <i>Indicators:</i></p> <ul style="list-style-type: none"> Completion of an updated out-year development plan and corresponding pro forma model. Completion of long-term capital plans for each housing area. 	<p>Recommendation: This is an important metric and should be included in the IPMP.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Nine months prior to completion of the IDP or Out-year Development phase, this metric should be included in the Development Management fee determination to ensure that a long-term perspective is maintained. 	<p>The Development Manager, in coordination with the Property Manager, should assess the then current condition of the houses and amenities and should propose any modifications to the Out-year development plan based on that assessment. A modified pro forma model, reflecting the updated out-year plan, should be provided to the USAG Housing Manager.</p> <p>Based on the review with the USAG Housing Manager and incorporation of comments from various stakeholders, the updated out-year plan should be reviewed and approved by the Major Decision.</p>
<p>Construction Consultant Coordination <i>Indicator:</i></p> <ul style="list-style-type: none"> Accuracy of construction consultant’s reports and appropriate engagement of construction consultant in development activities. 	<p>Recommendation: The contract with the Construction Consultant should ensure timely and efficient implementation of the consultant’s duties. This metric is not recommended.</p>	<p>Not recommended.</p>
<p>Timeliness of Design and Planning <i>Indicator:</i></p> <ul style="list-style-type: none"> Receipt of A&E drawings within agreed time periods and to agreed standards. 	<p>Recommendation: The Development Manager is incited to ensure that the A&E drawings are delivered at appropriate times to facilitate the delivery of new and renovated homes within agreed time periods. This metric is not recommended.</p>	<p>Not recommended.</p>
<p>Development Satisfaction <i>Indicator:</i></p> <ul style="list-style-type: none"> Results of resident satisfaction survey issued upon initial occupancy of new or renovated unit. 	<p>Recommendation: The quality of construction will be evaluated using other metrics and the Property Manager will evaluate general resident satisfaction. This metric is not recommended.</p>	<p>Not recommended.</p>
<p>Value Engineering <i>Indicator:</i></p> <ul style="list-style-type: none"> Implementation of innovative cost saving mechanisms for the project. 	<p>Recommendation: This metric is difficult to evaluate and value engineering results will be evaluated in other metrics, including quality of work, management to plan, and timeliness of delivery. This metric is not recommended.</p>	<p>Not recommended.</p>

Ethics

Overview

In August 1992, the Office of Government Ethics (OGE) issued the Standards of Ethical Conduct for Executive Branch Employees built on 14 Principles of Ethical Conduct. These standards, listed below, set forth rules regarding gifts between employees and the acceptance of gifts from sources outside the executive branch agency, conflicting financial interests, impartiality in performing official duties, seeking other employment, misuse of position, and engaging in outside activities.

The Department of Defense issued the Joint Ethics Regulation (JER), DoD 5500.7-R, applicable throughout DOD including Department of the Army (DA) employees, effective September 30, 1993. The JER supplements the OGE Standards of Ethical Conduct and is applicable to all Army personnel. In addition to these regulatory rules, many of the principles are based on statutes, some of which carry criminal penalties. Because of the potentially severe consequences that can result from non-compliance with the JER, any questions regarding your compliance or the compliance of other government employees with JER requirements should be addressed to your installation ethics counsel.

14 PRINCIPLES OF ETHICAL CONDUCT

Source: Office of Government Ethics (OGE), Standards of Ethical Conduct for Executive Branch Employees, Aug 1992

The 14 Principles of Ethical Conduct form the foundation for the ethical rules applicable to all Federal employees and officers:

1. Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.
2. Employees should not hold financial interests that conflict with the conscientious performance of duty.
3. Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.
4. An employee shall not, except as permitted by law or regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
5. Employees shall put forth honest effort in the performance of their duties.
6. Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the government.
7. Employees shall not use their public office for private gain.

8. Employees shall act impartially and not give preferential treatment to any private organization or individual.
9. Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.
10. Employees shall not engage in outside employment or activities, including seeking or negotiating for outside employment, that conflict with official Government duties and responsibilities.
11. Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.
12. Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those—such as Federal, State, or local taxes—that are imposed by law.
13. Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.
14. Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in 5 C.F.R part 2635 – Standards of Ethical Conduct for Employees of the Executive Branch, of which this list is a brief summary.

Certain principles, particularly important to individuals involved in RCI Companies are explained in greater detail below.

GIFTS FROM OUTSIDE SOURCES (Principle 4)

Army personnel are subject to restrictions on the gifts that they may accept from sources outside the Government. Generally, employees are prohibited from accepting gifts that are given because of their official position or that come from certain interested sources referred to as "prohibited sources". A "prohibited source" includes anyone that:

- does business with the Army;
- seeks to do business with the Army;
- conducts activities that the Army regulates; or
- may be substantially affected by performance or nonperformance of the Army.

Examples of prohibited sources include:

- Public-private venture partners (RCI Companies)
- professional associations
- non-profit organizations
- educational institutions
- state and local government/agencies
- defense contractors

The most important of this list, with regards to RCI, is the public-private venture partners, or RCI Companies. Accordingly, all gift rules are applicable with respect to any RCI Company engaged, because they are prohibited sources. Offers of any gifts and gratuities by RCI Companies, Service Providers, or affiliated employees to government personnel who work under the RCI are subject to the ethics standards and the JER. Examples of regulated gifts from RCI Companies to government employees may include an invitation to play a round of golf or an invitation to go to lunch/dinner at their expense.

Although gifts from prohibited sources are generally prohibited, there are a number of exceptions to the general rule that may permit government personnel to accept a gift. Some of the exceptions include:

- Gifts valued at \$20 or less, but not cash or investment interests, and not more than \$50 in total from one source in a year;
- Certain discounts and similar benefits offered by professional organizations;
- Awards for meritorious public service or achievement, and honorary degrees;
- Gifts accepted under specific statutory authority, such as certain gifts from a foreign government.

Even if an exception applies, however, government personnel may never solicit or coerce the offering of a gift for themselves or anyone else who is a government employee, nor may government personnel use exceptions to accept gifts on such a frequent basis such that a reasonable person would believe that the person was using public office for private gain.

Certain items are not considered gifts and may be accepted without any limitations. Some examples would include modest refreshments (bagels, donuts, coffee, etc.), greeting cards, and other items of little intrinsic value, rewards and prizes that are open to the general public and pension benefits from a former employer.

If a government employee has received a gift that cannot be accepted, the employee may return the gift to the giver or pay them the gift's fair market value. Any perishable gifts that would be impractical to return can be approved to be given to charity or shared within the office. **NOTE: Subsequent reciprocity by a government employee does not mitigate the prohibited acceptance of gift under these rules – reciprocity is not a solution!**

Remember: The number one rule to remember about gifts is that nothing requires government personnel to accept a gift – gifts may always be declined.

CONFLICTS OF INTERESTS (Multiple Principles)

Public service is about protecting the common good, and a public employee/servant must always put this common good ahead of any personal, political, or financial gain they might acquire as a result of work-related decisions. When an employee does not do this, a conflict of interest may occur. Additionally, government personnel are subject to criminal statutes that prohibit their representation of private interests before the Government.

A conflict of interest occurs when government personnel put their personal interests before the public's interest. Government employees are prohibited from doing Government work on any matter that will affect the financial interest of:

- You;
- Your spouse;

- Your minor children;
- Your general partner in a private sector enterprise;
- Organizations with which you're negotiating or have arrangements for future employment, or;
- Any organization for which you serve as an employee, officer, director, trustee, or general partner.

There are numerous ways that Army personnel may resolve conflicts of interest. The simplest way is just to avoid being involved with or participate in anything that would cause the conflict. This is referred to as recusal. To effectively recuse yourself, you should consult with your installation ethics counsel and execute a disqualification memorandum so that matters affecting your outside financial interests or other outside interest are not inadvertently submitted to you for action. Also, government personnel may obtain a waiver from the agency, sell off the conflicting interest, or resign from a particular position. The course of action that most effectively resolves the conflict of interest depends upon the circumstances of the situation.

Conflict of interest is an issue that is taken very seriously in Government work. Conflicts of interest undermine the trust of the public and cause the public to lose faith in the decision making process of the Government. On a more personal note, many of these provisions are based on criminal statutes, violations of which may result in imprisonment and/or fines. It is important that all government personnel understand the consequences of conflicts of interest so that they are able to avoid such situations when they become present. Government personnel who have further questions about conflicts of interest are advised to consult their superiors and ethics counselors to acquire the best possible advice.

UNAUTHORIZED ACTIVITIES (Principle 9)

Government employees are required to protect and conserve Federal property and not use it for unauthorized activities. Since RCI Companies are not government activities, it is inappropriate to "assist" RCI Companies with the use of Army resources unless the use of government resources has been properly authorized. Further, government personnel are reminded that they may not use their public office for the endorsement of any product, service or enterprise, or for the private gain of any entity.

Conclusion

As discussed above, there are a variety of issues with regards to government ethics and RCI Companies. There may be many times an employee confronts an ethical dilemma. It is important to remember that by adhering to the Principles of Ethical Conduct, government employees are able to keep their focus on the proper goals and objectives of the organization. It is when an employee strays from these responsibilities and guidelines that problems arise.

Making sure that government employees understand and accept their ethical responsibilities will ensure that the government's vision of providing for the public good stays the course. As was demonstrated throughout this section, it is in the Army's and the RCI Companies' best interest to always comply with these ethical standards and ensure they are fulfilled by all members involved. Acting ethically keeps everyone's focus on the health and future of the program. When in doubt, contact your ethics counselor for advice if you are unsure of how to proceed and remain compliant with your ethical responsibilities.

RCI Company Planning

Overview

The Army's housing privatization performance is measured based on: (1) Service Member and Family Member satisfaction with housing, (2) the continuous enhancement/preservation of housing and community facilities over the life of the project, (3) the ability to limit risk to the project, (4) successful completion of housing development scope of work, and (5) sound financial management.

The terms of the CDMP and RCI Company closing documents are negotiated to maximize the likelihood of success with respect to these five performance measures. Over the course of the 50-year term of each RCI Company, there will likely be certain environmental, project performance, market impacts and other triggers that necessitate adjustments to the original plan terms, assumptions, requirements and future expectations. After initial RCI Company financial closing, three major planning processes allow the Army and RCI Company Representative to adjust and modify the RCI Company plans and performance measures accordingly:

1. IDP and ODP Close-out Process: Undertaken as each RCI Company nears the completion of its IDP or ODP
2. ODP Process: Undertaken in parallel with, or immediately after, IDP or ODP Close-out and every five years afterwards to the end of the lease term
3. MSP Process: Undertaken if certain triggers necessitate out-of-cycle adjustments to the approved CDMP/ODP/MSP currently in force

MD approval is required for IDP, ODP and MSP plans and close-outs.

IDP and ODP Close-out Process

The close-out of the IDP or an ODP is an important juncture in the lifecycle of an RCI Company. There are three primary concerns addressed by the sub-processes outlined below.

First, under the terms of the RCI Company's legal documents, the official end of the IDP triggers certain required actions (**IDP Close-out Legal Requirements**), which includes the commencement of sharing of excess cash flows between the RCI Company (comprising their return on equity) and the Reinvestment Account. Typically, requirements of the lender to fully certify acceptable completion of all community elements intended to be funded by the RCI Company's capital must be met to all parties' satisfaction before the IDP can be officially declared complete. Additionally, as required in many of the RCI Company operating agreements, close-out of the IDP Legal Requirements involves a MD requiring DASA (IH&P) approval.

Secondly, many close-out requirements ensure the Army has a detailed understanding of the status and timing of completion of all development elements, their quality, and associated development and construction costs against agreed schedules, plans, and budgets. Thus HQDA, working closely with the RCI Company Representative, will complete a detailed development and construction audit, the

IDP/ODP Close-out Development Review, to ensure the development status is acceptable to the Army and the IDP or applicable ODP requirements can be documented as complete.

Finally, the transition from the IDP to the first 5-year ODP, or to each subsequent 5-year ODP, is a key point to review the management and overall strategy for the RCI Company. Typically, after the IDP, the development/ construction team will be leaving the project site and operations and sustainment of the housing becomes the short- and mid-term focus for the RCI Company. During the IDP, many factors (construction costs, BAH rates, operating expenses, etc.) may have had positive or negative impacts on the original planned development scope. Additionally, the rental income from the end-state inventory coming out of the IDP becomes the only source of funds for future RCI Company sustainment. At this point, it is important to re-examine all project assumptions, plans, and projection models to ensure the RCI Company moves into the out-years with an updated management and operations strategy. Working closely with the installation leadership, the RCI Company Representative will prepare an **Out-year Development Plan** (additional detail provided later in this chapter) to include an updated development plan, pro forma and development phasing (“Christmas Tree”) chart focused on the specific actions for the next five years and an overview covering the remaining duration of the RCI Company term.

These sub-processes together comprise the **IDP/ODP Close-out Process** and serve as the supporting documentation for a MD approving the close-out.

Initiating the Process: IDP/ODP Close-out Notice

To initiate the Close-out Process, the CVD Program Manager will confer with the USAG Housing Manager and RCI Company Representative to ascertain the anticipated date of final IDP or ODP completion. Approximately 180 days prior to that date, a planning meeting will occur between CVD and the RCI Company Representative to review the Ground Lease and RCI Company business agreements to determine the specific requirements for completion and approval for the close-out.

Following the planning meeting, the CVD PM will distribute an **IDP Close-out Notice** to the RCI Company Representative, AMC HQ, IMCOM HQ, USAG Housing Manager, and USACE Real Estate. This notice will encompass the following elements:

- Identification of contact information of all close-out participants
- Preliminary close-out milestone schedule
- Site visit(s) requirements and preliminary schedule
- IDP/ODP Close-out Legal Requirements Checklist
- IDP/ODP Close-out Development Review Information Request
- MD Close-out Approval Requirements
- ODP Concept Paper Template
- ODP MD Checklist

IDP/ODP Close-out Legal Requirements

The Operating Agreement, Development Agreement, Construction Agreement and Loan Agreement(s) specify conditions which must be met for the IDP or ODP to be complete. Below is a partial list of

some of the important considerations that may arise upon completion of the IDP, but each RCI Company’s legal documents must be reviewed to determine specific IDP/ODP Close-out requirements:

- Evidence of certification of proper completion of planned improvements in accordance with building codes
- Third-party acceptance of utilities systems
- Updated boundary survey(s) and recording of easements
- Updated Title Insurance of Opinion of Title
- Final Lien Releases for all Contractors and Subcontractors

Additionally, close-out of the IDP or ODP involves a MD requiring approval by the DASA (IH&P) on behalf of the Army. According to the terms of each RCI Company’s legal documents, the completion of the IDP may trigger additional requirements to amend and restate the Ground Lease and/or business agreements.

The PM will prepare a draft **IDP/ODP Close-out Legal Requirements Checklist** based on the terms and conditions contained in the agreements noted above. This checklist will be included in the IDP/ODP Close-out Notice for review and comment by all participating parties. Any revisions agreed to by the PM should be included and a final checklist circulated to all parties as soon as possible after original distribution.

Following is an example of an IDP or ODP Close-out Legal Requirements Checklist. The checklist will be modified to match requirements for each specific IDP/ODP.

Table VI -1 – Sample Close-out Checklist

IDP / ODP CLOSE-OUT REQUIREMENTS CHECKLIST			
<i>(ILLUSTRATIVE SAMPLE)</i>			
Para Ref:	Requirement	Deliverables	Complete
3.A(1)	All ongoing conditions satisfied	None, performed with monthly payment process	
3.A(2)	Completion per plans & code	Architect's Certificate of Substantial Completion	
		Construction Consultant's Certification of Completion of new construction and renovations in accordance with applicable codes and project requirements	
		Formal closeout of construction permits (storm water protection plans, etc.) (Developer provides checklist)	
		Acceptance of Utility Systems by third-party Utility Providers if applicable	
		Certification of systems acceptance as required (fire alarms in community centers, etc.) (Developer provides checklist)	
		Certification from Installation DES that fire connection systems are up to standard.	
		Certification of compliance with Energy Star or other relevant energy, performance, or conservation certifications	
3.A(3)	Building Completion Certificates	Construction Consultant's Certificate of Occupancy for each new or renovated dwelling as applicable	

4.B	Survey	ALTA survey of property verifying absence of undesired encroachments	
4.C	Title Insurance	Endorsement to the Title Policy validating the absence of encroachments	
4.D	Impositions Statement	Statement from RCI Company Representative listing impositions and payments, certifying they are current	
5.A(2)	Final Releases	Recordable final lien releases and waivers from all contractors and subs as per lists provided by RCI Company Representative and General Contractor:	
		Architect	
		Architect's Sub-consultants	
		Civil Engineer	
		Construction Consultants	
		General Contractor	
		General Contractor's Subcontractors	
		Renovation Contractor	
		Renovation Contractor's Subcontractors	
		Other Contractors or Consultants	
5.A(3)	Final Pay Application	Contractor's Final Application for Payment certified by Architect	
		Architect's Certificate of Substantial Completion of the entire Project	
		Verification that all punch list items are fully satisfied	
5.A(4)	Approval of Final Disbursement	Audit of costs	
		Construction Consultant's inspection report and written approval of Final Disbursement	
		Installation inspection report and written approval of Final Disbursement	
		Army acceptance of final cost audit	
		Final change order adjusting contract value for final audited costs and shared savings	
		Verification that Final Pay Application reconciles to final accepted values	
		Acceptance of final payments by Architects and Consultants	
6.B	As-Builts	Two sets of as-built drawings & specs for all utilities infrastructure installed	
		Two sets of as-built drawings & specs for all new and renovated units.	
		Architect's approval of submitted as-builts.	
		Construction Consultant's approval of as-builts.	
		Installation approval of as-builts	
		Two sets of Warranties from subcontractor and major materials suppliers	
		Operations and maintenance manuals for typical equipment and systems	
		Lists of contacts for warranty obligations (contractors, subcontractors, etc.)	
		Verification of furnishing of attic stock if applicable (Developer provides checklist)	
		Checklist of training required and provided	
		Verification of archiving of project testing, inspection and warranty records related to each home	
2.A	Project Insurance	Insurance certificates for continuing project insurance coverage	
Other	Ancillary Leases	Installation accepts condition of ancillary spaces/areas used for construction and terminates the associated ancillary leases	

IDP/ODP Close-out Legal Requirements Deliverable

Working closely with the USAG Housing Manager and RCI Company Representative, the PM will prepare an **IDP/ODP Close-out Report** containing the following information:

- Summary of the close-out process and schedule;
- Contact information for all participating parties;
- Identification of any shortcomings or difficulties in meeting Legal Requirements;
- The completed IDP/ODP Close-out Legal Requirements Checklist;
- Copies of documents set forth in the Legal Requirements Checklist;
- Copies of all associated documents in electronic format;
- PM recommendation for approval of the Close-out MD.

IDP/ODP Close-out Development Review

A specialized IDP/ODP Close-out Development Review will be conducted during the 180-day period prior to official completion of the IDP/ODP. The objectives of this detailed development and construction program audit are to:

- Ensure that the project status is acceptable to the Army and properly documented;
- Assess and validate completion of all scope elements, schedules and budget obligations;
- Identify close-out functions related to the IDP/ODP scope;
- Analyze costs, schedules, quality and establish new pro forma assumptions for sustainment planning through the out-years.

An IDP/ODP Close-out Development Review is initiated upon request from the HQDA PM when the IDP/ODP scope is substantially completed but before the full development team is disbanded – typically within 180 days of the anticipated completion date. Since the initial review report is due within 45 days after commencement of the audit, there will undoubtedly be follow-up actions required beyond the initial review report/assessment to capture trailing information and documentation. The audit will compare the actual construction quality, costs and schedules to the original project documents to assess the degree of completion.

IDP/ODP Close-out Development Review Tasks

1. SCOPE - Conduct a general comparison of the original Closing Documents and (where applicable) approved MSPs and other MDs to the actual delivery of housing, community amenities and infrastructure. Define the variances. Particular attention should be focused on, but not be limited to:
 - a. Specifications;
 - b. As-built plans;
 - c. Number and type of homes or renovations;
 - d. Amenities and support structures;

- e. Other conditions (such as infrastructure, environmental, site conditions).

Using the IDP/ODP Close-out Legal Requirements Checklist, review and document the collection and distribution of the following documents related to the close-out:

- a. As-built drawings for site development, utility infrastructure, “home type” construction/renovations, amenities and support structures;
 - b. Warranty obligations for subcontractors and the general contractor;
 - c. Operating manuals or material and equipment literature for property management;
 - d. Certificates of substantial completion and Certificates of Occupancy where applicable.
2. SCHEDULE - Compare the final delivery schedule to the Closing Documents and assess the impact of schedule performance on the pro forma. This will include a comparison of the RCI Company’s pro forma deliveries and units online assumptions with the original construction schedule, approved changes to the schedule and the actual results. Confirm that liquidated damages and other similar clauses were appropriately administered.
 3. BUDGET - Review actual costs per home completed and provide a summary of final development costs at completion of the IDP/ODP scope. Analyze costs detailed in the General Contractor and Renovation Contractor agreements (including any distributions of savings) as well as the overall Development Budget. Compare all costs to the original closing documents. Identify causes of deviations and impacts on the overall development plan.

In addition, review the following:

- a. Actual sources and uses of project funds compared to planned sources and uses;
 - b. Change Orders and MD impacting budget;
 - c. Davis-Bacon Act compliance;
 - d. Validity of incentive fee payments to Developer and Construction Contractor with respect to established performance metrics;
 - e. Income and operating expenses per unit relative to original pro forma assumptions.
4. OPERATIONAL IMPACTS OF CONSTRUCTION AND DEVELOPMENT – Assess utilities consumption and costs for new and renovated homes versus the current pro forma assumptions for such homes. Review CRR funding and spending relative to current pro forma assumptions and requirements in legal agreements and outline the major initiatives undertaken using CRR funding. Evaluate the maintenance and repair expenditures relative to pro forma and assess efficiency of various unit types (new, renovated and existing) in support of re-calibrating the RCI Company pro forma for future out-year sustainment.
 5. NEW PLANNING ASSUMPTIONS FOR OUT-YEAR SUSTAINMENT – Work with the RCI Company Representative and the Army Installation team to create fully supported updated planning assumptions to use in preparing a new ODP.

IDP/ODP Close-out Development Review Deliverable

Provide an “RCI Company Close-out Report” of findings and recommendations for resolving risk. The report will include data collected, documentation of methodology and analyses, successes and challenges, action lists for completion of outstanding items, and draft items for a “lessons learned” guide. Update the report as required incorporating trailing information to ensure a single source document of the IDP Close-out Development Review.

This report will include exhibits containing the following documentation including:

1. SCOPE

- a. Lists of IDP/ODP Close-out Legal Requirements items collected, identifying those with acceptable documentation and those with unacceptable documentation. Unacceptable items should be accompanied with recommendations to correct deficiencies;
- b. Record of MD Memorandums with respect to scope changes;
- c. Record of Davis-Bacon Act compliance actions by USAG Housing Manager.

2. SCHEDULE

- a. Copy of approved pro forma and contract schedules;
- b. Detailed comparison between pro forma schedule, original contract schedule, revised contract schedule and actual deliveries;
- c. Record of MD Memorandums with respect to schedule changes.

3. BUDGET

- a. Original development budget (including construction costs);
- b. Detailed analysis of costs under the development budget including final draw;
- c. Detailed analysis of costs under the General Contract and Renovation Contract including distribution of shared savings, if applicable;
- d. Record of Change Orders leading to final contract values;
- e. Record of MD Memorandums related to changes in the development cost;
- f. Any formal documentation of final completion under the agreements;
- g. Summary of Developer’s and Construction Contractor’s incentive metrics and incentive fees, potential and earned.

4. OPERATIONAL IMPACTS OF CONSTRUCTION AND DEVELOPMENT

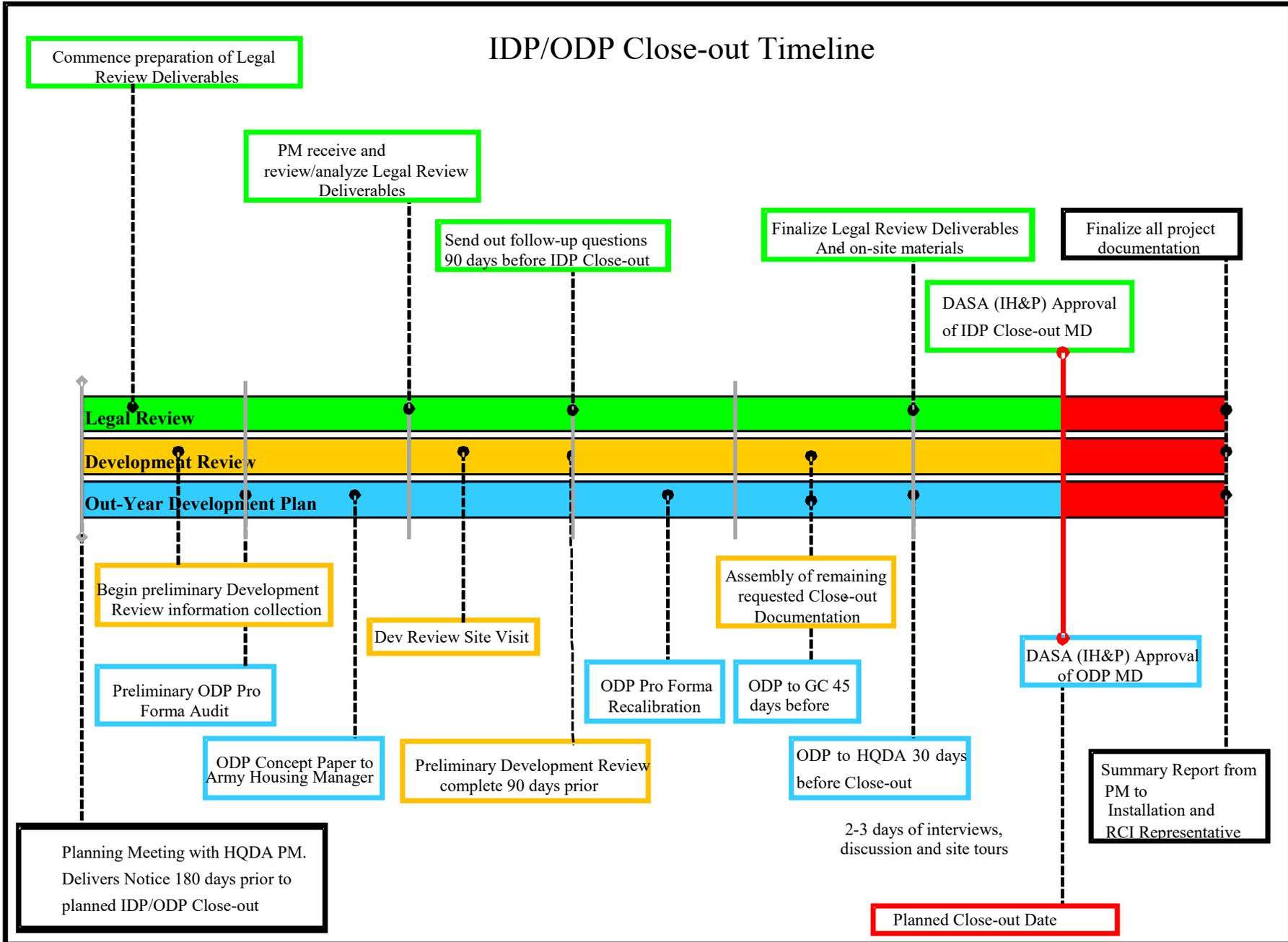
- a. Summary of monthly utilities consumption reports by neighborhood / unit type
- b. Documentation of CRR funding and expenditures by neighborhood / unit type

- c. Summary of maintenance and repair expenditures for previous 12-month period by neighborhood / unit type

IDP/ODP Close-Out Template Timeline

Following is a timeline template for conducting an IDP/ODP closeout. It illustrates the recommended 180-day schedule showing a separate time track for the Legal Review, Development Review, and ODP.

IDP/ODP Close-out Timeline



Out-year Development Plan

The first 5-year ODP will be developed and finalized as part of the IDP Close-out. This initial ODP will serve as the road map for transitioning from the initial development and construction phase of the RCI Company to on-going project operations, asset renewal and replacement, and associated financial management. ODPs will be updated and approved through the MD process by the DASA (IH&P) every five years following the close-out of each RCI Company's IDP for the duration of the lease term. If major changes to an RCI Company's ODP are required prior to the submission and approval of the Project's next 5-year ODP, a MSP will be required.

During the IDP/ODP Close-out period and prior to the end of each ODP phase, the RCI Company will provide a Concept Paper through the GC, SC, IMCOM ID, IMCOM HQ, AMC HQ, to ODASA (IH&P) summarizing the proposed ODP. Once the RCI Company receives approval to fully develop the plan the company should work to finalize the ODP. The objective is to have an approved ODP at time of IDP/ODP Close-out (and every five years to coincide with completion of the previously-approved ODP). Refer to **Table VI-2 – MSP / ODP Outline** for guidance on preparing an ODP for Army review.

The ODP and MSP encompass similar elements (discussed in detail in **Table VI -2** below) to whatever degree of detail is necessary to adequately describe the proposed RCI Company strategy and plan. The key differences between the ODP and MSP requirements are the ODP will be a comprehensive 5-year development plan while the MSP only provides changes/updates to a previously approved IDP, ODP, or MSP. In addition, the ODP will focus on updated CRR and Reinvestment Account plans utilizing new assumptions that track with the current inventory and future development plans. These detailed plans should clearly demonstrate linkages to current cost, different home types/ages of components and lifecycle assumptions that tie to the updated ODP. Additionally, the ODP should discuss which private entity which will be responsible for categories of CRR work as well as detailing any other fee or expense assumptions. Finally, the ODP will provide sources and uses of the RCI Company for the next 5-year period in addition to the sources and uses for the remaining 50-year lease term.

Modified Scope Plan (MSP)

The objective of submitting an MSP is to provide a plan for incrementally increasing, decreasing or otherwise modifying the scope of the original plan agreed to at closing or with respect to a previously approved ODP or MSP currently in force. Accordingly, a significant level of detail is outlined in the following pages. However, the submitted MSP should only include proposed modifications to the approved plan currently in force, whether that plan is the original IDP or the approved MSP or ODP in force. In the MSP documentation, it is recommended to provide a statement that no change is anticipated for each key plan element that remains unaffected.

Unless otherwise permitted in writing by the HQDA PM, it is necessary to obtain Army approval of a Concept Paper that summarizes the proposed action(s) prior to preparing a detailed MSP. Refer to Table VI – 2 below for guidance on preparing an MSP for Army review.

Table VI -2 – MSP / ODP Outline

No.	Plan Section	Section Description and Content
Executive Overview: Elements of the Executive Overview shall include, but are not limited to:		
	Executive Overview	<p>The Executive Overview is the primary document utilized with the levels above the Headquarters, Department of the Army, HQDA (e.g., Office of the Secretary of Defense (OSD), Office of Management & Budget (OMB) and Congress) to obtain approval of the MSP/ODP if required. The document should include graphics and project renderings as appendices to facilitate explanation of the changes to land planning and design of neighborhoods and homes if changing from the currently approved IDP/MSP/ODP. Specific items to be included in this section follow:</p> <ul style="list-style-type: none"> ▪ Development, Financial, Legal and Governance, and Property Management and Operations Plan Overview; ▪ 50-year development (i.e., “Christmas Tree”) charts showing the Development Plan of the current IDP/MSP/ODP in force and the revised Development Plan as proposed. For clarity, these should be two separate charts with the incremental changes in project scope clearly identified in the second chart; ▪ Proposed major variances/changes to the current IDP/MSP/ODP in force; ▪ Proposed approach to modifying legal agreements to accommodate the revisions; ▪ A comparison of IDP, interim MSP (if applicable) and ODP total (50-year) sources and uses as well as a summary of the actual results. Discussion on changes to the current pro forma should be provided and will reflect updated future projections.
Development Plan: Elements of the Development Plan shall include, but are not limited to:		
1	Development Overview	<p>Summary of Development Plan, focusing on incremental changes to the current IDP/MSP/ODP Development Plan in force. For any elements below that will not change, an affirmative statement that no changes are proposed will suffice. The summary of the Development Plan should include the proposed approach to achieving the revised scope, including modifications to existing major terms and conditions, establishment of guaranteed portions of scope associated with the MSP/ODP, and adjustment of the incentive plan to reflect MSP/ODP modifications.</p>
2	Master Planning	<ul style="list-style-type: none"> ▪ Describe the site location, master planning challenges, and any land constraints (topography, encumbrances, environmental considerations and/or cultural resources). This section should identify whether the National Environmental Protection Act (NEPA) documentation has been completed for the site (including the dates of the final reports) and whether the site is included in the executed Ground Lease. ▪ Provide a chart showing the original HMA requirements, the original planned end-state by rank designation and bedroom requirements, the revised HMA requirements and the proposed end-state by rank designation and bedroom requirements. Family housing and UH requirements should be presented separately, in the event that UH is proposed or included in the original plan.

No.	Plan Section	Section Description and Content
		<ul style="list-style-type: none"> ▪ Summarize strategies and planned actions to mitigate new challenges, if any, to facilitate issuance of Notice to Proceed to commence proposed development and construction actions.
3	IDP / ODP Detailed Development Plan (whichever is applicable)	<ul style="list-style-type: none"> ▪ By neighborhood (or building for UH), describe and quantify the incremental changes to IDP/ODP scope, set forth adjustments in the number of new and replacement Family Housing and UH (if applicable), renovations and demolitions related to the additional scope, as well as any required infrastructure upgrades and new ancillary facilities. Additionally, detail any revisions and impacts to the current IDP/MSP/ODP in force (i.e., increased workload on construction team, availability of local subcontractors, timing of delivery of new units, increased costs, overhead or general conditions). Specify which portions of the scope have been completed. ▪ Include 50-year development (i.e., “Christmas Tree”) charts showing the Development Plan of the current IDP/MSP/ODP in force and the revised Development Plan as proposed.
4	50-Year Reinvestment Plan	<ul style="list-style-type: none"> ▪ Renovation and Replacement Strategy – Detail by year the planned renovation and replacement for each neighborhood, category of building, and/or individual building, including anticipated costs and summary of scope. This renovation and replacement strategy should be consistent with the financial pro forma Reinvestment tab and tie to CRR funding and requirements.
5	Construction Plan	<ul style="list-style-type: none"> ▪ Development Budget – Include a detailed breakdown of all hard and soft costs, including but not limited to, new building, renovation, demolition, and amenities hard costs as well as general conditions, fees, soft costs, escalations and contingencies, by unit and total for the Project. Also, include the anticipated timing of payment as well as the detailed breakdown of costs by new unit compared to existing new construction costs (for Family Housing). By category used in the draw requests, include the original (closing) budget, the amount of any Change Orders at cost, realized or anticipated savings to date, and the proposed incremental cost. Any Development Budget for UH should be presented separately from the Development Budget for Family Housing. ▪ Phasing Plan – Include the phasing plan for the incremental adjustments to the delivery of new and renovated housing. For each newly proposed site, include a schedule/timeline of the critical path items related to design, environmental testing, real estate actions and infrastructure installation. ▪ Structure of the Construction Agreement – This section shall include any proposed changes to the major terms and conditions of the Construction Agreement, a summary of the terms, conditions and structure of construction delivery and cost guarantees (including corporate guarantees, guaranteed maximum price contract provisions, payment and performance bonds), a description of penalties and other terms associated with the delivery of units and general performance of the Contractor, as well as the treatment of any savings. ▪ Infrastructure Strategy – For each site, detail the existing infrastructure and the capacity and condition of each utility (at a minimum to include gas, electric, water and waste water and storm water). Details should be provided on previous challenges

No.	Plan Section	Section Description and Content
		associated with the installation of infrastructure, the plan for construction of infrastructure, any contingencies in place associated with infrastructure construction, and any risk mitigation measures.
6	Capital Repair and Replacement Plan	<ul style="list-style-type: none"> ▪ Updated 50-year notional CRR plan utilizing new assumptions that track with the current inventory, condition assessment and future development plans.
A1	Project Drawings	<ul style="list-style-type: none"> ▪ Drawings and renderings shall be included as an Appendix.
A2	Technical Specifications	<ul style="list-style-type: none"> ▪ To the extent the specifications associated with new construction differ from the specifications agreed upon at closing, detail shall be provided on incremental differences in design and cost. ▪ For UH, a separate set of construction specifications shall be prepared, presented and attached. Anti-Terrorism Force Protection (ATFP) requirements must be adhered to for UH and the specifications should detail ATFP scope.
A3	Environmental Reports	<ul style="list-style-type: none"> ▪ Describe the status of NEPA, Finding of Suitability to Transfer (FOST) and Finding of Suitability to Lease (FOSL), Environmental Baseline Environmental Baseline Survey (EBS) and Lender-Required Phase I and Phase II reports.
Financial Plan – Elements of the financial plan shall include, but are not limited to:		
1	Financial Overview	<p>Summary of Financial Plan for the MSP or ODP, focusing on proposed changes to the financial structure. For any elements below that will not change, an affirmative statement that no changes are proposed will suffice. The summary of the Financial Plan shall include:</p> <ul style="list-style-type: none"> ▪ Summary of Significant Financial Assumptions – Include a summary of fees by service provider, equity returns to the investors, MHPI authorities utilized in the Project, as well as the plan for private-sector financing, focusing on the incremental changes to the current IDP/MSP/ODP in force. Fees for UH shall be presented separately from fees for the Family Housing; ▪ Cash Flow Summary – Provide a cash flow summary for the 50-year project term, presented consistent with the cash flow waterfall outlined in the Lockbox Agreement; ▪ Summary of the Sources and Uses – Provide a summary of the 50-year sources and uses, highlighting the incremental differences between the current approved pro forma, any agreed revisions to the pro forma based on actual results/adopted budgets, as well as any incremental increases in sources and uses; ▪ ODP shall additionally include a 5-year forecast of sources and uses to include any planned construction, development, CRR, and estimate of funds for equity returns and Reinvestment Account funding.
2	RCI Company Financial Pro forma	Throughout the development, review and refinement of the MSP/ODP, the pro forma must be provided to the Army electronically (in a working Microsoft Excel format with embedded calculation formulas versus hardcoded values). Assumptions and results for

No.	Plan Section	Section Description and Content
		<p>UH shall be presented separately from those for Family Housing. The pro forma model shall include, at a minimum, the following items:</p> <ul style="list-style-type: none"> ▪ Detailed Financial Assumptions – Include the debt, equity, units on line, resident demographics before, during and after development, BAH etc.; ▪ Sources and Uses – Consistent with the information presented in the Financial Overview, provide the 50-year summary of sources and uses of funds, as well as the 5-year ODP sources and uses (if applicable); ▪ Operating Budget – Consistent with the information presented in the Property Management and Operations Plan, incorporate the 50-year projections for Operating Budget detail; ▪ Development Budget – Consistent with the information presented in the Development Plan, incorporate the Development Budget detail; ▪ Closing and Financing Costs – The pro forma shall specify intended closing and financing costs to be incurred by the RCI Company, including RCI Company reimbursables, legal fees and underwriter costs. “Not to exceed” amounts shall be specified in the pro forma; ▪ Cash Flow Summary – Provide a cash flow summary for the 50-year project term, presented consistent with the cash flow waterfall outlined in the Lockbox Agreement.
3	Debt Competition Analysis (if applicable)	<p>The underwriter for the original project financing may be the preferred underwriter for the MSP or ODP. However, that determination should be reached collectively between the Army and the RCI Company Representative, and through proper due diligence. The MSP/ODP shall include a summary of relevant terms and conditions in the Loan Agreement, Lockbox Agreement, Investment Agreement and other relevant legal documents related to the underwriting, placement and issuance of additional debt as well as the repayment or prepayment of loan proceeds or invested funds.</p> <p>Early in the MSP/ODP process as applicable, the RCI Company Representative shall prepare a document including its proposal to pursue the additional debt issuance either through the original underwriter or through a competitive process. Working with CVD, the RCI Company Representative shall be prepared to pursue issuance of the additional debt through a competitive process, depending on the terms and conditions of the original financing documents, the proposed terms and conditions for the additional debt, and the current position of the capital markets based on the results of recently executed transactions.</p> <p>The MSP/ODP shall include a discussion of the impact of additional debt and the scope on all aspects of project financing, including a proposed approach to expanding or restructuring the Debt Service Reserve Fund, surety policy or liquidity facility, to revisiting the reserve requirements, and to expanding or restructuring any other aspect of the original financing. The MSP/ODP shall detail the impact of additional debt on the Reinvestment Account as compared to the current approved plan.</p>
4	Lockbox Accounts	Describe the challenges experienced to date, corrective action taken to address challenges, and a summary of each account, including planned balance as of the date of MSP/ODP

No.	Plan Section	Section Description and Content
		<p>submission (per the current IDP/MSP/ODP in force), actual balance as of the date of submission, and the interest rate type and amount earned on funds in each account.</p> <p>The proposed approach to treatment of funds related to the operation and development of UH units shall be detailed in this section. Funds from UH and Family Housing will not be commingled.</p>
5	Fees and Equity	<p>The submission shall detail all fees and other forms of profit anticipated by the RCI Company Representative and the Service Providers. Specifically, the submission shall describe the amount, breakdown, basis and timing of fees for the Construction Contractor, Development Manager, Property Manager and USAG Housing Manager. Any changes from the original or current agreements shall be detailed.</p> <p>In the event additional private equity is proposed, the MSP/ODP shall detail the proposed terms and conditions of the equity, including amount, timing of insertion into the RCI Company and proposed security, proposed returns and overall results of the additional equity. Any other proposed changes to the terms and conditions of the equity shall be detailed.</p> <p>Fees and equity for UH shall be discussed separately from Family Housing.</p>
6	Government Investment	<p>In the event the MSP/ODP incorporates the use of additional government equity, the submission shall detail the amount of government investment that will be used as well as the projections for the scope that will be generated because of the government investment.</p> <p>In coordination with CVD, a determination shall be made on whether an OSD Scoring Report update will be required. If the Scoring Report will require updating, the RCI Company Representative will coordinate with CVD to determine the data that will need to be included in the MSP/ODP to facilitate the completion of the report.</p>
Legal and Governance Plan: Elements of the Legal Plan shall include, but are not limited to:		
1	Legal and Governance Overview	<p>Summary of Legal and Governance Plan for the MSP/ODP, focusing on required adjustments to the legal documents. For any elements below that will not change, an affirmative statement that no changes are proposed will suffice.</p>
2	Legal Structure Overview	<p>Provide a detailed summary of the legal structure of the Project including the following:</p> <ul style="list-style-type: none"> ▪ Communicate the planned approach for implementing the MSP/ODP, including any changes required to the legal documents, any Change Orders and any proposed revisions to the legal structure. Summarize the legal documents that will required adjustment and provide a proposed budget for implementing those changes, including all legal expenses that will be incurred by the RCI Company Representative; ▪ Abstract the relevant legal terms and conditions associated with the proposed plan. For example, the MSP/ODP shall detail whether the MSA accommodates application of the same utilities rates to UH or whether a new agreement or update to the current agreement is required; ▪ Level of government participation in the ownership structure;

No.	Plan Section	Section Description and Content
		<ul style="list-style-type: none"> ▪ A summary of the MDs that have been made to date, including the date agreed, the issue addressed and the results (if any) of the implementation: ▪ Tax implications associated with the MSP/ODP if applicable.
<p>Property Management and Operations Plan - Elements of the Property Management and Operations Plan shall include, but are not limited to:</p>		
1	<p>Property Management Plan and Operations Overview</p>	<p>Summary of Property Management and Operations Plan for the MSP/ODP, focusing on incremental changes in the current plan. For any elements below that will not change, an affirmative statement that no changes are proposed will suffice.</p>
2	<p>Operations Plan</p>	<ul style="list-style-type: none"> ▪ Include a detailed budget for operations (Property and Asset Management), including compensation levels for personnel, administrative costs, reimbursable expenses, system charges; etc. For each line item, the budget should be broken down by original (closing) budget for the target year of implementation of the plan, the current agreed budget and the incremental increases in Property and Asset Management budgets. The UH budget shall be presented separately. ▪ Provide a summary of incremental increases in staffing, showing the current staffing levels and salaries, as of the MSP/ODP submission date, and as proposed in the MSP/ODP. The organization chart and staffing plan associated with the UH project shall be presented separately. ▪ Provide a summary of the implementation of resident responsibility for utilities, results associated with mock billing and actual billing (if applicable) on the original RCI Company, and a plan for transitioning to resident responsibility. Include an approach to mock billing and plan for determining baseline allowance. ▪ Impact of MSP/ODP on local community stakeholders and procedures in place to address these concerns, including issues related to school capacity/Impact Aid as well as local and small business involvement. ▪ Priorities of assignments and resident “waterfall” for UH and any other operations deviations from the operations portion of the Family Housing project.
3	<p>Maintenance Plan</p>	<ul style="list-style-type: none"> ▪ Provide a detailed budget for maintenance, including compensation levels for personnel, service order and preventative maintenance costs, system charges; etc. For each line item, the budget should be broken down by a closing budget for the target year of implementation of the plan, the current agreed budget and the incremental increases in Property Management budgets associated with the MSP/ODP. The UH budget shall be presented separately. ▪ Provide a summary of the incremental increases in staffing, showing the staffing levels and salaries as of the date of the submission and as proposed under the MSP/ODP. The organization chart and staffing plan associated with the UH project shall be presented separately.

No.	Plan Section	Section Description and Content
		<ul style="list-style-type: none">▪ Capital repair and replacement (CRR) planning should be discussed, including a summary of historic expenditures and account funding as well as a discussion of the principles associated with the planning for future CRR expenditures.
4	Resident Services	<ul style="list-style-type: none">▪ In the event the level of service provided to the new units will not be the same as the level of service provided currently, shall be provided separately.▪ The resident services plan for the UH project shall be detailed.

RCI Program Compliance and Quality Assurance

Overview

Compliance with legal, regulatory, programmatic requirements and business agreements are key responsibilities of the RCI Company which includes both the Army and the RCI Company Representative. Oversight of RCI program compliance is conducted by Army personnel at various echelons: DASA (IH&P), DCS G-9, AMC HQ, IMCOM HQ, and Army installations.

This Appendix separates program compliance into two key areas: Legal and Congressional Oversight Compliance and RCI Quality Assurance and Environmental Hazard Oversight. Legal and Congressional Oversight Compliance involve the Ground Lease Inspection Process, Legal compliance checklists for each key business agreement, Davis-Bacon Compliance Requirements as well as actions necessary to comply with 10 U.S.C. 2884/2885. This section also provides specific guidance to USAG Housing Teams tasked with ensuring that compliance checks are completed. Secondly, the appendix provide detailed quality assurance and environmental hazard oversight checklists required to be completed by USAG Housing Teams.

These checklists are tools the USAG Housing Team uses to ensure all parties and RCI Company's processes and procedures adhere to the RCI Company legal requirements as well as Army guidelines for quality assurance and environmental hazard mitigation and oversight.

Roles

U.S. Army Garrisons (USAGs)

USAG Housing Teams are responsible for completing the Legal compliance checklist in accordance with established public law, regulations, and RCI Company legal and business agreements. Most compliance requirements occur at the installation level given the need for day-to-day interaction and oversight of the activities of each of the service providers. A significant benefit of the Legal compliance checklist is defining roles and responsibilities for the USAG Housing Team to ensure oversight of the RCI Company at the installation level.

As part of ensuring compliance with the legal requirements, the USAG Housing Team must review the management policy/process that details how each compliance task is achieved. Detailing the policy/process allows the USAG Housing Team to better understand the management controls in place to measure, track, and ensure RCI Company compliance. This approach serves to institutionalize the compliance requirements into the day-to-day business practices of the RCI Company. Effective controls require measurement of performance on task items, evaluation of that performance, analysis of deviation between planned and actual performance, and communication of that performance to the required parties. As an example: a legal requirement is that the RCI Company Representative keeps the Army informed of any anticipated deviations of receipts or disbursements from the approved budget. The policy/process

is a monthly statement from the RCI Company comparing actual income/expenses to budget as well as a variance report providing deviations from budget. The follow-up task is to review financial statements to confirm if there are any variations from the approved budget and to ensure this information is provided to the Army.

IMCOM HQ

IMCOM HQ has oversight responsibilities for the Legal compliance checklist. IMCOM HQ manages and monitors the Legal compliance checklist electronically and reviews completed checklists, tracks areas of concern and provides support to the installation teams in resolving issues of non-compliance as needed. Annually, IMCOM HQ provides to DCS G-9 a consolidated Portfolio Compliance Report from all RCI Companies detailing non-compliance trends, risks, and issues occurring across the portfolio.

DCS, G-9

The role of the DCS G-9 PM in the legal compliance process occurs in two phases. Following the transition to privatization, the HQDA PM analyzes each key transaction document to create the Legal compliance checklist and then encourages dialogue between the RCI Company Representative and USAG Housing Teams on how to incorporate the requirements and tasks outlined into their business practices. Additionally, DCS G-9 is required to consolidate compliance issues across the Army portfolio and submit to OSD as part of the MHPI Report to Congress.

U.S. Army Corps of Engineers (USACE) Real Estate

The Ground Lease Inspection Process is administered by USACE and serves as the vehicle for enforcing the RCI Company's obligations and responsibilities as set out in the Ground Lease. The ground lease establishes a legal relationship between the Army and the RCI entity (LLC or LP). The Ground Lease Inspection Process is part of the Ground Lease administration, management and oversight by USACE and is an important tool for enforcing the RCI entity's obligations and responsibilities as set out in the ground lease. USACE conducts ground lease compliance inspections as part of its administration of the ground lease and provides reports that identify areas where the Lessee is potentially failing to comply with--or satisfy--the terms and provisions of the ground lease. DCS, G-9 and IMCOM receive copies of USACE Lease Compliance Reports and are responsible for follow-up and resolution of issues with the Lessee. The ground lease contains remedies and procedures that apply in circumstances and situations of lessee failing to comply with – or satisfy – the terms and provisions of the ground lease. It should be noted that these issues might involve instances where the Army or the RCI Company has failed to comply with – or satisfy – the terms and provisions of the lease, such as encroachment into the RCI footprint or into Army- owned land. The entity that caused the encroachment should take the lead in resolving the encroachment.

Legal Compliance Checklist

Legal Compliance is facilitated by use of the Legal compliance checklist; a tool that helps to ensure all parties adhere to the crucial requirements established in the legal documents applicable to the RCI Company. The checklist summarizes the essential clauses in the key legal documents in order to ensure that the detail of legal language does not inhibit understanding of compliance requirements and that all parties execute their responsibilities. Agreements covered by the Legal compliance checklist include the Ground Lease, Ancillary/Support Leases, Municipal Services

Agreement, Operating Agreement, Lockbox Agreement, Property and Asset Management Agreements, and Development, Construction and Renovation Agreements. It is advised that the RCI Company Representative at the installation and the Army Housing Management Team take time, as necessary, (weekly, monthly, quarterly, etc.) to review the checklist and ensure that all deliverables are created and delivered as agreed to in the legal documents and there are no areas of non-compliance. In the event that a specific clause in a legal document is not being adhered to, the sooner it is identified and addressed, the lower the risk to the RCI Company.

The Legal compliance checklist is comprised of key common legal compliance items extracted from RCI Companies' transaction documents. It is imperative that USAG Housing Teams know and understand the legal documents specific to their RCI Company.

The Legal compliance checklist was revised by IMCOM HQ in January 2018 and is designed to be accessed and completed online electronically via SharePoint. In order to ensure consistent reporting, IMCOM HQ will provide installations with instructions on how to access and complete the online checklist. A hardcopy version of the checklist is provided in the following section.

The following describes the key components of the Legal compliance checklist; "Specific Receivable/Deliverable", "Associated Tasks", "Supporting Documents", "Frequency", and "Comments/ Reference (used)". A short description is provided to aid USAG Housing Teams in completing the required tasks.

Tasks are organized into one of five frequency groups: Annual, Semi- Annual, Quarterly, Monthly, and Ongoing. An ongoing task applies for all areas of management or oversight that either happen every day or as needed. The other tasks are expected to occur at a specific time during the month, quarter, or year and, as such, the USAG Housing Team and the RCI Company representative must collaborate on how to best implement compliance procedures.

The "Specific Receivable/Deliverable" section summarizes the specific document or compliance requirement associated with each line item. This column does not simply repeat the specific legal language, but rather summarizes the specific physical deliverables that need to be provided to ensure compliance. These types of deliverables are often reports, certificates, plans, budgets, and calculation summaries.

The "Associated Tasks" section describes how the task is to be accomplished. For example, how to best review the document, who else should receive the document, when a response to the document is due back to the deliverer, etc. This space should also be used to stipulate due dates for certain, non-"regular" tasks that have expected suspense dates (e.g. budgets, data for monthly dashboards, and quarterly reports).

The "Supporting Documents" section provides the user with a sample list of documents to aid in completing the "Associated Tasks". Names of reports and RCI Company documents may differ from company to company. This list is meant only to be a sample.

The "Comments/ Reference (used)" section should be used to describe observations that may be pertinent to the completion of checklist tasks. Justifications and/or explanations for areas of non-compliance should be documented here. The user may also note specific documents/reference materials helpful to accomplishing the required tasks and/or record best practices.

The user should complete the "Y", "N", "N/A", and "Date" fields as applicable and may use the "Comments" section to provide additional information useful to higher headquarters in verifying that Congressionally mandated compliance is taking place.

Key points of Legal Compliance Checklist Process:

- Ensures adherence to requirements set forth in transaction documents are incorporated into the day-to-day business practices of the RCI Company, assesses the health of the compliance oversight program, and protects the rights of the Army and the RCI Company
- Involvement of multiple parties is required so that each party is responsible for compliance in its area of expertise
- Conscientious use of the Legal compliance checklist reduces financial and operational risks to the RCI Company

Legal Compliance Deliverables

The following deliverables are part of the Legal Compliance process. Each is described in greater detail in the sections that follow:

- Legal Compliance Checklist
- Portfolio Compliance Report
- Ground Lease Inspection Report (Includes review of Municipal Services Agreement and Ancillary/Support Leases as well as the assets at each installation)
- Davis-Bacon Act Compliance Checklist

The Compliance checklist process is meant to be as efficient as possible. The process is designed to ensure compliance through processes and documents that should exist at each installation. While there are areas of responsibility at the HQDA and IMCOM HQ levels, the majority of the responsibility occurs at the installation/garrison level with shared duties between the RCI Company Representative and the USAG Housing Team. An overview of the Legal compliance checklist process follows.

- On an ongoing basis, parties execute their required activities as outlined in the legal documents and administer supporting documentation;
- Approximately two weeks before the close of each quarter, parties review their areas of responsibility in relation to the checklist and identify/prepare supporting documentation confirming their compliance. This can be in the form of documentation that is produced by the RCI Companies, Service Providers, or the USAG Housing Team as part of ongoing operational policies and processes. It may include weekly or monthly reports, outlining the RCI Company's or Service Providers performance;
- On a quarterly basis, the responsible parties for tasks meet to review compliance, following these general steps:
 - Review the business policy or process which ensures each task is achieved
 - Supply supporting documentation or indicate the file location of documentation that confirms compliance
 - Indicate receiving party's assessment of whether the specific item and policy/process is compliant
 - Non-compliant items or areas needing higher HQs support are forwarded to IMCOM HQ

- Any items of non-compliance are flagged for follow-up and tracked for improvement progress. A case may arise in which an item is partially non-compliant. For example, if the RCI Company has chosen not to pay certain bills due to a dispute with a service provider, the item relating to timely bill payment would be non-compliant, although with justifiable reason. In such cases, supporting explanation should be given, and the item should be flagged for follow up during the next reporting period

Portfolio Compliance Report

IMCOM HQ will prepare a Portfolio Compliance Report on an annual basis. This report will include a consolidation of all installations' reports. It will incorporate installation-level non-compliant items and provide a discussion of any trends in non-compliance occurring across the RCI portfolio. The report is not meant to be a report card, but rather a way to address issues and improve future compliance. Upon completion of the compliance report, IMCOM HQ will forward to DCS G-9 for incorporation into the OSD MHPI Report to Congress for the applicable fiscal year.

Annual Ground Lease Inspection Process

USACE is responsible for conducting the Annual Ground Lease inspection process in consultation with DCS G-9. Detailed information about this process is included in Chapter 6 of the RCI Real Estate Handbook. The operating procedures for conducting the annual ground lease inspection follow:

- The USACE Realty Specialist will use the procedures and format pursuant to the RCI Real Estate Handbook. USACE Real Estate will notify DCS G-9 of any modifications to the RCI Real Estate Handbook procedures
- The USACE team will keep the RCI Real Estate Handbook current with all USACE HQ, HQDA, ASA (IE&E), DASA (IH&P), IMCOM HQ, or AMC formal and official guidance
- The USACE Director of Real Estate will notify DASA (IH&P) if there is a potential for litigation. The USACE Realty Specialist will utilize a Ground Lease compliance checklist in eliciting and gathering information from the RCI Company Representative and the RCI Property Manager in advance on the scheduled inspection
- Installations shall notify DCS G-9, IMCOM HQ and the USACE Realty Specialist, immediately upon discovery of any potential or actual ground lease compliance issues.
- The DASA (IH&P) has responsibility for real estate, site disposal programs, and management and will be notified if a serious ground lease compliance issue has been discovered; USACE provides copies of its reports of Ground Lease Compliance Inspections to DASA (IH&P).
- The on-site phase of the annual inspection process shall preferably be a cooperative effort of the RCI Company Representative, the USAG Housing Manager, and the USACE. However, USACE will conduct its Ground Lease Compliance Inspection (GLCI) whether or not joint inspections can be accomplished. Additionally, if the pre-visit checklist response indicates a need for advice and assistance related to environmental issues, utilities, or financial analysis, the USACE team may, at the discretion of the DCS G-9 PM, be augmented by Government and/or Contractor personnel having the skills and experience pertinent to the need.
- The USACE Real Estate will provide the Ground Lease Inspection Report within 30 days following completion of the site visit. The final report will be provided to the DCS G-9 PM with copies provided to the USAG Housing Manager, all Visit Team members, IMCOM HQ PM and AMC. All concerns and conclusions presented by USACE that relates to administration of the Ground

Lease in the out-brief shall be covered in the report; those issues that are not related to the Ground Lease or Real Estate Documents may be outlined briefly as an attachment or appendix to the report. If the Visit Team includes an Environmental Protection Specialist, or other expert or specialist, then the report attachment or appendix shall be drafted by that expert or specialist and provided to the Realty Specialist for potential incorporation into a single report.

- The USACE Real Estate Team shall be available to assist the DCS G-9 PMs in summarizing the results of inspections on an annual basis. The summary is also intended to provide objective, factual material that leadership and upper management can use to assure that successful strategies are diffused nationwide, and to address, in a timely manner, any emerging portfolio-wide trends that could become issues.
- If a ground lease compliance issue has been discovered, procedures in the USACE Real Estate Handbook shall be followed.
- The DCS G-9 PM, after reading and analyzing the report, will assign tasks to AMC HQ to resolve all compliance inspection findings via the tasking system. Tasking actions shall be assigned a reasonable suspense (e.g. 30, 60, 90 days) as determined by the DCS G-9 PM. However, all life/health/safety and environmental hazards identified will have a 30 day suspense or less to ensure quick resolution of those high priority items.

Summary

While these checklists are tools available to USAG Housing Teams, they do not negate the importance of a strong working relationship between the RCI Company Representative and Army Representatives of the RCI Company. Both parties must work together to ensure the RCI Company remains successful and reach out for support as needed. Success may also be dependent upon best practices established locally at the garrison. It is important to understand that the Legal compliance checklist does not absolve USAG Housing Teams from the responsibility of knowing and understanding the details of the legal documents associated with their specific RCI Company. Each RCI Company is unique and may have specific requirements that are not captured in the checklist. Ultimately, the Army Housing team at each garrison is the Army's primary oversight arm and is crucial to protecting the Army's assets.

Sample Legal Compliance Checklists

Sample Legal compliance checklists provided on the following pages are listed below.

- Legal compliance checklist
- Ground Lease Compliance checklist
- Davis-Bacon compliance checklist

STANDING

Specific Receivable/ Deliverable	Associated Tasks	Supporting Docs	Status					
<i>Task/Item(s) to be completed</i>	<i>How task-item(s) is accomplished</i>	<i>Sample docs used</i>	<i>Click <input checked="" type="checkbox"/> to complete task. Name will Auto-populate.</i>					
Project Oversight								
Major Decisions	Confirm, track, and ensure all documentation is included. Maintain all documents associated with the major decision.	Major Decision Packet	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Operating Agreement (Includes Lockbox)								
Records, Accounts, and Books	Ensure that required reports, statements, and analyses are delivered on time and appear complete and reasonable.	Refer to Operating Agreement	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
	Ensure that the Managing Member establishes and		NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Development/Construction Agreement								
Construction Notice to Proceed	Ensure Managing Member provides written Construction Notice to Proceed to developer for each phase <u>once architect</u> and construction contractor have obtained all required permits & licenses, architect's drawings and specifications have been approved by the Managing Member and, when required, the Army, construction contractor, or owner, has delivered payment and performance bonds with the Army as dual <u>Oblige</u> , and construction contractor has submitted certificates of insurance. Coordinate with DPW.	As stated	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Construction & Renovation Contractors Certificates of Payment	Verify all applications for payment submitted by the developer to Managing Member, have been approved by the architect and/or construction consultant for all ongoing Construction and/or Renovation Contracts.	Payment Application	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Certificate of Substantial Completion / Certificate of Occupancy	Verify the developer and architect submit Certificates of Substantial Completion to the Managing Director. Ensure Army obtains & maintains copies of Certificates of Substantial Completion and Certificate of Occupancy for all buildings.	Consolidated Monthly Development/Construction Report	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Documentation of Dispute Resolution	Ensure that if a dispute arises between the developer and the Managing Member, it is resolved in accordance with legal agreements.	Contractual Agreements	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Construction Action Plans	Verify acceptable written Construction Action Plans are prepared and submitted in a timely fashion to control construction and/or renovation activities in occupied neighborhoods. Perform liaison actions between Managing Member and installation agencies.	Construction Action Plans	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Quality Assurance Reviews	Conduct periodic (no less than monthly) quality assurance walk-throughs of construction areas, preferably accompanied by the construction manager. Log the inspections and results. Review contractor's record of quality control and code compliance inspections.	Development Agreement Construction Agreement Out-Year Modified Scope Plans	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Affiliated Contracts	Ensure the Developer provided required notice and receives Owner, and when required Army, <u>approval</u> of a proposed new contract where contract entity is an affiliate of the Developer or Owner.	Development, Construction, Renovation Agreements or Operating agreement RCI Policy PAM Handbook	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments
Calculations of Approved Total Development Costs	Verify periodic calculations of Total Development Costs have been documented and approved by Army.	Development Agreement Construction Agreement Renovation Agreement PAM Handbook	NA <input type="checkbox"/>	Month: <input type="text"/>	Date Completed: <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant Yes <input type="radio"/> No <input type="radio"/>	Comments

QUARTERLY						
Specific Receivable/ Deliverable	Associated Tasks	Supporting Docs	Status			
<i>Task/Item(s) to be completed</i>	<i>How task-item(s) is accomplished</i>	<i>Sample docs used</i>	<i>Click to complete task. Name will Auto-populate.</i>			
Project Oversight						
Portfolio Asset Management (PAM) Quarterly Report	Validate Portfolio Asset Management (PAM) Quarterly Report; submit to ACSIM PM	<ul style="list-style-type: none"> Portfolio Asset Management (PAM) Quarterly Report Supporting Documents 	NA <input type="checkbox"/> Quarter: <input type="checkbox"/> <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant: Yes <input type="radio"/> No <input checked="" type="radio"/>	Comments: <input type="text"/>
Asset/Property Management Agreement						
Incentive Fee and Manager Base Fee Compensation Report	Review potential and recommended earnings including quantitative metrics, detailed narrative, and all supporting documents. Ensure service provider receives base fee, incentive fee, CR&R fee, or other applicable fees per Service Provider Agreements, and verify supporting data and calculations. Ensure that all unearned fees are re-deposited in the Operating Reserve Fund if applicable, before going to the revenue subaccount.	<ul style="list-style-type: none"> Quarterly Incentive Fee Submission 	NA <input type="checkbox"/> Quarter: <input type="checkbox"/> <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant: Yes <input type="radio"/> No <input checked="" type="radio"/>	Comments: <input type="text"/>
Development/Construction Agreement						
Incentive Fee and Developer Base Fee Compensation Quarterly Report	Ensure incentive fee awarded complies with the Incentive Fee Plan Guidelines. Ensure service provider receives base fee calculated in accordance with the Service Agreements. Ensure project company pays timely. Ensure Army reviews & approves within required timeframe.	<ul style="list-style-type: none"> Development agreement Construction Agreement Approved Incentive Fee Plan May also include Modified Scope Plans or other Agreements for out-year CRR work. 	NA <input type="checkbox"/> Quarter: <input type="checkbox"/> <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant: Yes <input type="radio"/> No <input checked="" type="radio"/>	Comments: <input type="text"/>

SEMI-ANNUALLY						
Specific Receivable/ Deliverable	Associated Tasks	Supporting Docs	Status			
<i>Task/Item(s) to be completed</i>	<i>How task-item(s) is accomplished</i>	<i>Sample docs used</i>	<i>Click to complete task. Name will Auto-populate.</i>			
Project Oversight						
Davis Bacon Act (DBA)	Ensure project company is in compliance with the Davis Bacon Act.	<ul style="list-style-type: none"> See Davis Bacon Compliance Checklist 	NA <input type="checkbox"/> Date Completed: <input type="checkbox"/> <input type="text" value="6/28/2018"/>	Verified By: <input type="text"/>	Compliant: Yes <input type="radio"/> No <input checked="" type="radio"/>	Comments: <input type="text"/>

ANNUALLY							
Specific Receivable/ Deliverable	Associated Tasks	Supporting Docs	Status				
<i>Task/Item(s) to be completed</i>	<i>How task-item(s) is accomplished</i>	<i>Sample docs used</i>	<i>Click <input checked="" type="checkbox"/> to complete task. Name will Auto-populate.</i>				
Project Oversight							
Ground Lease	Provide supporting documentation to facilitate Ground Lease Compliance Checklist per USACE	<ul style="list-style-type: none"> • See Ground Lease Compliance Checklist • Annual update with information from Managing Member, such as: <ul style="list-style-type: none"> • Insurance, Operating Management Plans • Env/ Pest/ Natural Resources • Tenant Leases 	NA	Date Completed:	Verified By:	Compliant	Comments
			<input type="checkbox"/>	6/28/2018		Yes <input type="radio"/>	No <input type="radio"/>
Incentive Fee Plan Review (IF)	Ensure that an annual review is performed at the end of each fiscal year to assess, the metrics and weightings used to gauge the incentive fees maintain relevancy to project company goals. Ensure Managing Member's responsibilities relating to incentive fees set forth in the Major Service Provider Agreements are timely executed, as in approved incentive fee plan.	<ul style="list-style-type: none"> • AM/PM • DM DB Agreements • Approved Incentive Fee Plan 	NA	Date Completed:	Verified By:	Compliant	Comments
			<input type="checkbox"/>	6/28/2018		Yes <input type="radio"/>	No <input type="radio"/>
Project Budget Business Plan (PBBP)	Ensure annual PBBP is submitted by required deadline and contains all necessary elements in sufficient detail to enable Army review, analysis and approval. Ensure report shows both the monthly and year-to-date analysis as well as the year-end forecast.	<ul style="list-style-type: none"> • Business Plan • Marketing Plan • Lockbox Statements • Latest Approved <u>Proforma</u> • Leasing Guidelines to include copy of lease docs / lease package with Management Operations, and housing policies • Latest approved Operating and Capital Budgets • Approved <u>Pro Forma</u>. 	NA	Date Completed:	Verified By:	Compliant	Comments
			<input type="checkbox"/>	6/28/2018		Yes <input type="radio"/>	No <input type="radio"/>
Annual PER Submission	Ensure this annual task is completed IAW released guidance and timelines established by OSD.	<ul style="list-style-type: none"> • Ground Lease • Closing Documents • DCR • Debt • Mortgage • Army Survey • Approved Budget • Financial statements 	NA	Date Completed:	Verified By:	Compliant	Comments
			<input type="checkbox"/>	6/28/2018		Yes <input type="radio"/>	No <input type="radio"/>

GROUND LEASE COMPLIANCE CHECKLIST

Overview
Installation
Compliance date(s)
Ground Lease No.
GL effective date
RCI Company
(Lessee) Developer
Project Director (LLC)
HQDA PM
Garrison Commander
USAG Army Housing Manager
USACE Realty Specialist

	Checklist	Primary respondent for checklist answers
I.	Ground Lease Premises	
II.	Support Leases	
III.	Outgrants and Encumbrances	
IV.	Mortgage	
V.	Insurance	
VI.	Protection of the Project	
VII.	Municipal Services/Utilities	
VIII.	Environmental Protection	
IX.	Natural Resource Management	
X.	Historic and Archaeological Sites	
XI.	Rental and Occupancy Requirements	
XII.	Rules and Regulations	
XIII.	Official Inquiries	
XIV.	Checklist Results Distribution	

C. List all land/improvement transfers required by Ground Lease.

1. N/A
2.
3.
4.
5.

D. Describe all proposed and/or pending change(s) to the Ground Lease that have been initiated.

- 1.
- 2.
- 3.
- 4.
- 5.

E. Describe any contemplated future development plans that would require a Ground Lease footprint change in order to implement.

- 1.
- 2.
- 3.
- 4.
- 5.

F. With respect to the established RCI parcel boundaries, is there any known encroachment by the Army onto RCI property or by the RCI Company onto Army property? If yes, explain each situation and describe how and by whom the issue is to be resolved.

<select>.

G. With respect to the Ground Lease, please list all community centers, recreation buildings, self-help facilities, maintenance buildings, warehouse etc.

Ground lease parcel name/no	Building type/use	Subleased?	brief description
		<select>	

II. Support Lease(s)

A. Support Lease History

Support Lease No.	effective date	expiration date	brief description

B. Is there any identified need for new support lease(s)? Or for renewal(s) of expiring support lease(s)? If yes, please describe the need and/or justification for each.

<select>

C. Have there been any conflicts or complaints regarding use of the space identified in the Support Lease(s)? If yes, please describe the occurrence(s) and resolution path(s) for each lease.

<select>

III. Outgrants and Encumbrances

Exhibit B of the Ground Lease documents Outgrants and Encumbrances including easements and licenses that encumber the Site.

A. Please annotate any additional outgrants and encumbrances granted besides those identified in Exhibit B of the Ground Lease. Norfolk requires a copy of each document.

No.	effective date	expiration date	brief description

B. Are there currently any requests by the LLC/LP for easement(s) that cross the Site? If yes, please describe the need, current status, and point of contact responsible for execution. USACE Norfolk requires a copy of all granted temporary or permanent easements.

<select>

C. Has the Installation (Army) requested easement(s) that cross the Site? If yes, please describe the need, current status, and point of contact responsible for execution. USACE Norfolk requires a copy of all granted temporary or permanent easements.

<select>

IV. Mortgage

Ground Lease Condition 11, Liens and Mortgages, requires the Lessee to not engage in financing or other transactions that would encumber the Project beyond those transactions required in accordance with the condition 11a.

A. Have any notices of Title, Mortgage, or Trustee requirements not being met been received? If yes, document the date of receipt and details of change. Please provide USACE Norfolk a copy of the notice.

<select>

B. Are there any additional mortgages, liens, or encumbrances that have been transacted besides those required in accordance with the Ground Lease? If yes, document the transaction and include the basis for authorization (i.e. Consent of the Secretary).

<select>

V. Insurance

Ground Lease Condition 14 requires the Lessee to maintain or caused to be maintained insurance coverage required by Mortgagee, or if no Mortgagee, then comparable coverage. USACE Norfolk requires a copy of each Certificate of Insurance and Evidence of Property Insurance.

A. Please answer the following:

1.	<select>	Is the USA (Secretary of the Army) named as additional insured on each Evidence of Property Insurance certificate and policy currently in effect?
2.	<select>	Is the USA (Secretary of the Army) named as additional insured on each Certificate of Insurance and policy currently in effect?
3.	<select>	Has Lessee provided renters insurance for the benefit of Military Tenants that is comparable to renters insurance coverage by other similar privatized military residential communities. Such renter insurance needs to cover personal property and liability.
4.	<select>	Is Worker's Compensation insurance required per State law?

B. Has there been any material change (provider, limits, deductibles, etc.) to any of the Insurance policies as initially approved in conjunction with execution of the Ground Lease? Please describe each material change including how approval, by the Secretary, was secured.

<select>

C. Schedule of Insurance. Please complete the following matrix as applicable. USACE Norfolk requires a copy of issued insurance documents. Please add any coverage not already listed.

	coverage	carrier	policy no.	effective date	expiration date
<select>	General Liability				
<select>	Automobile				
<select>	Renters				
<select>	Workman's Comp				
<select>	Primary Umbrella				
<select>	Excess Umbrella				
<select>	Pollution				
<select>	Subcontractor Default				
<select>	Property				
<select>	Flood				
<select>	Earthquake				
<select>	Terrorism				
<select>	Replacement Cost				
<select>	Wind/hail				
<select>	Tornado				
<select>	Business Equipment				
<select>	Loss of Revenue				
<select>					

D. Have any notices of cancellation, non-renewal, or change of insurance coverage been received? If yes, document the date of receipt and details of change. Please provide a copy of the notice.

<select>

E. Have any Claims or Notices of Intent to file a claim/suit been filed by a third party against the LLC/LP since the last Annual Compliance Review? If yes, please provide detail.

<select>

F. Have any Claims or Notices of Intent to file a claim/suit been filed by the LLC/LP (against an insurance carrier, the government, a third party, etc.) since the last Annual Compliance Review? If yes, please provide detail.

<select>

G. Please identify the LLC/LP point of contact (include name, position, and phone number) responsible for Insurance.

<select>

VI. Protection of the Project

Ground Lease Condition 13 requires the Lessee to keep the Project in good order and in a clean, safe condition by and at the expense of the Lessee in

accordance with the Ground Lease and Exhibit E.

- A. Who, on behalf of the Installation (Army) inspects the property boundaries, reviews property condition, and observes the Lessee’s performance with regards to Ground Lease requirements? Described the assigned responsibilities and frequency of review.
- B. The Secretary is required to maintain, repair and replace (or cause to be), ingress and egress to and from the Project and publicly opened roadways as well as between non-contiguous portions of the Project. Are there any areas where this standard is not being met? Please describe.
- C. During what hours and on what days is the On-Site Management Office being operated? How many staff are present and what functions do they provide?
- D. When the On-Site Management Office is closed, please describe the on-call process in effect and staff provided (including emergency maintenance personnel) provided to meet residents’ emergency needs.
- E. Describe the applicable standards for and plan to oversee, or cause to be overseen, maintenance of the lawns and landscaping including the maintenance of unimproved areas.
- F. Describe the Lessee’s quality control program regarding: inspection of vendor work projects, adequacy of service order completion, and tenant satisfaction with property management functions performed (i.e. routine maintenance, pest control, trash removal, key control, unit turnover, etc.).
- G. Describe the long-term capital asset plan to maintain housing assets including homes, garages, carports, storage sheds, fencing, roads, concrete surfaces, recreational facilities, grounds and related support facilities (offices, community centers, warehouses etc.).

VII. Municipal Service/Utilities

Ground Lease Condition 11 requires the Lessee to pay for any utilities and other municipal services supplied through government owned facilities or through third party providers in accordance to the terms as furnished to the Project by the Secretary, in accordance with the Ground Lease and the Municipal Services Agreement.

A. The following services, infrastructure, and/or utilities are governed by the MSA. Add those not already listed.

<input type="checkbox"/>	Electric
<input type="checkbox"/>	Gas
<input type="checkbox"/>	Water
<input type="checkbox"/>	Waste water
<input type="checkbox"/>	Storm water
<input type="checkbox"/>	Roadways
<input type="checkbox"/>	Sidewalks

<input type="checkbox"/>	Street lights
<input type="checkbox"/>	Street cleaning
<input type="checkbox"/>	Snow/ice removal
<input type="checkbox"/>	Trash removal
<input type="checkbox"/>	Recycling
<input type="checkbox"/>	HH haz. waste disposal
<input type="checkbox"/>	Cable

<input type="checkbox"/>	Telephone
<input type="checkbox"/>	Traffic control
<input type="checkbox"/>	Signs
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	

B. Please describe any Installation services which are not in the MSA for which a contract is desired.

<select>

C. With the exception of rate changes, has the original MSA, as executed with the original Ground Lease, been modified? If yes, describe when and why. USACE Norfolk requires copies of renegotiated documents for placement in the RCI archives.

<select>

- D. How is the LLC/LP notified of rate changes? Were there any rate changes over the last year?
- E. Describe how current the LLC/LP is with respect to payment for services and utilities consumed. Please provide the LLC/LP point of contact information (name, position and contact number).
- F. Who, on behalf of the Installation (Army), bills the LLC/LP and verifies proper payment for services and utilities consumed? Please provide the Installation point of contact information (name, position, and contact number).
- G. Are there any services, utilizes, or infrastructure provided by the Installation (Army) that has not been billed to the LLC/LP? If yes please describe what's delinquent and how the issue has been escalated.

<select>

- H. Have Local Municipalities changed the LLC/LP's taxation status? If yes, please describe.

<select>

- I. Please describe the Installation's utility privatization plan. Which utilities have already been privatized?

<select>

- J. Are utility system design and testing requirements coordinated between the LLC/LP and the Installation? Identify any issues, concerns, and/or problems with the specifications, construction, and/or operation of the LLC/LP constructed, owned, or operated utility systems. Please explain the adequacy of results.

<select>

- K. Has the LLC/LP proved the 'as built' drawings to the DPW for any utility infrastructure that the LLC/LP intends to transfer to the Installation? Describe any systems that are intended to be transferred to the Installation or to third-party owners.
- L. What cable/internet providers are used within the RCI footprint (list all)? Are these providers the different than those used by the Installation? Are the cable and/or internet providers used within the RCI footprint governed by a franchise agreement with the Installation? When does the franchise agreement expire?
- M. Has the LLC/LP installed any fiber optic cables and/or communication towers? If yes was the Installation DPW notified and formal approval for installation granted? Describe the scope and location of the work.

<select>

VIII. Environmental Protection

Ground Lease Condition 25 or 30 requires the Lessee to submit an Environmental Management Plan (EMP) and under later Ground Lease and Response Action Plan (RAP) and Pesticide Management Plan (PMP) describing use, generation, storage, treatment, and disposal of hazardous waste, materials, substances, and other environmental issues for written approval from the Secretary prior to use of the Premises or any part thereof.

- A. Does the LLC/LP have an EMP RAP, and PMP, or waiver as applicable, for each portion of Project? If yes, is the plan signed by the Garrison Commander?

<select>

B. Has the EMP RAP, and PMP been amended in the last year? If yes, please describe. Was the plan signed by the Garrison Commander? USACE Norfolk requires a copy of the amendment.

<select>

C. Does the LLC/LLP have an approved Lessee RAP on file? When was it approved by the Garrison Commander? Has it been revised since being originally approved by the Garrison Commander?

<select>

D. How is the LLC/LP meeting the Hazardous Waste Management requirements under the Resource Conservation and Recovery Act (RCRA)?

E. Does the LLC/LP have an approved PMP on file? When was it approved by the Garrison Commander?

<select>

F. Have there been any Environmental Protection Agency inquiries with the LLC/LP regarding the Project? If yes, please describe and indicate the current status if unresolved.

<select>

G. Have there been any State Environmental Management Office inquiries with the LLC/LP regarding the Project? If yes, please describe and indicate the current status if unresolved.

<select>

H. Are there fuels, paints, solvents pesticides, or other chemicals routinely used in LLC/LP operations? If yes, please describe how these materials are properly stored, handled, and applied in accordance with all Post, Local, State and Federal regulations.

<select>

I. Are Material Safety Data sheets posted in an appropriate location and kept current for all fuels, paints, solvents pesticides, or other chemicals routinely used in LLC/LP operations? Please describe how the LLC/LP controls and monitors its hazardous materials and ensures proper use. Identify the LLC/LP point of contact (name, position, and contact number) for hazardous material control.

<select>

J. Has the LLC performed any Lead Base Paint (LBP) repairs, abatement, or encapsulation with or on the exterior of homes in the last 12 months? If so, how many cracking / peeling LBP issues where reported and completed?

K. Does the LLC/LB have Certified Personnel to repair LBP? If yes, up to what quantity or linear footage of area do in-house personnel perform?

L. How does the LLC/LP perform LBP large quantity repairs and abatement?

M. Who performs water testing to determine lead, and other metals levels from Residents internal water spigots?

N. How often are internal water tests performed?

O. Does the LLC/LP receives copies of the water test?

- P. Have any children under the age of 6 living in homes with LBP developed high levels of lead that's cause was attributed to the condition of LBP within or directly outside the home?
- Q. Does the LLC/LP perform Air Quality Testing within the home after mold abatement is complete and are the results provided to the residents?
- R. Describe the LLC'LP, response to resident's reports to water leaks and / or mold within the home and actions taken to ensure mold is properly treated and actions taken to prevent re-occurrence?
- S. Describe how often the LLP/LC cleans HVAC ducts and air vent diffusers and replaces air filters?
- T. Is the LLC/LP performing Radon testing in at least 20% of homes with Basements, Crawlspace and Attached Garages when the Project resides in Environmental Protection Agency Radon Zones 1 or 2?
- U. If the If the statistical average of Radon testing is above 4 pCi/L, when is the LLC/LP retesting those homes?
- V. Is the LLC/LP performing Radon testing within every required home over a 5 year period?

IX. Natural Resource Management

Ground Lease Condition 22 provides that the Lessee shall cut no timber, conduct no mining operations, remove no sand, gravel, or kindred substances from the ground(other than grading and related work on the Sites in connection with permitted alterations, additions, and Improvements), commit no waste of any kind, nor in any manner substantially change the contour or conditions of the Site, except for (i) purposes of constructing the Project or (ii) as otherwise authorized in writing by the Secretary.

- A. Does the LLC/LP have a Natural Resource Management Plan for the Project? If yes, is the plan signed by the Garrison Commander?
<select>
- B. Since the last ground lease compliance review, have any trees been removed by the LLC/LP? If yes, how were they disposed of?
<select>
- C. Since the last Annual Compliance Review has any soil, sand, gravel, rock, pine straw, seedlings, etc/ been removed by the LLC/LP? If yes, please describe how these 'commercially usable' resources were coordinated with the Installation DPW and properly disposed of?
<select>
- D. Are Best Management Practices (silt fences, re-seeding, sediment barriers, mulching, etc.) for soil conservation being used at all RCI Project construction locations? Please describe what's being used.
<select>
- E. Is there evidence of soil erosion within the Ground Lease RCI footprint? If yes, please identify the location and indicated what measures are being taken to address the issue.
<select>

X. Historic and Archaeological Sites

Ground Lease Condition 27 documents known Historical and Archaeological sites and governs their maintenance and modification by Programmatic Agreement as applicable and attached per Exhibit G.

- A. Does the RCI Project footprint have an Historical District and/or Building(s)? If yes, please identify the qualified professional employed by the
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DAIN-ISH (703) 545-4200, 600 Army Pentagon, Room 5B112

LLC/LP who facilitates State Historic Preservation Office review of renovations/modifications of Historic property. Also indicate the DPW point of contact (name, position and phone number) responsible for reviewing and monitoring Lessee's actions.

<select>

- B. Does the RCI Project footprint have known Archaeological sites or potential locations of interest? If yes, how are those locations protected and how regularly are they monitored by the Installation?

<select>

- C. Are Native American / Tribal interest impacted by the RCI Project footprint? If yes, how are they informed of development by the LLC/LP?

<select>

- D. Describe how and when the Installation Cultural Resources Officer is engaged with reviews of RCI Project design and/or construction scope which requires SHPO approval.

<select>

- E. Describe, as applicable, how and when the DPW monitors Lessee compliance with the Programmatic Agreement. When was the scope and quality of oversight last reviewed and discussed between the DPW Environmental Office and the RCI Asset Management Office?

<select>

- F. Please annotate any DPW Environmental staff concerns that exist regarding current or proposed development.

<select>

XI. Rental and Occupancy Requirements

Ground Lease Condition 14 provides that the Lessee and Permitted Tenants shall enter into a lease in substantially the form approved by the Secretary.

- A. Has the Tenant lease been changed since originally approved with execution of the Ground Lease? If yes, have the changes been approved by the Secretary?

<select>

- B. Has the Permitted Tenant waterfall been opened up to categories 6-8? If yes, please describe the basis for opening the waterfall and the approval obtained. Also indicate if the waterfall remains open to new tenants in categories 6-8.

<select>

- C. Are there any RCI Project Housing Units and/or Facilities being used for support roles including but not limited to: emergency child care services, morale welfare and recreation, administrative offices, first responders, or community policing? If yes, please explain and provide copies of commensurate documentation i.e. Lease, Memorandum of Understanding, License Agreement, etc.

<select>

- D. Are there any RCI Project Housing Units and/or Facilities occupied by Users and/or Tenants not associated with the RCI Project? For example, Navy personnel utilizing RCI office space in a building that was renovated using RCI funding.

<select>

- E. Are there any sub-leases to third parties (other than to organizations officially/legally affiliated with the Lessee)? If yes, please list and describe.

<select>

XII. Rules and Regulations

Ground Lease Condition 6 requires the Lessee to comply with all Federal, State, County, and Municipal Laws, Ordinances, and Regulations.

- A. Please describe how the Project is complying with the Architecture Barriers Act (ABA) (Public Law 90-480) of August 12, 1968 as amended through 1984, 42 U.S.C. Section 4151 et seq. an Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped.
- B. Please describe how the Project is complying with the Uniform Federal Accessibility Standards (UFAS). The UFAS was published in the FEDERAL REGISTER on August 7, 1984 (49 FR 31528). DoD adopted the UFAS by revising Chapter 18 of DoD 4270.1-M, "Construction Criteria," by memorandum dated May 8, 1985.
- C. Please describe how the Project is complying with the American Disabilities Act (ADA) passed July 26, 1990 as Public Law 101-336 (42 U.S.C. Sec. 12101 et seq) and effective on January 26, 1992.
- D. Who at the LLC/LP is responsible for implementing and verifying ongoing compliance with the ABA, ADA, and UFAS?
- E. Have any complaints been filed since the last Annual Lease Compliance Review alleging discrimination or non-compliance with ABA, USAF, and/or ADA? If yes, please document each instance and describe how the complaint is being addressed.

<select>

- F. Has the Garrison Commander provided Lessee with applicable Installation Rules and Regulations?

<select>

- G. Who at the LLC/LP is responsible for implementing and verifying ongoing compliance with the Installation Rules and Regulations?
- H. Is the LLC/LP in compliance with all applicable Installation rules and regulations? If not, what actions are being implemented to resolve the non-compliance?

<select>

XIII. Official Inquiries

- A. Please describe any congressional inquiries, current status, and path to resolution if still unresolved that have been received by the Project in the last year. Provide dates and identify the persons(s) who handled the inquiry.

- 1.
- 2.
- 3.

- B. Please document any Freedom of Information Act inquiries received in the last year which the Installation or Project has received concerning the RCI Program. Provide dates and identify the persons(s) who handled the inquiry.

- 1.
- 2.
- 3.

XIV. Checklist Results Distribution

- A. For transparency and project improvement, a Ground Lease compliance checklist results write up will be completed within 30 days of the review. An electronic copy will be distributed to, at a minimum, the USAG Housing Manager, Garrison Commander, the RCI Company Representative, the ODCS, G-9 PM and any additional stakeholder as designated below. Please confirm the correct/current contact information for each stakeholder

to receive an electronic copy of the checklist results.

Role/Title	Name	e-mail address
HODA PM		
USAG Housing Manager		
DPW		
Garrison Commander		
LLC/LP Project Director		
LLC/LP Corporate		

END SAMPLE GROUND LEASE COMPLIANCE CHECKLIST
PLEASE REFER TO USACE RCI REAL ESTATE HANDBOOK FOR CURRENT
DOWNLOADABLE GL INSPECTION FORM

Davis-Bacon Act Compliance Checklist

The Davis-Bacon Act is federal law requiring public works projects to pay construction workers engaged on the project by any contracting entity certain minimum wages and benefits in accordance with federal wage determinations for the local area. Overseen and enforced by the U.S. Department of Labor (DOL), there can be significant financial penalties if a project is found to have failed to pay the prescribed wage determinations (at a minimum). The Davis-Bacon compliance checklist assists RCI Companies and USAG Housing Managers in complying with the Davis-Bacon Act. The checklist incorporates required action that must be performed continually and on a semi-annual basis regarding:

- Review of the RCI Company's contracts to ensure they are in compliance with the Davis-Bacon Act
- Visible and proper placement of information regarding wage determinations and equal opportunity employment
- Collection of documentation of payroll hours worked by laborers
- Interviewing of contractors, subcontractors and their respective employees to determine appropriate classification and rates of pay
- Apprentice and trainee compliance
- Additional Classifications for contractors
- Annual Davis-Bacon compliance report to be submitted annually in accordance with the ASA (I&E) Davis-Bacon Act Policy Memorandum dated 11 July 2008

USAG Army Housing Managers are responsible to review the Davis-Bacon compliance checklist on a semi-annual basis. The checklist is reviewed in a collaborative manner with the RCI Company Representative and associated staff and is provided to IMCOM HQ upon completion.

The Department of Labor (DOL) has received contact information for each USAG Housing Manager which DOL will use at its discretion to contact the Housing Manager to ensure the RCI Company is adhering to the Davis-Bacon Act. Please reference the Davis-Bacon compliance checklist that is included in the ASA (I&E) Davis-Bacon Act Policy Memorandum dated 11 July 2008, a copy of which is provided below.

DAVIS-BACON COMPLIANCE CHECKLIST: CONSTRUCTION AND RENOVATIONS

(from ASA (I&E) Policy Memorandum dated 11 July 2008)

(Completed semi-annually by Army Housing Management Team)

Compliance Survey Item		YES	NO	N/A	Issue / Remark # (see page 2)	Date Verified
1	RCI Company legal documents review completed and applicable requirements are documented in an attachment to this checklist.					
2	RCI Company has provided the list of construction contracts valued at more than \$2,000 to the Army Housing team and has provided routine updates (at least semi-annually) to keep the list of contracts current.					
3	Semi-annual compliance survey has been scheduled and/or conducted with RCI Company Representative in agreed written format and copies are maintained in the government's compliance files.					
4	Semi-annual compliance survey conducted by Army Housing Manager (or designee) and RCI Company Representative (or designee) with results as noted below:					
4.a	Army Housing Manager has selected the contracts to include in the semi-annual survey as documented in an attachment to this checklist.					
4.b	Each contract included in this survey has the appropriate Davis-Bacon Act (DBA) clauses.					
4.c	Each contract included in this survey includes the appropriate Department of Labor (DOL) wage determination.					

Compliance Survey Item		YES	NO	N/A	Issue / Remark # (see page 2)	Date Verified
4.d	RCI Company has a verifiable system for identifying all first and lower tier subcontracts/subcontractors for the selected contracts. Also, they are assuring and documenting inclusion of appropriate DBA clauses and DOL wage determinations in each subcontract. (Note: In lieu of copies of subcontracts it is acceptable to have Statement and Acknowledgement by first and lower tier subcontractors documenting inclusion of the DBA clauses and DOL wage determination.)					
4.e	Certified payrolls have been received weekly by RCI Company Representative or designee from contractor and all subcontractors, at each tier, and are appropriately logged, filed and safeguarded. (Note: In lieu of certified payrolls it is acceptable to have Statement and Acknowledgement by contractors and all subcontractors documenting payrolls are certified.)					
4.f	RCI Company has a verifiable system in place for conducting appropriate review of certified payrolls for compliance with DBA requirements and wage determinations included in the contract(s) that is supported by and validated through independent interviews of a representative number of contractor and subcontractor laborers					
4.g	RCI Company has a verifiable system in place for resolving all issues identified in review of certified payrolls and is adequately documenting actions, suspenses, status and final resolution.					
4.h.1	RCI Company has a verifiable system in place for documenting the use of apprentice/trainee wage classifications, and each such classification noted in the survey is supported through file documentation in regard to employee enrollment in a bona fide program.					
4.h.2	RCI Company records reflect the monitoring of ratios of journeymen to apprentices/trainees.					

Compliance Survey Item		YES	NO	N/A	Issue / Remark # (see page 2)	Date Verified
4.i	RCI Company records document the consideration of off-site work included in the contract(s) and determination as to DBA applicability to this work.					
4.j	For each contract included in survey, the required postings were verified at the appropriate location(s) on the site of the work.					
5	Independent government labor interviews were attained before or as part of the semi-annual compliance survey and were cross checked against certified payrolls as part of the survey process.					
5.a	Number of independent government labor interviews					

Survey Participants	
Name	Organization

Prepared by:	Date: _____

Reviewed and Approved by:	Date: _____

(Army Housing Manager)	
Validated by IMCOM HQ	Date: _____

DAVIS-BACON COMPLIANCE CONSTRUCTION AND RENOVATIONS CHECKLIST- REVERSE SIDE (from ASA (I&E) Policy Memorandum dated 11 July 2008)

Remark/ Issue #	Description	Follow-up/Resolution Required	Action Required By	Date Resolved
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				

DAVIS-BACON COMPLIANCE MAINTENANCE AND REPAIR ORDERS CHECKLIST (from ASA (I&E) Policy Memorandum dated 11 July 2008)
 (Completed semi-annually by USAG Housing Team)

Compliance Survey Item		Yes	No	N/A	Issue / Remark # (see page 2)	Date Verified
1	RCI Company legal documents review completed and applicable requirements are documented in an attachment to this checklist.					
2	RCI Company has provided the list of maintenance and repair contracts to the RCI team for which DBA has determined to be applicable to the government and has provided routine updates to keep the list of active contracts current.					
3	Semi-annual compliance survey has been scheduled and/or conducted with RCI Company in agreed written format and a copy is in the government's project compliance files.					
4	Semi-annual compliance survey conducted by government Army Housing Manager (or designee) and RCI Company Representative (or designee) with results as noted below:					
4.a.1	Review of project files for contracts for which DBA has been determined to be not applicable, including documentation supporting this determination of non-DBA applicability.					
4.a.2	Army Housing Manager has selected the contracts to include in the semi-annual survey as documented in an attachment to this checklist.					
4.b	Each contract included in this survey has the appropriate DBA clauses.					
4.c	Each contract included in this survey includes the appropriate Department of Labor (DOL) wage determination.					

Compliance Survey Item		Yes	No	N/A	Issue / Remark # (see page 2)	Date Verified
4.d	For each contract included in survey, RCI Company has verifiable system for identifying first and lower-tier subcontracts/subcontractors, and assuring and documenting inclusion of appropriate DBA clauses and DOL wage determinations in any such subcontract.					
4.e	Contractors and all subcontractors at every tier are providing certified payrolls to the RCI Company or designee on a weekly basis and are appropriately logged, filed, and safeguarded.					
4.f	RCI Company has a verifiable system in place for conducting appropriate review of certified payrolls for compliance with DBA requirements and wage determinations included in the contract(s) that is supported by and validated through independent interviews of a representative number of contractor and subcontractor laborers.					
4.g	RCI Company has a verifiable system in place for resolving all issues identified in review of certified payrolls and is adequately documenting actions, suspenses, status and final resolution.					
4.h.1	RCI Company has a verifiable system in place for documenting the use of apprentice/trainee wage classifications, and each such classification noted in the survey is supported through file documentation in regard to employee enrollment in a bona fide program.					
4.h.2	RCI Company records reflect the monitoring of ratios of journeymen to apprentices/trainees.					
4.i	For each contract included in survey, the required postings were verified at the appropriate location(s) on the site of the work.					
5	Independent government labor interviews were attained before or as part of the semi-annual compliance survey and were cross checked against certified payrolls as part of the survey process.					
5.a	Number of independent government labor interviews					

Survey Participants	
Name	Organization

Prepared by:	
_____	Date: _____
Reviewed and Approved by:	
_____	Date: _____
(Army Housing Manager)	
Validated by IMCOM HQ	
_____	Date: _____

DAVIS-BACON COMPLIANCE MAINTENANCE AND REPAIR ORDERS CHECKLIST- REVERSE SIDE (from ASA (I&E) Policy Memorandum dated 11 July 2008)

Remark/Issue#	Description	Follow-up/Resolution Required	Action Required By	Date Resolved
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				
Resolution Summary				

Congressional Oversight Compliance

On 1 October 2008 and 28 December 2012, the 2009 and 2013 National Defense Authorization Acts were enacted by Congress and became effective. Both Acts included amendments to 10 U.S.C. Sections 2884 and 2885 that set forth requirements for the Services to perform certain oversight and reporting requirements for privatized military housing projects. Key elements of 10 U.S.C. Sections 2884 and 2885 address the following:

- Construction and Renovation Progress;
- Deficiency Notifications;
- Qualifications of Company, Developer, and Construction Contractor;
- Payment and Performance Bonds;
- Reporting on Replacement of Company, Developer, or Construction Contractor;
- Database of Notices of Deficiencies;
- Financial Integrity and Accountability Measures;
- Annual Budget Reporting;
- Annual Reporting of Backlog Maintenance and Repair, Inadequate Debt Coverage, Low Occupancy Compared to Projections, Significant Variances to Projected Recapitalization Deposits, Significant Recapitalization Withdrawals, and Utility Rate Comparison to Local Utility Rates;
- General / Flag Officer Quarters Work.

It is the Army's responsibility to ensure its oversight of the housing privatization projects comply in all respects with these statutory requirements. The Legal compliance checklist requires the Army Housing Manager to certify monthly that government oversight actions dictated by 10 U.S.C. Sections 2884 and 2885 legislation have been performed.

The following chart presents an overview of each requirement in 10 U.S.C. Section 2884 and 2885, the compliance action required, the tool to be used for compliance and additional guidance.

SUMMARY OF 10 U.S.C. SEC 2884 and 2885, 2009 and 2013 NATIONAL DEFENSE AUTHORIZATION ACTS: OVERSIGHT REQUIREMENTS FOR MHPI PROJECTS				
Section Reference	Requirement	Compliance Action	Tool	Guidance
2885(a) ODCS, G-9	OVERSIGHT AND ACCOUNTABILITY MEASURES – Each Secretary Concerned shall prescribe regulations to effectively oversee and manage military housing privatization projects carried out under this subchapter during the course of the construction or renovation of the housing units. The regulations shall include the following requirements for each privatization project:	The PAM Handbook provides guidance to the Army Housing Manager, the RCI Company and other stakeholders relative to the oversight and monitoring of each project and the portfolio as a whole.	<ul style="list-style-type: none"> • PAM Handbook 	Reporting requirements identified in 2885(a) apply to projects throughout their 50-year life cycle.
2885(a)(1) ODCS, G-9	The USAG Housing Manager shall conduct monthly site visits and provide quarterly reports on the progress of the construction or renovation of the housing units. The reports shall be submitted quarterly to the assistant secretary for installations and environment of the respective military department.	The Army Housing Manager will meet monthly with the construction team and RCI Company to review the construction and renovation delivery schedule and construction spend. The Army Housing Manager will collect the construction draws and maintain copies of all reports required under the Development Agreement and Construction Contract.	<ul style="list-style-type: none"> • Compliance checklist • Monthly asset management meetings • Quarterly asset report • MHPI REPORT TO CONGRESS • Monthly dashboard • Construction draws • Development and construction reports • Change orders 	On a monthly basis, the Army Housing Manager should receive and review the Construction Draw, proposed change orders and any other reports required by the legal documents, has met with the Construction Manager and Construction Consultant, has utilized the compliance checklists to identify any areas of non-compliance with the Operating, Property Management, Development and Construction Agreements and has conducted a drive-through of all neighborhoods to identify any issues with construction activity and progress.
2885(a)(2) ODCS, G-9	The USAG Housing Manager, and, as applicable, the resident construction manager, privatization asset manager, bondholder representative, project owner, developer, general contractor, and construction consultant for the project shall conduct meetings to ensure that the construction or renovation of the units meets performance and schedule requirements and that appropriate operating and ground lease agreements are in place and adhered to.	The Army Housing Manager will participate in monthly meetings and will review the construction draws. The Army Housing Manager will review the compliance checklist on a monthly basis and will report areas of non-compliance to IMCOM HQ as identified. USACE will conduct annual Ground Lease Compliance visits and will provide a report to the HQDA PM identifying any areas of non-compliance.	<ul style="list-style-type: none"> • MHPI Report to Congress • Project annual site visit • Development review • Monthly dashboard • Quarterly portfolio and asset reports • USACE ground lease inspections • Compliance checklist • Monthly asset management meetings • Legal compliance checklist 	See above. The RCI Company will be required to submit a summary of the restated Sources and Uses for the project with the Quarterly Report. For each project with an active development and construction phase, a summary table of all change orders and the resulting monetary and scope implications will be updated and provided in the Quarterly Report. The basis for assessing performance will be the Monthly Dashboard as compared to the original or then current pro forma as adjusted and agreed through the Major Decision Process. USACE will conduct annual compliance reviews and will prepare a Ground Lease Compliance Report.

SUMMARY OF 10 U.S.C. SEC 2884 and 2885, 2009 and 2013 NATIONAL DEFENSE AUTHORIZATION ACTS: OVERSIGHT REQUIREMENTS FOR MHPI PROJECTS				
Section Reference	Requirement	Compliance Action	Tool	Guidance
2885(a)(3) ODCS, G-9 and OASA(IE&E)	If a project is 90 days or more behind schedule or otherwise appears to be substantially failing to adhere to the obligations or milestones under the contract, the assistant secretary for installations and environment of the respective military department shall submit a notice of deficiency to the Deputy Under Secretary of Defense (Installations and Environment), the Secretary concerned, the RCI Company, and the trustee for the project.	Progress will be indicated in the monthly dashboard. The report will include a chart that describes construction and renovation status. For projects triggering this metric, the HQDA PM will prepare a Concept Paper for processing in accordance with the Major Decision process.	<ul style="list-style-type: none"> • Monthly dashboard • Development review, if necessary • Concept Paper 	<p>The monthly dashboard roll-up includes a metric evaluating performance relative to pro forma, measured in months behind / ahead of schedule.</p> <p>Relative to a project 90 or more days behind schedule, the HQDA PM will communicate next steps to the Army Housing Manager and RCI Company and will prepare a concept paper consistent and will submit the Concept Paper to HQDA. The CVD Project Manager will draft a letter for signature by the ASA(IE&E) outlining the reason for the letter, the applicable section of the Construction or Renovation Contract and the expected approach to remediation.</p> <p>A Development Review may be commissioned to identify the drivers of the delay if necessary. Any areas of non-compliance with the Construction or Renovation Contract will be highlighted in the Development Review. Alternatively, areas of non-compliance with the Construction or Renovation Contract could be identified through daily Asset Management activities, quarterly reports or other communications. In the event of identification of areas of non-compliance, the process above will be followed.</p>
2885(a)(4)(A) ODCS, G-9 and OASA(IE&E)	Not later than 15 days after the submittal of a notice of deficiency under paragraph (3), the Secretary concerned or designated representative shall submit to the project owner, developer, or general contractor responsible for the project a summary of deficiencies related to the project.	The HQDA PM will prepare a Concept Paper for processing in accordance with the Major Decision process. The project owner, developer, or general contractor will provide an explanation and proposed method to bring the project back on schedule within 45 days.	<ul style="list-style-type: none"> • Monthly dashboard • Development review 	<p>The HQDA PM will prepare a Concept Paper outlining the areas of non-compliance or deficiencies and the requirements for addressing the issues. This Concept Paper will be sent to the RCI Company, Developer and Construction Contractor (as appropriate) with a request to provide a more detailed plan for resolving the issues or otherwise adjusting the plan. A meeting will be held with the HQDA PM and the appropriate parties from the RCI Company, Developer and Construction Contractor to agree to the Concept Paper. Following agreement on its content, including progress milestones, the Concept Paper will be submitted to the HQDA PM and will be maintained in the files of HQDA.</p> <p>Additionally, to comply with the following element, the RCI Company, Developer and Construction Contractor will perform against the progress milestones.</p>

SUMMARY OF 10 U.S.C. SEC 2884 and 2885, 2009 and 2013 NATIONAL DEFENSE AUTHORIZATION ACTS: OVERSIGHT REQUIREMENTS FOR MHPI PROJECTS				
Section Reference	Requirement	Compliance Action	Tool	Guidance
2885(a)(4)(B) OASA(IE&E)	If the project owner, developer, or general contractor responsible for the privatization project is unable, within 60 days after receiving a notice of deficiency under subparagraph (A), to make progress on the issues outlined in such notice, the Secretary concerned shall notify the congressional defense committees of the status of the project, and shall provide a recommended course of action to correct the problems.	The Concept Paper will require a written response within 45 days of issuance of the notice. If no response is received or if the remedy actions do not appear to satisfy the requirements of the clause, the CVD Project Manager will prepare a letter to the Congressional Committees. If a response is received and is deemed to satisfy the provisions of the clause, the OASA(IE&E) Project Manager will prepare a letter citing the conditions under which a letter will be sent to the committees.	<ul style="list-style-type: none"> • Monthly dashboard • Development review 	The Concept Paper and associated Major Decision Memorandum will outline progress milestones. In the event that the RCI Company, Developer or Construction Contractor does not meet the progress milestones, the CVD Project Manager will prepare a letter for signature by the ASA(IE&E) and for submission to the congressional defense committees. A sample of the letter is outlined in <i>Exhibit D</i> .
2885(b) OASA(IE&E)	REQUIRED QUALIFICATIONS.—The Secretary concerned or designated representative shall ensure that the project owner, developer, or general contractor that is selected for each military housing privatization initiative project has construction experience commensurate with that required to complete the project.	The Source Selection Evaluation Board (SSEB) and Source Selection Advisory Committee (SSAC) will evaluate and determine the experience level for each potential project owner, developer or construction contractor.	<ul style="list-style-type: none"> • Evaluation factors • SSEB reports 	For future solicitations and/or awards, minimum qualifications and evaluation criteria will be set and utilized to ensure sufficient development and/or construction experience.
2885(c) ODCS, G-9	BONDING LEVELS.—The Secretary concerned shall ensure that the project owner, developer, or general contractor responsible for a military housing privatization initiative project has sufficient payment and performance bonds or suitable instruments in place for each phase of a construction or renovation portion of the project to ensure successful completion of the work in amounts as agreed to in the project's legal documents, but in no case less than 50 percent of the total value of the active phases of the project, prior to the commencement of work for that phase.	The development review will provide a comprehensive audit of payment and performance bonds matched to construction phasing. This will initially be completed for all projects, with an additional review annually, or as needed based on the completion of each construction phase. ODCS, G-9 will request that no progress on new work commence until a copy of bonds has been received by the RCI Company; this should be validated by the Army Housing Manager with documentation forwarded to ODCS, G-9.	<ul style="list-style-type: none"> • Development review • Project Closing Documents • Compliance checklist • Monthly dashboard (to report updates on bonding of future phases) • (Option to do an annual review—similar to the annual insurance review) 	To ensure compliance, ODCS, G-9 will conduct periodic reviews of copies of all payment and performance bonds for active phases of work as well as for warranty bonds that are currently in effect. This bonding assessment may be deferred for projects with upcoming development reviews during which a comprehensive audit will be conducted (will require support from the various parties involved in the construction process). The HQDA PM will alert the Army Housing Manager, RCI Company, Developer, Construction Contractor and Third-Party Construction Consultant (or will require similar documentation to be sent by the RCI Company with copies to the above parties) of the requirement for copies of payment and performance bonds in advance of the issuance of a notice to proceed on any work. These copies will be sent to the HQDA PM and the Army Housing Manager.

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2885(d) ODCS, G-9 and OASA(IE&E)	REPORTING OF EFFORTS TO SELECT SUCCESSOR IN EVENT OF DEFAULT.—In the event a military housing privatization initiative project enters into default, the assistant secretary for installations and environment of the respective military department shall submit a report to the congressional defense committees every 90 days detailing the status of negotiations to award the project to a new project owner, developer, or general contractor.	In the event of a default, the HQDA PM will prepare a quarterly report on the status of the transfer.	<ul style="list-style-type: none"> • Monthly dashboard • Quarterly report • Notifications of Default under Legal Documents 	The HQDA PM or OASA(IE&E) Transaction Manager, whichever is the responsible party, will prepare a quarterly status report that outlines the original and adjusted milestones for the transfer of the project or other action, the status of negotiations including issues requiring resolution and a summary of the actions completed during the past 90 days. This status report will be submitted through the ASA(IE&E) to the congressional defense committees.
2885(e)(1) ODCS, G-9 and OASA(IE&E)	EFFECT OF NOTICES OF DEFICIENCY ON CONTRACTORS AND AFFILIATED ENTITIES.—(1) The Secretary concerned shall keep a record of all plans of action or notices of deficiency issued to a project owner, developer, or general contractor under subsection (a)(4), including the identity of each parent, subsidiary, affiliate, or other controlling entity of such owner, developer, or contractor.	The Secretary concerned will maintain a record of updates regarding the project owner, developer or general contractor deficiencies.	<ul style="list-style-type: none"> • Record of Deficiencies • Monthly dashboard (to report updates to legal entities) 	Both ODCS, G-9 and OASA(IE&E) will maintain records of all documentation related to notices of deficiency. The OASA(IE&E) will maintain an up-to-date database of the identities of legal entities involved in military housing privatization projects. As appropriate, the OASA(IE&E) will review public records to determine any pending or recent bankruptcies, legal actions or financial challenges faced by the parent company and its primary subsidiaries.
2885(e)(2) OASA(IE&E)	Each military department shall consult all records maintained under paragraph (1) when reviewing the past performance of owners, developers, and contractors in the bidding process for a contract or other agreement for a military housing privatization initiative project.	Records of deficiencies will be considered when military departments are evaluating performance records of owners, developers and contractors who are bidding on housing privatization contracts.	<ul style="list-style-type: none"> • Evaluation criteria 	The source selection plan will include a requirement to review such records.
2885(f)(1) ODCS, G-9	FINANCIAL INTEGRITY AND ACCOUNTABILITY MEASURES. – (1) The regulations required by subsection (a) shall address the following requirements for each military housing privatization project upon the completion of the construction or renovation of the housing units:	The PAM handbook and program templates have been amended to reflect the process revisions needed to support the new post-IDP requirements.	<ul style="list-style-type: none"> • PAM Handbook • Quarterly portfolio and asset reports • Monthly dashboard • MHPI Report to Congress • Concept paper 	Reporting requirements identified in 2885(f) and its subsections apply to all projects after the completion of their IDPs.

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2885(f)(1)(A) ODCS, G-9	The financial health and performance of the privatization project, including the debt-coverage ratio of the project and occupancy rates for the housing units.	The HQDA PM will review monthly dashboards as well as quarterly reports in review of this requirement.	<ul style="list-style-type: none"> Monthly dashboard Quarterly portfolio and asset reports 	The monthly dashboard roll-up includes a metric evaluating performance relative to pro forma, measured as variance to the occupancy rate or the DCR metric.
2885(f)(1)(B) ODCS, G-9	An assessment of the backlog of maintenance and repair of the housing units.	The Property Manager will provide information to the monthly dashboard that states (a) the number of work orders that are in the current maintenance and repair backlog; (b) the cost of eliminating these work orders from the current backlog; and (c) a description of why the work orders are in the current backlog.	<ul style="list-style-type: none"> Monthly dashboard (New Fields-Company) 	The monthly dashboard will be amended to capture (a) the number of work orders that are in the current maintenance and repair backlog; (b) the cost of eliminating these work orders from the current backlog; and (c) a description of why the work orders are in the current backlog. Currently, the monthly dashboard tracks work orders received and completed, but not the information in the new requirement.
2885(f)(2) ODCS, G-9	If the debt service coverage for a military housing privatization project falls below 1.0 or the occupancy rates for the housing units of the project are below 75 percent for more than one year, the Secretary concerned shall require the development of a plan to address the financial risk of the project.	The HQDA PM will review project performance related to occupancy and debt coverage ratio (DCR) over the trailing 12 months as compared to pro forma to determine if a Modified Scope Plan is required. For projects triggering this metric, the HQDA PM will prepare a Concept Paper for processing in accordance with the Major Decision process.	<ul style="list-style-type: none"> Monthly dashboard Concept paper 	The monthly dashboard roll-up includes a metric evaluating performance relative to pro forma, measured as variance to the occupancy rate or the DCR metric. Relative to a project that is either (a) below 1.0 DCR for more than one year, or (b) below 75 percent occupancy for more than one year, the HQDA PM will communicate next steps to the Army Housing Manager and RCI Company and will prepare a concept paper consistent with <i>Exhibit B</i> and will submit the Concept Paper draft to the CVD Project Manager. The HQDA PM will draft a letter for signature by the ASA(IE&E) outlining the reason for the letter, the applicable sections of the project legal documents, and the expected approach to remediation. A sample letter is attached as <i>Exhibit C</i> .
2884(b) ODCS, G-9 and OASA(IE&E)	ANNUAL REPORTS TO ACCOMPANY BUDGET MATERIALS. – The Secretary of Defense shall include each year in the materials that the Secretary submits to Congress in support of the budget submitted by the President pursuant to section 1105 of title 31 the following:	The additional reporting requirements will be included in the annual budget submission materials. The PAM handbook and program templates will be amended to reflect the process revisions needed to support the new requirements.	<ul style="list-style-type: none"> Annual budget submission materials PAM Handbook Quarterly report Monthly dashboard MHPI Report to Congress Out-year Development Plan (ODP) 	The Army provides a budget submission to OSD on an annual basis.

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2884(b)(1) OASA(IE&E)	A separate report on the expenditures and receipt during the preceding fiscal year covering each of the Funds establish under section 2883 of this title, including a description of the specific construction, acquisition, or improvement projects from which funds were transferred and the privatization projects or contracts to which those funds were transferred. Each report shall also include, for each military department or defense agency, a description of all funds to be transferred to such Funds for the current fiscal year and the next fiscal year.	OASA (IE&E) will provide information based on budgeted amounts for the Department of Defense Family Housing Improvement Fund and the Department of Defense Military Unaccompanied Housing Improvement Fund (the Funds) for the current and next fiscal years.	<ul style="list-style-type: none"> • Tables FH-6 and FH-13 in annual budget submission • FYxx PRES BUD Stats Update • OSD Report on Anticipated Transfers 	OASA (IE&E) provides updated information to tables FH-6 and FH-13 in the annual budget submission to report transfers in the current fiscal year to date. OASA (IE&E) provides updated information to OSD's report on anticipated transfers from the Funds in the fiscal year for budget submission.
2884(b)(2)(A)) ODCS, G-9 and OASA(IE&E)	A report setting forth, by armed force, the following: (A) An estimate of the amounts of basic allowance for housing under section 403 of title 37 that will be paid, during the current fiscal year and the fiscal year for which the budget is submitted, to members of the armed forces living in housing provided under the authorities in this subchapter.	HODA will provide information based on current budgeted amounts for current fiscal year and the fiscal year for which the budget is submitted.	<ul style="list-style-type: none"> • Monthly BAH report • ERCI MDEP with the forecasted BAH for the budget's fiscal year 	OASA (IE&E) will continue to provide, as part of the PAM-RCI MDEP process, a budget estimate of the amount of basic allowance for housing for the fiscal year for which the budget is submitted. OASCIM will provide a revised estimate for the current fiscal year by updating the forecast previously submitted for the current fiscal year with actual BAH information in the FNNC BAH reports. [Need to determine if G1 already handles this requirement and will continue to do so.]
2884(b)(2)(B) OASA(IE&E)	The number of units of military Family Housing and military unaccompanied housing upon which the estimate under subparagraph (A) for the current fiscal year and the next fiscal year is based.	HODA will provide information based on current budgeted amounts for current fiscal year and the fiscal year for which the budget is submitted.	<ul style="list-style-type: none"> • FNNC BAH report • PAMP-RCI MDEP with the forecasted BAH for the budget's fiscal year 	OASA (IE&E) will continue to provide, as part of the PAM-RCI MDEP process, a budget estimate of the number of units of military Family Housing and military unaccompanied housing that corresponds to the budgeted amount of basic allowance for housing for the fiscal year for which the budget is submitted. OASCIM will provide a revised estimate for the current fiscal year by updating the PAM-RCI MDEP forecast previously submitted for the current fiscal year with actual BAH information in the FNNC BAH reports.
2884(b)(3)(A) OASA(IE&E)	A description of the plans for housing privatization activities to be carried out under this subchapter – (A) during the fiscal year for which the budget is submitted; and	The description of proposed housing privatization activities will be included in the budget submission materials submitted by OASA (IE&E).	<ul style="list-style-type: none"> • Annual budget submission 	The annual budget submission includes a description of the request for funding of proposed housing privatization activities for the fiscal year for which the budget is submitted.

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2884(b)(3)(B) OASA(IE&E)	during the period covered by the then-current future-years defense plan under section 221 of this title.	Housing privatization activities to be carried out during this period covering by the then-current future-years defense plan will be addressed in the Army's Program Objective Memorandum (POM) process completed by OASA (IE&E).	<ul style="list-style-type: none"> POM submission 	The then-current POM will include projected funding requests for proposed housing privatization activities.
2884(b)(4) ODCS, G-9	A report identifying each Family Housing unit acquired or constructed under this subchapter that is used, or intended to be used, as quarters for a general officer or flag officer and for which the total operation, maintenance, and repair costs for the unit exceeded \$50,000. For each housing unit so identified, the report shall also include the total of such operation, maintenance, and repair costs.	The HODA PM will request an annual report on GFOQ expenditures exceeding \$50,000 in aggregate for any given unit for the reporting year for maintenance and repair spending not including any construction or renovation spending approved by the Army to be funded from either the construction escrow account or reinvestment reserve account.	<ul style="list-style-type: none"> Annual GFOQ Report Quarterly GFOQ Report 	Companies currently provide detailed GFOQ spending history to Army Housing Managers that document the inclusion or exclusion of a GFOQ in the Quarterly or Annual GFOQ report.
2884(c) ODCS, G-9 and OASA(IE&E)	Annual Report on Privatization Projects. -- The Secretary of Defense shall submit to the congressional defense committees a semi-annual report containing on (sic) evaluation of the status of oversight and accountability measure under section 2885 of this title for military housing privatization projects. To the extent each Secretary concerned has the right to attain (sic) the information described in this subsection, each report shall include, at a minimum, the following:	The additional reporting requirements will be included in OSD's 2884 (c) semi-annual report to Congress submitted by OASA (IE&E).	<ul style="list-style-type: none"> MHPI Report to Congress OSD 2884 (c) semi-annual report to Congress 	ODCS, G-9 collects and compiles installation MHPI Report to Congress submissions for HQDA review and comment. CVD submits 2884 (c) and MHPI Report to Congress information to OSD on a semi-annual basis.
2884(c)(1) ODCS, G-9	An assessment of the backlog of maintenance and repair at each military housing privatization project where a significant backlog exists, including an estimation of the cost of eliminating the maintenance and repair backlog.	The HODA PM will request an estimate from the Property Manager of (a) the number of work orders that are in the current maintenance and repair backlog; (b) the cost of eliminating these work orders from the current backlog; and (c) a description of why the work orders are in the current backlog. The ODCS, G-9 will compile the backlog information from all projects into a report for inclusion into the semi-annual 2884 (c) and annual MHPI.	<ul style="list-style-type: none"> MHPI Report Appendix -- PEP Maintenance Backlog Report (New-- ODCS, G-9) Monthly dashboard (New Fields-Company) 	The work order backlog information that is collected in the revised project monthly dashboard template will be averaged for the MHPI period and compiled by ODCS, G-9 into the new MHPI Maintenance Backlog Report. The MHPI report will include a new appendix that provides the MHPI Maintenance Backlog Report from the current reporting period.

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2884(c)(2) ODCS, G-9 and OASA(IE&E)	If the debt associated with a privatization project exceeds net operating income or the occupancy rates for the housing units are below 75 percent for more than one year, the plan developed to mitigate the financial risk of the project.	The HQDA PM will review project performance related to occupancy and debt coverage ratio (DCR) over the trailing 12 months as compared to pro forma to determine if a Modified Scope Plan is required. For projects triggering this metric, the HQDA PM will prepare a Concept Paper for processing in accordance with the Major Decision process. The semi-annual 2884 (c) report will include a summary of Concept Papers developed in response to persistent DCR or occupancy issues, as well as each Concept Paper's current Major Decision approval status.	<ul style="list-style-type: none"> MHPI Report Appendix – Status of Concept Papers Addressing 12- Month DCR or Occupancy Issues (New–OASA(IE&E)) Monthly dashboard Concept paper 	<p>Upon review of the project monthly dashboard submissions, the HQDA PM will develop a Concept Paper for OASA (IE&E) Major Decision review and approval whenever a project's DCR falls below 1.0 for more than one year, or the occupancy rates for the project's housing units are below 75 percent for more than one year.</p> <p>OASA (IE&E) will prepare a new MHPI report appendix that provides a summary of the corresponding Concept Papers and their Major Decision approval status as of the end of the annual MHPI reporting period.</p>
2884(c)(3) ODCS, G-9 and OASA(IE&E)	An assessment of any significant project variances between the actual and pro forma deposits in the recapitalization account.	During the ODP review and approval process, OASA (IE&E) will require that the ODP and its corresponding pro forma include information on the physical inventory such as current condition of the inventory; the estimated remaining economic lives of the inventory's major component systems; detailed cost estimates in current year dollars to repair/replace the inventory and its major component systems; and a recapitalization plan showing projected detailed capital investments through the end of the project term. OASA(IE&E) will analyze this information to ensure that all approved project ODPs include a viable long-term sustainment plan. When an installation MHPI submission indicates that actual recapitalization deposits are less than [75%] of the pro forma recapitalization deposits, ODCS, G-9 will require the project to provide a justification of the negative variance and an estimate of when the negative variance will be eliminated. This justification will be included in the MHPI Report to Congress.	<ul style="list-style-type: none"> ODP and approved pro forma (New ODP Section – Reinvestment Account Analysis) MHPI Report (New Section – Justification of [25%+] Negative Variances to Pro Forma Recapitalization Deposits Lockbox statement for Reinvestment Accounts 	<p>Using the detailed physical inventory condition assessments and cost estimates in the proposed ODP, OASA (IE&E) will perform an analysis of the long-term sustainability of the project, including sensitivity analysis on BAH, occupancy and repair/replacement cost fluctuations.</p> <p>ODCS, G-9 will review project MHPI responses. ODCS, G-9 will verify balances in the project Reinvestment Accounts using lockbox statements.</p> <p>When a project's actual recapitalization deposits are less than [75%] of the pro forma recapitalization deposits, ODCS, G-9 will require the project to include in the MHPI Report Section Justification of [25%+] Negative Variances to Pro Forma Recapitalization Deposits [OR, MHPI Project Summary Report Section 1.d.] a written justification of the negative variance and an estimate of when the negative variance will be eliminated.</p>

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2884(c)(4) ODCS, G-9 and OASA(IE&E)	The details of any significant withdrawals from a recapitalization account, including the purpose and rationale of the withdrawal and, if the withdrawal occurs before the normal recapitalization period, the impact of the early withdrawal on the financial health of the project.	<p>Projects are required to prepare and submit a Concept Paper for processing in accordance with the Major Decision process whenever the project proposes an unplanned or unbudgeted withdrawal from its recapitalization accounts. The Concept Paper must include the purpose and rationale of the withdrawal and the impact of the early withdrawal on the project's financial health, if applicable.</p> <p>Concept Papers requesting significant or early withdrawals from the recapitalization accounts that are approved by OASA (IE&E) during the current MHPI reporting period will be included in the MHPI report.</p> <p>For those projects that made significant withdrawals from a recapitalization account in accordance with approved plans and budgets, OASA(IE&E) will provide a statement in the MHPI report describing the purpose and rationale of the withdrawal.</p>	<ul style="list-style-type: none"> MHPI Report (New Section – Justification of Significant Withdrawals From Recapitalization Accounts) Concept paper 	<p>Projects will submit a Concept Paper to ODCS, G-9 for processing in accordance with the Major Decision process whenever the project proposes an unplanned or unbudgeted withdrawal from the project's Reinvestment Account and include the purpose and rationale of the withdrawal and the impact of the early withdrawal on the project's financial health, if applicable.</p> <p>OASA (IE&E) will prepare a new MHPI report section that provides a summary description of each project that was scheduled to make significant withdrawals from its Reinvestment Account during the current MHPI reporting period, whether approved through the ODP or Major Decision approval processes.</p>
2884(c)(5) ODCS, G-9 and OASA(IE&E)	An assessment of the extent to which the information required to comply with paragraphs (1) through (4) has been requested by the Secretaries but has not been made available.	To the greatest extent practicable, ODCS, G-9 and OASA(IE&E) will attempt to comply with the additional reporting requirements in 2884(c) paragraphs (1) through (4). The information collected will be included in OSD's annual MHPI report to Congress submitted by OASA(IE&E). Where ODCS, G-9 and OASA(IE&E) are unable to collect the information from the RCI Partners and other available sources, it will be noted in the corresponding MHPI sections and appendices.	<ul style="list-style-type: none"> MHPI Report – Assessment of missing information will be noted in applicable sections and appendices 	Missing or unavailable information will be noted in the corresponding MHPI report sections and appendices.
2884(c)(6) ODCS, G-9 and OASA(IE&E)	An assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area.	Each project's Property Manager will provide information to the quarterly report that details an estimate of the average annual rate per occupied unit for each utility. Each project's Army Housing Manager will provide information to the quarterly report that details an estimate the corresponding annual utility rates charged for a comparably-sized unit in the local community.	<ul style="list-style-type: none"> Quarterly report (Congressional Reporting Tab- Partner and Army Housing Manager) MHPI Report Appendix -- Quarterly Utility Cost Report (ODCS, G-9) 	<p>The quarterly report template includes a Congressional Reporting tab that shows (a) the average annual rate per occupied unit for each utility (information to be provided by the RCI Partners); and (b) the corresponding annual utility rates charged for a comparably-sized unit in the local community (information to be provided by the Army Housing Managers).</p> <p>ODCS, G-9 will review and validate local/regional utility costs and compile a new Quarterly Utility Cost Report to be provided to OASA (IE&E) as an appendix to the MHPI.</p>

RCI Quality Assurance and Environmental Hazard Oversight for USAG Housing Teams

While the Program Compliance Process ensures adherence to the legal transaction documents, Davis-Bacon Act, and Congressional requirements, Army Housing Teams must also utilize a system to assure meeting acceptable quality standards and compliance with RCI Construction Standards, contract specifications, applicable State/Local building codes, Installation Design Guides (applicable portions), and Environmental Health and Safety Housing Assessment Standards. RCI Quality Assurance is the system by which the Army ensures that a quality review process is in place and that the specified end-product is realized. Army responsibilities are focused on ensuring that Soldiers and Families are provided high quality Family Housing facilities as defined in the construction and development agreements, the Guaranteed Scope of Work, and that environmental stewardship and safety is incorporated into each phase of execution. Each RCI Company involves several key service providers to perform roles crucial to the development and operations of the project. The RCI Quality Assurance system has the goal of ensuring that each service provider performs their scope of work as contracted and that they maintain a level of quality acceptable to the Army. Work of the service providers may relate to the following areas:

- Design of homes, renovations, amenities and infrastructure
- Pre-construction planning and preparation
- Construction, renovation, and improvement of project assets
- Property management, operations and maintenance services

Design of Homes, Renovations, Amenities and Infrastructure

With respect to design of project elements, it is important for RCI Companies to ensure the final agreed design is that which was conceptually agreed upon by the Army. Additionally, it is important to monitor the construction activities, to ensure that the delivered product adheres to contract specifications and meets acceptable quality standards. With respect to the design program, the Army Housing team should perform the following activities:

- Review and sign-off on all design components of the project
- Review and sign-off on all construction specifications
- Review and sign-off on all proposed changes to quality standards, applicable building codes, building code waivers, inspection and acceptance procedures, and design and construction specifications

Pre-construction Planning

The Army Housing Team should be engaged to the maximum extent possible on the scope development discussions. The Team should also attend any pre-construction meetings to ensure quality and installation requirements are built into the scope from the initial planning and development decision process. Several factors must be considered prior to commencing construction that the Army Housing Team should help review and coordinate:

- Construction Traffic
- Location and security of a lay-down yard(s)
- Construction action plans for occupied neighborhoods

- Protection or temporary construction of safe walking paths to nearby schools
- Construction trash control
- Construction site security and safety

Construction Activities

RCI Quality Assurance activities are also critical during the construction phase of the project. The construction contractor should design a quality control plan acceptable to the project team, including Army, which includes focus areas such as protection of materials, testing, and quality and code compliance inspections. Contractor should also ensure construction meets RCI Construction Standards and other construction requirements. However, the Army Housing Team has certain quality assurance responsibilities during the construction phase:

- Review and sign-off on all as-builts after rehabilitation, revitalization or construction
- Perform monthly reviews of acceptance
- Substantiate the certificates of occupancy for all work performed by the contractor
- Review and sample completed construction to ensure compliance with acceptable finish quality standards, RCI construction standards and other requirements
- Additionally, during the construction phase the installation should monitor environmental compliance. Environmental issues that may warrant attention include:
 - Lead Based Paint Abatement
 - Asbestos Abatement
 - Mold
 - Pesticides in soil or air
 - Lead in soil

Property Management, Operations, and Maintenance Services

High quality property management, operations, and maintenance services are especially important to ensure the long-term success of the project. Resident satisfaction, thus occupancy, is directly influenced by the level of quality service provided to the residents. Additionally, as the housing units age it is important that the Property Manager proactively maintain the housing to ensure a high-quality residence and community for the families. Following are areas where the Army Housing Team should periodically assess the performance of the Property Manager with appropriate quality assurance processes:

- Management of assignments, terminations and waiting list
- Preventive maintenance planning and execution
- Vacant Quarters Maintenance Timeliness
- Vacant Quarters Maintenance Quality
- Maintenance and Repair Service Order Timeliness

- Maintenance and Repair Service Order Quality
- LHS Repair Quality
- Operations and Maintenance Safety
- Customer Satisfaction through Resident Surveys
- Utilities Stewardship
- Environmental Stewardship

Environmental Health and Safety

Due to recent challenges regarding hazards in privatized housing, the Army Public Health Center developed standards and checklists to be used by USAG Housing personnel in oversight of privatized housing. The checklists below specify: (1) required housing health and safety parameters to be assessed (asbestos, lead, drinking water, radon, indoor air quality and mold), (2) the frequency of assessment, (3) the protocols for assessing each parameter and (4) the qualifications of the person conducting the assessments. The guidance also contains a comprehensive pre-occupancy housing assessment checklist and in-depth recommended actions following a health-related concern associated with asbestos, lead, drinking water, radon, indoor air quality and mold.

These standards are based on guidance from the Centers for Disease Control, Housing and Urban Development, Environmental Protection Agency, and the National Center for Healthy Housing. The Housing Maintenance Quality Assurance checklists and environmental hazard checklists are provided on the following pages. Inspection guidance and changes to the following checklists will be provided to installation personnel by IMCOM HQ on an as-needed basis.

Environmental Health and Safety Housing Assessment Standards

Housing Maintenance Quality Assurance & Environmental Hazard Oversight Program

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FORMS

- Home Assessment General Information Maintenance Repair Satisfaction Assessment
- Housing General and EHS Condition Assessment Visual Assessment for Ongoing Lead-Safe
- Maintenance Mold and Dampness Assessment
- Asbestos-containing Material Assessment
- Lead Safe Maintenance Cycle - Lead-based Paint (LBP) Risk Assessment Decision Tool

1 INTRODUCTION

The Housing Maintenance Quality Assurance & Environmental Hazard Oversight Program was developed to provide Garrison Housing Representatives with a standardized, all-inclusive method for assessing home quality and environmental health and safety elements within Army housing. The resulting Quality Assurance package is intended as a tool to assist in conducting quality assurance checks and is leveraged during between occupancy inspections as well as after any resident-requested maintenance performed. The content of the package addresses a broad range of standard quality along with housing deficiencies and hazards that could affect resident health and safety. It will be utilized by Garrison Housing Representatives under any of the following circumstances:

1. Following Between Occupancy Maintenance (BOM) – Garrison Housing Representatives are required to assess 100% of homes where between occupancy maintenance has been completed.
2. Following BOM QA Finding – Garrison Housing Representatives will reassess issues identified during the BOM QA Assessment after completion of maintenance has occurred to ensure quality of living conditions for the next resident.
3. As required for Ongoing Lead-Safe Maintenance – Garrison Housing Representatives will conduct visual assessments of paint condition for homes verified or assumed to contain lead-based paint
4. Following Maintenance Calls – Garrison Housing Representatives are required to:
 - a. Inspect 100% of maintenance calls related to life, health, and safety work orders;
 - b. Contact 5% of all residents with a completed maintenance call within the past 72 hours to assess the results of the maintenance performed (telephonic is acceptable);
 - c. Visit 100% of residents contacted who indicate dissatisfaction with the maintenance performed.
5. At Resident Request – Garrison Housing Representatives should assess a home at the residents' request.

This package includes:

- Seven (7) forms to record the quality assurance checks
- Instructions on how to fill out each form
- Standards and best practices to assess the status of housing components
- Guidance on how to proceed based on findings from these assessments

2 TIERED ASSESSMENT APPROACH

The Housing Quality Assurance and Environmental Oversight Program combines “Tier 1” and “Tier 2” level quality assurance reviews and assessments. Tier 1 consists of standard BOM quality assurance checks, resident satisfaction assurance, and mitigation conducted during the regular flow of Army Housing resident transition. Tier 2 assessments are performed specifically by certified and trained individuals for the appropriate hazard. Overall, these assessments are split into Tier 1 and Tier 2 as follows:

Tier 1 – Assessments are conducted by trained professionals from the Directorate of Public Works (DPW) who have attended the Military Housing Inspector Course and HUD Lead-Based Paint Awareness Training.

Tier 2 – Assessments are conducted by certified and/or licensed professionals such as Lead-Based Paint Risk Assessors, Industrial Hygienists, or Asbestos Model Accreditation Plan (MAP) – accredited inspector.

The assessments included in this program, along with who performs, what step is performed, what templates/checklists are used, and credentials/training required are displayed, by tier, in the table below.

Tier	Template	Where is it used?	Who uses this?	Credentials/Training
Tier 1	Home Assessment General Information	<ul style="list-style-type: none"> • BOM QA • Work Order Execution Oversight Process 	DPW Personnel (Housing, Environmental, O&M)	<ul style="list-style-type: none"> • Military Housing Inspector Course AND • HUD Lead Based Paint Visual Assessment Training
	Maintenance Repair Satisfaction Assessment	<ul style="list-style-type: none"> • Work Order Execution Oversight Process 	DPW Personnel (Housing, Environmental, O&M)	
	Housing General and EHS Condition Assessment	<ul style="list-style-type: none"> • BOM QA • Work Order Execution Oversight Process 	DPW Personnel (Housing, Environmental, O&M)	
	Visual Assessment for Ongoing Lead-Safe Maintenance	<ul style="list-style-type: none"> • BOM QA • Work Order Execution Oversight Process 	DPW Personnel (Housing, Environmental, O&M)	
Tier 2	Mold and Dampness Assessment	<ul style="list-style-type: none"> • For BOM QA issues • Resident Request • Medical need 	Certified Professional	<ul style="list-style-type: none"> • Industrial Hygienist or • EPA Compliant mold inspection and assessment Course AND EPA Mold Prevention and Remediation Course
	Asbestos-containing Material Assessment	<ul style="list-style-type: none"> • For BOM QA issues • Resident Request 	Certified Professional	Certified and/or licensed asbestos inspector
	Lead Based Paint Risk Assessment Report*	<ul style="list-style-type: none"> • Risk Assessment every 2 years • For BOM QA issues • Resident Request • Medical need 	Certified Professional	Certified Lead Based Paint Risk Assessor

* Lead Based Paint Risk Assessment Reports are governed by regulations from the EPA-administered or EPA-authorized program under which it is conducted.

3 TRAINING REQUIREMENTS

As referenced in the detailed description of Tier 1 and Tier 2 assessments, the requirements for certification and training can vary greatly between the tiers and vary based on the relevant hazard. In order to maintain proper standards and rigor in the Housing Quality Assurance Oversight Program, it is crucial to understand the training and certification requirements for the various assessors. Below is a detailed breakdown of the required training and certifications for the Tier 1 and Tier 2 Assessors.

TIER 1 ASSESSOR

The following training and experience are required to perform the Housing General and EH&S Condition Assessment and the Visual Assessment for Ongoing Lead-Safe Maintenance:

1. Military Housing Inspector Course to include training on obtaining the following measurements: ambient temperature, relative humidity, dew point
2. HUD Lead Based Paint Visual Assessment Training – module on visual assessment for deteriorated paint available on the Internet at: <https://apps.hud.gov/offices/lead/training/visualassessment/h00100.cfm>
3. Federal, state, and local statutes and ordinances
4. DoD and Army Policies and Guidance (e.g., AR 420-1, Unified Facilities Criteria, Public Works Technical Bulletins);

TIER 2 ASSESSOR**Mold and Dampness Assessor**

The individual performing a Mold and Dampness Assessment should have the following training, certification, and experience:

1. State licensing requirements, as applicable OR EPA Mold Prevention and Remediation Course (online) if no state licensing requirements.
2. Proficiency in obtaining the following measurements:
 - a. Ambient air temperature
 - b. Relative humidity
 - c. Dew point

Asbestos-containing Material Assessor

The individual performing an Asbestos-containing Material Assessment must be trained, certified, and/or licensed as listed below:

- **U.S. and territories:** Asbestos inspections must be completed by an individual certified and/or licensed (i.e., Asbestos Model Accreditation Plan (MAP)-accredited inspector) as required by the state, territorial, or local asbestos program.
- **OCONUS:** Asbestos inspections must be completed by an individual who meets the requirements of the local government as specified in the final governing standards. In the absence of local requirements, they are current in their EPA-approved Asbestos Inspector training.

Lead Based Paint Risk Assessor

The individual performing a Lead-Based Paint Risk Assessment must be certified and/or licensed as listed below:

- **U.S. and its territories**
 - For inspections in states with EPA-administered LBP Programs: Meet EPA training; experience and/or education; and certification requirements for a Risk Assessor.
 - For inspections in states with EPA-authorized LBP Programs: Meet EPA training, experience and/or education requirements in addition to state and local requirements for a Risk Assessor.
- **OCONUS:** Meet EPA training; experience and/or education; and certification requirements for a Risk Assessor.

4 LEAD-SAFE MAINTENANCE DIAGRAM AND NARRATIVE

The quality assurance checks performed in support of the Housing Maintenance Quality Assurance & Environmental Hazard Oversight Program align with Lead-Safe Maintenance activities.

The included visual diagram, and the accompanying narrative description, represent the high-level process and relationship of these tiers and the overall flow of the program

Diagram

Visual showing the different steps performed as part of the housing oversight program and how it works with the Lead Safe Maintenance Program. It also depicts interrelation of the Tier 1 and Tier 2 checks and assessments.

Narrative

Detailed explanation of the activities performed at each step of the visual diagram of the Housing Quality Assurance and Lead-Safe Maintenance Program.

– Resident vacates property

PROCESS OWNER: Property Owner

Resident vacating property will mark the beginning of the housing maintenance oversight cycle. As resident notifies for move-out date, property owner to schedule between occupancy maintenance visit.

Proceed to 2

2.0 – Standard BOM Maintenance

PROCESS OWNER: Property Owner

Property owner conducts a standard BOM check and performs any required maintenance

Proceed to DECISION 3

Decision 3.0 – Was home built before 1978?

PROCESS OWNER: Property Owner; Army Garrison Housing Office

Check housing records and confirm if the home was built before 1978 home

- If NO then proceed to 5.0
- If YES then continue with 4.0

4.0 - Review Lead Safe Maintenance Program records

PROCESS OWNER: Property Owner; Army Garrison Housing Office

Review records to determine if the home needs to have a certified Lead-based Paint Risk Assessment performed based on 2-year maintenance cycle. Record review, and further evaluation, can also be triggered at request of a healthcare provider.

Proceed to DECISION 4.1

Decision 4.1 – Does a Lead-based Paint (LBP) Risk Assessment need to be conducted?

PROCESS OWNER: Property Owner; Army Garrison Housing Office

An LBP Risk Assessment MUST be conducted IF 1) the home is not a certified lead-free or abated home, AND 2) it has been more than 2 years since the last certified LBP Risk Assessment. A “Yes” to both will require a Risk Assessment

- If NO then proceed to 5.0
- If YES then continue to 4.2

4.2 – Conduct LBP Risk Assessment / LBP Inspection

PROCESS OWNER: Property Owner

Since the house is not certified to be “clear” of lead AND there has not been an assessment within the last 2 years, then it must be assessed by certified risk assessor. This risk assessment can be done in coordination with Housing BOM Quality Assurance (QA) check when applicable and/or the BOM Inspector possesses the LBP Risk Assessor credential.

If the home has not received an LBP Inspection then, it must be performed as well. The LBP Inspection provides a Baseline of where the lead-based materials are in the residence. It can identify areas of the home that contain LBP, while the LBP Risk Assessment identifies the actual hazard. An LBP Inspection, if records are maintained and accessible, need only be performed once.

Proceed to 4.3 and update records

Proceed to 5.0 to Conduct BOM QA Checklist

4.3 – Update records

PROCESS OWNER: Property Owner; Army Garrison Housing Office

At the conclusion of a Risk Assessment, update Lead Safe Maintenance Program records noting date and results of LBP Risk Assessment and LBP Inspection if applicable.

Once records are updated, this feeds into the overall Lead Safe Maintenance Cycle

5.0 – Conduct BOM QA Checklist

PROCESS OWNER: Army Garrison Housing Office

Government oversight of housing condition following standard BOM maintenance is conducted to ensure the home is in good condition, ready for next occupant and free of Life, Health, and Safety (L/H/S) concerns.

- General Condition Assessment
- Lead-safe Maintenance Visual Assessment (pre-1978 homes)
- If home is pre-1978 and requires LBP Risk Assessment (see 3.2) then Risk Assessment will occur at same time as this QA check

*Templates used: Home Assessment General Information
 Housing General and EH&S Condition Assessment
 Visual Assessment for Ongoing Lead-safe Maintenance*

Proceed to DECISION 6.0

Decision 6.0 –Issues found?

PROCESS OWNER: Army Garrison Housing Office

During the BOM QA checklist assessment or the Risk Assessment, are any issues discovered that require mitigation and/or repair?

- If NO proceed to 11.0
- If YES, proceed to DECISION 7.0

Decision 7.0 – Is Tier 2 Certified Risk Assessment required?

PROCESS OWNER: Army Garrison Housing Office

Do any of issues discovered during the BOM QA Checklist Assessment require a Tier 2 certified Risk Assessment?

- If NO, proceed to 9.0
- If YES, proceed to 8.0

8.0 – Tier 2 Assessment Performed

PROCESS OWNER: Army Garrison Housing Office

If on visual assessment, it is determined there are potential issues regarding LBP a certified Risk Assessment will be performed. Use the required templates and guidance for the type of assessment being performed.

Proceed to 8.1

8.1 – Tier 2 Repair and Mitigation Performed

PROCESS OWNER: Army Garrison Housing Office

If during assessment performed in 8.0, it is determined there are potential issues, repair / mitigate those issues. If it is an uncleared, pre-1978 home, follow RRP standards and guidance.

Proceed to 10.0

9.0 – Resolve issues

PROCESS OWNER: Property Owner

- If the home was built pre-1978 and is not cleared of LBP, follow all Renovation, Repair and Painting rule (RRP) standards
- Continue check and repair cycle until ALL issues are mitigated / repaired

Proceed to 10.0

10.0 – Review and Confirm all repairs made

PROCESS OWNER: Army Garrison Housing Office

After Property Owner has addressed all issues noted during BOM QA inspection, Army Garrison Housing Office will perform walk-through and confirm all needed repairs have been made. If NOT, then notify property owner of remaining repairs needed.

Continue repair/check cycle until all repairs are made

Proceed to 11.0

11.0 – Move In

PROCESS OWNER: Property Owner

At this point, with all mitigation complete, the home will be ready for resident move in

Proceed to 12

Proceed to ASSOCIATED PROCESSES P.1 and P.2 when applicable

12 – 90-day Follow Up (only applicable to pre-1978 homes containing LBP)

PROCESS OWNER: Property Owner

- Property owner will contact residents and schedule a 90-Day post move-in follow-up
- Ask about general condition and satisfaction
- Inspect for damages/disturbance to LBP surfaces associated with move in
- Re-enforce education on LBP hazards and process for reporting to resident

Sustainment

Following BOM maintenance, inspections, and mitigation, there are several layers of enduring maintenance QA that will occur during the time the resident occupies the home.

Lead-Safe Maintenance Cycle

PROCESS OWNER: Property Owner; Army Garrison Housing Office

- o All information from the LBP Risk Assessment will be updated in the Lead Safe Maintenance records so that the oversight of the home will be accurately maintained. Results from the Visual Assessment for Ongoing Lead-Safe Maintenance and any other housing or repair records will also be added to the home records.
- o Records review of lead safe maintenance program, and further evaluation of a home (to include a full LBP Risk Assessment), can also be triggered at the request of a healthcare provider.
- o For Lead Safe Maintenance Cycle activities See Lead Safe Maintenance Cycle - Lead-based Paint Risk Assessment Decision Tool with and Narrative Form

Maintenance Repair Satisfaction Oversight

PROCESS OWNER: Army Garrison Housing Office

- o Garrison Housing office representative will follow-up on resident work order repairs to confirm satisfaction and completion
- o Work order follow ups will be conducted on 100% of all L/H/S incidents and 5% of all other work order requests as outlined in the introduction of this document.

Templates used: Maintenance Repair Satisfaction Assessment

5 FORM INSTRUCTIONS

5.1 WRITING BEST PRACTICES FOR NOTES/COMMENTS

To provide an objective, understandable and actionable assessment comment, there needs to be a common structure utilizing shared terms and arrangement. The below information gives best practices of how to better construct an effective assessment comment.

Understand the FIVE integral parts of the Assessment Comment

Part Type	Type Description
Component	Identifies the object or component being assessed
Distress	Identifies the type of issue, or distress, of the component (see list below)
Severity	Describes the amount, or severity, of the distress (see chart below)
Location	Provides the location of the component being assessed (ex. Foyer; northwest corner living room; master closet back wall; etc.)
Quantity	Provides the amount / quantity of the component that shows noted distress (ex. 10%; more than half; all 4 panes of window; etc)

List of common distresses to be used on assessment comments

Blistered	Displaced	Overheated	Capability / Capacity Deficient
Broken	Efflorescent	Patched	Animal / Insect Damaged
Clogged	Holes	Rotten	Moisture / Debris Contaminated
Corroded	Leaks	Stained (dirty)	Noise / Vibration Excessive
Damaged	Loose	Cracked	Operationally Impaired
Deteriorated	Missing	Non-functioning	Electrical Ground Inadequate or Unintentional

Describe the Severity of the Distress

Minor/Mild	Moderate	Significant/Major	Extensive	Severe	Complete/Total
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Utilize the FIVE important pieces to create Assessment Comment

See following examples:

- "Extensive cracking on 50% of Master Bath external wall"
- "Downstairs bedroom carpet is stained; 4 large stains"
- "Extensive blistering of paint on over 50% of rear kitchen door"

5.2 HOME ASSESSMENT GENERAL INFORMATION

This form is used to capture general information related to the home and inspection(s) being performed and should always accompany any other form(s) included in this package. It contains the Overall Home Assessment Result and decision to make the home available for a resident.

- **Garrison** – Enter the Garrison name.
- **Date of Assessment** – Capture the date the assessment was started.
- **Home Address** – Enter the street address of the home. Include the unit number if applicable.
- **State/Province** – Enter the state or province the home is in.
- **Country** – Enter the country the home is in.
- **Year Built** – Enter the year the home was built.
- **RPUID** – Enter the home's RPUID. Enter N/A if not applicable.
- **Garrison Housing Representative Name** – Capture the name of the garrison housing representative conducting the inspection.
- **Rep Phone #** – Capture the phone number of the garrison housing representative identified in the form.
- **Rep Email** – Capture the email address of the garrison housing representative identified in the form.
- **Type of Inspection** – Check the box for Between Occupancy Maintenance if the inspection is being done after the home was vacated and the property owner performed maintenance. Check the box for Maintenance Quality Assurance Inspection if the inspection is being done as a follow up to a maintenance call. Check the box for Resident Requested Assessment if the inspection is being done at the resident's request.
- **Previous Inspection Information** – Enter the number of times the home has been inspected and the last date the home was inspected.
- **Quality Assurance Package Contains** – Check the box for the forms included in the package.
- **Facility Type** – Check the box next to the correct facility type for the home. Keep in mind the following list of acronyms:
 - AFH – Army Family Housing
 - RCI – Residential Communities Initiative
- **Is follow up needed for this home?** – Check the appropriate box to identify what kind of follow up is needed for the home. If no follow up is needed, check None. Otherwise, check one or more of the other options.
- **Overall Home Assessment Result** – Select the appropriate response based on the results of the assessment.
 - Pass – Check this if the home is safe and ready for residents.
 - Pass with Conditions – Check this if there are issues with the home that can be fixed within 72 hrs. and do not pose an L/H/S risk to the resident.
 - Condition Description – State the conditions that need to be met for the house to receive a full Pass. Refer to the table below for guidance.
 - Fail – Check this if there are issues with the home that cannot be fixed within 72 hrs. or pose an L/H/S risk to the resident. Refer to the table below for guidance.
 - Fail Description – State the conditions that cause the house to fail the assessment.
 - Garrison Commander waiver? – Check Yes or No to state if the Garrison Commander will waive the fail result and allow a new resident to move in.
 - Garrison Commander Signature – Required if the Garrison Commander waives the fail result. This authority cannot be delegated.

- **Justification for Waiver** – State why the fail result is being waived to allow a resident to move into the home.

The table below lists examples of conditions that would cause a house to ‘Pass with Conditions’ or ‘Fail’ an assessment. **This is not an exhaustive list** but should be used as a starting point to determine the overall home assessment result.

Pass with Conditions	Fail
Inoperable toilets with at least one working	Any Life/Health/Safety items
Inoperable showers with at least one working	Visible or perceived mold
Live pest control issue in the exterior	Deteriorated or peeling lead-based paint
	Live pest control issue in the interior
	Potential environmental hazard where further investigation by a credentialed professional is necessary.
	Inoperable HVAC where available; urgency based on season
	Leaking or inoperable water heater
	Water Intrusion
	Roof leak
	Gas leak (suspected smell is enough)
	Missing or inoperable smoke and/or carbon monoxide detectors
	Broken or non-locking exterior doors and/or windows
	No power or lighting
	Strong odor (smoke, pet urine, mold, gas, etc.)
	Inoperable toilets (none working)
	Inoperable showers (none working)
	NDAA § 2817 Accidental fall prevention for windows (after Dec 19) (see Definitions on page 2)
	Disqualified window coverings (after Dec 19) (see Definitions on page 2)

5.3 MAINTENANCE REPAIR SATISFACTION ASSESSMENT

This form is used to follow up on maintenance calls as part of the Work Order Execution Oversight. Fill the fields in the form as follows:

- **Garrison** – Enter the Garrison name.
- **Date of Assessment** – Enter the date the assessment took place.
- **Home Address** – Enter the street address of the home. Include the unit number if applicable.
- **Resident Name** – Enter the name of the resident answering the survey.
- **Service Member Name** – Enter the name of the primary Service Member resident.
- **Resident Phone** – Enter the phone number of the resident answering the survey.
- **Resident Email** – Enter the email of the resident answering the survey.

- **Garrison Housing Representative Conducting Call** – Enter the name of the garrison housing representative conducting the call.
- **Rep Phone #** – Enter the phone number of the garrison housing representative conducting the call.
- **Rep Email** – Enter the phone number of the garrison housing representative conducting the call.
- **Type of Maintenance Call** – Check the box next to the correct type of maintenance call being followed up on.
- **Maintenance Satisfaction** – For each question in the section, check the box Yes, No, or N/A based on the resident's responses.
- **Resident Comments** – Use this section to capture additional information provided by the resident.
- **Representative Comments** – Use this section to capture additional notes related to the assessment and/or maintenance call.

5.4 HOUSING GENERAL AND EHS CONDITION ASSESSMENT

This form is used to evaluate the general condition of the home being assessed and to identify L/H/S issues of concern. This form is required to be used by Garrison Housing Representatives under the following circumstances:

1. During BOM QA. After between occupancy maintenance occurs to assess if the home is ready for a new resident.
2. After issues identified during the BOM QA have been addressed to ensure they were properly resolved.
3. Following Maintenance Calls – Garrison Housing Representatives are required to:
 - a. Inspect 100% of maintenance calls related to life, health, and safety work orders;
 - b. Contact 5% of all residents with a completed maintenance call within the past 72 hours to assess the results of the maintenance performed (telephonic is acceptable);
 - c. Visit 100% of residents contacted who indicate dissatisfaction with the maintenance performed.
4. At Resident Request – To assess a home at the residents' request.

5.4.1 Tier and Training

This form is used for a Tier 1 Assessment to be performed by trained housing professionals with the following training and experience level:

1. Military Housing Inspector Course to include training on obtaining the following measurements: ambient temperature, relative humidity, dew point, noise, GFCI testing, water temperature, and distance/area
2. HUD Lead Based Paint Visual Assessment Training – module on visual assessment for deteriorated paint available on the Internet at <http://www.hud.gov/offices/lead/training>
3. Federal, state, and local statutes and ordinances
4. DoD and Army Policies and Guidance (e.g., AR 420-1, Unified Facilities Criteria, Public Works Technical Bulletins);

5.4.2 Material and Equipment Required

The Housing General and EHS Condition Assessment requires the following tools to collect necessary measurements:

1. Multifunctional dew point thermometer, or equivalent – Used for ambient air temperature, relative humidity and dew point measurements
2. GFCI Tester – Used to test outlets to ensure they are properly grounded

5.4.3 Instructions

In preparation for the Inspection, conduct a records review of the home. The review should cover, at least the following:

- **Asbestos-containing Material:** Identify if the home has any components that may contain asbestos and where they are.
- **Radon Testing:** Review records to determine if previous testing for Radon with results below 4 picocuries per liter at lowest habitable level are available for the home. Testing must be done in 10% of homes every five years and if mitigation has been performed, every five years.
- **Lead-based Paint:** read through the available documentation to determine the presence or absence of LBP and the location(s) of any LBP in the home. The relevant documentation includes but is not limited to:
 - LBP Inspection Reports or EHI Home Inspection Reports
 - LBP Survey Reports
 - LBP Risk Assessment Reports
 - LBP Testing Results
 - LBP Abatement Records include:
 - Renovation designs or as-builts
 - LBP Abatement Reports
 - Title II construction surveillance/inspection reports
 - Documentation of Interim Controls (e.g. encapsulation of LBP)
 - Clearance sampling results after any paint-disturbing work
 - Previous work orders for the home

Fill the fields in the form as follows:

- **Garrison** – Enter the Garrison name.
- **Date of Assessment** – Enter the date the assessment took place.
- **Home Address** – Enter the street address of the home. Include the unit number if applicable.
- **Garrison Housing Representative** – Enter the name of the garrison housing representative inspecting the home.
- **Rep Phone #** – Enter the phone number of the garrison housing representative conducting the call.
- **Rep Email** – Enter the phone number of the garrison housing representative conducting the call.
- **General Questions** – For each question in the section, check the box for the correct answer. Refer to the Standards section for additional guidance.
- **Lead Based Paint Questions** – For each question in the section, check the box for the correct answer. Refer to the Standards section for additional guidance.

- **Measurements and Readings** – Use a multifunctional dew point thermometer or equivalent to collect the required measurements and record them in the appropriate field. If any measurements and/or readings fall outside of the provided ranges, conduct a Mold and Dampness Assessment (see Mold and Dampness Assessment Form). Refer to Standards/Guidelines for full information.

For each room or area, evaluate each component using the following scale:

- **Good (G)** – The component meets all appropriate standards, is fully functional, and its condition is like new. No potential Life / Health / Safety issues are visible.
- **Fair (F)** – The component meets all appropriate standards and is functional. It displays normal wear and tear with only minor or cosmetic damage. No potential Life / Health / Safety issues are visible. If a rating of Fair is given for a specific component, it is recommended to provide details in the Comments column for why Fair was indicated.
- **Poor (P)** – The component does not meet appropriate standards or is not functional or severely damaged. This requires repair and/or further inspection. If a rating of Poor is given for a specific component, it is required to provide details in the Comments column for why Poor was indicated.
- **Not Applicable (N/A)** – The component is not present in the room.

For each component identify the following:

- **Life/Health/Safety (LHS)** – Check the appropriate box if there is a potential life, health, or safety concern related to the component. This requires repair and/or further inspection. If the LHS box is checked, it is required to provide details in the Comments column for why LHS was indicated.
- **Comments** – Use the comments section to capture specific information related to the evaluation of a component. Specify location of component (e.g., first window on right when entering room) and provide details regarding reason for a rating of Fair or Poor

5.5 VISUAL ASSESSMENT FOR ONGOING LEAD-SAFE MAINTENANCE

This form is used to identify deteriorated paint or visible paint dust or debris after between occupancy maintenance or on an annual basis in support of maintaining homes in a lead-safe condition. The use of this form does not replace the need for a Risk Assessment to be performed by a Certified Risk Assessor as described in section 2 of this document.

5.5.1 Tier and Training

This form is used for a Tier 1 Assessment to be performed by trained housing professionals with the following training and experience level:

1. Military Housing Inspector Course to include training on obtaining the following measurements: ambient temperature, relative humidity, dew point
2. HUD Lead Based Paint Visual Assessment Training – module on visual assessment for deteriorated paint available on the Internet at <http://www.hud.gov/offices/lead/training>
3. Federal, state, and local statutes and ordinances
4. DoD and Army Policies and Guidance (e.g., AR 420-1, Unified Facilities Criteria, Public Works Technical Bulletins);

5.5.2 Instructions

Fill out the form as follows:

- **Home Address** – Enter the street address of the home. Include the unit number if applicable.
- **Garrison Housing Representative** – Enter the name of the garrison housing representative inspecting the home.
- **Date of Visual Assessment** – Enter the date the visual assessment took place.
- **Rep Phone #** – Enter the phone number of the garrison housing representative conducting the call.
- **Rep Email** – Enter the email of the garrison housing representative conducting the call.
- **Rating Guide** – Use the rating guide to evaluate the paint condition of different components through the house.
 - **Not Applicable (N/A)** – Use this to indicate component is not present or not painted.
 - **Good (G)** – Paint is in good condition. There are no signs of deterioration.
 - **Fair (F)** – Paint is starting to show signs of wear and tear but is not deteriorated yet. If a rating of Fair is given for a specific component, it is recommended to provide details in the Comments columns of the condition why Fair was indicated.
 - **Deteriorated (D)** – Paint is peeling, chipping, chalking, cracking, holes in walls, or damaged substrates. If a rating of Deteriorated is given for a specific component, it is required to provide details of the damage in the Comments column.

The pictures below show (from left to right) peeling, chipping, caulking, cracking, holes in wall, and substrate deterioration (e.g., moisture damage).



- **De Minimis Guide** – It is important to note if deteriorated paint would be considered de minimis (minor). This will impact the type of work order needed to address the deterioration.
 - **Interior:** Less than two square feet (<2 ft²) and less than 10% (<10%) of the entire surface area of an interior building component is deterioration. Less than 10% of the total surface area of a component with a small surface area.
 - **Exterior:** Less than <20 ft² and <10% of the entire surface area of an exterior building component is deteriorated. Less than 10% of the total surface area of a component with a small surface area.

- **Home Areas** – For each home area evaluate the condition of the paint. A floorplan is recommended to identify areas of deterioration.
 - **Rating Columns** – Enter the appropriate rating for each component. If a component is not present or painted, use 'N/A.'
 - **Above De Minimis?** – If deterioration is found for any component and the damage is greater than the de minimis thresholds, check the box to the right of the rating.
 - **Comments** – Use the Comments column to specify where damage was found and characteristics of the deterioration that would make it easy to identify for follow-up purposes.
 - **Other Painted Components** – Use this section if you find painted components in the room/area that are not included in the list or to identify areas of bare soil, painted fencing, playgrounds or excessive dust.
- **Bedrooms** – Use the Bedrooms table to clearly identify each bedroom. If there is an available floorplan that labels the bedrooms, use those designations and include the floorplan. Otherwise, it is recommended to label the first bedroom on the right as Bedroom 1 and continue counter-clockwise. If the home has multiple levels, begin labeling on the main level and continue to the second and third (or basement) following the same pattern.
- **Bathrooms** – Use the Bathrooms table to clearly identify each bathroom. If there is an available floorplan that labels the bathrooms, use those designations and include the floorplan. Otherwise, it is recommended to label the first bathroom on the right as Bathroom 1 and continue counter-clockwise. If the home has multiple levels, begin labeling on the main level and continue to the second and third (or basement) following the same pattern.

5.6 MOLD AND DAMPNES ASSESSMENT

This form is used to assess the presence of mold and/or conditions conducive for mold growth within one room or area in a home. This assessment is required under the following circumstances:

1. When the Housing General and EHS Condition Assessment indicates
2. Following complaints of reoccurring suspect-mold
3. Following water damage
4. After mold remediation
5. When a health care provider recommends a mold assessment

5.6.1 Tier and Training

This form is used for a Tier 2 Assessment to be performed by an individual with the following training and experience level:

1. State licensing requirements, as applicable OR EPA Mold Prevention and Remediation Course (online) if no state licensing requirements.
2. Proficiency in obtaining the following measurements:
 - a. Ambient air temperature
 - b. Relative humidity
 - c. Dew point

5.6.2 Instructions

This information must be repeated on each form:

- **Home Address** – Enter the street address of the home. Include the unit number if applicable.
- **Page #** – Indicate the page number(s) of the assessment tool.
- **Garrison Housing Representative** – Provide the name of the person conducting the assessment.
- **Date** – Provide the date the home is being assessed.

For each room:

- **Room/ Area** – Identify the room or area being assessed.
- **Musty or Damp Odor**
 - Be sure to smell for a musty or damp odor when you first walk into each room.
 - Determine whether a smell is mild, moderate, or strong.
 - Identify the odor's source; if you cannot determine the source, check Source Unknown.
- **Notes** – Capture any additional notes related to the home or assessment.
- **Room Components** – Check the box in the first column for all the room components found in the room you are assessing. Assess components systematically in the order given from top to bottom.
Key notes:
 - **Windows** include internal, external, and skylights.
 - **Furnishings** include furniture, sinks, toilets, printers, and copiers.
 - **HVAC systems** include all systems used to heat/cool the room or area including unit ventilators, radiators, forced-air systems, window units, and fans.
 - **Belongings** include books, paper, boxes, gym equipment, kitchen supplies.
 - **Pipes** include any exposed pipes in the room.
- **If Nothing is Found** – If no damage, mold, or wetness is identified for a component, check the box in the third column for the room component where no issues were identified.
- **Assessing Damage** – Inspect each component for three damage types for the assessment:
 - **Damage or Stains** – Indicate if you see water related damage or stains.
Damage could include peeling paint, efflorescence, rust, warping, and deteriorated or crumbling building materials.



Damage to wall caused by flooding.

Stains could include discoloration caused by possible water leaks, flooding, or condensation.



Water stained ceiling panels.

- **Visible Mold** – Indicate if you see visible mold growth or suspect mold growth.

Mold can include patches or spots that are colored differently than the underlying material (typically gray, brown, or black).

Mold can appear fuzzy and can have a musty or earthy odor.



Mold on a wall.

- **Wet or Damp** – Indicate if you see areas of wetness or dampness. *Wet or damp conditions could include visible signs of moisture, such as water beads or condensation, humidity, water leaks, or flooding.*



Wet area on floor and side of wall.

- **Scoring** – Score each component by circling the appropriate assessment score for each damage type. Scoring is based on the combined size of the affected areas. Individual sizes of each affected problem area are added together to obtain a combined size. If score of 1 or 2, immediately identify problem source and, based on complexity, contact a remediation professional for assistance. If score of 3, identify source and request immediate assistance from remediation professional.
 - 0 – No problem areas identified.
 - 1 – 10 square feet or smaller.
 - 2 – Between 10 and 100 square feet.
 - 3 – Greater than 100 square feet.
 - U – When scoring Visible Mold, if you are not certain what you see is mold, score visible mold as “U” and document in the Notes field that you are unsure if there is mold or just staining/dust. Photographs are recommended in this case.
- **Near Exterior Wall** – If the affected area is within three feet of an exterior wall, check the box in the “Near exterior wall” column after each scoring column.
- **Component & Assessment Notes** – This section collects more information for each of the room components. Circle any words that apply to your observational assessment.
 - **Component Notes** includes information on the material or location affected.
 - **Assessment Notes** includes information on common indicators of dampness.

Note: Photographs can be useful for documenting conditions. Take photographs of areas that generate a score greater than "0" and submit with inspection checklist.

5.7 ASBESTOS-CONTAINING MATERIAL ASSESSMENT

This form is used to assess the presence of asbestos-containing material (ACM) in a home. Asbestos is a naturally occurring mineral long used as insulation or as a binding material for products exposed to high temperatures. ACM presents a potential health hazard when it is damaged during maintenance or removal activities. This assessment is required under the following circumstances:

1. When the Housing General and EHS Condition Assessment indicates
2. After suspected damage to buildings from earthquakes or natural disasters
3. When suspect ACM is identified, especially if in damaged or friable conditions
4. Health care provider recommended assessment

5.7.1 Tier and Training

This form is used for a Tier 2 Assessment to be performed by an individual with the following training and experience level:

- **U.S. and territories:** Asbestos inspections must be completed by an individual certified and/or licensed (i.e., Asbestos Model Accreditation Plan (MAP)-accredited inspector) as required by the state, territorial, or local asbestos program.
- **OCONUS:** Asbestos inspections must be completed by an individual who meets the requirements of the local government as specified in the final governing standards. In the absence of local requirements, they are current in their EPA-approved Asbestos Inspector training.

5.7.2 Instructions

Fill out the form as follows:

Inspector Information:

- Inspector Name – Capture the name of the licensed assessor.
- Inspector License/Certification # – Capture the license/certification number of the assessor.
- Date of Inspection – Capture the date(s) of the assessment.
- License Expiration Date – Capture the expiration date of the assessor's license/certification.
- Issuing State – Enter the issuing state for the assessor's license/certification.
- Inspector Signature – Enter the inspector's signature.

Housing System Information.

- Renovations – Indicate Yes if the house has had renovation since it was originally built. Indicate No if the house has not had renovation since it was originally built.
- Year of last renovation – Enter the year the house was last renovated. Enter N/A if No was indicated in the previous question. Enter unknown if the renovation history is unknown.
- Brief description of the last renovation(s) – Describe the intent of the last renovation to the house.

Heating System.

- Furnace, Boiler, Heat Pump, Active Solar, Electric – Indicate the type of heating system that is present within the house.
- Thermal System Insulation (TSI) on Heating System – Indicate Yes if there is a thermal system insulation on the heating system. Indicate No if there is not a thermal system insulation on the heating system.
- Location – Enter the location of the TSI and annotate if it is restricted to a specific area or if it extends to other areas.
- Condition – Describe the condition of the TSI (i.e., significantly damaged, damaged, good).
- Disturbance Potential – Indicate the potential for the TSI (i.e., potential for significant damage, potential for damage, or low potential). The potential for damage is assigned based on whether the ACM has a high, moderate or low likelihood of frequent contact by people, exposure to vibrations, or potential for air erosion.
- Quantity – Indicate the estimated quantity of the TSI.

Flooring.

- Carpet, Hardwood, Ceramic, Concrete, Tile – Indicate the type of flooring material that is present within the house.
- For all tile present – Indicate the following:
- Location – Enter the location of the tile.
- Size – Enter the size of one tile (e.g., 9 in. square tile, 12 in. square).
- Condition – Describe the condition of the tile (i.e., significantly damaged, damaged, good).
- Quantity – Indicate the estimated quantity of the tile of concern in ft².
- Potential ACM? – Indicate Yes, No, or Unknown if there is a potential for the tile to contain ACM.

Walls.

- Location – Enter the location of each wall suspected of containing ACM.
- Type – Indicate the type of wall material (e.g., drywall).
- Condition – Describe the condition of the wall (i.e., significantly damaged, damaged, good).
- Quantity – Indicate the estimated quantity of the wall material in ft².
- Friable (Y/N) – Indicate if Yes if the wall material is able to be crumbled, pulverized or reduced to powder by hand pressure, to include previously non-friable material that has been previously damaged to the extent that when dry it may be crumbled, pulverized or reduced to powder by hand pressure. Answer No if the wall material, when dry, may not be crumbled, pulverized or reduced to powder by hand pressure.
- Potential ACM? – Indicate Yes, No, or Unknown if there is a potential for the wall to contain ACM.

Ceiling.

- Location – Enter the location of the ceiling suspected of containing ACM.
- Type – Indicate the type of ceiling material (e.g., drywall).
- Condition – Describe the condition of the ceiling (i.e., significantly damaged, damaged, good).

- Quantity – Indicate the estimated quantity of the ceiling material in ft².
- Friable (Y/N) – Indicate if Yes if the ceiling material is able to be crumbled, pulverized or reduced to powder by hand pressure, to include previously non-friable material that has been previously damaged to the extent that when dry it may be crumbled, pulverized or reduced to powder by hand pressure. Answer No if the ceiling material, when dry, may not be crumbled, pulverized or reduced to powder by hand pressure.
- Potential ACM? – Indicate Yes, No, or Unknown if there is a potential for the ceiling to contain ACM.

Insulation.

- Location – Enter the location of the insulation suspected of containing ACM.
- Type – Indicate the type of insulation material (e.g., blown fiber).
- Condition – Describe the condition of the insulation (i.e., significantly damaged, damaged, good).
- Quantity – Indicate the estimated quantity of the insulation material in ft².
- Friable (Y/N) – Indicate if Yes if the insulation material is able to be crumbled, pulverized or reduced to powder by hand pressure, to include previously non-friable material that has been previously damaged to the extent that when dry it may be crumbled, pulverized or reduced to powder by hand pressure. Answer No if the insulation material, when dry, may not be crumbled, pulverized or reduced to powder by hand pressure.
- Potential ACM? – Indicate Yes, No, or Unknown if there is a potential for the wall to contain ACM.

Other Materials (Ductwork, pipe, etc.)

- Material – Indicate the type of material that is of concern.
- Location – Enter the location of the material suspected of containing ACM.
- Condition – Describe the condition of the material (i.e., significantly damaged, damaged, good).
- Quantity – Indicate the estimated quantity of the material in ft².
- Friable (Y/N) – Indicate if Yes if the material is able to be crumbled, pulverized or reduced to powder by hand pressure, to include previously non-friable material that has been previously damaged to the extent that when dry it may be crumbled, pulverized or reduced to powder by hand pressure. Answer No if the material, when dry, may not be crumbled, pulverized or reduced to powder by hand pressure.
- Potential ACM? – Indicate Yes, No, or Unknown if there is a potential for the material to contain ACM.

Notes/Comments – Capture any additional notes related to the home or assessment.

6 STANDARDS

6.1 HOUSING GENERAL AND EHS CONDITION ASSESSMENT

Below are the standards that each component should be measured against when determining ratings. If any component has a Poor rating, it must be repaired. Refer to the Resolution/Follow-up Guidance section for further information on requirements for each component.

6.1.1 General Questions

Question	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Means of egress	Every home must have at least 2 means of egress that serve as emergency escapes and rescue openings and meet the minimum state and/or local egress requirements. If habitable room, partly or fully below grade, is intended as sleeping area, must be at least one exterior window openable from inside and accessible for easy use as emergency exit	Ensure the minimum requirements in standard are met through repair or renovation. If below grade with no easy exit window, advise resident it may not be used for sleeping purposes	No
Disqualified Window Coverings	<ul style="list-style-type: none"> • Accessible window covering cords should not exceed 8ins. in length • Window covering should not have an accessible continuous loop cord that does not have a cord tension device that prevents operation when the cord is not anchored to the wall 	Ensure the minimum requirements in standard are met through repair or renovation	No
Fall Prevention Equipment	Fall prevention equipment is required on exterior windows where the top of the sill is more than 72 ins from surface below and the vertical distance from the top of the sill to the floor of the room is less than 36 ins	Ensure the minimum requirements in standard are met through repair or renovation	No
Pest and Pest Management	Homes must be free of pests	Ensure the minimum requirements in standard are met through repair or	No

Question	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
	Pest management methods should be used to maintain every home free of infestation, openings that allow pest entry, conditions that harbor pests or provide them with food or water, and visible pest residue or debris	renovation. Infestation should be eliminated using control methods consistent with Integrated Pest Management Program (IPM). Consult the Installation Pest Management Coordinator for additional support	
Damaged or friable asbestos-containing material	<ul style="list-style-type: none"> • Records review prior to visual inspection are required to identify components that may contain asbestos • Building components that may contain asbestos should be free from damage and cannot be crumbled or pulverized under hand pressure 	Engage licensed asbestos professional to further inspect and resolve issues	Yes
Radon Testing records	Records should indicate previous testing for Radon with results below 4 picocuries per liter in lowest habitable level. Additional testing must be conducted in 10% of dwellings every five years. If mitigated, must retest performance every five years.	Check records to confirm prescribed testing. Engage licensed and/or certified professional to further test and incorporate appropriate radon reduction methods	Yes
Pervasive Odor	<ul style="list-style-type: none"> • Newly installed laminate floors may be a source of formaldehyde gas • Homes should be free of smoke, pet urine, mold, gas odors 	<ul style="list-style-type: none"> • Identify odor source and if necessary, remove with the help of an appropriate professional • Ensure adequate ventilation is provided to dilute odors from the space 	Yes, if mold odor detected
Visible mold, water damage, dampness/moisture	Homes must be free of visible mold, water damage/stains, persistent dampness/moisture on all surfaces and surface coverings in interior and exterior building components	Engage a certified individual to perform a Mold and Dampness Assessment	Yes
Drainage and premise grading	<ul style="list-style-type: none"> • Building’s drainage system such as footing or foundation drains, gutters, downspouts, rainwater collection containers, or other 	Identify and address sources contributing to the issue with an appropriate professional	Yes, if signs of mold or water damage

Question	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
	<p>elements should direct away from the structure</p> <ul style="list-style-type: none"> • Premises should be graded and maintained to prevent the erosion of soil and to prevent the accumulation of water on the premises, within a crawlspace, or within the structure 		
HVAC/Plumbing insulation	Cold HVAC and plumbing components and systems in readily accessible locations should be insulated to keep the temperature of their surfaces at least 10° F above the dew point of the surrounding air	Identify and address sources contributing to the issue with an appropriate professional	Yes, if signs of mold or water damage

6.1.2 Lead Based Paint Questions

Question	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Home built before 1978	LBP was banned as a U.S. consumer product in 1978. Homes built on and before that date are assumed to contain LBP unless otherwise demonstrated through testing or records	If a home was built on or before that date, and records do not show LBP has been removed from the home, the Visual Assessment for Ongoing Lead-Safe Maintenance is required, and repairs should follow RRP guidelines. An LBP Risk Assessment may also be required	Yes, if damaged paint is identified
Certified as lead-based paint free	A comprehensive LBP inspection report with analytical results (i.e., XRF or lead paint chip results) should indicate no LBP was identified. Specific states may have more stringent requirements including a certificate to demonstrate a home is free of lead-based paint.	If a home does not have the required documented proof, the Visual Assessment for Ongoing Lead-Safe Maintenance is required, and repairs should follow RRP guidelines. An LBP Risk Assessment may also be required	Yes, if damaged paint is identified
Records Review	Prior to visiting a home, conduct a records review including but not limited to:	If records do not demonstrate lead has been removed from the home, the Visual	Yes, if damaged paint is identified

Question	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
	<ul style="list-style-type: none"> • LBP Inspection Reports or EHI Home Inspection Reports • LBP Survey Reports • LBP Risk Assessment Reports • LBP Testing Results • LBP Abatement Records: <ul style="list-style-type: none"> ○ Renovation designs or as-builts ○ LBP Abatement Reports ○ Title II construction surveillance/inspection reports • Documentation of Interim Controls (e.g. encapsulation of LBP) • Clearance sampling results after any paint-disturbing work • Previous work orders for the home 	Assessment for Ongoing Lead-Safe Maintenance is required, and repairs should follow RRP guidelines. An LBP Risk Assessment may also be required	
OCONUS Market	Lead based paint is still available in some OCONUS markets in the Pacific	If records do not demonstrate lead has been removed from the home, the Visual Assessment for Ongoing Lead-Safe Maintenance is required, and repairs should follow RRP guidelines. An LBP Risk Assessment may also be required	Yes, if damaged paint is identified

6.1.3 Measurements and Readings

Measurement / Reading	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Temperature	Should be maintained 68° F - 80° F. In dwellings with heating equipment using steam or hot water with a temperature of 110° F or greater	<ul style="list-style-type: none"> • Identify and address sources contributing to the issue with an appropriate professional • Engage a certified individual to perform a Mold and Dampness Assessment 	Yes, if signs of mold or water damage

Dew Point	Indoor cooling and heating conditions should not exceed 55° F dew point to prevent condensation on surfaces	<ul style="list-style-type: none"> • Identify and address sources contributing to the issue with an appropriate professional • Engage a certified individual to perform a Mold and Dampness Assessment 	Yes, if signs of mold or water damage
Relative Humidity	Maintained between 30 – 50%. Below 60% to significantly diminish the opportunities for mold growth, and adversely affect the preferred environment of some pests	<ul style="list-style-type: none"> • Identify and address sources contributing to the issue with an appropriate professional • Engage a certified individual to perform a Mold and Dampness Assessment 	Yes, if signs of mold or water damage

6.1.4 Exterior

Component	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Exterior Doors	Weathertight, proper fit, free from damage	Identify and address sources contributing to the issue with an appropriate professional	Yes, if LBP present in home
Windows/Screens	Weathertight, no rotting around frame, no signs of leakage of air or water.	Identify and address sources contributing to the issue with an appropriate professional	Yes, if LBP present in home
Exterior Walls	<ul style="list-style-type: none"> • Weathertight, no loose panels or siding, no deep cracks in masonry or mortar, no signs of water infiltration or mold • Weep holes in brickwork shall be left open 	<ul style="list-style-type: none"> • If signs of water infiltration or mold, Tier 2 assessment recommended • All other issues, repair/resolve by identifying and addressing sources contributing to the issue by an appropriate professional 	Yes, if signs of water infiltration or mold
Exterior Stairs	<ul style="list-style-type: none"> • Structurally sound, in good repair • Handrails properly installed 	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	No
Foundation	Free of cracks and crumbling	Identify and address sources contributing to the issue with an appropriate professional	No
Outside Draining	Gutters and roof drains are not obstructed or leaking, surface water drains away from the foundation	Identify and address sources contributing to the issue with an appropriate professional	No
Roof	Free from broken seams or cracked shingles, flashing in place, no apparent infiltration	Identify and address sources contributing to the issue with an appropriate professional	No

Component	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Porch / Patio	<ul style="list-style-type: none"> • Clean, no damaged flooring, no gaps/holes, no bulges/buckling • Structurally sound, in good repair 	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	Yes, if LBP present in home
Fence	No loose posts, structurally sound, in good repair, and properly anchored	Identify and address sources contributing to the issue with an appropriate professional	Yes, if LBP present in home
Electrical Outlet(s) GFCI Protected	Receptacle outlets in garages and outdoors must be protected by a ground-fault circuit interrupter (GFCI)	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	No
Exterior Hose Bib	Installed and maintained in a safe and functional order and free of obstructions, leaks, and defects	Identify and address sources contributing to the issue with an appropriate professional	
HVAC	<ul style="list-style-type: none"> • Mechanical, utility, and heating equipment must be separated from habitable rooms • Installed and maintained in a safe and functional order in conformance with applicable statutes, ordinances, and regulations • Kept free of obstructions, leaks, and defects 	Identify and address sources contributing to the issue with an appropriate professional	No
Water Heater	<ul style="list-style-type: none"> • Mechanical, utility, and heating equipment must be separated from habitable rooms • Installed and maintained in a safe and functional order in conformance with applicable statutes, ordinances, and regulations • Kept free of obstructions, leaks, and defects 	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	No

6.1.5 Kitchen & Bathrooms

Component	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Doors	Proper fit, free from damage	Identify and address sources contributing to the issue with an appropriate professional	Yes, if LBP present in home
Ceiling	<ul style="list-style-type: none"> Free from damage, water stains, etc. Paint in good condition 	Identify and address sources contributing to the issue with an appropriate professional	Yes, if signs of water infiltration or mold
Flooring	<ul style="list-style-type: none"> Floors in good condition with a sealed, water-resistant, nonabsorbent, and cleanable surface Free of bulges and buckling 	Identify and address sources contributing to the issue with an appropriate professional	No
Walls	<ul style="list-style-type: none"> No deep cracks, no signs of water infiltration or mold Paint in good condition 	<ul style="list-style-type: none"> If signs of water infiltration or mold, Tier 2 assessment recommended All other issues, repair/resolve by identifying and addressing sources contributing to the issue by an appropriate professional 	Yes, if signs of water infiltration or mold
Windows/Blinds	<ul style="list-style-type: none"> Weathertight, no signs of leakage of air or water, or paint damage. No broken blinds or disqualified window coverings. Reference Disqualified Window Coverings in section 6.1.1 	Identify and address sources contributing to the issue with an appropriate professional	Yes, if LBP present in home
Sink and Faucets (hot/cold)	<ul style="list-style-type: none"> Sink in good working condition and properly connected to heated and unheated water supplies and waste pipes Adequate supply of heated running water under pressure supplied to sink Faucet completely above the rim of the sink Adequate amount of running water under pressure Filters changed Has kitchen sink faucet(s) been sampled for Lead in drinking water, or is it scheduled for sampling IAW OPOD 18-109? 	<p>Identify and address sources contributing to the issue with an appropriate professional</p> <p>For Lead in drinking water sampling, check records. If privatized, contact RCI partner. For Army Owned/Leased, contact Garrison Environmental office</p>	No

Component	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Dishwasher	<ul style="list-style-type: none"> • Components, including disposal and water filtration devices in good working condition • Filters changed according to manufacturer recommendation • Properly connected 	Identify and address sources contributing to the issue with an appropriate professional	No
Garbage Disposal	<ul style="list-style-type: none"> • Components in good working condition 	Identify and address sources contributing to the issue with an appropriate professional	No
Refrigerator	<ul style="list-style-type: none"> • Good working condition, of sufficient size to store residents' food that requires refrigerator • Refrigerator section capable of maintaining temperature between 32° F and 41° F • Freezer section capable of maintaining a temperature below 0° F 	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	No
Appliances	Properly installed with all necessary connections for safe and efficient operation and in good working condition	Identify and address sources contributing to the issue with an appropriate professional	No
Ventilation (Range)	<ul style="list-style-type: none"> • Ventilation should be provided for the range • Contaminants generated during cooking should be removed through natural or mechanical ventilation • Air exhausted from a bathroom or toilet room, kitchen, clothes dryer, or basement should discharge directly into the outdoors 	Identify and address sources contributing to the issue with an appropriate professional	No
Electric Outlets	Should contain at least one grounded duplex electric receptacle outlet protected by a ground-fault circuit interrupter (GFCI)	Identify and address sources contributing to the issue with an appropriate professional	No
Component	Standard	Resolution / Follow-up Guidance	Certified Professional Recommended?
Caulk – Vanity	There should be a watertight joint	Identify and address sources contributing to the issue with an appropriate professional	No

Component	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Toilet	Must be in good working condition, sealed to the waste pipe, affixed to the floor and properly connected to the water supply and a waste pipe leading to an approved sewage system or private waste disposal	Identify and address sources contributing to the issue with an appropriate professional	No
Caulk – Tub / Shower	There should be a watertight joint from the walls and floor to the bathtub and/or shower	Identify and address sources contributing to the issue with an appropriate professional	No
Lighting (Fixtures and Bulbs)	<ul style="list-style-type: none"> • Home should have electric service, outlets, and fixtures that are installed properly, maintained in good and safe working condition and connected to a source of electric power • For CONUS: each unit should be supplied with a three-wire, 120/240-volt, single-phase electrical service that is not shared with another dwelling unit 	Identify and address sources contributing to the issue with an appropriate professional	No
Ventilation / Exhaust Fans	<ul style="list-style-type: none"> • Air exhausted from a bathroom or toilet should discharge directly into the outdoors • Vent pipe openings and pest-proofing screens covering them must be free of debris 	Identify and address sources contributing to the issue with an appropriate professional	No

6.1.6 Common Spaces & Bedrooms

Component	Standard / Guideline	Resolution / Follow-up Guidance	Certified Professional Recommended?
Interior Doors	Proper fit, free from damage	Identify and address sources contributing to the issue with an appropriate professional	Yes, if LBP present in home
Stairs	<ul style="list-style-type: none"> • Structurally sound, in good repair • Handrails properly installed 	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	No

Handrails	<ul style="list-style-type: none"> • Structurally sound continuous handrail • Firmly fastened 	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	No
Ceiling	<ul style="list-style-type: none"> • Free from damage, water stains, etc. • Paint in good condition 	Identify and address sources contributing to the issue with an appropriate professional	Yes, if signs of water infiltration or mold
Flooring	<ul style="list-style-type: none"> • Floors in good condition capable of being cleaned • Free of bulges and buckling 	Identify and address sources contributing to the issue with an appropriate professional	No
Walls	<ul style="list-style-type: none"> • No deep cracks, no signs of water infiltration or mold • Paint in good condition 	<ul style="list-style-type: none"> • If signs of water infiltration or mold, Tier 2 assessment recommended • All other issues, repair/resolve by identifying and addressing sources contributing to the issue by an appropriate professional 	Yes, if signs of water infiltration or mold
Windows/Blinds	<ul style="list-style-type: none"> • Weathertight, no signs of leakage of air or water, or paint damage. • No broken blinds or disqualified window coverings. Reference Disqualified Window Coverings in section 6.1.1 	Identify and address sources contributing to the issue with an appropriate professional	Yes, if LBP present in home
Lighting (Fixtures and Bulbs)	<ul style="list-style-type: none"> • Home should have electric service, outlets, and fixtures that are installed properly, maintained in good and safe working condition and connected to a source of electric power • For CONUS: each unit should be supplied with a three-wire, 120/240-volt, single-phase electrical service that is not shared with another dwelling unit 	Identify and address sources contributing to the issue with an appropriate professional	No
Switches and Outlets	<ul style="list-style-type: none"> • Outlets should be installed properly, maintained in good and safe working condition and connected to a source of electric power • Every habitable room should have at least two separate electric outlets 	Identify and address sources contributing to the issue with an appropriate professional	No

	<ul style="list-style-type: none"> • Receptacle outlets in garages, crawl spaces, unfinished basements, and kitchens/bathrooms must be protected by a ground-fault circuit interrupter (GFCI) 		
Smoke / Carbon Monoxide Detectors	<ul style="list-style-type: none"> • Every home must have at least one functioning carbon monoxide alarm and one functioning smoke alarm on every habitable floor and outside each sleeping area, in the immediate vicinity of every bedroom • In multifamily housing, smoke detection systems or smoke alarms in good working condition should be installed on each level, heating system and storage rooms, garages, and common areas 	Identify and address sources contributing to the issue by an appropriate professional to meet minimum requirements in standard	No
Fire Extinguisher	There must be at least one (1) properly charged extinguisher in every home	Identify and address sources contributing to the issue with an appropriate professional	No
Ceiling Fans	Should be installed properly, maintained in good and safe working condition and connected to a source of electric power	Identify and address sources contributing to the issue with an appropriate professional	No
Exhaust Fans	<ul style="list-style-type: none"> • Air exhausted from a bathroom, toilet room, kitchen, clothes dryer, or basement should discharge directly into the outdoors • Vent pipe openings and pest-proofing screens covering them must be free of debris 	Identify and address sources contributing to the issue with an appropriate professional	No
HVAC System(s)	<ul style="list-style-type: none"> • Protective covers/barriers should be installed on and maintained for exposed surfaces of baseboard units, radiators, and piping between radiators • All HVAC system components must be properly sealed, cleaned, maintained, and operated in accordance with the manufacturer specifications 	Identify and address sources contributing to the issue with an appropriate professional	No

Clothes Dryer Vent Pipe	Vent pipe openings and pest-proofing screens covering them must be free of debris	Identify and address sources contributing to the issue with an appropriate professional	No
--------------------------------	---	---	----

7 DEFINITIONS

Accidental fall prevention for windows – Corrosion-resistant screens that meet the ANSI/SMA6001 specifications for at least Medium loads, or successor standard; or fall prevention screens, guards, or other devices that comply with ASTM F2006 or ASTM F2090, or a successor standard in accordance with FY18 NDAA Section 2817 (<https://www.congress.gov/bill/115th-congress/house-bill/2810/text>). This requirement is effective December 2019.

Asbestos-containing Material (ACM) – Any material that contains more than one (1) percent asbestos. There are federal requirements that regulate worker exposure to asbestos; procedures for abating ACM when a building under goes renovation or demolition; and disposal of ACM.

Between Occupancy Maintenance (BOM) – Routine maintenance conducted to address deficiencies after a resident moves out. The Housing General Condition Checklist should be completed after BOM occurs to ensure quality of living conditions for the next resident.

De Minimis (minor) – Term used by regulatory agencies to indicate minor damage to Lead Based Paint. This designation does not determine a lead-based paint hazard, it only informs how damage should be addressed.

Disqualified window coverings – A window covering having either an accessible cord more than eight inches in length or a window covering with an accessible continuous loop cord without a cord tension device that prevents operation when the cord is not anchored to the wall. This requirement is effective December 2019.

Lead Based Paint (LBP) – Paint containing more than 0.5% lead by weight or surface coatings containing more than 1.0 milligram per square centimeter (mg/cm²) of lead. LBP was banned as a U.S. consumer product in 1978. NOTE: States may have more stringent definitions of LBP that must be considered and adhered to by each Garrison.

LBP Inspection – An on-site inspection that measures the concentration of lead in paint on a surface-by-surface basis. An LBP inspection identifies only the presence of LBP; it DOES NOT determine whether the paint presents a hazard. Inspection results enable the owner to manage all LBP, since the exact location of the LBP has been identified. An LBP Inspection must be conducted by a LBP inspector certified or licensed by the EPA or an EPA-authorized state, tribe or Territory.

LBP Risk Assessment – An on-site investigation to determine the existence, nature, severity, and location of LBP hazards; and the establishment of a report by the individual(s) conducting the risk assessment, explaining the results of the investigation and options for reducing lead-based paint hazards.

Life / Health / Safety (L/H/S) – Any emergency condition (demand maintenance order or work order) that, if not corrected, may cause harm or injury to a person. Examples of L/H/S include but are not limited to: mold, lead based paint, lead in drinking water, asbestos, radon, exposed wiring, water leaks/damage, and broken glass.

Thermal System Insulation on Heating System – Material applied to pipes, boilers, tanks, ducts, etc. to prevent heat loss, heat gain, or water condensation. Insulation that contains asbestos represents a potential health hazard to custodial and maintenance personnel working with and around the material.

Pre-Occupancy Environmental Health and Safety Housing Assessment Checklist

Home Assessment General Information

Garrison: _____ Date of Assessment (DD/MM/YYYY): _____

Home Address: _____

State/Province: _____ Country: _____

Year Built (YYYY): _____ RPUID: _____

Garrison Housing Rep Name: _____ Garrison Housing Rep. Signature: _____

Rep Phone #: _____ Rep Email: _____

Type of Inspection:

Between Occupancy Maintenance Assessment Maintenance Quality Assurance Inspection Resident Requested Assessment

This home has been inspected _____ times. Date of last inspection (DD/MM/YYYY): _____

Quality Assurance Package Contains:

Maintenance Repair Satisfaction Assessment Visual Assessment for Ongoing Lead-Safe Maintenance
 Housing General Condition Assessment Dampness and Mold Visual Assessment

Facility Type:

AFH (Army-Owned) AFH (Army-Leased) RCI
 Unaccompanied Housing (Army-Owned) Unaccompanied Housing (RCI)

Post-Assessment Actions

Is follow up needed for this home?

General Condition Lead Based Paint Mold None

Overall Home Assessment Result:

Pass
 Pass with Condition

Condition Description*: _____

Fail

Fail Description*: _____

Garrison Commander waiver? Yes No Garrison Commander Signature: _____

Justification for waiver: _____

* See Instructions in Housing Maintenance Quality Assurance & Environmental Hazard Oversight package

Maintenance / Repair Satisfaction Assessment

Garrison: _____ Date of Assessment (DD/MM/YYYY): _____

Home Address: _____

Resident Name: _____ Service Member Name: _____

Resident Phone #: _____ Resident Email: _____

Garrison Housing Representative Conducting Call: _____

Rep Phone #: _____ Rep Email: _____

Type of Maintenance Call: Emergency (Life, Health, Safety) Emergency / Urgent (NOT related to Life, Health, Safety) Routine

Maintenance Satisfaction:

- YES NO N/A Has resident been contacted by housing partner (RCI only)?
- YES NO Has work been scheduled? If yes, date work is scheduled to begin (DD/MM/YYYY): _____
- YES NO Is resident satisfied with schedule?
- YES NO Is resident satisfied with responsiveness?
- YES NO N/A If work has started, is resident satisfied by progress?
- YES NO N/A If work was completed, is resident satisfied with the work?

<p>Resident Comments:</p> <hr/>	<p>Representative Comments:</p> <hr/>
--	--

19-Sep-19

Housing General & EHS Condition Assessment

[†]Refer to standards in Housing Maintenance Quality Assurance & Environmental Hazards Oversight Program

Garrison: _____ Date of Assessment (DD/MM/YYYY): _____

Home Address: _____

Garrison Housing Representative: _____

Rep Phone #: _____ Rep Email: _____

General Questions[†]

- Does every home have at least two means of egress that serve as emergency escapes and rescue opening? Yes No
- Are window coverings with cords safe for children under the age of 9 in accordance with FY17 NDAA Section 345? * Yes No
- Is the home equipped with accidental fall prevention equipment on windows in accordance with UFC 4-711-01? * Yes No
- Is the home free of pests and are pest management methods used to keep home free of infestation? Yes No
- Is the home free from damaged or friable asbestos-containing material? * Yes No
- Is there a record of previous radon level testing within the dwelling? * Yes No
- Is the home free of any strong/pervasive odors? (e.g., gas, smoke, mold, animal waste, etc.) Yes No
- Is the home free of visible mold, water damage/stains, and persistent dampness/moisture on all surfaces and surface coverings? Yes No
- Does the home drainage system and the premises grading direct water away from the structure? Yes No
- Are HVAC and plumbing components and systems properly insulated to keep their surface temperature 10° F above the dew point? Yes No
- Has kitchen sink faucet(s) been sampled for lead in drinking water or is it scheduled for sampling? Yes No

* Refer to standards in Housing Maintenance Quality Assurance & Environmental Hazard Oversight Program for guidance

Lead-Based Paint Questions[†]

- Is the home built before 1978? Yes No
- Is the home lacking lead-based paint free certification? Yes No N/A
- Do records review indicate lead-based paint is present in the home? Yes No N/A
- If OCONUS, is LBP available in the local market? (e.g. Japan) Yes No N/A

If 'Yes' is selected for any of the Lead-Based Paint questions, fill out the Paint Visual Scan during BOM QA

Measurements and Readings[†] (if any fall outside provided ranges, consult Standards/Guidelines and conduct a Mold and Dampness Assessment)

	Main Floor Reading	Second Floor Reading	Third Floor/ Basement Reading	Crawl Reading	Comments
Temperature 68° F - 80° F					
Dew Point < 55° F					
Relative Humidity 30 – 50%					

E – Electrical
P – Plumbing

Housing General & EHS Condition Assessment

*Refer to standards in Housing Maintenance Quality Assurance & Environmental Hazards Oversight Program

Rating	Abbreviation	Meets applicable standards? *	General Condition
Good	G	Yes	Like new, fully functional. No potential L / H / S issues present
Fair	F	Yes	Functional, minor or cosmetic damage only. No potential L / H / S issues present
Poor	P	No	Not functional. Requires repair
Not Applicable	N/A	Component is not present in room	
Life/Health/Safety	LHS	Presents potential L / H / S hazard. Requires repair and/or further inspection	

Exterior			
Component	Rating*	LHS	Comments
Door Bell ^E		<input type="checkbox"/>	
Exterior Doors		<input type="checkbox"/>	
Front / Back Storm Doors		<input type="checkbox"/>	
Windows / Screens		<input type="checkbox"/>	
Exterior Walls		<input type="checkbox"/>	
Exterior Stairs		<input type="checkbox"/>	
Foundation		<input type="checkbox"/>	
Drip Line (Bare Soil)		<input type="checkbox"/>	
Outside Draining (Gutters / Downspouts)		<input type="checkbox"/>	
Roof		<input type="checkbox"/>	
Porch / Patio		<input type="checkbox"/>	
Fence		<input type="checkbox"/>	
Carport / Garage / Driveway		<input type="checkbox"/>	
Lawn		<input type="checkbox"/>	
Exterior Lighting (operational) ^E		<input type="checkbox"/>	
Electrical Outlet(s) GFCI Protected ^E		<input type="checkbox"/>	
Exterior Hose Bib ^P		<input type="checkbox"/>	
Vent Pipes		<input type="checkbox"/>	
HVAC		<input type="checkbox"/>	
Water Heater		<input type="checkbox"/>	

Kitchen			
Component	Rating*	LHS	Comments
Kitchen Doors		<input type="checkbox"/>	
Ceiling		<input type="checkbox"/>	

E – Electrical
P – Plumbing

Housing General & EHS Condition Assessment

*Refer to standards in Housing Maintenance Quality Assurance & Environmental Hazards Oversight Program

Kitchen			
Component	Rating*	LHS	Comments
Flooring		<input type="checkbox"/>	
Walls		<input type="checkbox"/>	
Windows / Blinds		<input type="checkbox"/>	
Pantry Shelving		<input type="checkbox"/>	
Cabinet Doors / Drawers		<input type="checkbox"/>	
Caulk (Counter Tops and Sink)		<input type="checkbox"/>	
Sink and Faucets (hot / cold) P		<input type="checkbox"/>	
Dishwasher (operation) P		<input type="checkbox"/>	
Garbage Disposal (operation) P		<input type="checkbox"/>	
Refrigerator		<input type="checkbox"/>	
Appliances (Range, Oven, etc.)		<input type="checkbox"/>	
Ventilation (Range)		<input type="checkbox"/>	
Electric Outlet(s) E		<input type="checkbox"/>	

Interior Common Spaces (Living Room, Dining Room, Den, Sunroom, Loft, Basement, Laundry Room, etc.)							
Component	Main Floor Rating*	LHS	Second Floor Rating*	LHS	Third Floor/ Basement Rating*	LHS	Comments
Interior Doors		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Stairs		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Handrails		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Ceiling		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Flooring		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Walls		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Windows / Blinds		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Lighting (Fixtures and Bulbs) E		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Switches and Outlets E		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Fireplace		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Smoke / Carbon Monoxide Detectors		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Fire Extinguisher		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Ceiling Fans E		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Exhaust Fans E		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	

E – Electrical
P – Plumbing

Housing General & EHS Condition Assessment

*Refer to standards in Housing Maintenance Quality Assurance & Environmental Hazards Oversight Program

Interior Common Spaces (Living Room, Dining Room, Den, Sunroom, Loft, Basement, Laundry Room, etc.)							
Component	Main Floor Rating ⁺	LHS	Second Floor Rating ⁺	LHS	Third Floor/ Basement Rating ⁺	LHS	Comments
HVAC System(s)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Appliance Light Bulbs ^E (operational)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Clothes Dryer Vent Pipe		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	

Bedrooms	Bedroom Location Description	Bathrooms	Bathroom Location Description
Bedroom 1		Bathroom 1	
Bedroom 2		Bathroom 2	
Bedroom 3		Bathroom 3	
Bedroom 4			

Bedrooms									
Component	Bedroom 1 Rating ⁺	LHS	Bedroom 2 Rating ⁺	LHS	Bedroom 3 Rating ⁺	LHS	Bedroom 4 Rating ⁺	LHS	Comments
Bedroom Door		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Ceiling		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Flooring		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Walls		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Windows / Blinds		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Lighting (Fixtures and Bulbs) ^E		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Switches and Outlets ^E		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Ceiling Fans ^E		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
HVAC System(s)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	

Bathrooms							
Component	Bathroom 1 Rating ⁺	LHS	Bathroom 2 Rating ⁺	LHS	Bathroom 3 Rating ⁺	LHS	Comments
Bathroom Door		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Ceiling		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Flooring		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Walls		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Caulk – Vanity		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	

E – Electrical
P – Plumbing

Asbestos Home Inspection Form

Instructions on "Environmental Health and Safety Army Housing Assessment Package Guide" pg. 20

Asbestos-containing Material Assessment

Garrison: _____ Date of Assessment (DD/MM/YYYY): ____ / ____ / ____
 Home Address: _____ Neighborhood: _____
 State/Province: _____ Country: _____
 Year Built (YYYY): _____ RPUID: _____
 Garrison Housing Representative: _____ Geo-coordinates (latitude/longitude): _____
 Rep Phone #: _____ Rep Email: _____

Inspector Information

Inspector Name:		
Inspector License/Certification #:		
Date of Inspection:	License Expiration Date:	Issuing State:
Inspector Signature:		

Housing Systems Information

Renovations: Have there been renovations to the house?	Yes:	No:
Year of last renovation:		
Brief description of last renovations:		

Heating System

Furnace:	Boiler:	Heat Pump:	Active Solar:	Electric:
Thermal System Insulation on Heating System:				
Location	Condition	Disturbance Potential	Quantity	

Flooring - Types present (Select all present):

Carpet:	Hardwood:	Ceramic:	Concrete:	Tile:	
For all tile present:	Location	Size	Condition	Quantity	Potential ACM?

Asbestos-containing Material Assessment

Walls:

Location	Type (ex. Drywall)	Condition	Quantity	Friable (Y/N)	Potential ACM?

Ceiling:

Location	Type (ex. Drywall)	Condition	Quantity	Friable (Y/N)	Potential ACM?

Insulation:

Location	Type (ex. Blown fiber)	Condition	Quantity	Friable (Y/N)	Potential ACM?

Other Materials (Ductwork, pipe, etc.)

Material	Location	Condition	Quantity	Friable (Y/N)	Potential ACM?

Notes/Comments:

Lead Hazard Assessment

Visual Assessment for Ongoing Lead-Safe Maintenance

Home Address: _____

Garrison Housing Representative: _____ Date of Assessment (DD/MM/YYYY): _____

Rep Phone #: _____ Rep Email: _____

Rating Guide			De Minimis (Minor) Guide	
Good	G	Paint is good condition and shows no signs of damage	Exterior	<20 ft ² per component and <10% total surface area; <10% of small components
Fair	F	Paint is starting to show signs of wear but is not damaged yet		
Damaged	D	Paint is peeling, chipping, chalking, cracking, holes in walls, or damaged substrates	Interior	<2 ft ² per room per component; <10% total surface area; <10% of small components
Not Applicable	N/A	Not applicable because paint is not present, or the room / component is not present		

Exterior – General			
Painted Component	Rating	Check if Above De Minimis	Comments Type of deterioration, probable causes of deterioration, is it known to be lead-based paint, visible teeth marks?
Exterior Doors		<input type="checkbox"/>	
Siding / Walls		<input type="checkbox"/>	
Front / Back Storm Doors		<input type="checkbox"/>	
Window Sills / Sashes		<input type="checkbox"/>	
Flashing		<input type="checkbox"/>	
Front Porch / Deck		<input type="checkbox"/>	
Back Porch / Deck		<input type="checkbox"/>	
Fencing		<input type="checkbox"/>	
Carport / Garage		<input type="checkbox"/>	
Painted Masonry (e.g., chimney)		<input type="checkbox"/>	
Trim		<input type="checkbox"/>	
Gutters / Downspouts		<input type="checkbox"/>	
Other Painted Exterior Components or Bare Soil:			
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	

Kitchen			
Painted Component	Rating	Check if Above De Minimis	Comments Type of deterioration, probable causes of deterioration, is it known to be lead-based paint, visible teeth marks?
Kitchen / Pantry Doors		<input type="checkbox"/>	

Visual Assessment for Ongoing Lead-Safe Maintenance

Ceiling		<input type="checkbox"/>	
Walls		<input type="checkbox"/>	
Trim (floorboards or moldings)		<input type="checkbox"/>	
Window Sills / Sashes		<input type="checkbox"/>	
Pantry Shelving		<input type="checkbox"/>	
Cabinet Doors		<input type="checkbox"/>	
Cabinet Drawers / Shelves		<input type="checkbox"/>	
Other Painted Kitchen Components:			
		<input type="checkbox"/>	
		<input type="checkbox"/>	
		<input type="checkbox"/>	

Interior – Common Spaces							
Component	Main Floor Rating	Check if Above De Minimis	Second Floor Rating	Check if Above De Minimis	Third Floor/ Basement Rating	Check if Above De Minimis	Comments Type of deterioration, probable causes of deterioration, is it known to be lead-based paint, visible teeth marks?
Exterior Doors (Inside facing)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Interior Doors		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Stairs		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Handrails		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Ceiling		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Walls		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Trim (floorboards / moldings)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Window Sills / Sashes		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Blinds (plantation shutters)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Shelving		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Fireplace		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Crawl Space or Attic Panel		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Other Painted Interior Components:							
		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	

Visual Assessment for Ongoing Lead-Safe Maintenance

Bedrooms	Bedroom Location Description	Bathrooms	Bathroom Location Description
Bedroom 1		Bathroom 1	
Bedroom 2		Bathroom 2	
Bedroom 3		Bathroom 3	
Bedroom 4			

Bedrooms								Comments Type of deterioration, probable causes of deterioration, is it known to be lead-based paint, visible teeth marks?
Component	Bedroom 1 Rating	Check if Above De Minimis	Bedroom 2 Rating	Check if Above De Minimis	Bedroom 3 Rating	Check if Above De Minimis	Bedroom 4 Rating	
Bedroom Doors		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Celling		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Walls		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Trim (floorboards or moldings)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Window Sills / Sashes		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Closet Door		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Closet Shelving / Rods		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Other Painted Bedroom Components:								
		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>

Bathrooms							Comments Type of deterioration, probable causes of deterioration, is it known to be lead-based paint, visible teeth marks?
Component	Bathroom 1 Rating	Check if Above De Minimis	Bathroom 2 Rating	Check if Above De Minimis	Bathroom 3 Rating	Check if Above De Minimis	
Bathroom Doors		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Celling		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Walls		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Trim (floorboards or moldings)		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Window Sills / Sashes		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Vanity		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Vanity Cabinet Doors		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Shelving		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Medicine Cabinet		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Other Painted Bathroom Components:							

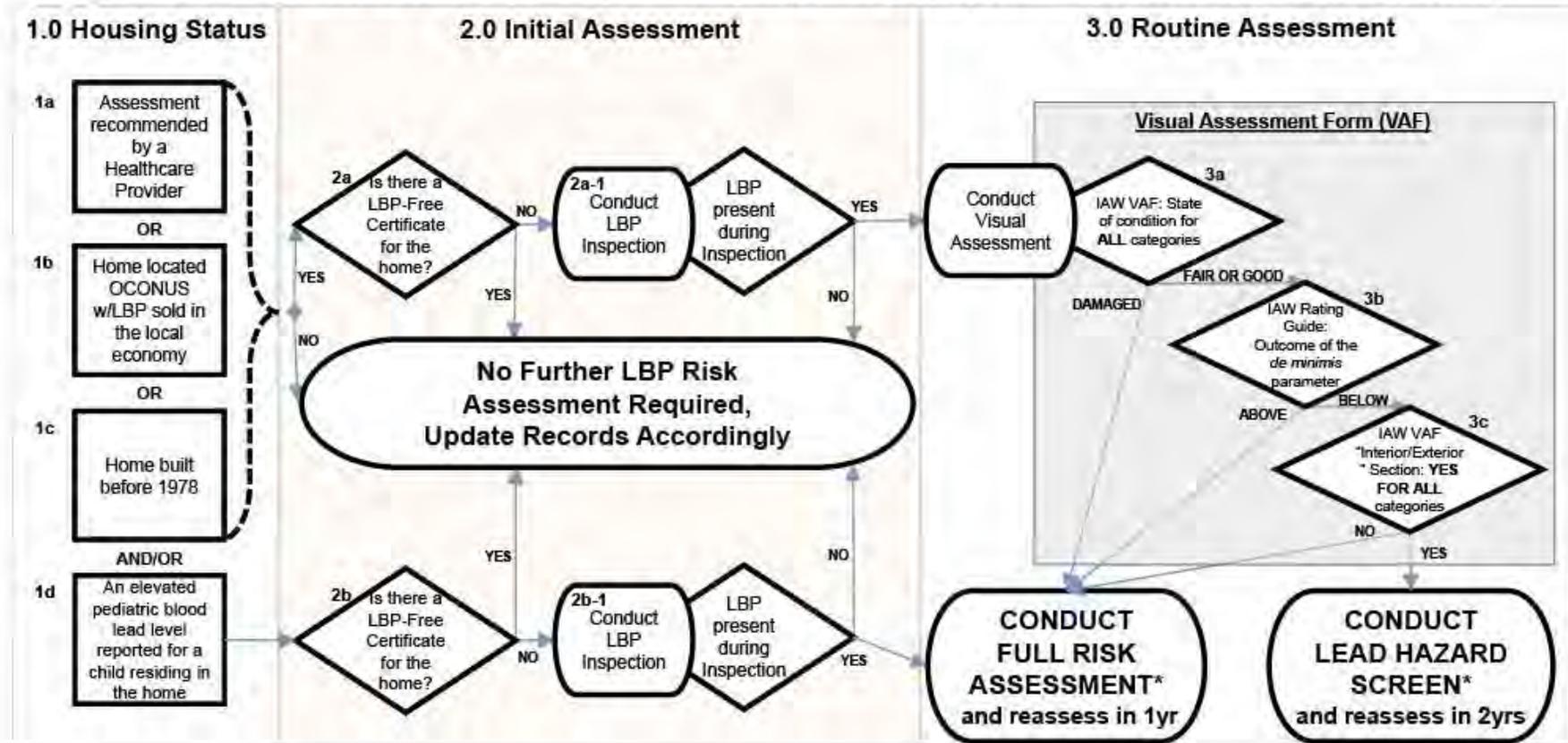
Visual Assessment for Ongoing Lead-Safe Maintenance

		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	

For use during P.1. Lead Safe Maintenance Cycle Activities:

Interior and Exterior Conditions Assessments Questions:			
Condition	Yes	No	Comments
Roof has holes or large cracks	<input type="checkbox"/>	<input type="checkbox"/>	
Roof has holes or large cracks	<input type="checkbox"/>	<input type="checkbox"/>	
Gutters or downspouts broken	<input type="checkbox"/>	<input type="checkbox"/>	
Chimney masonry cracked, bricks loose or missing and/or defects with plumb	<input type="checkbox"/>	<input type="checkbox"/>	
Exterior or interior walls have obvious large cracks or holes	<input type="checkbox"/>	<input type="checkbox"/>	
Exterior siding has missing boards or shingles	<input type="checkbox"/>	<input type="checkbox"/>	
Water stains on interior walls or ceilings	<input type="checkbox"/>	<input type="checkbox"/>	
Walls or ceilings deteriorated	<input type="checkbox"/>	<input type="checkbox"/>	
Two or more windows or doors broken, missing, or boarded up	<input type="checkbox"/>	<input type="checkbox"/>	
Porch or steps have major elements broken, missing or boarded up	<input type="checkbox"/>	<input type="checkbox"/>	

Lead Safe Maintenance Cycle - Lead-based Paint (LBP) Risk Assessment Decision Tool



*Use LBP Inspection data to facilitate identification of risk assessment surface sample sites (e.g., do not sample sites that were determined to be LBP-free).

Lead Safe Maintenance Cycle - Lead-based Paint (LBP) Risk Assessment Decision Tool

Narrative

Detailed explanation of activities performed for *STEP P.1. - Lead Safe Maintenance Cycle* – noted in the *Housing Quality Assurance and Ongoing Lead-Safe Maintenance* document visual diagram located on Page 6 of 37 *Housing Maintenance Quality assurance & Environmental Hazard Oversight Program* document- Page 6 of 37).

1.0 Determination of Housing Status

PROCESS OWNER: Property Owner/Responsible Housing Authority

A number of conditions facilitate the initiation of a Lead-based Paint (LBP) Risk Assessment:

- 1a. Healthcare Provider recommend a Lead-based Paint Assessment; OR
- 1b. If the home is located OCONUS where LBP is sold in the local economy (irrelevant of the date the home was built); OR
- 1c. If the home was built before 1978; AND/OR
- 1d. An elevated pediatric blood lead level reported for a child residing in the home.

NOTE: If an elevated pediatric blood lead level is reported for a child residing in the home, the home is viewed as only one of many potential sources of lead exposure. Seek additional guidance from a health care provider and information provided in the U.S. Housing and Urban Development Guidelines for the Evaluation and Control of LBP Hazards in Housing, Chapter 16 – Investigation and Treatment of Housing with Elevated Blood Lead Children.

If NO FOR ALL items 1a-1c or conditions not met for 1d, then no further LBP Risk Assessment is required

If YES FOR ANY items 1a-1d then proceed to 2.0 – Initial Assessment

Lead Safe Maintenance Cycle - Lead-based Paint (LBP) Risk Assessment Decision Tool

2.0 – Initial Assessment

PROCESS OWNER: Property Owner/Responsible Housing Authority

Property owner/Responsible Housing Authority conducts an initial assessment of the home based upon the conditions from 1.0 – Determination of Housing Status:

If conditions are met from section 1.0 then proceed to 2a AND/OR

If there is/are presence of an elevated pediatric blood lead level(s) reported for a child(ren) residing in the home then proceed to 2b

2a. Determine if there is a LBP-Free Certificate for the home:

If NO conduct LBP Inspection, proceed 2a-1

If YES then no further LBP Risk Assessment is required, update records accordingly

2a-1. LBP present:

If YES conduct LBP Inspection, proceed to 3.0 – Routine Assessment

If NO then no further LBP Risk Assessment is required, update records accordingly

2b. Determine if there is a LBP-Free Certificate for the home:

If NO conduct LBP Inspection, proceed 2b-1

If YES then no further LBP Risk Assessment is required, update records accordingly

2b-1. LBP present:

If YES Conduct Full Risk Assessment and reassess no later than one year from initial Full Risk Assessment. Use LBP Inspection data from 2b to facilitate identification of risk assessment surface sample sites (e.g., do not sample sites that were determined to be LBP-free)

If NO then no further LBP Risk Assessment is required, update records accordingly

Lead Safe Maintenance Cycle - Lead-based Paint (LBP) Risk Assessment Decision Tool

– Routine Assessment

PROCESS OWNER: Property Owner/Responsible Housing Authority

Property owner/Responsible Housing Authority conducts a routine assessment of the home based upon the results from 2.0 – Initial Assessment. Using the *Visual Assessment for Ongoing Lead-Safe Maintenance Form*, located in the *Housing Maintenance Quality Assurance & Environmental Hazard Oversight Program* document, evaluation of the following criteria will determine the follow-on actions:

3a. In accordance with the *Visual Assessment for Ongoing Lead-Safe Maintenance Form*:

If “Fair” or “Good” describes State of condition for **ALL** categories then continue to 3b

If “Damaged” describes state of condition for **ANY** categories then Conduct Full Risk Assessment and reassess no later than one year. Use LBP Inspection data from 2b to facilitate identification of risk assessment surface sample sites (e.g., do not sample sites that were determined to be LPB-free)

3b. In accordance with the Rating Guide provided on the *Visual Assessment for Ongoing Lead-Safe Maintenance Form*, the outcome of the *de minimis* parameter:

If BELOW then proceed to 3c

If ABOVE then conduct Full Risk Assessment and reassess in no later than one year. Use LBP Inspection data from 2b to facilitate identification of risk assessment surface sample sites (e.g., do not sample sites that were determined to be LPB-free)

3c. In accordance with the *Visual Assessment for Ongoing Lead-Safe Maintenance Form* – Interior and Exterior Conditions Assessment Questions section (Page 4 of 4):

If **YES FOR ALL** categories then conduct Lead Hazard Screen and reassess no later than two years. Use LBP Inspection data from 2b to facilitate identification of risk assessment surface sample sites (e.g., do not sample sites that were determined to be LPB-free)

If **NO** then Conduct Full Risk Assessment and reassess no later than one year. Use LBP Inspection data from 2b to facilitate identification of risk assessment surface sample sites (e.g., do not sample sites that were determined to be LPB-free)

Mold Assessment Protocols

Mold and Dampness Assessment

Home Address: _____ Page # _____ of _____

Garrison Housing Representative Name: _____ Date (DD/MM/YYYY): _____

Room/Area (print additional copies for each room) _____

Upon entering room/area, check for musty or damp odor: None Mild Moderate Strong

Describe source of musty or damp odors _____ Source Unknown

Relative humidity measurement: _____ Ambient air temperature: _____ Dew point measurement: _____

check if component in room	Component	check if nothing found	Damage or Stains Circle the correct score	Check if Near exterior wall*	Visible Mold Circle the correct score	Check if Near exterior wall*	Wet or Damp Circle the correct score	Check if Near exterior wall*	Component Notes Circle the type of material that is affected	Assessment Notes Circle for additional detail. Describe if "Other"
<input type="checkbox"/>	Ceiling	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Ceiling tile Plaster Concrete Sheet rock Metal Wood	Peeling paint Rust Other:
<input type="checkbox"/>	Walls	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Sheet rock Plaster Concrete Block Brick Tile Wood	Peeling paint Efflorescence Other:
<input type="checkbox"/>	Floor	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Wood Carpet Vinyl Ceramic Concrete	Buckling Other:
<input type="checkbox"/>	Windows	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Exterior Interior Skylight	Peeling paint Condensation Other:
<input type="checkbox"/>	Furnishings	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Furniture Mechanical Sink Toilet Copier	Peeling paint Rust Other:
<input type="checkbox"/>	HVAC systems	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Radiator Forced-air Fan Unit ventilator Window unit	Peeling paint Rust Other:
<input type="checkbox"/>	Belongings	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Books Boxes Equipment	Wrinkled paper Crumpled boxes Other:
<input type="checkbox"/>	Pipes	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	U 0 1 2 3	<input type="checkbox"/>	0 1 2 3	<input type="checkbox"/>	Insulated Plumbing Insulated Gas	Peeling paint Rust Wet Stained Other:

*Within 3 feet of exterior wall.

Scoring: 0 – none; 1 – combined area 10 square feet or less; 2 – combined area between 10 and 100 square feet; 3 – combined area greater than 100 square feet; U – uncertain if mold was identified

Notes: _____

RCI Accounting and Financial Reporting

Overview

The RCI accounting and financial reporting is an important tool that provides USAG Housing Managers, AMC, IMCOM HQ, and HQDA PMs with key RCI Company-specific financial information. By reviewing the ongoing financial information provided by the RCI Company, the USAG Housing Manager, AMC, IMCOM HQ, HQDA and other stakeholders can gain a better understanding of the financial health of specific RCI Companies and the overall portfolio.

Accounting and financial reporting provides key indicators of the RCI Company's financial health and highlights areas of the RCI Company that may need additional attention. For example, significant variances in net operating income from pro forma may indicate that the USAG Housing Manager should review RCI Company revenues to ensure the ability to fund ongoing or future construction as planned. In many cases, additional analysis will be necessary to understand and address issues identified through review of the RCI Company's accounting and financial reporting.

Key Points of Accounting and Financial Reporting

- The review of accounting and financial reports facilitates the HQDA PM's understanding of the financial health of specific RCI Companies and the portfolio.
- Through frequent analysis of financial reports, the HQDA PM or IMCOM HQ can work with the USAG Housing Manager to proactively identify and address trends which, if not acted upon, may become detrimental to the health of the RCI Company.
- Reports provide information to understand how actual results compare with pro forma projections and create an opportunity for performance benchmarking across the portfolio and against industry standards.
- Periodic reporting enables HQDA, AMC, and IMCOM HQ to ensure that the interests of all stakeholders remain aligned.

Accounting and Financial Reporting Components

Accounting and Financial Reporting includes the following key components, each of which are described in greater detail in this section:

Annual Budget

- Annual RCI Company Plan and Budget
- Annual RCI Company Plan and Budget – Portfolio Review Report

Annual OSD MHPI Report to Congress

10 U.S.C. 2884(c) Semi-Annual Report on Privatized Housing to Congress

Quarterly Report

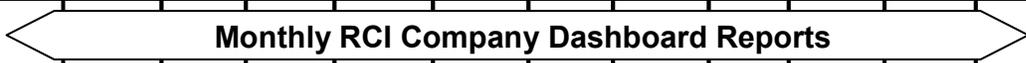
- Quarterly RCI Company Report

- Quarterly Portfolio Report
- Monthly RCI Company Dashboard

To gain an understanding of RCI Company variances, trends, and issues, the reporting process is supported by two activities that take place at the portfolio level:

- RCI Company and Portfolio Analysis
- RCI Company Reviews

Accounting and Financial Reporting Components and Timing*

Annual RCI Company Plan and Budget			
Annual MPHI Report to Congress: Current and Long-Term Data			
10 U.S.C. 2884(c) Semi-Annual Report to Congress			
Quarterly Report	Quarterly Report	Quarterly Report	Quarterly Report
			
JANUARY		Quarterly Report – 31st	Monthly Dashboard – 15th
FEBRUARY			Monthly Dashboard – 15th
MARCH			Monthly Dashboard – 15th
APRIL	2884(c) Report – 15th	Quarterly Report – 30th	Monthly Dashboard – 15th
MAY			Monthly Dashboard – 15th
JUNE			Monthly Dashboard – 15th
JULY		Quarterly Report – 31st	Monthly Dashboard – 15th
AUGUST			Monthly Dashboard – 15th
SEPTEMBER			Monthly Dashboard – 15th
OCTOBER	2884(c) Report – 15 th MHPI – 31st	Quarterly Report – 31st	Monthly Dashboard – 15th
NOVEMBER			Monthly Dashboard – 15th
DECEMBER			Monthly Dashboard – 15th
Per Legal Documents	Annual RCI Company Plan and Budget		

*For submission dates which fall on a non-business day, reporting requirements are due on the following business day.

Annual RCI Company Plan and Budget

The RCI Company is required to produce an Annual RCI Company Plan and Budget in accordance with the RCI Company's legal documents. The annual budgets are typically provided to the DCS G-9, Privatized Housing and Lodging Branch and USAG Housing Managers within 60 days prior to the start of the RCI Company's upcoming fiscal year. This document outlines RCI Company performance goals for the budget year and serves as the basis for the Budget Review. As a reminder, changes to pro forma or incentive fees will not be approved through the annual budget process but require approval through the MD process. The RCI Company Plan and Budget is meant to set the course for the RCI Company for the budget year and should include—at a minimum—the following information:

Executive Summary

- Accomplishments
- Challenges
- Objectives
- Lessons Learned

Asset Management Plan (if applicable)

- Major decisions anticipated during budget year
- Market Assessment Report identifying housing and leasing trends in surrounding communities impacting the RCI Company
- Significant milestones during the budget year

Development and CRR Plan

- Updated delivery schedule versus pro forma (if needed)
- Five-year rolling Capital Repair and Replacement (CRR) plan with the first year detailed by proposed project. Differentiate between work to be completed by property management and large-scale CRR completed by developer or general contractor.

Property Operations and Maintenance Report

- Staffing Summary for property operations and maintenance
- Plans and milestones for resident surveys
- Community life events and activities
- Summary of LHS issues to be mitigated over next calendar year
- Annual, aggregate DCR during budget period.

Financial Plan

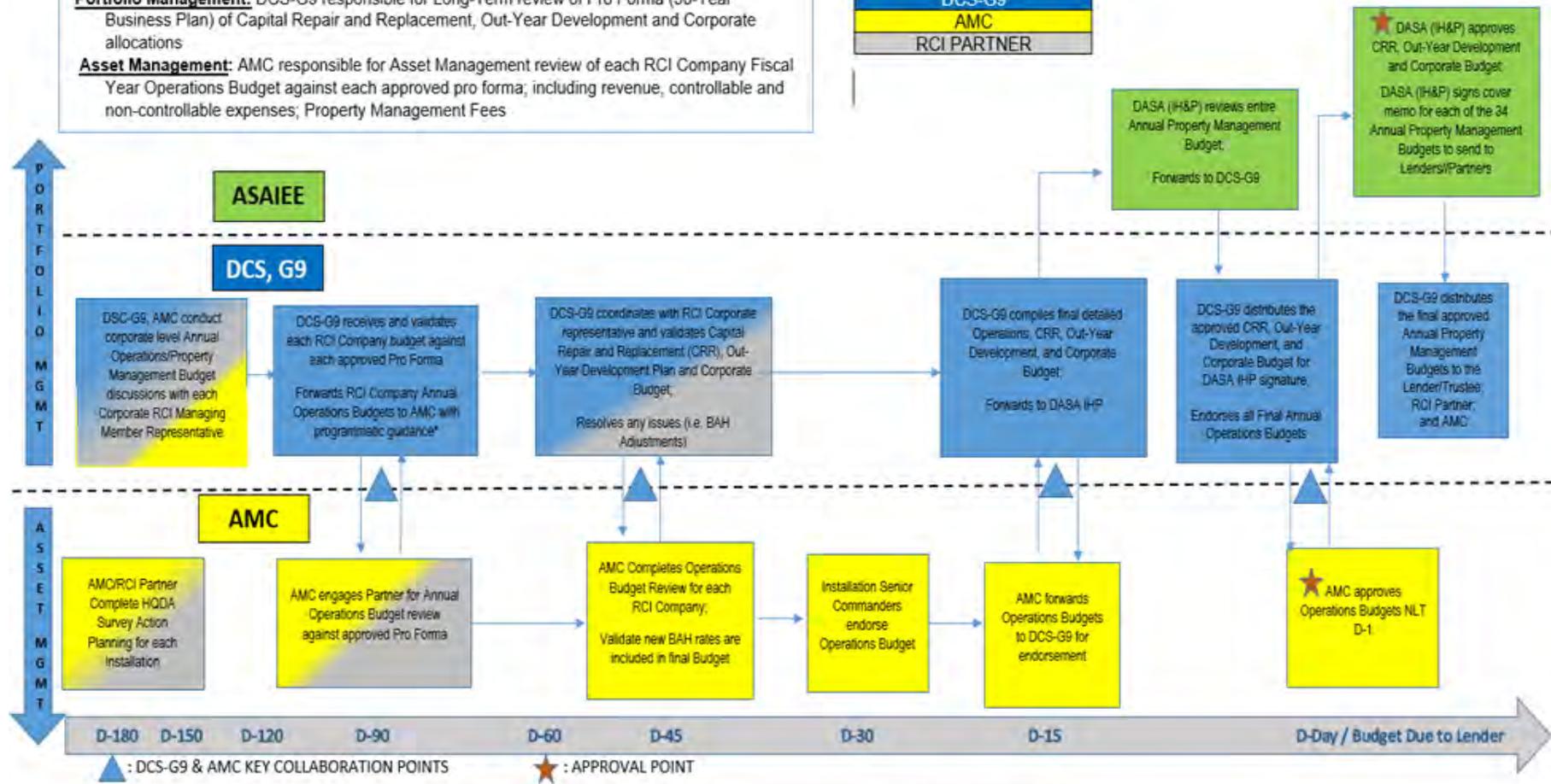
- Detailed operating and maintenance budget for the coming year
- Comparison of proposed budget versus previous year's budget versus actual annualized spending and versus pro forma
- Revised RCI Company pro forma to reflect current information, if operating budget NOI variances to pro forma exceed 10%

Provided below is a graphical illustration of the annual budget review process. Questions on this process should be directed to the DCS G-9, Privatized Housing and Lodging Branch.

Annual RCI Property Management Budget Process

Process reflects roles and responsibilities at the **Portfolio** and **Asset** management levels.
Portfolio Management: DCS-G9 responsible for Long-Term review of Pro Forma (50-Year Business Plan) of Capital Repair and Replacement, Out-Year Development and Corporate allocations
Asset Management: AMC responsible for Asset Management review of each RCI Company Fiscal Year Operations Budget against each approved pro forma; including revenue, controllable and non-controllable expenses; Property Management Fees

Color Legend	
	ASAIEE
	DCS-G9
	AMC
	RCI PARTNER



*Guidance may include key property management focus areas, budgeting for payback amounts, Davis-Bacon requirements, NOI variances to pro forma, etc.

Annual RCI Company Plan and Budget - Portfolio Review

On an annual basis, the RCI Company will submit a Major Decision Request with the Annual RCI Company Plan and Budget signed by both Garrison Commander and the RCI Company Representative to the DCS G-9 as well as through the SC, IMCOM ID, IMCOM HQ, and AMC HQ. The Annual Budget Review Report provides the Army with the opportunity to evaluate each RCI Company's budget and provide objective feedback to the RCI Company. The budget review will include following metrics as a minimum:

- Comparison of RCI Company budget with previous year's annualized operating results
- Comparison of RCI Company budget to pro forma
- Comparison of RCI Company budget to previous year budget
- Comparison of the RCI Company budget with other budgets of the same RCI Company

The goal of the budget review is to gain a better understanding of the RCI Company finances and to resolve any areas of concern. An analysis of the RCI Company budget allows the Army to identify the underlying income and expense drivers in detail. As such, the HQDA PM will produce a list of questions and work with the USAG Housing Manager to clarify issues raised in reviewing the annual budget. The HQDA PM will produce a corresponding report of issues raised and their resolution. Additionally, the HQDA PM will confer with the RCI Company to understand their corporate review process for internal approval of RCI Company budgets. Based on these discussions, the HQDA PM will develop a recommendation of whether to approve the corporate allocations and CRR budget. As PAM is meant to be a collaborative process, the HQDA PM is a resource to the RCI Company, the ultimate goal of the budget review is to facilitate a dialog to resolve all issues in order to approve the budget. To ensure a streamlined process the HQDA PM will coordinate with all parties at the HQDA, AMC, and IMCOM HQ level that have an interest in reviewing the budget. To ensure this budget review does not delay the budget approval process, all comments from the HQDA PM will be submitted in a timely manner. The HQDA PM will provide comments to the RCI Company and USAG Housing Manager for incorporation into the final budget as necessary. For RCI Companies using the calendar year for annual budgets, a final annual budget should be provided to IMCOM HQ and the DCS G-9 with actual BAH rates for the coming year.

Annual OSD MHPI Report to Congress

The MHPI Report to Congress is an OSD initiated report that enables OSD to monitor the Services' housing privatization programs. MHPI reporting activities occur on an annual basis, coinciding with the government fiscal year cycle (October 1 to September 30). Production of the MHPI is a requirement for the Army to complete. The USAG Housing Manager is responsible for providing (a) the MHPI Current Data Sheet and (b) the MHPI Long-Term Data Sheet through the enterprise Military Housing (eMH) system to the HQDA PM. The HQDA PM will review and validate all information provided by the Army Housing Team.

It is essential that each USAG Housing Manager follow the specific instructions for the OSD report. OSD provides detailed instructions completion of the MHPI requirements which will be emailed to all USAG Housing Managers in initiation of the task. Information is also posted on the OSD MHPI website: http://www.acq.osd.mil/eie/fim/Housing/Housing_overview.html

In compiling the annual RCI Company MHPI Reports, USAG Housing Managers should pay particular attention to ensuring that any information being reported is consistent with data reported in other reports such as the Quarterly RCI Company Report or Monthly RCI Company Dashboard.

Upon submittal to HQDA, the HQDA PM will review the RCI Company-level Current Data Sheet and Long-Term Data Sheet to verify consistency and correctness. The HQDA PM is also responsible for providing MHPI templates C through G which are provided directly to HQDA by OSD. HQDA will consolidate PER information for all RCI Companies into a comprehensive MPHPI portfolio report for submittal to OSD.

The MHPI Current Data Sheet has specific instructions for each line item. However, the Performance Outlook and Business Strategy section of the MHPI Long-Term Data Sheet is less restrictive. In this section, the USAG Housing Manager shall provide concise summaries of Operating Performance, Capital Performance and Other Actions (accomplishments, challenges, or major events). For any particular performance metric in the Performance Outlook and Business Strategy section, there should be a statement of the current period's performance, whether performance has increased/decreased since the previous period, and performance versus budget/pro forma. The USAG Housing Manager should use the previous year MHPI comments as a template for the current year submission. The summaries should provide what is currently being done to resolve any challenges or concerns and also identify how the RCI Company has been able to achieve successes or favorable trends. Examples of such issues that should be included in the summaries are explanations of unfavorable financial and occupancy variances and trends. Also, if the RCI Company is behind in construction and development schedule totals-to-date, the summaries should also indicate the reason(s) why and present their approach to get back on schedule.

A key factor to keep in mind when populating and completing these templates is that this information eventually goes to OSD and to Congress. Therefore, the information provided should be a relevant, concise summary of RCI Company performance.

10 U.S.C. 2884(c) Semi-Annual Report to Congress

The 10 U.S.C. 2884(c) Semi-Annual Report on Privatized Housing is a statutory reporting requirement that is due semi-annually to Congress, enabling them to monitor certain performance metrics in the Services' housing privatization programs. The National Defense Authorization Act of Fiscal Year 2013 requires the Secretary of Defense to submit to the Congressional Defense Committees a semi-annual report containing an evaluation of the status of oversight and accountability measures for military housing privatization RCI Companies.

This semi-annual report will be submitted to Congress as of March 31st and September 30th of each calendar year. To facilitate completing this report, the Services are asked to provide OSD the following information within two weeks after the March and September cut-off dates.

To develop the Army's responses to the 2884(c) questions, HQDA will compile information from other RCI report documents (Monthly RCI Company Dashboards, MHPI RCI Company submissions, and Major Decision documentation). No explicit 2884(c) report submission will be required by the USAG Housing Managers for each RCI Company.

Monthly RCI Company Dashboard

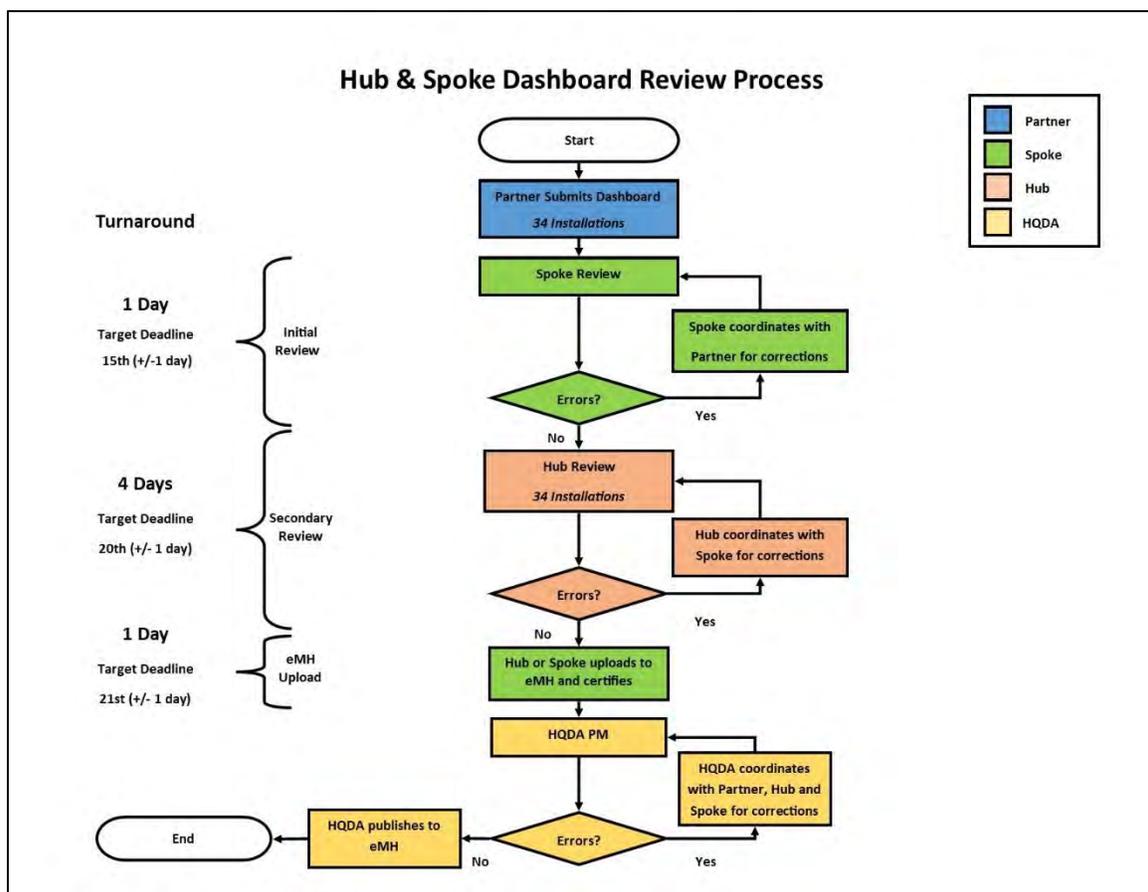
The Monthly RCI Company Dashboard is a tool designed to collect a limited number of key RCI Company metrics monthly. Given that the program must respond to numerous data inquiries both within and external to the Department of the Army, this information ensures HQDA will be able to rapidly respond to most inquiries. Additionally, the Monthly RCI Company Dashboard provides the USAG Housing Manager a means to update Garrison leadership, IMCOM HQ, AMC and HQDA on the progress of their RCI Company as well as monitor issues of concern.

IMCOM Hub and Spoke Monthly RCI Company Dashboard Review Process

To maximize available staffing and to ensure consistently accurate data across the portfolio, IMCOM HQ has established the Hub and Spoke review process. Through this process, five Installations and five IMCOM HQ staff members, designated as Hubs, serve as centralized review and validation points for the Monthly dashboard submissions from the remaining installations or Spokes.

Hub and Spoke Process

The review process, beginning with the RCI companies, should be completed in 21 days and includes an initial review at the Garrison, a secondary review at the Hub and a final review and approval at HQDA. The process utilizes “enterprise Military Housing” (eMH) as the common repository for monthly dashboards and also serves as an electronic mechanism for certification and final approval. The following flow chart illustrates the Hub and Spoke approval process from beginning to end.



The information that is required for the monthly dashboard consists of financial, development, and operations data. The RCI Company Dashboard report provides input used in the consolidated dashboard rollup and the portfolio-level report. The following metrics are required from the RCI Companies monthly:

Finance

- Net Rental Income
- Total Income
- Operating Expenses
- Utilities
- Incentive Fees
- Capital Repair and Replacement
- RCI Company-Specific Additional Expenses
- Debt Service Payment
- Debt Coverage Ratio
- First DCR Trigger Level
- Reinvestment Account Balance

Development / Construction

- New Homes Completed – IDP
- New Homes Completed to Date – IDP
- Minor Renovations Completed – IDP
- Minor Renovations Completed to Date – IDP
- Medium/Major Renovations Completed – IDP
- Medium/Major Renovations Completed to Date – IDP
- Existing Homes Demolished or Lost to Combination – IDP
- Existing Homes Demolished or Lost to Combination to Date – IDP
- New Homes Completed – ODP
- New Homes Completed to Date – ODP
- Minor Renovations Completed – ODP
- Minor Renovations Completed to Date – ODP
- Medium Renovations Completed – ODP
- Medium Renovations Completed to Date – ODP
- Major Renovations Completed – ODP
- Major Renovations Completed to Date – ODP
- Existing Homes Demolished or Lost to Combination – ODP
- Existing Homes Demolished or Lost to Combination to Date – ODP

Operations / Maintenance

- Approved End-State Inventory
- Total Homes
- Homes Off-Line
- Total Homes Available for Occupancy
- Homes Occupied
- Total Number of Homes in Residential Energy Conservation Program – Mock
- Total Number of Homes in Residential Energy Conservation Program – Actual
- Move-Ins
- Move-Outs
- Service/Work Orders Received

- Service/Work Orders Completed
- Home Turnovers Completed
- Waitlist

Milestones / Meetings / Major Decisions

Include any RCI Company milestones, meetings or impending major decisions including dates and descriptions.

General Issues (including any complaints, lawsuits, disputes, major personnel changes, DA assistance needed)

Include descriptions of any general issues that include any complaints, lawsuits, disputes, major personnel changes, DA assistance needed.

10 U.S.C. Section 2885 Requirements (Answer each question)

- Has there been a Contract Adjustment, Operational Impact or construction Change Order which impacted the phasing schedule or has monetary or scope implications?
- Does the RCI Company have construction and renovation phases that will be initiated in the next month, requiring Payment and Performance Bonds or evidence of some suitable instrument?
- Did the RCI Company secure any new Warranty Bonds for completed work?
- Were there any changes to ownership structure of private sector parties?
- How many work orders are in the RCI Company's current maintenance and repair backlog?
- What is the estimated cost to eliminate the work orders in the current backlog?
- Why are these work orders backlogged?

Quarterly RCI Company Report

While the RCI Company Plan and Budget Review process establishes a performance baseline on an annual basis, quarterly RCI Company reporting provides the means to oversee RCI Company performance on a more frequent basis. The Quarterly RCI Company Report is designed to provide a detailed review and analysis of the performance of a specific RCI Company. This process encourages dialog between the RCI Partner, USAG Housing Manager, and HQDA. Working together, the goal of these parties is to identify and mitigate issues or trends that may impact the RCI Company or the portfolio as a whole.

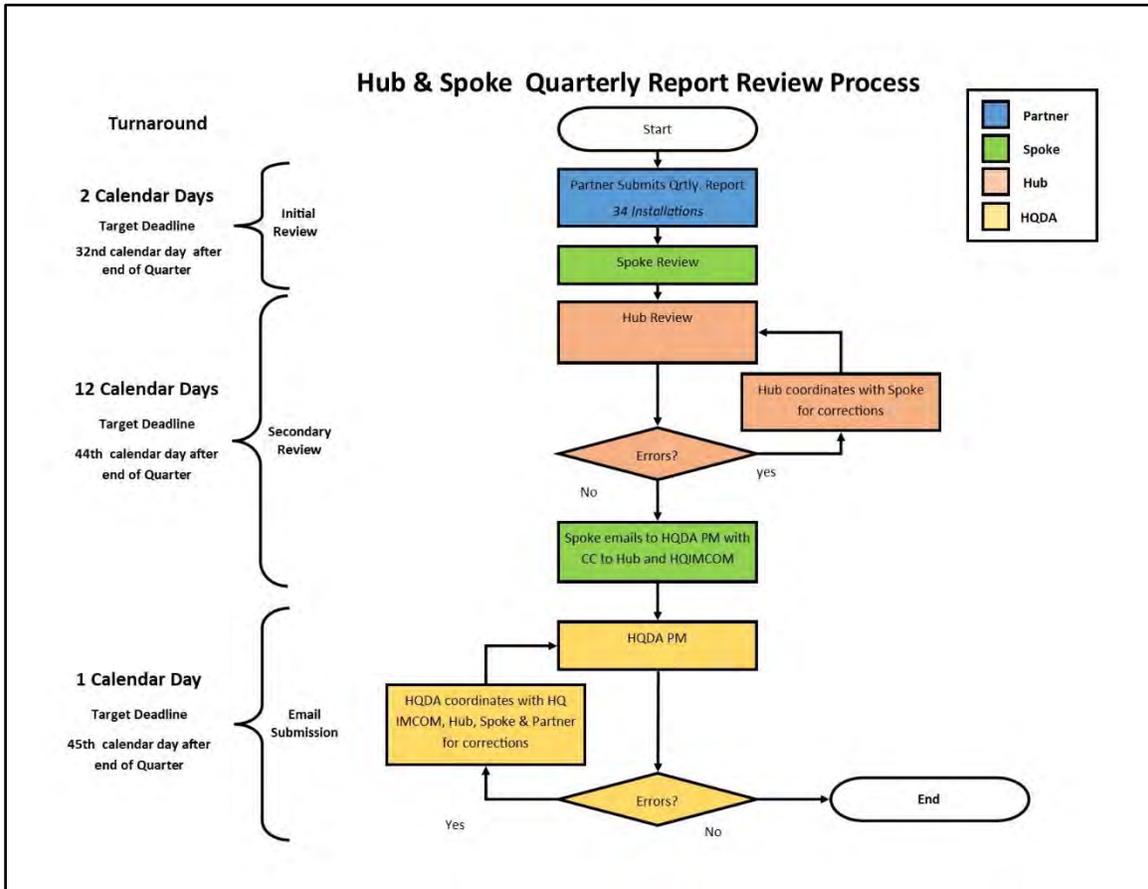
From a process standpoint, the RCI Partner produces an initial draft of the RCI Company Report on a quarterly basis. This report is provided to the USAG Housing Manager for review/comment and then forwarded to the HQDA PM when finalized. The analysis in the report focuses on comparing performance to the following benchmarks: budget and pro forma (variances), previous periods (trends), and, where applicable, portfolio and industry standards.

Information included in the finance section of the report provides background into the RCI Company's financial structure, debt load, and equity commitment from the RCI Partner.

IMCOM Hub and Spoke Quarterly Review Process

The Quarterly RCI Company Report utilizes the same Hub and Spoke alignment as the Monthly RCI Company reports. Through this process, five Installations and five IMCOM HQ staff members, designated as Hubs, serve as centralized review and validation points for the Monthly dashboard submissions from the remaining installations or Spokes.

While the Hub and Spoke alignment remains the same, the review period for quarterly reports is extended to 45 days after the end of the quarter being reviewed. Unlike the Monthly Dashboard review process, currently the quarterly review process does not utilize eMH. The following chart illustrates the quarterly report review and approval process from beginning to end.



The Quarterly RCI Company Report contains the following sections, explained further in the sections that follow: RCI Company Information

- RCI Company Overview
- RCI Company Occupancy
- Primary Statement of Operations
- Additional Statement of Operations
- Construction & Renovation Cost Summary – IDP
- Development & Soft Cost Summary – IDP
- Construction & Renovation Cost Summary – ODP
- Development & Soft Cost Summary – ODP
- Lockbox Waterfall
- Lockbox Balances
- Equity Return and Cash Flow Split Calculations
- Incentive Fee Reporting
- Small and Local Business
- Other RCI Company Information
- Sources and Uses
- GFOQ Reporting
- Congressional Reporting
- Cumulative CO Log – IDP
- Cumulative CO Log – ODP
- Quarterly Report Glossary

RCI Company Information

The RCI Company Information worksheet collects information about the RCI Company in the following categories: General RCI Company, RCI Company Contact, RCI Company Scope, Equity, and Lockbox Account information. While a lot of this information is static and may not change frequently, the RCI Company team should review it on a quarterly basis to ensure the data remains accurate (e.g. update the change of a team member, phone number, or E-mail address).

RCI Company Overview

The RCI Company Overview worksheet is intended to provide a summary of the RCI Company, including any major events during the quarter. The worksheet begins with a list of all approved ODP periods. This should be followed by a narrative (bullet points) and summary of quantitative information regarding the current operating performance of the RCI Company and the progress made to date in achieving RCI Company objectives. The Reporting Periods identifies the date of the end of the current reporting period followed by the date ranges for each approved ODP. The RCI Company Overview presents the RCI Company's key accomplishments, challenges, lessons learned and additional discussion across all areas of the RCI Company including development/construction, finance/budget, and property management/ operations. The property management/operations section should include discussion regarding resident satisfaction and the development/construction should

include discussion of budget and schedule. Moreover, a summary of any approved Major Decisions, any unresolved compliance issues from previous quarters, and any significant changes to the partnership organization, RCI Company staffing, or RCI Partner administration should also be included in this section.

The report should also detail any actions taken or to be taken by the RCI Partner, Developer, Property Manager, USAG Housing Manager, D/B Contractor/Construction Manager and/or government to address any particular issue.

RCI Company Occupancy

The RCI Company Occupancy section collects tenant-related information, such as occupancy by rank and housing size, and also details numbers of other residents living in housing (single military, retirees, DOD/Federal civilians, civilians, and foreign military). This information, in conjunction with the statement of operations, provides significant insight into the demand for housing and the ongoing health of the RCI Company.

Occupancy is reviewed by rank, by unit type, and for the overall RCI Company. Occupancy trends are reviewed over time and against pro forma. The purpose of reviewing occupancy by rank is to understand the type of demand across the installation. If occupancy is below expectations in a particular rank or band of ranks, the HQDA PM can begin to review the circumstances leading to these occupancy changes and may ultimately recommend ways to make the RCI Company more desirable to targeted ranks or to change unit designations on certain homes to other ranks. Either of these approaches is aimed at improving occupancy and thereby the health of the RCI Company. Reviewing occupancy by unit type also promotes an understanding of the demand for differing types and styles of homes.

Primary Statement of Operations

The Primary Statement of Operations collects key financial performance information relating to ongoing RCI Company operations. This includes revenue and expense data across several major categories and subcategories for the RCI Company's actual operating expenses for the quarter. The focus in analyzing the statement of operations is to gain an understanding of performance versus budget expectations and to identify variances and trends occurring at the RCI Company. This information is analyzed in conjunction with RCI Company Occupancy data to gain a deeper understanding of cost drivers impacting the RCI Company.

For this section, RCI Partners should insert the statement of operations in Microsoft Excel format provided by the RCI Company's financial reporting software (i.e. Yardi).

Additional Statement of Operations

This worksheet collects the key financial performance information relating to ongoing, RCI Company-specific additional expenses funded by RCI Company cash flow that are not captured on the Primary Statement of Operations worksheet (i.e. asset management expenses). The intention of this section is to provide clarity and detail regarding all RCI Partner-specific expenses related to the RCI Company.

The RCI Company should insert any additional statement of operations in Microsoft Excel format provided by the RCI Company's financial reporting software (i.e. Yardi). There will be additional guidance provided by the HQDA PM on a RCI Company-specific basis on what should be reported in this area.

Construction & Renovation Cost Summary - IDP

This worksheet provides a breakdown of new construction and renovation costs for the approved IDP Scope. The detail in these worksheets allows the USAG Housing Manager to review construction and renovation costs and ensure the RCI Company will have the funding to meet IDP scope.

The RCI Company should insert the draw(s) as of the end of the reporting period that outlines the costs for the new construction, renovations, site work, amenities, general conditions, overhead, contingency, fees and other construction and renovation soft costs. If there are separate contracts in place for new construction and renovations, the RCI Company should insert both applicable draws into this section. The information on the draw(s) should be in Microsoft Excel format and include, at a minimum, the draw cover sheet (i.e. AIA G702 cover sheet), the original budget, budget changes, the revised budget, total completed, previous draws, current draw, retainage and balance to complete.

Development and Soft Cost Summary - IDP

This worksheet provides detailed information on development and soft costs for the approved IDP scope for work that is not included in the Design/Builder, construction, or renovation contracts. These costs include soft costs and financing costs specific to an RCI Company. The line items reported should be customized by the RCI Company team and organized in line item categorizations that are in line with the latest pro forma or the latest final approved MSP pro forma. The reported line items should cover all costs that make-up the total development cost budget that are not included in the construction and/or renovation draws.

Construction & Renovation Cost Summary - ODP

This worksheet provides a breakdown of new construction and renovation costs for the latest approved, currently in-progress 5-year development period within the Out-Year Development Period. The detail in these worksheets allows the USAG Housing Manager to review construction and renovation costs and ensure the RCI Company will have the funding to meet ODP scope.

The RCI Company should insert the draw(s) as of the end of the reporting period that outlines the costs for the new construction, renovations, site work, amenities, general conditions, overhead, contingency, fees and other construction and renovation soft costs. If there are separate contracts in place for new construction and renovations, the RCI Company should insert both applicable draws into this section. The information on the draw(s) should be in Microsoft Excel format and include, at a minimum, the draw cover sheet (i.e. AIA G702 cover sheet), the original budget, budget changes, the revised budget, total completed, previous draws, current draw, retainage and balance to complete.

Please note that the reported values should not cover the full remaining term from the end of the IDP to the expiration of the Ground Lease, just the latest approved, currently in-progress 5-year ODP. Multiple draws to cover each approved 5-year development period throughout the remaining lease term should be provided.

Development and Soft Cost Summary - ODP

This worksheet provides detailed information on development and soft costs for the latest approved, currently in-progress 5-year development period within the Out-Year Development Period for work that is not included in the Design/Builder, construction, or renovation contracts. These costs include soft costs and financing costs specific to a RCI Company. The line items reported should be customized by the RCI Company team and organized in line item categorizations that are in line with the latest approved pro forma. The reported line items should cover all costs that make-up the total

development cost budget that are not included in the construction and/or renovation draws. Reported values should not cover the full, remaining term from the end of the IDP to the expiration of the Ground Lease, just the latest approved, currently in-progress 5-year development period. Multiple copies of this sheet to cover each approved 5-year development period within the remaining lease term should be provided.

Additionally, this worksheet captures non-development costs that the Army has approved to be financed from the Reinvestment Account for the latest approved, currently in-progress 5-year development period within the ODP. The work captured in this section is managed by the Property Manager and/or Asset Manager but paid for using Reinvestment Account funds. The line items reported should be customized by the RCI Company team and, whenever possible, organized in line item categorizations that are in line with the ODP pro forma or the latest approved MSP pro forma.

Lockbox Waterfall

The purpose of this worksheet is to outline the monthly flow of RCI Company funds through the holistic waterfall that is governed by the Servicing and Lockbox Agreement/Trustee Indenture and Operating/Partnership Agreement and Sublease as applicable. This worksheet also depicts the monthly transaction history of the RCI Company's Reinvestment Account during the Out-Year Development Period. This should provide an understanding of the RCI Company's waterfall and any issues of note that should be addressed on a quarterly basis. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter.

Prior to "Cash Flow Available for Distribution", the RCI Company team should customize the tiers of the waterfall to match the specific accounts and disbursements outlined in the RCI Company's Servicing and Lockbox Agreement/Trust Indenture. Reported values in these waterfall tiers should reflect the monthly cash flow waterfall executed by the Servicer/Lockbox Agent/Trustee. Subordinate to "Cash Flow Available for Distribution", the RCI Company team should customize the tiers of the waterfall to match the specific accounts and disbursements outlined in the RCI Company's Servicing and Lockbox Agreement/Trust Indenture, Operating/Partnership Agreement and Sublease, as applicable, that are in effect during the IDP and then during the ODP. Reported values in these waterfall tiers should reflect the monthly cash flow waterfall executed by the Servicer/ Lockbox Agent/Trustee, as applicable, and tracked by the RCI Company entities for those movements and disbursements that are governed by the Operating/Partnership Agreement and Sublease, as be included on waterfall activities for the reported quarter.

Lockbox Balances

The Servicing and Lockbox Agreement or Trust Indenture associated with each RCI Company establishes rules for collection and disbursement of RCI Company funds and for maintenance of reserve accounts. This information is reviewed on a quarterly basis to ensure that RCI Company lockbox accounts are being funded properly and that minimum balances are being maintained per lender and legal requirements. The accounts reported should be customized by the RCI Company team to reflect the specific RCI Company accounts, and associated account activity, reported by the Servicer/Lockbox Agent/Trustee. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter. (Refer to Appendix H for more information on Lockbox Reviews).

Equity Return and Cash Flow Split Calculations

The purpose of this worksheet is to provide detailed information pertaining to the calculation of equity return payments and cash flow split payments to the RCI Company during the lease term. This worksheet will allow the USAG Housing Manager to identify any variations of the actual calculations from the legal documents.

The RCI Company should insert the running calculation over the RCI Company's fiscal year computed in accordance with the RCI Company's legal documents for how the cash flow eligible to be used to pay equity returns and cash flow splits is determined and the amounts of equity return payments and cash flow split payments to the RCI Company; these should be inserted in Microsoft Excel format.

Incentive Fee Reporting

The purpose will be to capture information on incentive fees awarded to the RCI Company's prime contractors during the quarter on an on-going basis. Incentive fees related to Property, Asset, Maintenance, Construction, Renovation and Development management will be tracked here. The incentive fee award information enables the Army to ensure incentive awards are in alignment with RCI Company financial, development, and operations/satisfaction information reported.

Small and Local Business

The Army places great focus on ensuring that small and local businesses are afforded opportunities to participate in the RCI Program. This worksheet collects small business participation for the history of the RCI Company as well as for the quarter. The Army focuses on the type of small business contracts that each RCI Company has hired. The five groups include: veteran-owned (including service disabled), service disabled veteran-owned, HUB zone, disadvantaged business, and women-owned.

Other RCI Company Information

The Other RCI Company Information worksheet collects information related to RCI Company staffing. RCI Company Staffing provide insight onto the Full Time Employee (FTE) RCI Company-level positions that are filled versus vacant positions.

Sources and Uses

This worksheet provides a periodic measurement of the RCI Company's ability to complete the agreed upon scope of work. Additionally, this worksheet summarizes the changes to RCI Company Sources and Uses related to each Army approved phase of the ODP. It will allow the USAG Housing Manager to identify funding shortfalls in a timely manner so that corrective action can be taken at the earliest opportunity.

For the ODP, the RCI Company should report the Sources and Uses for each approved 5-year development scope with the current, in-progress 5-year development scope as the final entry. Reported values should cover only the currently approved 5-year period. Current RCI Company values should be updated each quarter. The RCI Company may provide this information in another format, such as the original or current pro forma Sources and Uses worksheet; provide alternative formats in Microsoft Excel.

GFOQ Reporting

In accordance with 10 U.S.C. Section 2885 legislation reporting requirements, RCI Companies must provide a detailed report of the operation, maintenance, and repair costs on a quarterly basis as it relates to Privatized General and Flag Officers' Quarters.

Congressional Reporting

This worksheet includes information required to be periodically collected from the RCI Company under 10 U.S.C. Sections 2884 and 2885, including quarterly utility cost reporting and an assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area.

Cumulative Change Order Log – IDP

This worksheet summarizes approved Change Orders executed during the IDP and is intended to catalog all change orders for the USAG Housing Manager's review.

The RCI Company should insert the cumulative log of Change Orders approved in accordance with the RCI Company's legal documents since contract inception for work performed during the IDP. If multiple contracts were executed during the IDP (ex. separate contracts for two phases of work or separate contracts for new construction and renovations), insert a cumulative Change Order log for each contract.

Cumulative Change Order Log - ODP

This worksheet summarizes approved Change Orders executed during the latest approved, currently in-progress 5-year development period within the ODP and is intended to catalog all change orders for the USAG Housing Manager's review.

The RCI Company should insert the cumulative log of Change Orders approved in accordance with the RCI Company's legal documents since contract inception for work performed during the latest approved, currently in-progress 5-year development period. If multiple contracts were executed during the latest approved, currently in-progress 5-year development period (ex. separate contracts for two phases of work or separate contracts for new construction and renovations), insert a cumulative Change Order log for each contract.

Quarterly Report Glossary

The final section of the Quarterly RCI Company Report template is a glossary that contains definitions for all terms used in the template. This information is provided to assist RCI Companies in interpreting the type of data requested for each data field and to ensure consistency throughout the portfolio.

Quarterly Portfolio Report

DCS G-9 will produce a Portfolio Report on a quarterly basis. The portfolio-level report is designed primarily to provide comparative RCI Company analysis and aggregate portfolio analysis in certain key areas including development, occupancy, operations, maintenance, and finance.

The portfolio-level report has five parts:

- Executive Summary
- Key Metrics
- Appendices
- Privatized Army Lodging
- RCI Renewable Energy Program

- IMCOM Directorate Scorecards
- RCI Asset Level Summaries
- PAL Snapshots

Building upon RCI Company-level reporting and analysis, the quarterly portfolio report establishes a means for assessing performance across the entire RCI program. This program level oversight and analysis allows the HQDA PMs to benchmark individual RCI Companies against overall portfolio performance and against standard performance measures. The information collected in the portfolio report also forms the basis for keeping stakeholders informed about program performance, including AMC, IMCOM, HQDA, OSD, Congress, Government Accountability Office (GAO), OMB and others.

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 - c. RCI Company Occupancy
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Family Housing RCI Company Dashboard

Instructions:
 The Project dashboard updates selected key performance indicators on a monthly basis.
 It serves as a quick reference of Project status that is used for responding to outside information requests in a more efficient manner.
 All variances and certain cells are protected purposely on this worksheet. These items are to be calculated utilizing the pre-formatted and approved formulas.

ALL CELLS CALCULATED AUTOMATICALLY (Except Debt Service, DCR and Reinvestment Account Balance) For the month ending: 31 Jul 2019
 PROJECT NAME: Current ODP Date: Jan 19 - Jan 23
 LOCATION: CONSOLIDATED

1 Monthly Performance						
2 Finance	Actual	Budget	Variance (\$)	Variance (%)	Finance Discussion / Issues	
3 Net Rental Income	\$ -	\$ -	\$ -	0.0%		
4 Total Income	\$ -	\$ -	\$ -	0.0%		
5 Operating Expenses	\$ -	\$ -	\$ -	0.0%		
6 Utilities	\$ -	\$ -	\$ -	0.0%		
7 NOI	\$ -	\$ -	\$ -	0.0%		
8 Incentive Fees	\$ -	\$ -	\$ -	0.0%		
9 Capital Repair and Replacement	\$ -	\$ -	\$ -	0.0%		
10 RCI Partner-Specific Additional Expenses	\$ -	\$ -	\$ -	0.0%		
11 Finance	Actual	Pro Forma	Variance (\$)	Variance (%)	Finance Discussion / Issues	
12 Debt Service Payment						
13 DCR						
14 First DCR Trigger Level in Effect Encountered					Description of Trigger Provision:	
15 Reinvestment Account Balance			\$ -	0.0%		
16 Development / Construction	Actual	Pro Forma	Variance (#)	Variance (%)	Development Discussion / Issues	
17 New Homes Completed - ODP (Current Month)	-	-	-	0.0%		
18 New Homes Completed to Date - ODP	-	-	-	0.0%		
19 Minor Renovations Completed - ODP (Current Month)	-	-	-	0.0%		
20 Minor Renovations Completed to Date - ODP	-	-	-	0.0%		
21 Medium Renovations Completed - ODP (Current Month)	-	-	-	0.0%		
22 Medium Renovations Completed to Date - ODP	-	-	-	0.0%		
23 Major Renovations Completed - ODP (Current Month)	-	-	-	0.0%		
24 Major Renovations Completed to Date - ODP	-	-	-	0.0%		
25 Existing Homes Demolished or Lost to Combination - ODP (Current Month)	-	-	-	0.0%		
26 Existing Homes Demolished or Lost to Combination to Date - ODP	-	-	-	0.0%		
27 Operations / Maintenance	Actual	Budget	Variance (#)	Variance (%)	Operations Discussion / Issues	
28 Approved End-State Inventory						
29 Total Homes	-	-	-	0.0%		
30 Homes Off-Line	-	-	-	0.0%		
31 Total Homes Available for Occupancy	-	-	-	0.0%		
32 Homes Occupied	-	-	-	0.0%		
33 Occupancy (%)	0.0%	0.0%		0.0%		
34 Net Rental Income per Occupied Home	\$ -	\$ -	\$ -	0.0%		
35 Operating Expenses per Available Home	\$ -	\$ -	\$ -	0.0%		
36 Utilities Expenses per Occupied Home	\$ -	\$ -	\$ -	0.0%		
37 NOI per Available Home	\$ -	\$ -	\$ -	0.0%		
38 Vacant Homes	-	-	-	0.0%		
39 Home Turnovers Completed						
40 Waitlist						
41 Waterfall Tenants						
42 Waterfall Tenant Types That Could Rent Project Homes as of the End of the Month	Unaccompanied Service Members	Yes / No /	Retirees	//	DoD / Federal Civilians	//
	Project-Related Employees	//	Contractors	//	General Public Civilians	//
43 Waterfall Tenant Types In Residence as of the End of the Month	Unaccompanied Service Members	//	Retirees	//	DoD / Federal Civilians	//
	Project-Related Employees	//	Contractors	//	General Public Civilians	//
44 Milestones / Meetings / Major Decisions						
Date	Description					
45 General Issues (including any complaints, lawsuits, disputes, major personnel changes, DA assistance needed)						
48 Additional Questions - Per 2884/2885 Legislation						
49 Has there been a Contract Adjustment, Operational Impact or construction Change Order which impacted the phasing schedule or has monetary or scope implications?						
50 Does the Project have construction and renovation phases that will be initiated in the next month, requiring Payment and Performance Bonds or evidence of some suitable instrument?						
51 Did the Project secure any new Warranty Bonds for completed work?						
52 Were there any changes to ownership structure of private sector parties?						
53 How many work orders are in the project's current maintenance and repair backlog?						
54 What is the estimated cost to eliminate the work orders in the current backlog?						
55 Why are these work orders backlogged?						
*If the answer is "Yes" to any of Questions #49-52, please refer to the glossary for the appropriate course of action.						

Instructions:
 The Project dashboard updates selected key performance indicators on a monthly basis.
 It serves as a quick reference of Project status that is used for responding to outside information requests in a more efficient manner.
 All variances and certain cells are protected purposely on this worksheet. These items are to be calculated utilizing the pre-formatted and approved formulas.

ALL SHADED AREAS CALCULATE AUTOMATICALLY For the month ending: **31 Jul 2019**
 Current ODP Date: **Jan 19 - Jan 23**
PROJECT NAME:
LOCATION:

1 Monthly Performance						
2 Finance	Actual	Budget	Variance (\$)	Variance (%)	Finance Discussion / Issues	
3 Net Rental Income			\$ -	0.0%		
4 Total Income			\$ -	0.0%		
5 Operating Expenses			\$ -	0.0%		
6 Utilities			\$ -	0.0%		
7 NOI	\$ -	\$ -	\$ -	0.0%		
8 Incentive Fees			\$ -	0.0%		
9 Capital Repair and Replacement			\$ -	0.0%		
10 RCI Partner-Specific Additional Expenses			\$ -	0.0%		
11 Finance	Actual	Pro Forma	Variance (\$)	Variance (%)		Finance Discussion / Issues
12 Debt Service Payment						ENTER TOTAL DEBT SERVICE IN THE CONSOLIDATED WORKSHEET ONLY PLEASE ENTER DCR IN THE CONSOLIDATED WORKSHEET ONLY PLEASE ENTER DESCRIPTION OF TRIGGER PROVISIONS IN THE CONSOLIDATED WORKSHEET ONLY PLEASE ENTER REINVESTMENT ACCOUNT BALANCE IN THE CONSOLIDATED WORKSHEET ONLY
13 DCR						
14 First DCR Trigger Level in Effect Encountered						
15 Reinvestment Account Balance						
16 Development / Construction	Actual	Pro Forma	Variance (#)	Variance (%)	Development Discussion / Issues	
17 New Homes Completed - ODP (Current Month)			-	0.0%		
18 New Homes Completed to Date - ODP			-	0.0%		
19 Minor Renovations Completed - ODP (Current Month)			-	0.0%		
20 Minor Renovations Completed to Date - ODP			-	0.0%		
21 Medium Renovations Completed - ODP (Current Month)			-	0.0%		
22 Medium Renovations Completed to Date - ODP			-	0.0%		
23 Major Renovations Completed - ODP (Current Month)			-	0.0%		
24 Major Renovations Completed to Date - ODP			-	0.0%		
25 Existing Homes Demolished or Lost to Combination - ODP (Current Month)			-	0.0%		
26 Existing Homes Demolished or Lost to Combination to Date - ODP			-	0.0%		
27 Operations / Maintenance	Actual	Budget	Variance (#)	Variance (%)	Operations Discussion / Issues	
28 Approved End-State Inventory						
29 Total Homes	-	-	-	0.0%		
30 Homes Off-Line			-	0.0%		
31 Total Homes Available for Occupancy			-	0.0%		
32 Homes Occupied			-	0.0%		
33 Occupancy (%)	0.0%	0.0%		0.0%		
34 Net Rental Income per Occupied Home	\$ -	\$ -	\$ -	0.0%		
35 Operating Expenses per Available Home	\$ -	\$ -	\$ -	0.0%		
36 Utilities Expenses per Occupied Home	\$ -	\$ -	\$ -	0.0%		
37 NOI per Available Home	\$ -	\$ -	\$ -	0.0%		
38 Vacant Homes	-	-	-	0.0%		
39 Home Turnovers Completed						
40 Waitlist						
41 Waterfall Tenants						
42 Waterfall Tenant Types That Could Rent Project Homes as of the End of the Month	Unaccompanied Service Members	Yes	Retirees		DoD / Federal Civilians	
	Project-Related Employees		Contractors		General Public Civilians	
43 Waterfall Tenant Types In Residence as of the End of the Month	Unaccompanied Service Members		Retirees		DoD / Federal Civilians	
	Project-Related Employees		Contractors		General Public Civilians	
44 Milestones / Meetings / Major Decisions						
Date	Description					
45 General Issues (including any complaints, lawsuits, disputes, major personnel changes, DA assistance needed)						

Instructions:
 The Project dashboard updates selected key performance indicators on a monthly basis.
 It serves as a quick reference of Project status that is used for responding to outside information requests in a more efficient manner.
 All variances and certain cells are protected purposely on this worksheet. These items are to be calculated utilizing the pre-formatted and approved formulas.

ALL SHADED AREAS CALCULATE AUTOMATICALLY For the month ending: **31 Jul 2019**
PROJECT NAME: Current ODP Date: **Jan 19 - Jan 23**
LOCATION:

1 Monthly Performance						
2 Finance	Actual	Budget	Variance (\$)	Variance (%)	Finance Discussion / Issues	
3 Net Rental Income			\$ -	0.0%		
4 Total Income			\$ -	0.0%		
5 Operating Expenses			\$ -	0.0%		
6 Utilities			\$ -	0.0%		
7 NOI	\$ -	\$ -	\$ -	0.0%		
8 Incentive Fees			\$ -	0.0%		
9 Capital Repair and Replacement			\$ -	0.0%		
10 RCI Partner-Specific Additional Expenses			\$ -	0.0%		
11 Finance	Actual	Pro Forma	Variance (\$)	Variance (%)		Finance Discussion / Issues
12 Debt Service Payment						ENTER TOTAL DEBT SERVICE IN THE CONSOLIDATED WORKSHEET ONLY PLEASE ENTER DCR IN THE CONSOLIDATED WORKSHEET ONLY PLEASE ENTER DESCRIPTION OF TRIGGER PROVISIONS IN THE CONSOLIDATED WORKSHEET ONLY PLEASE ENTER REINVESTMENT ACCOUNT BALANCE IN THE CONSOLIDATED WORKSHEET ONLY
13 DCR						
14 First DCR Trigger Level in Effect Encountered						
15 Reinvestment Account Balance						
16 Development / Construction	Actual	Pro Forma	Variance (#)	Variance (%)	Development Discussion / Issues	
17 New Homes Completed - ODP (Current Month)			-	0.0%		
18 New Homes Completed to Date - ODP			-	0.0%		
19 Minor Renovations Completed - ODP (Current Month)			-	0.0%		
20 Minor Renovations Completed to Date - ODP			-	0.0%		
21 Medium Renovations Completed - ODP (Current Month)			-	0.0%		
22 Medium Renovations Completed to Date - ODP			-	0.0%		
23 Major Renovations Completed - ODP (Current Month)			-	0.0%		
24 Major Renovations Completed to Date - ODP			-	0.0%		
25 Existing Homes Demolished or Lost to Combination - ODP (Current Month)			-	0.0%		
26 Existing Homes Demolished or Lost to Combination to Date - ODP			-	0.0%		
27 Operations / Maintenance	Actual	Budget	Variance (#)	Variance (%)	Operations Discussion / Issues	
28 Approved End-State Inventory						
29 Total Homes	-	-	-	0.0%		
30 Homes Off-Line			-	0.0%		
31 Total Homes Available for Occupancy			-	0.0%		
32 Homes Occupied			-	0.0%		
33 Occupancy (%)	0.0%	0.0%		0.0%		
34 Net Rental Income per Occupied Home	\$ -	\$ -	\$ -	0.0%		
35 Operating Expenses per Available Home	\$ -	\$ -	\$ -	0.0%		
36 Utilities Expenses per Occupied Home	\$ -	\$ -	\$ -	0.0%		
37 NOI per Available Home	\$ -	\$ -	\$ -	0.0%		
38 Vacant Homes	-	-	-	0.0%		
39 Home Turnovers Completed						
40 Waitlist						
41 Waterfall Tenants						
42 Waterfall Tenant Types That Could Rent Project Homes as of the End of the Month	Unaccompanied Service Members	No	Retirees		DoD / Federal Civilians	
	Project-Related Employees		Contractors		General Public Civilians	
43 Waterfall Tenant Types In Residence as of the End of the Month	Unaccompanied Service Members		Retirees		DoD / Federal Civilians	
	Project-Related Employees		Contractors		General Public Civilians	
44 Milestones / Meetings / Major Decisions						
Date	Description					
45 General Issues (including any complaints, lawsuits, disputes, major personnel changes, DA assistance needed)						

Family Housing – Monthly Dashboard Glossary

Monthly Dashboard Glossary	
Instructions	
The definitions below provide a detailed description of the information being requested in each section of this report. Please use this as a first point of reference for any template questions, but as always, feel free to contact your HQDA Program Manager if you need any additional clarification. This report is due to HQDA on the 19th of each month, populated with the prior month's data.	

Term	Definition
Monthly Performance Categories	These categories and their associated definitions are applicable, as identified, to all the respective areas in the Monthly Performance section of the monthly dashboard.
Budget	In all input boxes within a section underneath the Budget column header, reported values should be taken from the annual budget approved by the Army. If the annual budget applicable to the reporting period has not yet been approved at the time of Monthly Dashboard submission, then reported values should be taken from the annual budget adjusted in accordance with the Project's legal documents and used to fund the cash flow waterfall until the annual budget is approved by the Army. Specific instructions for populating the input boxes underneath the Budget column header are provided in the Highest DCR Trigger Level in Effect item and the Approved End-State Inventory item definitions below.
Pro Forma	In all input boxes within a section underneath the Pro Forma column header, reported values should be taken from the later of the final operational, final financial or final combined operational and financial closing pro forma unless the pro forma has changed through the Major Decision process, in which case the latest final pro forma approved by HQDA should be used.
Discussion / Issues	Explanations should be provided on the major drivers of and significant issues impacting actual performance during the month. At a minimum, variance explanations should be provided for actual performance that is equal to or greater than 5% or equal to or less than -5% of the benchmark value, either Budget or Pro Forma. Additional information to be provided may be outlined in specific line item definitions below.

Term	Definition
1 Monthly Performance	This section captures the key performance indicators to be tracked on a monthly basis.
2 Finance	Finance-related key performance indicators.
3 Net Rental Income	Maximum potential BAH revenue less vacancy loss, bad debt expense, rental concessions and loss/gain to lease.
4 Total Income	Net Rental Income plus other income, including, but not limited to, cleaning and damages charges, late charges, NSF fees and resident utilities reimbursements to the Project. Interest income earned on reserve accounts should not be included in Total Income.
5 Operating Expenses	Total operating-related expenses accrued for the month. This amount should exclude Utilities expenses (as defined in item 6), financing-related expenses such as principal and interest payments on the debt and trustee fees, depreciation, amortization, capital repair and replacement expenditures, replacement reserve deposits and incentive fees awarded or accrued for asset management, property management and/or maintenance management.
6 Utilities	Total expenses accrued during the month for only electricity, gas, fuel oil, water, sewer, amortized utility infrastructure payments (if applicable) and metering and billing fees charged to the Project.
7 NOI	Automatically calculates by subtracting Operating Expenses (item 5) and Utilities (item 6) from Total Income (item 4). <i>This may not be the same as the NOI utilized by the Servicer/Lockbox Agent/Trustee to calculate Debt Coverage Ratio (DCR).</i>
8 Incentive Fees	Total incentive fees accrued during the month for asset management, property management, and/or maintenance management.
9 Capital Repair and Replacement (CRR)	The total Capital Repair and Replacement (CRR) accrued expenditures during the month. The reported amount should NOT include deposits that were made to the CRR lockbox account during the month.
10 RCI Partner-Specific Additional Expenses	Ongoing, RCI Partner-specific additional accrued expenses funded through Project cash flow that are not captured in Operating Expenses (item 5), Utilities (item 6), Incentive Fees (item 8) and Capital Repair and Replacement (item 9). Additional guidance on the information to report in this line item will be provided by the HQDA Program Manager on a Partner-specific basis.
11 Finance	Finance-related key performance indicators.
12 Debt Service Payment	The total Debt Service payment made or accrued during the month. Depending on the nature of the loan, this may be a fixed amount from month to month or a variable amount that changes every month.

13	DCR	Debt coverage ratio for the period as calculated in accordance with each respective loan agreement or trustee indenture. Please enter the DCR for the month reported by or to the Servicer/Lockbox Agent/Trustee. <i>DCR will not necessarily be calculated with the NOI listed on this page as result of the line items that have been excluded from that figure.</i>
14	First DCR Trigger Level in Effect Encountered	First DCR level in effect that would be encountered for evaluation during the month where Project performance below that prescribed DCR level in the Project's loan documents would engage/trigger a restrictive or remedy provision, such as funding a cash trap account or having to gain non-recurring Lender/Trustee approval for development disbursements. Please insert in the Finance Discussion / Issues area a brief description of the loan document provision that would be engaged/triggered by Project performance below the prescribed DCR level. Please also include in the Finance Discussion / Issues area the length of time that the Project would need to be below the prescribed DCR level to engage/trigger the restrictive or remedy provision in the Project's loan documents. Additionally, please include the length of time the Project would need to be above the prescribed DCR level to not have the restrictive or remedy provision in the Project's loan documents be in effect.
15	Reinvestment Account Balance	The Reinvestment Account balance at the end of the reported month as shown in the monthly account statement. Reported value should be on a cash basis.
16	Development / Construction	Development / Construction-related key performance indicators.
17	New Homes Completed - IDP	Total number of newly constructed homes that received a Certificate of Occupancy during the month during the Initial Development Period. For unplanned newly constructed homes that were funded with insurance proceeds as a result of damage and then demolition, please report the delivered number of homes in the Actual input box if the original home had not been replaced or received a minor, medium, major or combination renovation before it was damaged and then demolished. If the original home had been replaced or received a minor, medium, major or combination renovation before it was damaged and then demolished, then report the delivered number of homes in the "Development Discussion / Issues" area.
18	New Homes Completed to Date - IDP	Cumulative number of newly constructed homes, as defined in item 17, completed during the Initial Development Period. If the reported value in item 18 for the current month does NOT equal the reported value in item 18 in the prior month plus the value reported in item 17 for the current month, a detailed explanation should be provided to reconcile the reported value in item 18 in the current month with the value calculated using the reported value in item 18 in the prior month plus the value reported in item 17 for the current month. Please report the cumulative number of unplanned newly constructed homes that were funded with insurance proceeds as a result of damage and then demolition for which the original home had been replaced or received a minor, medium, major or combination renovation before it was damaged and then demolished in the "Development Discussion / Issues" area.
19	Minor Renovations Completed - IDP	Total number of minor renovations completed during the month during the Initial Development Period. Reported minor renovations should be for a scope of work in line with the "minor renovation" classification agreed upon at the latest Project closing, operational and/or financial, or in the latest approved MSP. Please include detail of any retouch renovations on units that first received a minor renovation in the "Development Discussion / Issues" area for this item. A retouch is defined as additional renovation work performed on a home that has already undergone a renovation during the Initial Development Period. The first minor renovation of a home should be reported in the Actual and Pro Forma input boxes, any additional retouch renovation work should not be counted in the Actual and Pro Forma input boxes but should be outlined in the "Development Discussion / Issues" area, depicting both Actual and Pro Forma retouch renovations performed.

<p>20</p>	<p>Minor Renovations Completed to Date - IDP</p>	<p>Cumulative number of minor renovations, as defined in item 19, completed during the Initial Development Period. If the reported value in item 20 for the current month does NOT equal the reported value in item 20 in the prior month plus the value reported in item 19 for the current month, a detailed explanation should be provided to reconcile the reported value in item 20 in the current month with the value calculated using the reported value in item 20 in the prior month plus the value reported in item 19 for the current month.</p> <p>Please include the cumulative number of retouch renovations, as defined in item 19, in the "Development Discussion / Issues" area for this item, depicting both Actual and Pro Forma retouch renovations performed. If the reported values in item 20 "Development Discussion / Issues" area for the current month does NOT equal the reported values in item 20 "Development Discussion / Issues" area in the prior month plus the values reported in item 19 "Development Discussion / Issues" area for the current month, a detailed explanation should be provided to reconcile the reported values in item 20 "Development Discussion / Issues" area in the current month with the value calculated using the reported values in item 20 "Development Discussion / Issues" area in the prior month plus the values reported in item 19 "Development Discussion / Issues" area for the current month.</p>
<p>21</p>	<p>Medium/Major Renovations Completed - IDP</p>	<p>Total number of medium and major renovations completed during the month during the Initial Development Period. Reported medium and major renovations should be for a scope of work in line with the "medium renovation" and "major renovations" classifications agreed upon at the latest Project closing, operational and/or financial, or in the latest approved MSP. Please include detail of any retouch renovations on units that first received a medium/major renovation in the "Development Discussion / Issues" area for this item. A retouch is defined as additional renovation work performed on a home that has already undergone a renovation during the Initial Development Period. The first major/medium renovation of a home should be reported in the Actual and Pro Forma input boxes, any additional retouch renovation work should not be counted in the Actual and Pro Forma input boxes but should be outlined in the "Development Discussion / Issues" area, depicting both Actual and Pro Forma retouch renovations performed.</p>
<p>22</p>	<p>Medium/Major Renovations Completed to Date - IDP</p>	<p>Cumulative number of medium and major renovations, as defined in item 21, completed during the Initial Development Period. If the reported value in item 22 for the current month does NOT equal the reported value in item 22 in the prior month plus the value reported in item 21 for the current month, a detailed explanation should be provided to reconcile the reported value in item 22 in the current month with the value calculated using the reported value in item 22 in the prior month plus the value reported in item 21 for the current month.</p> <p>Please include the cumulative number of retouch renovations, as defined in item 21, in the "Development Discussion / Issues" area for this item, depicting both Actual and Pro Forma retouch renovations performed. If the reported values in item 22 "Development Discussion / Issues" area for the current month does NOT equal the reported values in item 22 "Development Discussion / Issues" area in the prior month plus the values reported in item 21 "Development Discussion / Issues" area for the current month, a detailed explanation should be provided to reconcile the reported values in item 22 "Development Discussion / Issues" area in the current month with the value calculated using the reported values in item 22 "Development Discussion / Issues" area in the prior month plus the values reported in item 21 "Development Discussion / Issues" area for the current month.</p>
<p>23</p>	<p>Existing Homes Demolished or Lost to Combination - IDP</p>	<p>Total number of existing homes at transfer that were demolished or lost to combination during the month during the Initial Development Period. Lost to combination is defined as the transferred home that no longer exists when two existing homes at transfer are reconfigured into one home.</p> <p>For unplanned demolitions that were funded or reimbursed for with insurance proceeds as a result of damage, please report the demolished number of homes in the Actual input box if the original home had not been replaced or received a minor, medium, major or combination renovation before it was damaged and then demolished. If the original home had been replaced or received a minor, medium, major or combination renovation before it was damaged and then demolished, then report the demolished number of homes in the "Development Discussion / Issues" area.</p>

24	Existing Homes Demolished or Lost to Combination to Date - IDP	<p>Cumulative number of existing homes at transfer that were demolished or lost to combination, as defined in item 23, during the Initial Development Period. If the reported value in item 24 for the current month does NOT equal the reported value in item 24 in the prior month plus the value reported in item 23 for the current month, a detailed explanation should be provided to reconcile the reported value in item 24 in the current month with the value calculated using the reported value in item 24 in the prior month plus the value reported in item 23 for the current month.</p> <p>Please report the cumulative number of unplanned demolitions that were funded or reimbursed for with insurance proceeds as a result of damage for which the original home had been replaced or received a minor, medium, major or combination renovation before it was damaged and then demolished in the "Development Discussion / Issues" area.</p>
25	Development / Construction	Development / Construction-related key performance indicators.
26	New Homes Completed - ODP	Total number of newly constructed homes that received a Certificate of Occupancy during the month during the Out-Year Development Period.
27	New Homes Completed to Date - ODP	Cumulative number of newly constructed homes, as defined in item 26, completed during the Out-Year Development Period. If the reported value in item 27 for the current month does NOT equal the reported value in item 27 in the prior month plus the value reported in item 26 for the current month, a detailed explanation should be provided to reconcile the reported value in item 27 in the current month with the value calculated using the reported value in item 27 in the prior month plus the value reported in item 26 for the current month.
28	Minor Renovations Completed - ODP	Total number of minor renovations completed during the month during the Out-Year Development Period. Reported minor renovations should be for a scope of work in line with the "minor renovation" classification agreed upon in the Project Out-Year Plan (POP) or in the latest approved MSP.
29	Minor Renovations Completed to Date - ODP	Cumulative number of minor renovations, as defined in item 28, completed during the Out-Year Development Period. If the reported value in item 29 for the current month does NOT equal the reported value in item 29 in the prior month plus the value reported in item 28 for the current month, a detailed explanation should be provided to reconcile the reported value in item 29 in the current month with the value calculated using the reported value in item 29 in the prior month plus the value reported in item 28 for the current month.
30	Medium Renovations Completed - ODP	Total number of medium renovations completed during the month during the Out-Year Development Period. Reported medium renovations should be for a scope of work in line with the "medium renovation" classification agreed upon in the POP or in the latest approved MSP.
31	Medium Renovations Completed to Date - ODP	Cumulative number of medium renovations, as defined in item 30, completed during the Out-Year Development Period. If the reported value in item 31 for the current month does NOT equal the reported value in item 31 in the prior month plus the value reported in item 30 for the current month, a detailed explanation should be provided to reconcile the reported value in item 31 in the current month with the value calculated using the reported value in item 31 in the prior month plus the value reported in item 30 for the current month.
32	Major Renovations Completed - ODP	Total number of major renovations completed during the month during the Out-Year Development Period. Reported major renovations should be for a scope of work in line with the "major renovation" classification agreed upon in the POP or in the latest approved MSP.
33	Major Renovations Completed to Date - ODP	Cumulative number of major renovations, as defined in item 32, completed during the Out-Year Development Period. If the reported value in item 33 for the current month does NOT equal the reported value in item 33 in the prior month plus the value reported in item 32 for the current month, a detailed explanation should be provided to reconcile the reported value in item 33 in the current month with the value calculated using the reported value in item 33 in the prior month plus the value reported in item 32 for the current month.
34	Existing Homes Demolished or Lost to Combination - ODP	Total number of existing homes at the end of the Initial Development Period that were demolished or lost to combination during the month during the Out-Year Development Period. Lost to combination is defined as the home at the end of the Initial Development Period that no longer exists when two existing homes at the end of the Initial Development Period are reconfigured into one home.
35	Existing Homes Demolished or Lost to Combination to Date - ODP	Cumulative number of existing homes at the end of the Initial Development Period that were demolished or lost to combination, as defined in item 34, during the Out-Year Development Period. If the reported value in item 35 for the current month does NOT equal the reported value in item 35 in the prior month plus the value reported in item 34 for the current month, a detailed explanation should be provided to reconcile the reported value in item 35 in the current month with the value calculated using the reported value in item 35 in the prior month plus the value reported in item 34 for the current month.

36	Operations / Maintenance	Operations / Maintenance-related key performance indicators.
37	Approved End-State Inventory	Long-term, end-state inventory unit count in the Out-Year Development Period (ODP) outlined in the later of the final operational, final financial or final combined operational and financial closing pro forma unless the pro forma has changed through the Major Decision process, in which case the latest pro forma approved by HQDA should be used. The long-term, end-state inventory unit count should not include units that have been approved by HQDA to stay online for a temporary period in the ODP.
38	Total Homes	Automatically calculates the sum of the Total Homes Available for Occupancy (item 40) and the Homes Off-Line (item 39).
39	Homes Off-Line	The average number of homes during the month that have been taken off-line for demolition, major, medium or minor renovation or other reasons established by the Property Manager. Homes that are used for model homes, property management offices, maintenance offices, Project management offices, construction and/or renovation management offices, development management offices, hospitality or corporate suites, community services offices and homes occupied by Project employees, unless said employees are paying rent, are to be reported as off-line. The monthly average should be calculated as an average of weekly units off-line.
40	Total Homes Available for Occupancy	The average number of homes in the inventory during the month that were available for the Property Manager to assign and for residents to move into immediately. Homes that are under construction/renovation and have not yet been turned over to the Property Manager as of the end of the reported month but have been assigned or leased should not be included in this line item. The monthly average should be calculated as an average of weekly units available.
41	Homes Occupied	Average number of homes occupied during the month. The monthly average should be calculated as an average of weekly homes occupied. Any homes that should be reported as Homes Off-Line in accordance with the definition for item 39 should not be reported as occupied homes. Occupied homes should be revenue producing on an ongoing, not temporary, basis.
42	Occupancy	Automatically calculates by dividing Homes Occupied (item 41) by Total Homes Available For Occupancy (item 40).
43	Net Rental Income per Occupied Home	Automatically calculates by dividing Net Rental Income (item 3) by Homes Occupied (item 41).
44	Operating Expenses per Available Home	Automatically calculates by dividing Operating Expenses (item 5) by Total Homes Available for Occupancy (item 40).
45	Utilities Expense per Occupied Home	Automatically calculates by dividing Utilities (item 6) by Homes Occupied (item 41).
46	NOI per Available Home	Automatically calculates by dividing Net Operating Income (item 7) by Total Homes Available for Occupancy (item 40).
47	Vacant Homes	Average number of vacant homes that were not on line during the month. Automatically calculates by subtracting Homes Occupied (item 41) from Total Homes Available for Occupancy (item 40).
48	Total Homes in Residential Energy Conservation Program - Mock	The total number of homes which are metered and are in the mock billing phase (both occupied and unoccupied homes) and are receiving consumption statements.
49	Total Homes in Residential Energy Conservation Program - Actual	The total number of homes which are metered and are in the actual billing phase (both occupied and unoccupied homes) and are receiving consumption statements.
50	Move-Ins	Total number of move-ins during the month, net of intra-post moves.
51	Move-Outs	Total number of move-outs during the month, net of intra-post moves.
52	Service / Work Orders Received	Total number of service / work orders called in during the month, net of any service / work orders cancelled.
53	Service / Work Orders Completed	Number of service / work orders completed during the month.
54	Home Turnovers Completed	Total number of home turnovers completed during the month.
55	Waitlist	Total number of applicants on the waiting list at the end of the month, excluding applicants for intra-post moves.
56	Waterfall Tenants	This section captures utilization of the Priority Sequence for Permitted Tenants outlined in each Ground Lease as of the end of the month excluding accompanied military personnel.
57	Waterfall Tenant Types That Could Rent Project Homes as of the End of the Month	<p>In the pursuit of new residents that are not accompanied military personnel, please insert either "Yes" or "No" for each waterfall tenant type that have been made eligible by the Project to rent available homes in the Project's housing inventory per the terms of the Ground Lease as of the end of the month.</p> <p>For purposes of this report:</p> <p>1.) Private-sector employees of the Project Company and/or the Project's prime service providers, which include the property management, asset management, development management, design/build, construction management and renovation management entities, and/or affiliates (ex. Project Director, Property Manager, maintenance technician, etc.) should be reported in the "Project-Related Employees" input; and</p> <p>2.) Contractors should be reported separately from General Civilians even if there is not a specific category for Contractors in the Priority Sequence for Permitted Tenants in the Ground Lease.</p> <p>Please report and provide an explanation in item 60 (General Issues) for any other type of waterfall tenant not listed in item 57 that have been made eligible by the Project to rent available homes in the Project's housing inventory per the terms of the Ground Lease as of the end of the month. Additionally, any explanations or further information should be provided in item 60 (General Issues).</p>

58	Waterfall Tenant Types In Residence as of the End of the Month	<p>For occupied homes that were not occupied by accompanied military personnel, please insert either "Yes" or "No" for each waterfall tenant type that was living in the Project's housing inventory at the end of the month.</p> <p>For purposes of this report: 1.) Private-sector employees of the Project Company and/or the Project's prime service providers, which include the property management, asset management, development management, design/build, construction management and renovation management entities, and/or affiliates (ex. Project Director, Property Manager, maintenance technician, etc.) should be reported in the "Project-Related Employees" input; and 2.) Contractors should be reported separately from General Civilians even if there is not a specific category for Contractors in the Priority Sequence for Permitted Tenants in the Ground Lease.</p> <p>Please report and provide an explanation in item 60 (General Issues) for any other type of waterfall tenant not listed in item 58 that was living in the Project's housing inventory at the end of the month. Additionally, any explanations or further information should be provided in item 60 (General Issues).</p>
59	Milestones / Meetings / Major Decisions	Dates and description of key milestones, meetings or Major Decisions during the month.
60	General Issues	Complaints, lawsuits, disputes, major personnel changes, DA assistance needed.
61	Additional Questions - Per 2884/2885 Legislation	Section 2884/2885 outlines additional oversight and accountability measures related to privatized housing projects. The questions and requested information below align with a portion of the requirements in the legislation. Additional guidance can be found in the PAM Handbook.
62	Change Orders, Contract Adjustments & Operational Impacts	<p>Please insert either "Yes" or "No" to indicate if there were any Contract Adjustments, Operational Impacts or Change Orders to the Construction and Renovation Contracts during the month that impacted phasing schedule or has monetary or scope implications. If yes, please provide copies of each Change Order as well as any documentation for Contract Adjustments and Operational Impacts to the HQDA Program Manager. If an Operational Impact, Contract Adjustment and/or Change Order requires HQDA Major Decision approval per the latest RCI Major Decisions Policy in effect and a Concept Paper has not yet been submitted, please submit a Concept Paper and corresponding pro forma to the OACSIM Program Manager in accordance with the Major Decision process.</p>
63	Payment / Performance Bonds	<p>Please insert either "Yes" or "No" to indicate if the Project has construction and renovation phases to be initiated in the next month which will require new payment and performance bonds. If yes, please provide copies of the Payment and Performance Bonds or evidence of some suitable instrument to the HQDA Program Manager in advance of issuance of notice to proceed.</p>
64	Warranty Bonds	<p>Please insert either "Yes" or "No" to indicate if the Project secured any new Warranty Bonds for completed work during the month. If yes, please provide copies of the Warranty Bonds to the HQDA Program Manager.</p>
65	Ownership Structure	<p>Please insert either "Yes" or "No" to indicate if there were any changes to ownership structure/subsidiaries/affiliates/other controlling entities for all private entities that are party to the Operating, Development, Construction, Renovation and Property Management Agreements during the month. If yes, please provide the detailed Ownership Structure changes to the OACSIM Program Manager. An electronic template is available if requested, but a standard format is not required.</p>
66	Number of Work Orders In Backlog	<p>Number of work orders that have been outstanding for more than 30 calendar days from the date received as of the last day of the reporting month.</p>
67	Cost to Eliminate Backlogged Work Orders	<p>Estimated cost to eliminate the backlog of work orders as defined in item 66 as of the last day of the reporting month.</p>
68	Drivers of Work Order Backlog	<p>Description of why the work orders are in the current backlog of maintenance and repair.</p>

Unaccompanied Housing RCI Company Dashboard

Instructions:
 The Project dashboard updates selected key performance indicators on a monthly basis.
 It serves as a quick reference of Project status that is used for responding to outside information requests in a more efficient manner.
 All variances and certain cells are protected purposely on this worksheet. These items are to be calculated utilizing the pre-formatted and approved formulas.

ALL SHADED AREAS CALCULATE AUTOMATICALLY					For the month ending: 31 Jul 2019	
PROJECT NAME:					ent ODP Date: Jan 19 - Jan 23	
LOCATION:						
1 Monthly Performance						
2 Finance	Actual	Budget	Variance (\$)	Variance (%)	Finance Discussion / Issues	
3 Net Rental Income			\$ -	0.0%		
4 Other Income			\$ -	0.0%		
5 Total Income	\$ -	\$ -	\$ -	0.0%		
6 Operating Expenses			\$ -	0.0%		
7 Utilities			\$ -	0.0%		
8 NOI	\$ -	\$ -	\$ -	0.0%		
9 Incentive Fees			\$ -	0.0%		
10 Capital Repair and Replacement			\$ -	0.0%		
11 RCI Partner-Specific Additional Expenses			\$ -	0.0%		
12 Finance	Actual	Pro Forma	Variance (\$)	Variance (%)		Finance Discussion / Issues
13 Debt Service Payment						Description of Trigger Provision:
14 DCR						
15 First DCR Trigger Level in Effect Encountered						
16 Reinvestment Account Balance			\$ -	0.0%		
17 Development / Construction	Actual	Pro Forma	Variance (#)	Variance (%)	Development Discussion / Issues	
18 Total Apartments Delivered - ODP (Current Month)	-	-	-	0.0%		
19 1-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
20 2-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
21 Total Apartments Delivered to Date - ODP	-	-	-	0.0%		
22 1-BR Apartments Delivered to Date - ODP			-	0.0%		
23 2-BR Apartments Delivered to Date - ODP			-	0.0%		
24 Minor Apartment Renovations Delivered - ODP (Current Month)	-	-	-	0.0%		
25 1-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
26 2-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
27 Minor Apartment Renovations Delivered to Date - ODP	-	-	-	0.0%		
28 1-BR Apartments Delivered to Date - ODP			-	0.0%		
29 2-BR Apartments Delivered to Date - ODP			-	0.0%		
30 Medium Apartment Renovations Delivered - ODP (Current Month)	-	-	-	0.0%		
31 1-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
32 2-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
33 Medium Apartment Renovations Delivered to Date - ODP	-	-	-	0.0%		
34 1-BR Apartments Delivered to Date - ODP			-	0.0%		
35 2-BR Apartments Delivered to Date - ODP			-	0.0%		
36 Major Apartment Renovations Delivered - ODP (Current Month)	-	-	-	0.0%		
37 1-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
38 2-BR Apartments Delivered - ODP (Current Month)			-	0.0%		
39 Major Apartment Renovations Delivered to Date - ODP	-	-	-	0.0%		
40 1-BR Apartments Delivered to Date - ODP			-	0.0%		
41 2-BR Apartments Delivered to Date - ODP			-	0.0%		
42 Apartments Demolished - ODP (Current Month)	-	-	-	0.0%		
43 1-BR Apartments Demolished - ODP (Current Month)			-	0.0%		
44 2-BR Apartments Demolished - ODP (Current Month)			-	0.0%		
45 Apartments Demolished to Date - ODP	-	-	-	0.0%		
46 1-BR Apartments Demolished to Date - ODP			-	0.0%		
47 2-BR Apartments Demolished to Date - ODP			-	0.0%		
48 Operations / Maintenance	Actual	Budget	Variance (#)	Variance (%)	Operations Discussion / Issues	
49 Approved End-State Inventory			-			
50 1-BR Apartments						
51 2-BR Apartments						
52 Total Beds	-	-	-	0.0%		
53 Beds Off Line				0.0%		
54 Beds Available for Occupancy				0.0%		

55	Beds Occupied			-	0.0%
56	Occupancy Rate - Beds	0.0%	0.0%		0.0%
57	Total Apartments	-	-	-	0.0%
58	1-BR Apartments	-	-	-	0.0%
59	2-BR Apartments	-	-	-	0.0%
60	Total Apartments Off-Line	-	-	-	0.0%
61	1-BR Apartments			-	0.0%
62	2-BR Apartments			-	0.0%
63	Total Apartments Available for Occupancy	-	-	-	0.0%
64	1-BR Apartments			-	0.0%
65	2-BR Apartments			-	0.0%
66	Total Apartments Occupied	-	-	-	0.0%
67	1-BR Apartments			-	0.0%
68	2-BR Apartments			-	0.0%
69	Occupancy Rate - Apartments	0.0%	0.0%		0.0%
70	1-BR Apartments	0.0%	0.0%		0.0%
71	2-BR Apartments	0.0%	0.0%		0.0%
72	Net Rental Income per Occupied Apartment	\$ -	\$ -	\$ -	0.0%
73	Net Rental Income per Occupied Bed	\$ -	\$ -	\$ -	0.0%
74	Operating Expenses per Available Apartment	\$ -	\$ -	\$ -	0.0%
75	Utilities Expenses per Occupied Apartment	\$ -	\$ -	\$ -	0.0%
76	NOI per Available Apartment	\$ -	\$ -	\$ -	0.0%
77	Apartment Turnovers Completed				
78	Waitlist				
79 Waterfall Tenants					
80	Waterfall Tenant Types That Could Rent Project Homes as of the End of the Month	Accompanied Service Members		Retirees	
		Project-Related Employees		Contractors	
		Accompanied Service Members		Retirees	
81	Waterfall Tenant Types In Residence as of the End of the Month	Accompanied Service Members		Retirees	
		Project-Related Employees		Contractors	
82 Milestones / Meetings / Major Decisions					
	Date	Description			
83 General Issues (including any complaints, lawsuits, disputes, major personnel changes, DA assistance needed)					
84 Additional Questions - Per 2884/2885 Legislation					
85	Has there been a Contract Adjustment, Operational Impact or construction Change Order which impacted the phasing schedule or has monetary or scope implications?				
86	Does the Project have construction and renovation phases that will be initiated in the next month, requiring Payment and Performance Bonds or evidence of some suitable instrument?				
87	Did the Project secure any new Warranty Bonds for completed work?				
88	Were there any changes to ownership structure of private sector parties?				
89	How many work orders are in the project's current maintenance and repair backlog?				
90	What is the estimated cost to eliminate the work orders in the current backlog?				
91	Why are these work orders backlogged?				
*If the answer is "Yes" to any of Questions #102-105, please refer to the glossary for the appropriate course of action.					

How many two bedroom apartments, are the entire space rented out
Change glossary definition to occupied beds as of the end of the month.

Unaccompanied Housing – Monthly Dashboard Glossary

<p>Instructions</p> <p>The definitions below provide a detailed description of the information being requested in each section of this report. Please use this as a first point of reference for any template questions, but as always, feel free to contact your HQDA Program Manager if you need any additional clarification. This report is due to HQDA on the 19th of each month, populated with the prior month's data.</p>
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Term	Definition
Monthly Performance Categories	These categories and their associated definitions are applicable, as identified, to all the respective areas in the Monthly Performance section of the monthly dashboard.
Budget	In all input boxes within a section underneath the Budget column header, reported values should be taken from the annual budget approved by the Army. If the annual budget applicable to the reporting period has not yet been approved at the time of Monthly Dashboard submission, then reported values should be taken from the annual budget adjusted in accordance with the Project's legal documents and used to fund the cash flow waterfall until the annual budget is approved by the Army. Specific instructions for populating the input boxes underneath the Budget column header are provided in the Highest DCR Trigger Level in Effect item and the Approved End-State Inventory item definitions below.
Pro Forma	In all input boxes within a section underneath the Pro Forma column header, reported values should be taken from the later of the final operational, final financial or final combined operational and financial closing pro forma unless the pro forma has changed through the Major Decision process, in which case the latest final pro forma approved by HQDA should be used.
Discussion / Issues	Explanations should be provided on the major drivers of and significant issues impacting actual performance during the month. At a minimum, variance explanations should be provided for actual performance that is equal to or greater than 5% or equal to or less than -5% of the benchmark value, either Budget or Pro Forma. Additional information to be provided may be outlined in specific line item definitions below.

Term	Definition
1 Monthly Performance	This section captures the key performance indicators to be tracked on a monthly basis.
2 Finance	Finance-related key performance indicators.
3 Net Rental Income	Maximum potential BAH revenue less vacancy loss, bad debt expense, rental concessions and loss/gain to lease.
4 Other Income	Other forms of income received by the Project, including, but not limited to, cleaning and damages charges, late charges, NSF fees, garage rentals and resident utilities reimbursements to the Project. Interest income earned on reserve accounts should not be included in Other Income.
5 Total Income	Automatically calculates by adding Net Rental Income (item 3) and Other Income (item 4).
6 Operating Expenses	Total operating-related expenses accrued for the month. This amount should exclude Utilities expenses (as defined in item 7), financing-related expenses such as principal and interest payments on the debt and trustee fees, depreciation, amortization, capital repair and replacement expenditures, replacement reserve deposits and incentive fees awarded or accrued for asset management, property management and/or maintenance management.
7 Utilities	Total expenses accrued during the month for only electricity, gas, fuel oil, water, sewer, amortized utility infrastructure payments (if applicable) and metering and billing fees charged to the Project.
8 NOI	Automatically calculates by subtracting Operating Expenses (item 6) and Utilities (item 7) from Total Income (item 5). <i>This may not be the same as the NOI utilized by the Servicer/Lockbox Agent/Trustee to calculate Debt Coverage Ratio (DCR).</i>
9 Incentive Fees	Total incentive fees accrued during the month for asset management, property management, and/or maintenance management.
10 Capital Repair and Replacement (CRR)	The total Capital Repair and Replacement (CRR) accrued expenditures during the month. The reported amount should NOT include deposits that were made to the CRR lockbox account during the month.
11 RCI Partner-Specific Additional Expenses	Ongoing, RCI Partner-specific additional accrued expenses funded through Project cash flow that are not captured in Operating Expenses (item 6), Utilities (item 7), Incentive Fees (item 9) and Capital Repair and Replacement (item 10). Additional guidance on the information to report in this line item will be provided by the HQDA Program Manager on an RCI Partner-specific basis.

12 Finance		Finance-related key performance indicators.
13	Debt Service Payment	The total Debt Service payment made or accrued during the month. Depending on the nature of the loan, this may be a fixed amount from month to month or a variable amount that changes every month.
14	DCR	Debt coverage ratio for the period as calculated in accordance with each respective loan agreement or trustee indenture. Please enter the DCR for the month reported by or to the Servicer/Lockbox Agent/Trustee. <i>DCR will not necessarily be calculated with the NOI listed on this page as result of the line items that have been excluded from that figure.</i>
15	First DCR Trigger Level in Effect Encountered	<p>First DCR level in effect that would be encountered for evaluation during the month where Project performance below that prescribed DCR level in the Project's loan documents would engage/trigger a restrictive or remedy provision, such as funding a cash trap account or having to gain non-recurring Lender/Trustee approval for development disbursements.</p> <p>Please insert in the Finance Discussion / Issues area a brief description of the loan document provision that would be engaged/triggered by Project performance below the prescribed DCR level. Please also include in the Finance Discussion / Issues area the length of time that the Project would need to be below the prescribed DCR level to engage/trigger the restrictive or remedy provision in the Project's loan documents. Additionally, please include the length of time the Project would need to be above the prescribed DCR level to not have the restrictive or remedy provision in the Project's loan documents be in effect.</p>
16	Reinvestment Account Balance	The Reinvestment Account balance at the end of the reported month as shown in the monthly account statement. Reported value should be on a cash basis.
17 Development / Construction		Development / Construction-related key performance indicators.
18	Total Apartments Delivered - IDP	Automatically calculates the sum of 1-BR Apartments Delivered - IDP (item 19) and 2-BR Apartments Delivered - IDP (item 20).
19	1-BR Apartments Delivered - IDP	<p>Total number of newly constructed one-bedroom (1-BR) apartments that received a Certificate of Occupancy during the month during the Initial Development Period.</p> <p>For unplanned newly constructed 1-BR apartments that were funded with insurance proceeds as a result of damage and then demolition, please report the delivered number of 1-BR apartments in the "Development Discussion / Issues" area.</p>
20	2-BR Apartments Delivered - IDP	<p>Total number of newly constructed two-bedroom (2-BR) apartments that received a Certificate of Occupancy during the month during the Initial Development Period.</p> <p>For unplanned newly constructed 2-BR apartments that were funded with insurance proceeds as a result of damage and then demolition, please report the delivered number of 2-BR apartments in the "Development Discussion / Issues" area.</p>
21	Total Apartments Delivered to Date - IDP	Automatically calculates the sum of 1-BR Apartments Delivered to Date - IDP (item 21) and 2-BR Apartments Delivered to Date - IDP (item 22).
22	1-BR Apartments Delivered to Date - IDP	<p>Cumulative number of newly constructed 1-BR apartments, as defined in item 19, completed during the Initial Development Period. If the reported value in item 22 for the current month does NOT equal the reported value in item 22 in the prior month plus the value reported in item 19 for the current month, a detailed explanation should be provided to reconcile the reported value in item 22 in the current month with the value calculated using the reported value in item 22 in the prior month plus the value reported in item 19 for the current month.</p> <p>Please report the cumulative number of unplanned newly constructed 1-BR apartments that were funded with insurance proceeds as a result of damage and then demolition in the "Development Discussion / Issues" area.</p>
23	2-BR Apartments Delivered to Date - IDP	<p>Cumulative number of newly constructed 2-BR apartments, as defined in item 20, completed during the Initial Development Period. If the reported value in item 23 for the current month does NOT equal the reported value in item 23 in the prior month plus the value reported in item 20 for the current month, a detailed explanation should be provided to reconcile the reported value in item 23 in the current month with the value calculated using the reported value in item 23 in the prior month plus the value reported in item 20 for the current month.</p> <p>Please report the cumulative number of unplanned newly constructed 2-BR apartments that were funded with insurance proceeds as a result of damage and then demolition in the "Development Discussion / Issues" area.</p>
24 Development / Construction		Development / Construction-related key performance indicators.
25	Total Apartments Delivered - ODP	Automatically calculates the sum of 1-BR Apartments Delivered - ODP (item 26) and 2-BR Apartments Delivered - ODP (item 27).
26	1-BR Apartments Delivered - ODP	Total number of newly constructed 1-BR apartments that received a Certificate of Occupancy during the month during the Out-Year Development Period.
27	2-BR Apartments Delivered - ODP	Total number of newly constructed 2-BR apartments that received a Certificate of Occupancy during the month during the Out-Year Development Period.

28	Total Apartments Delivered to Date - ODP	Automatically calculates the sum of 1-BR Apartments Delivered to Date - ODP (item 29) and 2-BR Apartments Delivered to Date - ODP (item 30).
29	1-BR Apartments Delivered to Date - ODP	Cumulative number of newly constructed 1-BR apartments, as defined in item 26, completed during the Out-Year Development Period. If the reported value in item 29 for the current month does NOT equal the reported value in item 29 in the prior month plus the value reported in item 26 for the current month, a detailed explanation should be provided to reconcile the reported value in item 29 in the current month with the value calculated using the reported value in item 29 in the prior month plus the value reported in item 26 for the current month.
30	2-BR Apartments Delivered to Date - ODP	Cumulative number of newly constructed 2-BR apartments, as defined in item 27, completed during the Out-Year Development Period. If the reported value in item 30 for the current month does NOT equal the reported value in item 30 in the prior month plus the value reported in item 27 for the current month, a detailed explanation should be provided to reconcile the reported value in item 30 in the current month with the value calculated using the reported value in item 30 in the prior month plus the value reported in item 27 for the current month.
31	Minor Apartment Renovations Delivered - ODP	Automatically calculates the sum of 1-BR Apartments Delivered - ODP (item 32) and 2-BR Apartments Delivered - ODP (item 33).
32	1-BR Apartments Delivered - ODP	Total number of minor renovations completed on 1-BR apartments during the month during the Out-Year Development Period. Reported minor renovations should be for a scope of work in line with the "minor renovation" classification agreed upon in the Project Out-Year Plan (POP) or in the latest approved MSP.
33	2-BR Apartments Delivered - ODP	Total number of minor renovations completed on 2-BR apartments during the month during the Out-Year Development Period. Reported minor renovations should be for a scope of work in line with the "minor renovation" classification agreed upon in the POP or in the latest approved MSP.
34	Minor Apartment Renovations Delivered to Date - ODP	Automatically calculates the sum of 1-BR Apartments Delivered to Date - ODP (item 35) and 2-BR Apartments Delivered to Date - ODP (item 36).
35	1-BR Apartments Delivered to Date - ODP	Cumulative number of minor renovations, as defined in item 32, completed on 1-BR apartments during the Out-Year Development Period. If the reported value in item 35 for the current month does NOT equal the reported value in item 35 in the prior month plus the value reported in item 32 for the current month, a detailed explanation should be provided to reconcile the reported value in item 35 in the current month with the value calculated using the reported value in item 35 in the prior month plus the value reported in item 32 for the current month.
36	2-BR Apartments Delivered to Date - ODP	Cumulative number of minor renovations, as defined in item 33, completed on 2-BR apartments during the Out-Year Development Period. If the reported value in item 36 for the current month does NOT equal the reported value in item 36 in the prior month plus the value reported in item 33 for the current month, a detailed explanation should be provided to reconcile the reported value in item 36 in the current month with the value calculated using the reported value in item 36 in the prior month plus the value reported in item 33 for the current month.
37	Medium Apartment Renovations Delivered - ODP	Automatically calculates the sum of 1-BR Apartments Delivered - ODP (item 38) and 2-BR Apartments Delivered - ODP (item 39).
38	1-BR Apartments Delivered - ODP	Total number of medium renovations completed on 1-BR apartments during the month during the Out-Year Development Period. Reported medium renovations should be for a scope of work in line with the "medium renovation" classification agreed upon in the POP or in the latest approved MSP.
39	2-BR Apartments Delivered - ODP	Total number of medium renovations completed on 2-BR apartments during the month during the Out-Year Development Period. Reported medium renovations should be for a scope of work in line with the "medium renovation" classification agreed upon in the POP or in the latest approved MSP.
40	Medium Apartment Renovations Delivered to Date - ODP	Automatically calculates the sum of 1-BR Apartments Delivered to Date - ODP (item 41) and 2-BR Apartments Delivered to Date - ODP (item 42).
41	1-BR Apartments Delivered to Date - ODP	Cumulative number of medium renovations, as defined in item 38, completed on 2-BR apartments during the Out-Year Development Period. If the reported value in item 41 for the current month does NOT equal the reported value in item 41 in the prior month plus the value reported in item 38 for the current month, a detailed explanation should be provided to reconcile the reported value in item 41 in the current month with the value calculated using the reported value in item 41 in the prior month plus the value reported in item 38 for the current month.
42	2-BR Apartments Delivered to Date - ODP	Cumulative number of medium renovations, as defined in item 39, completed on 2-BR apartments during the Out-Year Development Period. If the reported value in item 42 for the current month does NOT equal the reported value in item 42 in the prior month plus the value reported in item 39 for the current month, a detailed explanation should be provided to reconcile the reported value in item 42 in the current month with the value calculated using the reported value in item 42 in the prior month plus the value reported in item 39 for the current month.

43	Major Apartment Renovations Delivered - ODP	Automatically calculates the sum of 1-BR Apartments Delivered - ODP (item 44) and 2-BR Apartments Delivered - ODP (item 45).
44	1-BR Apartments Delivered - ODP	Total number of major renovations completed on 1-BR apartments during the month during the Out-Year Development Period. Reported major renovations should be for a scope of work in line with the "major renovation" classification agreed upon in the POP or in the latest approved MSP
45	2-BR Apartments Delivered - ODP	Total number of major renovations completed on 2-BR apartments during the month during the Out-Year Development Period. Reported major renovations should be for a scope of work in line with the "major renovation" classification agreed upon in the POP or in the latest approved MSP
46	Major Apartment Renovations Delivered to Date - ODP	Automatically calculates the sum of 1-BR Apartments Delivered to Date - ODP (item 47) and 2-BR Apartments Delivered to Date - ODP (item 48).
47	1-BR Apartments Delivered to Date - ODP	Cumulative number of major renovations, as defined in item 44, completed on 1-BR apartments during the Out-Year Development Period. If the reported value in item 47 for the current month does NOT equal the reported value in item 47 in the prior month plus the value reported in item 44 for the current month, a detailed explanation should be provided to reconcile the reported value in item 47 in the current month with the value calculated using the reported value in item 47 in the prior month plus the value reported in item 44 for the current month.
48	2-BR Apartments Delivered to Date - ODP	Cumulative number of major renovations, as defined in item 45, completed on 2-BR apartments during the Out-Year Development Period. If the reported value in item 48 for the current month does NOT equal the reported value in item 48 in the prior month plus the value reported in item 45 for the current month, a detailed explanation should be provided to reconcile the reported value in item 48 in the current month with the value calculated using the reported value in item 48 in the prior month plus the value reported in item 45 for the current month.
49	Apartments Demolished - ODP	Automatically calculates the sum of 1-BR Apartments Demolished - ODP (item 50) and 2-BR Apartments Demolished - ODP (item 51).
50	1-BR Apartments Demolished - ODP	Total number of existing 1-BR apartments at the end of the Initial Development Period that were demolished during the month during the Out-Year Development Period.
51	2-BR Apartments Demolished - ODP	Total number of existing 2-BR apartments at the end of the Initial Development Period that were demolished during the month during the Out-Year Development Period.
52	Apartments Demolished to Date - ODP	Automatically calculates the sum of 1-BR Apartments Demolished to Date - ODP (item 53) and 2-BR Apartments Demolished to Date - ODP (item 54).
53	1-BR Apartments Demolished to Date - ODP	Cumulative number of existing 1-BR apartments at the end of the Initial Development Period that were demolished during the Out-Year Development Period. If the reported value in item 53 for the current month does NOT equal the reported value in item 53 in the prior month plus the value reported in item 50 for the current month, a detailed explanation should be provided to reconcile the reported value in item 53 in the current month with the value calculated using the reported value in item 53 in the prior month plus the value reported in item 50 for the current month.
54	2-BR Apartments Demolished to Date - ODP	Cumulative number of existing 2-BR apartments at the end of the Initial Development Period that were demolished during the Out-Year Development Period. If the reported value in item 54 for the current month does NOT equal the reported value in item 54 in the prior month plus the value reported in item 51 for the current month, a detailed explanation should be provided to reconcile the reported value in item 54 in the current month with the value calculated using the reported value in item 54 in the prior month plus the value reported in item 51 for the current month.
55	Operations / Maintenance	Operations / Maintenance-related key performance indicators.
56	Approved End-State Inventory	Automatically calculates the sum of 1-BR Apartments (item 57) and 2-BR Apartments (item 58).
57	1-BR Apartments	Long-term, end-state inventory unit count of 1-BR apartments in the Out-Year Development Period (ODP) outlined in the later of the final operational, final financial or final combined operational and financial closing pro forma unless the pro forma has changed through the Major Decision process, in which case the latest pro forma approved by HQDA should be used. The long-term, end-state inventory unit count of 1-BR apartments should not include units that have been approved by HQDA to stay online for a temporary period in the ODP.
58	2-BR Apartments	Long-term, end-state inventory unit count of 2-BR apartments in the Out-Year Development Period (ODP) outlined in the later of the final operational, final financial or final combined operational and financial closing pro forma unless the pro forma has changed through the Major Decision process, in which case the latest pro forma approved by HQDA should be used. The long-term, end-state inventory unit count of 2-BR apartments should not include units that have been approved by HQDA to stay online for a temporary period in the ODP.
59	Total Beds	Automatically calculates the sum of Total Beds Available for Occupancy (item 61) and Beds Off-Line (item 60).
60	Beds Off-Line	The average number of bedrooms during the month that have been taken off-line for demolition, major, medium, or minor renovation or other reasons established by the Property Manager. Bedrooms in apartments that are used for model homes, property management offices, maintenance offices, Project management offices, construction and/or renovation management offices, development management offices, hospitality or corporate suites, community services offices and apartments occupied by Project employees, unless said employees are paying rent, are to be reported as off-line. The monthly average should be calculated as an average of weekly bedrooms off-line.

61	Beds Available for Occupancy	The average number of bedrooms in the inventory during the month that were available for the Property Manager to assign and for residents to move into immediately. Bedrooms in apartments that are under construction/renovation and have not yet been turned over to the Property Manager as of the end of the reported month but have been assigned or leased should not be included in this line item. The monthly average should be calculated as an average of weekly bedrooms available.
62	Beds Occupied	Average number of bedrooms occupied during the month. The monthly average should be calculated as an average of weekly bedrooms occupied. Any bedrooms that should be reported as Beds Off-Line in accordance with the definition for item 60 should not be reported as occupied bedrooms. Occupied bedrooms should be revenue producing on an ongoing, not temporary, basis. For 2-BR apartments occupied by one resident, if the single occupant is paying a rental rate that entitles them to use of both bedrooms, therefore not paying a by-the-bed rental rate, then both bedrooms should be reported as occupied.
63	Occupancy Rate - Beds	Automatically calculates by dividing Beds Occupied (item 62) by Total Beds Available For Occupancy (item 61).
64	Total Apartments	Automatically calculates the sum of 1-BR Apartments (item 65) and 2-BR Apartments (item 66).
65	1-BR Apartments	Automatically calculates the sum of Total Apartments Off-Line (item 68) and Total Apartments Available for Occupancy (item 71) for 1-BR apartments.
66	2-BR Apartments	Automatically calculates the sum of Total Apartments Off-Line (item 69) and Total Apartments Available for Occupancy (item 72) for 2-BR apartments.
67	Total Apartments Off-Line	Automatically calculates the sum of 1-BR Apartments (item 68) and 2-BR Apartments (item 69).
68	1-BR Apartments	The average number of 1-BR apartments during the month that have been taken off-line for demolition, major, medium or minor renovation or other reasons established by the Property Manager. One-bedroom apartments that are used for model homes, property management offices, maintenance offices, Project management offices, construction and/or renovation management offices, development management offices, hospitality or corporate suites, community services offices and homes occupied by Project employees, unless said employees are paying rent, are to be reported as off-line. The monthly average should be calculated as an average of weekly units off-line.
69	2-BR Apartments	The average number of 2-BR apartments during the month that have been taken off-line for demolition, major, medium or minor renovation or other reasons established by the Property Manager. Two-bedroom apartments that are used for model homes, property management offices, maintenance offices, Project management offices, construction and/or renovation management offices, development management offices, hospitality or corporate suites, community services offices and homes occupied by Project employees, unless said employees are paying rent, are to be reported as off-line. The monthly average should be calculated as an average of weekly units off-line.
70	Total Apartments Available for Occupancy	Automatically calculates the sum of 1-BR Apartments (item 71) and 2-BR Apartments (item 72).
71	1-BR Apartments	The average number of 1-BR apartments in the inventory during the month that were available for the Property Manager to assign and for residents to move into immediately. One-bedroom apartments that are under construction/renovation and have not yet been turned over to the Property Manager as of the end of the reported month but have been assigned or leased should not be included in this line item. The monthly average should be calculated as an average of weekly units available.
72	2-BR Apartments	The average number of 2-BR apartments in the inventory during the month that were available for the Property Manager to assign and for residents to move into immediately. Two-bedroom apartments that are under construction/renovation and have not yet been turned over to the Property Manager as of the end of the reported month but have been assigned or leased should not be included in this line item. The monthly average should be calculated as an average of weekly units available.
73	Total Apartments Occupied	Automatically calculates the sum of 1-BR Apartments (item 74) and 2-BR Apartments (item 75).
74	1-BR Apartments	Average number of 1-BR apartments occupied during the month. The monthly average should be calculated as an average of weekly 1-BR apartments occupied. Any 1-BR apartments that should be reported as Apartments Off-Line in accordance with the definition for item 68 should not be reported as occupied homes. Occupied 1-BR apartments should be revenue producing on an ongoing, not temporary, basis.
75	2-BR Apartments	Average number of 2-BR apartments occupied during the month. The monthly average should be calculated as an average of weekly 2-BR apartments occupied. Any 2-BR apartments that should be reported as Apartments Off-Line in accordance with the definition for item 69 should not be reported as occupied homes. Occupied 2-BR apartments should be revenue producing on an ongoing, not temporary, basis.

76	Occupancy Rate - Apartments	Automatically calculates by dividing Total Apartments Occupied (item 73) by Total Apartments Available For Occupancy (item 70).
77	1-BR Apartments	Automatically calculates by dividing Total Apartments Occupied (item 74) by Total Apartments Available For Occupancy (item 71) for 1-BR apartments.
78	2-BR Apartments	Automatically calculates by dividing Total Apartments Occupied (item 75) by Total Apartments Available For Occupancy (item 72) for 2-BR apartments.
79	Move-Ins	Automatically calculates the sum of 1-BR Apartments (item 80) and 2-BR Apartments (item 81).
80	1-BR Apartments	Total number of residents that moved into a 1-BR apartment during the month, net of intra-post moves.
81	2-BR Apartments	Total number of residents that moved into a 2-BR apartment during the month, net of intra-post moves.
82	Move-Outs	Automatically calculates the sum of 1-BR Apartments (item 83) and 2-BR Apartments (item 84).
83	1-BR Apartments	Total number of residents that moved out of a 1-BR apartment during the month, net of intra-post moves.
84	2-BR Apartments	Total number of residents that moved out of a 2-BR apartment during the month, net of intra-post moves.
85	Net Rental Income per Occupied Apartment	Automatically calculates by dividing Net Rental Income (item 3) by Total Apartments Occupied (item 73).
86	Net Rental Income per Occupied Bed	Automatically calculates by dividing Net Rental Income (item 3) by Total Beds Occupied (item 62).
87	Operating Expenses per Available Apartment	Automatically calculates by dividing Operating Expenses (item 6) by Total Apartments Available for Occupancy (item 70).
88	Utilities Expense per Occupied Apartment	Automatically calculates by dividing Utilities (item 7) by Total Apartments Occupied (item 73).
89	NOI per Available Apartment	Automatically calculates by dividing Net Operating Income (item 8) by Total Apartments Available for Occupancy (item 70).
90	Total Apartments in Residential Energy Conservation Program - Mock	The total number of apartments which are metered and are in the mock billing phase (both occupied and unoccupied apartments) and are receiving consumption statements.
91	Total Apartments in Residential Energy Conservation Program - Actual	The total number of apartments which are metered and are in the actual billing phase (both occupied and unoccupied apartments) and are receiving consumption statements.
92	Service / Work Orders Received	Total number of service / work orders called in during the month, net of any service / work orders cancelled.
93	Service / Work Orders Completed	Number of service / work orders completed during the month.
94	Apartments Turnovers Completed	Total number of apartment turnovers completed during the month.
95	Waitlist	Total number of applicants on the waiting list at the end of the month, excluding applicants for intra-post moves.
96	Waterfall Tenants	This section captures utilization of the Priority Sequence for Permitted Tenants outlined in each Ground Lease as of the end of the month excluding targeted unaccompanied military personnel.
97	Waterfall Tenant Types That Could Rent Project Homes as of the End of the Month	<p>In the pursuit of new residents that are not targeted unaccompanied military personnel, please insert either "Yes" or "No" for each waterfall tenant type that have been made eligible by the Project to rent available apartments in the Project's housing inventory per the terms of the Ground Lease as of the end of the month.</p> <p>For purposes of this report:</p> <ol style="list-style-type: none"> 1.) Geographic bachelors should not be reported in the "Accompanied Service Members" input; 2.) Private-sector employees of the Project Company and/or the Project's prime service providers, which include the property management, asset management, development management, design/build, construction management and renovation management entities, and/or affiliates (ex. Project Director, Property Manager, maintenance technician, etc.) should be reported in the "Project-Related Employees" input; and 3.) Contractors should be reported separately from General Civilians even if there is not a specific category for Contractors in the Priority Sequence for Permitted Tenants in the Ground Lease. <p>Please report and provide an explanation in item 100 (General Issues) for any other type of waterfall tenant not listed in item 97 that have been made eligible by the Project to rent available apartments in the Project's housing inventory per the terms of the Ground Lease as of the end of the month. Additionally, any explanations or further information should be provided in item 100 (General Issues).</p>

98	Waterfall Tenant Types In Residence as of the End of the Month	<p>For occupied homes that were not occupied by targeted unaccompanied military personnel, please insert either "Yes" or "No" for each waterfall tenant type that was living in the Project's housing inventory at the end of the month.</p> <p>For purposes of this report: 1.) Geographic bachelors should not be reported in the "Accompanied Service Members" input; 2.) Private-sector employees of the Project Company and/or the Project's prime service providers, which include the property management, asset management, development management, design/build, construction management and renovation management entities, and/or affiliates (ex. Project Director, Property Manager, maintenance technician, etc.) should be reported in the "Project-Related Employees" input; and 3.) Contractors should be reported separately from General Civilians even if there is not a specific category for Contractors in the Priority Sequence for Permitted Tenants in the Ground Lease.</p> <p>Please report and provide an explanation in item 100 (General Issues) for any other type of waterfall tenant not listed in item 98 that was living in the Project's housing inventory at the end of the month. Additionally, any explanations or further information should be provided in item 100 (General Issues).</p>
99	Milestones / Meetings / Major Decisions	Dates and description of key milestones, meetings or Major Decisions during the month.
100	General Issues	Complaints, lawsuits, disputes, major personnel changes, DA assistance needed.
101	Additional Questions - Per 2884/2885 Legislation	Section 2884/2885 outlines additional oversight and accountability measures related to privatized housing projects. The questions and requested information below align with a portion of the requirements in the legislation. Additional guidance can be found in the PAM Handbook.
102	Change Orders, Contract Adjustments & Operational Impacts	<p>Please insert either "Yes" or "No" to indicate if there were any Contract Adjustments, Operational Impacts or Change Orders to the Construction and Renovation Contracts during the month that impacted phasing schedule or has monetary or scope implications. If yes, please provide copies of each Change Order as well as any documentation for Contract Adjustments and Operational Impacts to the HQDA Program Manager. If an Operational Impact, Contract Adjustment and/or Change Order requires HQDA Major Decision approval per the latest RCI Major Decisions Policy in effect and a Concept Paper has not yet been submitted, please submit a Concept Paper and corresponding pro forma to the HQDA Program Manager in accordance with the Major Decision process.</p>
103	Payment / Performance Bonds	<p>Please insert either "Yes" or "No" to indicate if the Project has construction and renovation phases to be initiated in the next month which will require new payment and performance bonds. If yes, please provide copies of the Payment and Performance Bonds or evidence of some suitable instrument to the HQDA Program Manager in advance of issuance of notice to proceed.</p>
104	Warranty Bonds	<p>Please insert either "Yes" or "No" to indicate if the Project secured any new Warranty Bonds for completed work during the month. If yes, please provide copies of the Warranty Bonds to the HQDA Program Manager.</p>
105	Ownership Structure	<p>Please insert either "Yes" or "No" to indicate if there were any changes to ownership structure/subsidiaries/affiliates/other controlling entities for all private entities that are party to the Operating, Development, Construction, Renovation and Property Management Agreements during the month. If yes, please provide the detailed Ownership Structure changes to the HQDA Program Manager. An electronic template is available if requested, but a standard format is not required.</p>
106	Number of Work Orders In Backlog	<p>Number of work orders that have been outstanding for more than 30 calendar days from the date received as of the last day of the reporting month.</p>
107	Cost to Eliminate Backlogged Work Orders	<p>Estimated cost to eliminate the backlog of work orders as defined in item 106 as of the last day of the reporting month.</p>
108	Drivers of Work Order Backlog	<p>Description of why the work orders are in the current backlog of maintenance and repair.</p>

Quarterly RCI Company Report – RCI Company Information

Instructions:
 This worksheet is used for summarizing RCI Company facts including points of contact, financing and RCI Company scope.
 The information collected below is static information and will only require updating if there is a change to the RCI Company team, scope or financing structure.

1 General Information		11 RCI Company Contacts	
2 Installation(s)		12 Garrison Commander(s)	Phone E-Mail
3 Location(s) (City, State)		13 Army RCI Asset Manager(s)	Phone E-Mail
4 RCI Company (LLC / LP)		14 RCI Company Director	Phone E-Mail
5 RCI Partner		15 RCI Company Property Manager(s)	Phone E-Mail
6 Asset Manager		16 HQDA Program Manager	Phone E-Mail
7 Developer		17 USACE PDT POC	Phone E-Mail
8 Property Manager			
9 Construction Manager / Design/Builder			
10 Renovation Manager			

18 Scope - Square Ft. (Initial Development)			31 Equity Information		Comments
Total Sq Ft	Avg Per Home		Amount		
19 Existing Homes Transferred			32 Equity Amount		
20 New Construction			33 Date(s) of Contribution		
21 Renovated Homes			34 Preferred Return		
22 Minor Renovations			35 Cash Flow Distribution Split		
23 Medium Renovations			36 Cap on Equity (R.O.E.)		
24 Major Renovations			37 IRR		
25 Combination Renovations			38 Other terms		

26 Scope - Accessible Homes		39 Lockbox Account Information		
	Amount		Rate	Comments
27 Existing accessible homes		40 Capitalized Interest Account		
28 Homes to be renovated to accessibility stds.		41 Loan Proceeds Account		
29 New accessible homes to be constructed		42 Contingency Account		
30 Additional details on accessible homes scope		43 Environmental Contingency Account		
		44 Debt Service Reserve Account		
		45 Float		
		46 Replacement Reserves		
		47 Operating Reserves		

Quarterly RCI Company Report – RCI Company Overview

Instructions:

This worksheet is designed to collect narrative discussion of RCI Company performance in the areas of finance, property management / operations, development / construction, resident satisfaction and other highlights.

The RCI Company Overview should include narrative (bullet points) and summary quantitative information regarding the current operating performance of the RCI Company and the progress made to date in achieving RCI Company objectives. The report should also detail any actions taken or to be taken by the RCI Partner, Developer, Property Manager, Asset Manager, Design/Builder / Construction Manager, Renovation Manager and/or government to address any particular issue.

1	Reporting Period	
2	Date of Quarter's End	30-Jun-19
3	ODP 1:	Jan 2015 - Jan 2019
4	ODP 2:	Jan 2019 - Jan 2023
5	ODP 3:	N/A
6	Executive Overview	
7	Discussion:	
8	Major Decisions:	
9	Compliance:	
10	Additional discussion:	
11	Finance / Budget	
12	Accomplishments:	
13	Challenges:	
14	Lessons Learned:	
15	Additional discussion:	
16	Property Management / Operations	
17	Accomplishments:	
18	Challenges:	
19	Lessons Learned:	
20	Occupancy:	
21	Additional Discussion:	
22	Resident Satisfaction Assessment:	
23	Resident Satisfaction Discussion:	
24	Development / Construction	
25	Accomplishments:	
26	Challenges:	
27	Lessons Learned:	
28	Schedule Discussion:	
29	Budget Discussion:	
30	Additional discussion:	

Quarterly RCI Company Report – RCI Company Occupancy

Instructions:

This worksheet is used to collect occupancy information on a quarterly basis. Homes occupied / online during the current quarter is calculated by taking an average of the end-of-month homes occupied / online for each month in the quarter. The same methodology applies to the waiting list.

End of Month Occupancy

Consolidated RCI Company								
1 Occupants By Rank								
		[2] Total Homes			Jun-19			
	Rank	[3] Begin State	[4] End State	[5] Current Quarter	[6] Homes Off-Line	[7] Homes Available	[8] Homes Occupied	[9] Waiting List
10	GFOQ	0	0	0	0	0	0	0
11	SGO	0	0	0	0	0	0	0
12	FGO	0	0	0	0	0	0	0
13	CGO	0	0	0	0	0	0	0
14	SNCO	0	0	0	0	0	0	0
15	JNCO / JENL	0	0	0	0	0	0	0
16	Other *	0	0	0	0	0	0	0
17	Total	0	0	0	0	0	0	0
		[18] Pro forma		0	0	0	0	
		Occupancy %		0.0%				
* See below for details of "Other" Breakdown n		[19] Explanation of Variances						

20 Homes Occupied by Housing Size								
		Total Homes			Jun-19			
	Bedroom	Begin State	End State	Current Quarter	Homes Off-Line	Homes Available	Homes Occupied	Waiting List
21	2 BR	0	0	0	0	0	0	0
22	3 BR	0	0	0	0	0	0	0
23	4 BR	0	0	0	0	0	0	0
24	5 BR+	0	0	0	0	0	0	0
25	Total	0	0	0	0	0	0	0
		Variance		0.0%	0.0%	0.0%	0.0%	

26 Other Residents Breakdown			[32] Explanation of Occupancy Distribution
	Rank	Homes Occupied	
27	Single Military	0	
28	Retirees	0	
29	DoD / Federal Civilians	0	
30	Civilians	0	
31	Foreign Military	0	

33 Additional Notes (Occupancy, Waiting List, Move-Ins/Move-Outs)

Installation #1								
1 Occupants By Rank								
Rank	[2] Total Homes			Jun-19				
	[3] Begin State	[4] End State	[5] Current Quarter	[6] Homes Off-Line	[7] Homes Available	[8] Homes Occupied	[9] Waiting List	
10	GFOQ	0	0	0	0	0	0	0
11	SGO	0	0	0	0	0	0	0
12	FGO	0	0	0	0	0	0	0
13	CGO	0	0	0	0	0	0	0
14	SNCO	0	0	0	0	0	0	0
15	JNCO / JENL	0	0	0	0	0	0	0
16	Other *	0	0	0	0	0	0	0
17	Total	0	0	0	0	0	0	0
* See below for details of "Other" Breakdown		[18] Pro forma		0	0	0	0	
		Occupancy %		0.0%				
[19] Explanation of Variances								

20 Homes Occupied by Housing Size								
Bedroom	Total Homes			Jun-19				
	Begin State	End State	Current Quarter	Homes Off-Line	Homes Available	Homes Occupied	Waiting List	
21	2 BR	0	0	0	0	0	0	0
22	3 BR	0	0	0	0	0	0	0
23	4 BR	0	0	0	0	0	0	0
24	5 BR+	0	0	0	0	0	0	0
25	Total	0	0	0	0	0	0	0
Variance			0.0%	0.0%	0.0%	0.0%		

26 Other Residents Breakdown									
Rank	Homes Occupied	[32] Explanation of Occupancy Distribution							
27	Single Military	0							
28	Retirees	0							
29	DoD / Federal Civilians	0							
30	Civilians	0							
31	Foreign Military	0							
33 Additional Notes (Occupancy, Waiting List, Move-Ins/Move-Outs)									

Installation #2								
1 Occupants By Rank								
Rank	[2] Total Homes			Jun-19				
	[3] Begin State	[4] End State	[5] Current Quarter	[6] Homes Off-Line	[7] Homes Available	[8] Homes Occupied	[9] Waiting List	
10	GFOQ	0	0	0	0	0	0	0
11	SGO	0	0	0	0	0	0	0
12	FGO	0	0	0	0	0	0	0
13	CGO	0	0	0	0	0	0	0
14	SNCO	0	0	0	0	0	0	0
15	JNCO / JENL	0	0	0	0	0	0	0
16	Other *	0	0	0	0	0	0	0
17	Total	0	0	0	0	0	0	0
* See below for details of "Other" Breakdown		[18] Pro forma		0	0	0	0	
		Occupancy %		0.0%				
[19] Explanation of Variances								

20 Homes Occupied by Housing Size								
Bedroom	Total Homes			Jun-19				
	Begin State	End State	Current Quarter	Homes Off-Line	Homes Available	Homes Occupied	Waiting List	
21	2 BR	0	0	0	0	0	0	0
22	3 BR	0	0	0	0	0	0	0
23	4 BR	0	0	0	0	0	0	0
24	5 BR+	0	0	0	0	0	0	0
25	Total	0	0	0	0	0	0	0
Variance			0.0%	0.0%	0.0%	0.0%		

26 Other Residents Breakdown									
Rank	Homes Occupied	[32] Explanation of Occupancy Distribution							
27	Single Military	0							
28	Retirees	0							
29	DoD / Federal Civilians	0							
30	Civilians	0							
31	Foreign Military	0							
33 Additional Notes (Occupancy, Waiting List, Move-Ins/Move-Outs)									

Installation #3								
1 Occupants By Rank								
Rank	[2] Total Homes			Mar-19				
	[3] Begin State	[4] End State	[5] Current Quarter	[6] Homes Off-Line	[7] Homes Available	[8] Homes Occupied	[9] Waiting List	
10	GFOQ	0	0	0	0	0	0	0
11	SGO	0	0	0	0	0	0	0
12	FGO	0	0	0	0	0	0	0
13	CGO	0	0	0	0	0	0	0
14	SNCO	0	0	0	0	0	0	0
15	JNCO / JENL	0	0	0	0	0	0	0
16	Other *	0	0	0	0	0	0	0
17	Total	0	0	0	0	0	0	0
		[18] Pro forma		0	0	0	0	
		Occupancy %		0.0%				
* See below for details of "Other" Breakdown n		[19] Explanation of Variances						

20 Homes Occupied by Housing Size								
Bedroom	Total Homes			Mar-19				
	Begin State	End State	Current Quarter	Homes Off-Line	Homes Available	Homes Occupied	Waiting List	
21	2 BR	0	0	0	0	0	0	0
22	3 BR	0	0	0	0	0	0	0
23	4 BR	0	0	0	0	0	0	0
24	5 BR+	0	0	0	0	0	0	0
25	Total	0	0	0	0	0	0	0
		Variance		0.0%	0.0%	0.0%	0.0%	

26 Other Residents Breakdown			[32] Explanation of Occupancy Distribution
Rank	Homes Occupied		
27	Single Military	0	
28	Retirees	0	
29	DoD / Federal Civilians	0	
30	Civilians	0	
31	Foreign Military	0	
33 Additional Notes (Occupancy, Waiting List, Move-Ins/Move-Outs)			

Quarterly RCI Company Report – Primary Statement of Operations

Instructions:

This worksheet collects the key financial performance information relating to ongoing RCI Company operations. Please insert the statement of operations in Microsoft Excel format provided by the Project's financial reporting software (i.e. Yardi). Do not insert a screenshot or pdf of the Statement of Operations.

Quarterly RCI Company Report – Add. Statement of Operations

Instructions:

This worksheet collects the key financial performance information relating to ongoing, RCI Partner-specific additional expenses funded by cash flows that are not captured on the Primary Statement of Operations worksheet. Please insert any additional statement of operations in Microsoft Excel format provided by the RCI Company's financial reporting software. Additional guidance will be provided by HQDA Program Manager on a RCI Partner-specific basis on what should be reported in this area.

Quarterly RCI Company Report – Construction and Renovation Cost Summary – IDP

Instructions:

The purpose of this worksheet is to provide detailed information pertaining to the construction and renovation costs for the approved **Initial Development Period** scope. Please insert the draw(s) as of the end of the reporting period that outlines the costs for the new construction, renovations, site work, amenities, general conditions, overhead, contingency, fees and other construction and renovation soft costs. If there are separate contracts in place for new construction and renovations, please insert both applicable draws into this section. Please insert the draw(s) in Microsoft Excel format. Do not insert just the draw cover sheet (i.e. AIA G702 cover sheet). The submitted draw(s) should include, at a minimum, the original budget, budget changes, the revised budget, total completed, previous draws, current draw, retainage and balance to complete.

Quarterly RCI Company Report – Development Soft Cost Summary – IDP

Instructions:

The purpose of this worksheet is to provide detailed information on development and soft costs for the approved **Initial Development Period** scope that are not for work managed by the Design/Builder or Construction Manager. These costs include soft costs and financing costs specific to an RCI Project Company. **The line items reported should be customized by the RCI Company team and organized in line item categorizations that are in line with the latest closing (operational and/or financial) final pro forma or the latest final approved Modified Scope Plan (MSP) pro forma.** The reported line items should cover all costs that make-up the total development cost budget that are not included in the construction and/or renovation draws provided with this Quarterly Report.

DEVELOPMENT AND SOFT COST SUMMARY

	[1] Latest Closing or Latest Approved MSP Budget	[2] Financial Closing Budget	Variance		[5] Actual Costs to Date	[6] Latest Closing or Latest Approved MSP Costs to Date	Variance		[9] Comments and Variance Discussion
			[3] \$	[4] %			[7] \$	[8] %	
Architectural & Engineering			\$ -	0.0%			\$ -	0.0%	
Code Verification, Lender Insp Fees			\$ -	0.0%			\$ -	0.0%	
Environmental Insurance Premium			\$ -	0.0%			\$ -	0.0%	
Builders Risk Insurance			\$ -	0.0%			\$ -	0.0%	
OCIP Insurance Premiums (If Required)			\$ -	0.0%			\$ -	0.0%	
Legal & Accounting			\$ -	0.0%			\$ -	0.0%	
Paymt and Perf. Bond Premiums (If Required)			\$ -	0.0%			\$ -	0.0%	
Contingency for Soft Costs			\$ -	0.0%			\$ -	0.0%	
Developer Overhead, Personnel and Other Costs			\$ -	0.0%			\$ -	0.0%	
Developer Base Fee			\$ -	0.0%			\$ -	0.0%	
Developer Incentive Fee			\$ -	0.0%			\$ -	0.0%	
Reserve Accounts			\$ -	0.0%			\$ -	0.0%	
Other (provide descrip. in comments)			\$ -	0.0%			\$ -	0.0%	
Other (provide descrip. in comments)			\$ -	0.0%			\$ -	0.0%	
Total Development and Other Soft Costs	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	

Comments:

Quarterly RCI Company Report – Construction and Renovation Cost Summary – ODP

Instructions:

The purpose of this worksheet is to provide detailed information pertaining to the construction and renovation costs for the latest approved, currently in-progress 5-year development period within the **Out-Year Development Period**. Please insert the draw(s) as of end of the reporting period that outlines the costs for the new construction, renovations, site work, amenities, general conditions, overhead, contingency, fees and other construction and renovation soft costs. If there are separate contracts in place for new construction and renovations, please insert both applicable draws into this section. Please insert the draw(s) in Microsoft Excel format. Do not insert just the draw cover sheet (i.e. AIA G702 cover sheet). The submitted draw(s) should include, at a minimum, the original budget, budget changes, the revised budget, total completed, previous draws, current draw, retainage and balance to complete. Reported values should not cover the full remaining term from the end of the Initial Development Period to the expiration of the Ground Lease, just the latest approved, currently in-progress 5-year development period. Multiple draws to cover each approved 5-year development period within the Out-Year Development Period should be provided.

Quarterly RCI Company Report – Development Soft Cost Summary – ODP

Instructions:

The purpose of this worksheet is to provide detailed information on development and soft costs for the latest approved, currently in-progress 5-year development period within the **Out-Year Development Period** for work that is not managed by the Design/Builder or Construction Manager. These costs include soft costs and financing costs specific to a RCI Company. The line items reported should be customized by the RCI Company team and organized in line item categorizations that are in line with the RCI Company **Out-Year Plan (POP) final pro forma or the latest final approved Modified Scope Plan (MSP) pro forma**. The reported line items should cover all costs that make-up the total development cost budget that are not included in the construction and/or renovation draws provided with this Quarterly Report for the same 5-year development period. Reported values should not cover the full, remaining term from the end of the Initial Development Period to the expiration of the Ground Lease, just the latest approved, currently in-progress 5-year development period. Multiple copies of this sheet to cover each approved 5-year development period within the Out-Year Development Period should be provided.

Additionally, this worksheet captures non-development costs that the Army has approved to be financed from the Reinvestment Account for the latest approved, currently in-progress 5-year development period within the **Out-Year Development Period**. The work captured in this section is managed by the Property Manager and/or Asset Manager but paid for using Reinvestment Account funds. The line items reported should be customized by the RCI Company team and, whenever possible, organized in line item categorizations that are in line with the RCI Company **Out-Year Development Plan (ODP) final pro forma or the latest final approved Modified Scope Plan (MSP) pro forma**.

DEVELOPMENT AND SOFT COST SUMMARY									
	[1] POP or Latest Approved MSP Budget	[2] POP Budget	Variance		[5] Actual Costs to Date	[6] POP or Latest Approved MSP Costs to Date	Variance		[9] Comments and Variance Discussion
			[3] \$	[4] %			[7] \$	[8] %	
Architectural & Engineering			\$ -	0.0%			\$ -	0.0%	
Code Verification, Lender Insp Fees			\$ -	0.0%			\$ -	0.0%	
Environmental Insurance Premium			\$ -	0.0%			\$ -	0.0%	
Builders Risk Insurance			\$ -	0.0%			\$ -	0.0%	
OCIP Insurance Premiums (If Required)			\$ -	0.0%			\$ -	0.0%	
Legal & Accounting			\$ -	0.0%			\$ -	0.0%	
Paymt and Perf. Bond Premiums (If Required)			\$ -	0.0%			\$ -	0.0%	
Contingency for Soft Costs			\$ -	0.0%			\$ -	0.0%	
Developer Overhead, Personnel and Other Costs			\$ -	0.0%			\$ -	0.0%	
Developer Base Fee			\$ -	0.0%			\$ -	0.0%	
Developer Incentive Fee			\$ -	0.0%			\$ -	0.0%	
Reserve Accounts			\$ -	0.0%			\$ -	0.0%	
Other (provide descrip. in comments)			\$ -	0.0%			\$ -	0.0%	
Other (provide descrip. in comments)			\$ -	0.0%			\$ -	0.0%	
Total Development and Other Soft Costs	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	

Comments:

SUMMARY OF NON-DEVELOPMENT COSTS FUNDED BY THE REINVESTMENT ACCOUNT									
	[1] POP or Latest Approved MSP Budget	[2] POP Budget	Variance		[5] Actual Costs to Date	[6] POP or Latest Approved MSP Costs to Date	Variance		[9] Comments and Variance Discussion
			[3] \$	[4] %			[7] \$	[8] %	
Capital Repair and Replacement Expense			\$ -	0.0%			\$ -	0.0%	
Other (provide descrip. in comments)			\$ -	0.0%			\$ -	0.0%	
Other (provide descrip. in comments)			\$ -	0.0%			\$ -	0.0%	
Total Non-Development Costs Funded by the Reinvestment Account	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	

Comments:

Quarterly RCI Company Report – Lockbox Waterfall

Instructions:

The purpose of this worksheet is to outline the monthly flow of RCI Company funds through the holistic waterfall that is governed by the Servicing and Lockbox Agreement/Trustee Indenture and Operating/Partnership Agreement and Sublease as applicable. Superior to "Cash Flow Available for Distribution", the RCI Company should customize the tiers of the waterfall to match the specific accounts and disbursements outlined in the RCI Company's Servicing and Lockbox Agreement/Trust Indenture. Reported values in these waterfall tiers should reflect the monthly cash flow waterfall executed by the Servicer/Lockbox Agent/Trustee. Subordinate to "Cash Flow Available for Distribution", the RCI Company should customize the tiers of the waterfall to match the specific accounts and disbursements outlined in the RCI Company's Servicing and Lockbox Agreement/Trust Indenture, Operating/Partnership Agreement and Sublease, as applicable, that are in effect during the Initial Development Period and then during the Out-Year Development Period. Reported values in these waterfall tiers should reflect the monthly cash flow waterfall executed by the Servicer/Lockbox Agent/Trustee, as applicable, and tracked by the RCI Company entities for those movements and disbursements that are governed by the Operating/Partnership Agreement and Sublease, as applicable. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter. Comments are to be included on waterfall activities during the reported quarter.

This worksheet also depicts the monthly transaction history of the RCI Company's Reinvestment Account during the Out-Year Development Period. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter. Comments are to be included on Reinvestment Account activities during the reported quarter.

Reinvestment Account													
	Quarter Ended Sep-18			Quarter Ended Dec-18			Quarter Ended Mar-19			Quarter Ended Jun-19			Quarter Ended Jun-19 Comments
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	
Beginning Balance													
Deposits													
Interest Earned													
Withdrawals													
Ending Balance													

Waterfall													
	Quarter Ended Sep-18			Quarter Ended Dec-18			Quarter Ended Mar-19			Quarter Ended Jun-19			Quarter Ended Jun-19 Comments
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	
Lockbox Agreement/Trust Indenture Provisions													
Revenue Account													
Operating Expense Disbursements													
Taxes & Insurance Account													
Capital Repair & Replacement Account													
Lender Account													
Casualty/Condemnation Disbursements													
Incentive Management Account													
Operating Reserve Account													
Operating Reserve Account													
Loan Cash Trap Account													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													
Cash Flow Available for Distribution													
Lockbox Agreement/Trust Indenture Provisions													
Construction Account Deposits													
Debt Service Reserve Account Deposits													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													
Operating Agreement & Sublease Provisions													
Preferred Equity Returns													
RCI Partner Cash Flow Split Payments													
Reinvestment Account Deposits													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													
[Insert Necessary Account or Disbursement Detail]													

Quarterly RCI Company Report – Lockbox Balances

Instructions:

This worksheet compiles a summary of balances for financial accounts outlined in and governed by the RCI Company's Servicing and Lockbox Agreement or Trust Indenture. The accounts reported should be customized by the RCI Company team to reflect the specific RCI Company accounts, and associated account activity, reported by the Servicer/Lockbox Agent/Trustee. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter. Comments are to be included on accounts activities during the reported quarter.

Account	Quarter Ended Sep-18			Quarter Ended Dec-18			Quarter Ended Mar-19			Quarter Ended Jun-19			Quarter Ended Jun-19 Comments
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	
Account 1													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 2													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 3													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 4													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 5													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 6													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 7													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													

Account	Quarter Ended Jun-18			Quarter Ended Sep-18			Quarter Ended Dec-18			Quarter Ended Mar-19			Quarter Ended Mar-19 Comments
	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	
Account 8													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 9													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 10													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 11													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 12													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 13													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													
Account 14													
Beginning Balance													
Deposits													
Interest Earned													
Withdraw als													
Ending Balance													

Quarterly RCI Company Report – Equity Return and Cash Flow Split Calculations

Instructions:

The purpose of this worksheet is to provide detailed information pertaining to the calculation of equity return payments and cash flow split payments to the RCI Partner during the **Out-Year Development Period**. Please insert the running calculation over the RCI Company's Fiscal Year computed in accordance with the RCI Company's legal documents for how the cash flow eligible to be used to pay equity returns and cash flow splits is determined and the amounts of equity return payments and cash flow split payments to the RCI Partner. Please insert the calculations in Microsoft Excel format.

Quarterly RCI Company Report – Incentive Fee Reporting

Instructions:

The purpose of this worksheet is to capture information on incentive fees awarded to the RCI Company's prime contractors during the quarter on an on-going basis. Incentive fees related to Property, Asset, Maintenance, Construction, Renovation and Development management will be tracked here. The RCI Company team should only report incentive fees that apply to the RCI Company on a quarterly basis and including specific comments relevant to RCI Company performance.

1 Property & Maintenance Management														
Quarter Ending		Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	
2	Period Awarded For (Quarter Ending (Mon-YY))													
3	Incentive Fee Awarded													
4	Maximum Potential Incentive Fee													
5	% of Incentive Fee Awarded													
6	Notes for Current Period	Mar-19					Mar-20					Mar-21		
		Jun-19					Jun-20					Jun-21		
		Sep-19					Sep-20					Sep-21		
		Dec-19					Dec-20					Dec-21		
7 Asset Management														
Quarter Ending		Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	
8	Incentive Fee Awarded													
9	Maximum Potential Incentive Fee													
10	% of Incentive Fee Awarded													
11	Period Awarded For													
12	Notes for Current Period	Mar-19					Mar-20					Mar-21		
		Jun-19					Jun-20					Jun-21		
		Sep-19					Sep-20					Sep-21		
		Dec-19					Dec-20					Dec-21		
13 Construction Management														
Quarter Ending		Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	
14	Incentive Fee Awarded													
15	Maximum Potential Incentive Fee													
16	% of Incentive Fee Awarded													
17	Period Awarded For													
18	Notes for Current Period	Mar-19					Mar-20					Mar-21		
		Jun-19					Jun-20					Jun-21		
		Sep-19					Sep-20					Sep-21		
		Dec-19					Dec-20					Dec-21		

19 Renovation Management														
Quarter Ending		Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	
20	Incentive Fee Awarded													
21	Maximum Potential Incentive Fee													
22	% of Incentive Fee Awarded													
23	Period Awarded For													
24	Notes for Current Period	Mar-19					Mar-20					Mar-21		
		Jun-19					Jun-20					Jun-21		
		Sep-19					Sep-20					Sep-21		
		Dec-19					Dec-20					Dec-21		

25 Development Management														
Quarter Ending		Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	
26	Incentive Fee Awarded													
27	Maximum Potential Incentive Fee													
28	% of Incentive Fee Awarded													
29	Period Awarded For													
30	Notes for Current Period	Mar-19					Mar-20					Mar-21		
		Jun-19					Jun-20					Jun-21		
		Sep-19					Sep-20					Sep-21		
		Dec-19					Dec-20					Dec-21		

Quarterly RCI Company Report – Other RCI Company Information

Instructions:

This worksheet compiles unique key RCI Company information not collected elsewhere in the report.

1 Project Staffing					
		[17] Currently Filled FTE Positions	[18] Vacant FTE Positions	[19] Total FTE Positions	Comments
2	Project Management	-	-	-	
3	Property Management / Leasing	-	-	-	
4	Maintenance	-	-	-	
5	Development Management	-	-	-	
6	Construction / Renovation Management	-	-	-	
7	Temporary Personnel				
8	Project Management	-	-	-	
9	Property Management / Maintenance / Leasing	-	-	-	
10	Development Management	-	-	-	
11	Construction / Renovation Management	-	-	-	
12	Other	-	-	-	Identification of Other FTE Positions:
13	Total	-	-	-	

Quarterly RCI Company Report – Sources and Uses

Instructions:
 This worksheet summarizes the changes to RCI Company Sources and Uses related to the IDP and ODP. For the ODP, please report just the Sources and Uses for the latest approved, currently in-progress 5-year development scope. Reported values should not cover the full, remaining term from the end of the Initial Development Period to the expiration of the Ground Lease, just the currently approved 5-year period. Additional Sources and Uses tables that cover each approved 5-year period within the Out-Year Development Period should be included on this worksheet. Current Projection values should be updated each quarter. The RCI Company may provide this information in another format, such as the original or current pro forma's Sources and Uses worksheet. However, please provide such alternative information formats in Microsoft Excel.

1 Sources - ODP 1: Jan 2015 - Jan 2019						
Category	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease	% of Total Variance	Comments
2 RCI Partner Equity			\$ -	0.0%	0.0%	
3 Army Equity			\$ -	0.0%	0.0%	
4 Loan Proceeds			\$ -	0.0%	0.0%	
5 Excess Cash Flow			\$ -	0.0%	0.0%	
6 Interest Income			\$ -	0.0%	0.0%	
7 Other			\$ -	0.0%	0.0%	
8 Total	\$ -	\$ -	\$ -	0.0%	0.0%	
9 Uses - ODP 1: Jan 2015 - Jan 2019						
Category	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease	% of Total Variance	Comments
10 Hard Costs			\$ -	0.0%	0.0%	
11 Soft Costs			\$ -	0.0%	0.0%	
12 Finance Costs			\$ -	0.0%	0.0%	
13 Other			\$ -	0.0%	0.0%	
14 Total	\$ -	\$ -	\$ -	0.0%	0.0%	
15 Sources & Uses Surplus / Deficit - ODP 1: Jan 2015 - Jan 2019						
	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease		Comments
16 Surplus / Deficit	\$ -	\$ -	\$ -	0.0%		
17 Sources - ODP 2: Jan 2019 - Jan 2023						
Category	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease	% of Total Variance	Comments
18 RCI Partner Equity			\$ -	0.0%	0.0%	
19 Army Equity			\$ -	0.0%	0.0%	
20 Loan Proceeds			\$ -	0.0%	0.0%	
21 Excess Cash Flow			\$ -	0.0%	0.0%	
22 Interest Income			\$ -	0.0%	0.0%	
23 Other			\$ -	0.0%	0.0%	
24 Total	\$ -	\$ -	\$ -	0.0%	0.0%	
25 Uses - ODP 2: Jan 2019 - Jan 2023						
Category	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease	% of Total Variance	Comments
26 Hard Costs			\$ -	0.0%	0.0%	
27 Soft Costs			\$ -	0.0%	0.0%	
28 Finance Costs			\$ -	0.0%	0.0%	
29 Other			\$ -	0.0%	0.0%	
30 Total	\$ -	\$ -	\$ -	0.0%	0.0%	
31 Sources & Uses Surplus / Deficit - ODP 2: Jan 2019 - Jan 2023						
	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease		Comments
32 Surplus / Deficit	\$ -	\$ -	\$ -	0.0%		

33 Sources - ODP 3: N/A						
Category	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease	% of Total Variance	Comments
34 RCI Partner Equity			\$ -	0.0%	0.0%	
35 Army Equity			\$ -	0.0%	0.0%	
36 Loan Proceeds			\$ -	0.0%	0.0%	
37 Excess Cash Flow			\$ -	0.0%	0.0%	
38 Interest Income			\$ -	0.0%	0.0%	
39 Other			\$ -	0.0%	0.0%	
40 Total	\$ -	\$ -	\$ -	0.0%	0.0%	
41 Uses - ODP 3: N/A						
Category	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease	% of Total Variance	Comments
42 Hard Costs			\$ -	0.0%	0.0%	
43 Soft Costs			\$ -	0.0%	0.0%	
44 Finance Costs			\$ -	0.0%	0.0%	
45 Other			\$ -	0.0%	0.0%	
46 Total	\$ -	\$ -	\$ -	0.0%	0.0%	
47 Sources & Uses Surplus / Deficit - ODP 3: N/A						
	Current Projection	ODP or Latest Approved MSP Pro Forma Values	Variance	% Increase / Decrease		Comments
49 Surplus / Deficit	\$ -	\$ -	\$ -	0.0%		

Quarterly RCI Company Report – GFOQ Reporting

Instructions:

This worksheet summarizes RCI Company costs related to Privatized General and Flag Officers' Quarters.
Please list all costs incurred during the current fiscal year for each home if the total as of the current quarter for the home will exceed \$50K.

1 GFOQ Reporting										
PLEASE INSERT INSTALLATION NAME										
Privatized General and Flag Officers' Quarters										
Operation, Maintenance and Repair Costs Incurred by Private Sector Developer/RCI Partner/Owner										
Fiscal Year 2013 (Dollars in Thousands)										
2	State / Country	Installation	Quarters ID	Year Built	Size NSF	Operation Cost	Maintenance Cost	Repair Cost	Total OMR Cost	Comments
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	
									\$ -	

Quarterly RCI Company Report – Congressional Reporting - USC 10, Sections 2884 & 2885

Instructions:

This worksheet includes information required to be periodically collected from the RCI Company under United States Code title 10 Sections 2884 and 2885.

1 Quarterly Utility Cost Reporting									
PLEASE INSERT INSTALLATION NAME									
Assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area									
Fiscal Year 2013 (Dollars in Thousands)									
	Utility	TO BE COMPLETED BY RCI PARTNER			TO BE COMPLETED BY ARMY ASSET MANAGER			Variance - Average Annual Unit Cost Compared to Off-Post Average	Comments
		[2] Installation	[3] Utility Rate Charged to Project (per applicable unit of measurement)	[4] Average Quarterly Cost Charged to Project Per Occupied Unit	[5] City and State of Local Municipality	[6] Comparable Utility Rate in Local Municipality (per applicable unit of measurement)	[7] Average Quarterly Cost Per Occupied Unit Using Comparable Local Rates		
8	Water							\$ -	
9	Electric							\$ -	
10	Natural Gas							\$ -	
11	Others (specify below)							\$ -	
								\$ -	
								\$ -	
								\$ -	
								\$ -	
								\$ -	

Quarterly RCI Company Report – Cumulative CO Log – IDP

Instructions:

This worksheet summarizes approved Change Orders executed during the **Initial Development Period**. Please insert the cumulative log of Change Orders approved in accordance with the RCI Company's legal documents since contract inception for work performed during the IDP. If multiple contracts were executed during the IDP (ex. separate contracts for two phases of work or separate contracts for new construction and renovations), insert a cumulative Change Order log for each contract. Cumulative Change Order logs should be provided in Microsoft Excel format, if available.

Quarterly RCI Company Report – Cumulative CO Log – ODP

Instructions:

This worksheet summarizes approved Change Orders executed in association with the latest approved, currently in-progress 5-year development period within the **Out-Year Development Period**. Please insert the cumulative log of Change Orders approved in accordance with the RCI Company's legal documents since contract inception for work performed during the latest approved, currently in-progress 5-year development period. If multiple contracts were executed during the latest approved, currently in-progress 5-year development period (ex. separate contracts for two phases of work or separate contracts for new construction and renovations), insert a cumulative Change Order log for each contract. Cumulative Change Order logs should be provided in Microsoft Excel format, if available. Cumulative Change Order logs that cover each approved 5-year development period within the Out-Year Development Period should be provided.

Quarterly RCI Company Report Glossary

Instructions
 The definitions below provide a greater description of the information being requested in each section of this report. Please use this as the first point of reference for any template questions. If you need additional clarification, feel free to contact your OACSIM Program Manager.

Term		Definition
Project Information		
<i>Please insert the Project Company's name in the worksheet header.</i>		
1	General Information	This section collects information about the entities involved with the Project
2	Installation(s)	All Installations associated with the privatization Project
3	Location(s) (City, State)	For multi-Installation Projects, this line should include all locations
4	Project Company (LLC / LP)	The limited liability corporation (LLC) or partnership (LP) that has been set up as the primary legal entity for the Project (e.g. "Fort XYZ Family Housing, LLC"). Please provide the names of both legal entities if a dual-LLC/LP legal structure is in place for the Project.
5	Managing Member / Partner	The legal entity that is identified as the Managing Member or Managing Partner of the Project Company
6	Asset Manager	The legal entity contracted by the Project Company to perform asset management services
7	Developer	The legal entity contracted by the Project Company to perform development management services
8	Property Manager	The legal entity contracted by the Project Company to perform property management services
9	Construction Manager / Design/Builder	The legal entity contracted by the Project Company that has been contracted to construct new homes, demolish homes and perform site work and infrastructure installation as well as potentially renovating homes and providing design services
10	Renovation Manager	The legal entity contracted by the Project Company to renovate homes if it is a separate legal entity from that listed under Construction Manager / Design/Builder
11	Project Contacts	This section collection information on the stakeholders (people, not corporate entities) involved with the Project.
12	Garrison Commander(s)	Self explanatory, include rank, name, phone number and e-mail address. For multi-Installation Projects, provide the Garrison Commander information for each Installation.
13	Army RCI Asset Manager(s)	Self explanatory, include name, phone number and e-mail address. For multi-Installation Projects, provide the RCI Asset Manager information for each Installation.
14	Project Director	Self explanatory, include name, phone number and e-mail address.
15	Project Property Manager(s)	Self explanatory, include name, phone number and e-mail address. For multi-Installation Projects, provide the Property Manager information for each Installation.
16	OACSIM Program Manager	Self explanatory, include name, phone number and e-mail address.
17	ODASA(IH&P) Program Manager	Self explanatory, include name, phone number and e-mail address.
18	USACE PDT POC	Self explanatory, include name, phone number and e-mail address.
19	Project Scope - Square Ft. (Initial Development)	This section of line items is provided for collection of Project scope information on a square footage basis.
20	Existing Homes Transferred	Enter the total square footage of existing homes transferred and the average per home square footage
21	New Construction	Enter the total square footage of all new homes planned for construction and the average per home square footage
22	Renovated Homes	Enter the total square footage of homes all homes to be renovated and the average per home square footage
23	Minor Renovations	Enter the total square footage of homes receiving minor renovations and the average per home square footage
24	Medium Renovations	Enter the total square footage of homes receiving medium renovations and the average per home square footage
25	Major Renovations	Enter the total square footage of homes receiving major renovations and the average per home square footage
26	Combination Renovations	Enter the total square footage of homes receiving combination renovations and the average per home square footage
27	Project Scope - Accessible Homes (UFAS)	This section records information on the Project's plans relating to developing accessible homes.
28	Existing accessible Homes	Of the homes transferred at closing, indicate the number of homes that met current accessibility standards
29	Homes to be renovated to meet accessibility stds	Number of homes that will received renovations or upgrades to meet accessibility standards
30	New accessible Homes to be constructed	Number of new homes that will be constructed during the IDP to meet accessibility standards
31	Additional details on scope of accessible Homes	Use this space to provide any additional details regarding accessible homes, e.g. homes being constructed to be "upgradeable" to meet accessibility standards.
32	Equity Information	This section of items describes the terms of the Managing Member/Partner's equity contribution to the Project
33	Equity Amount	Total equity contributed into the Project by the Managing Member/Partner
34	Date(s) of Contribution	Date(s) of initial equity contribution. Use comments area to record the dates of out-year contributions
35	Preferred Return	Preferred return on equity contribution
36	Cash Flow Distribution Split	Cash distribution split to partner. Use comments area to record any change in the cash distribution split that occurs in the out years.
37	Cap on Equity	Limit on return on equity to partner
38	IRR	Internal rate of return (expressed as a percentage)
39	Other terms	Other terms associated with the Project equity contribution
40-48	Lockbox Account Information	This section collects information on the interest rates earned by the major lockbox reserve accounts as of the end of the reporting period. These listed accounts should be customized for each Project's specific set of lockbox accounts.

Project Overview		
<i>Please insert the Project Company's name in the worksheet header.</i>		
1	Executive Overview	This section covers overall Project highlights
2	Discussion:	Discuss overall Project progress and highlights occurring during the quarter.
3	Major Decisions:	Highlight the results of any Major Decisions made during the quarter or upcoming Major Decisions Committee meetings
4	Compliance:	Identify any significant issues of non-compliance identified during the quarter
5	Additional discussion:	Please use this section to explain any changes in expectations or observations regarding the performance and/or progress of the Project. Some examples may include contract terms being revised, changes in the scope of the Project or use of an additional authority being contemplated.
6	Finance / Budget	This sections focuses on finance / budget related performance
7	Accomplishments:	Indicate any significant accomplishing occurring during the quarter relating to finance or budget performance. Examples could be BAH increases, reduction in bad debt costs, favorable DCR levels, etc.
8	Challenges:	Discuss challenges related to finance and budget in this section.
9	Lessons Learned:	Use this section to capture any lessons learned arising out of Project challenges and/or accomplishments related to finance and budget. Examples include innovative approaches toward minimizing delinquency costs, successes in influencing a favorable BAH increase, etc.
10	Additional discussion:	Provide discussion on debt coverage ratio (DCR), comparison of budgeted to actual financial performance, payment performance to creditors and / or vendors, status of Reinvestment Account (i.e. amount of available cash in account compared to budgeted) and status of other lockbox accounts
11	Property Management / Operations	This section focuses on property management and operations performance
12	Accomplishments:	Indicate any significant accomplishing occurring during the quarter relating to property management or operations performance. Examples could relate to achieving occupancy levels in excess of Projections, reduction in average turnaround for work orders, achieving favorable resident satisfaction results, etc.
13	Challenges:	Discuss challenges relating to property management and operations in this section.
14	Lessons Learned:	Use this section to capture any lessons learned arising out of Project challenges and/or accomplishments related to property management and operations. Examples include improvements to resident relations and communication, marketing approaches to fill vacant homes, etc.
15	Occupancy:	Discuss occupancy rate vs. Projections including a breakdown of tenant population such as number of military families and number of other tenants by type (if the tenant waterfall has been utilized)
16	Additional discussion:	Other topics may include general assessment of condition of property, changes in key personnel or management company, frequency and nature of repair calls and any reported litigation
17	Resident Satisfaction Assessment:	Based on the results reported in the Project Monitoring Matrix regarding the response to the tenant survey question – "Would you recommend privatized housing", please provide detail to explain the meaning of the numbers, for example any change in the results from one period to another and what is being done to improve results.
18	Resident Satisfaction Discussion:	Comment on other information from the results of tenant surveys that address Quality of Life issues for service members and their families.
19	Development / Construction	This section focuses on development and construction progress and performance.
20	Accomplishments:	Indicate any significant accomplishments occurring during the quarter relating to development and construction. Examples could relate to progress being ahead of schedule, opening of new neighborhoods or community amenities, resident feedback on model Homes for new homes or renovated homes, etc.
21	Challenges:	Discuss challenges relating to development and construction in this section.
22	Lessons Learned:	Use this section to capture any lessons learned arising out of Project challenges and/or accomplishments related to development and construction. Examples include approaches for minimizing impact of construction to adjacent residents/facilities; innovative construction materials or methods; approaches to overcome permitting delays; dealing with labor-related issues; etc.
23	Schedule Discussion:	Discuss any relevant information relating to the development schedule at the Project. Please advise of any changes, delays, potential challenges and future prognosis.
24	Budget Discussion:	Discuss any relevant budgetary issues that have occurred at the Project. These issues could include any item that is has been under or over budgeted, how the Project is meeting budgeted expectations and future budgetary issues that may be preventable.
25	Additional discussion:	Other topics may include schedule and milestones, approved design guidelines, other performance issues and warranty and / or post construction issues
Project Occupancy		
<i>Please insert the Project Company's name in the worksheet header.</i>		
1	Occupants by Rank	This section compiles information on occupancy by rank across the Project. For multi-Installation Projects, this data represents the values for each individual Installation, as reported in the Installation # sections, and a total of all the individual Installation.
2	Total Homes	Data in this group summarizes total homes data for the Project.
3	Begin State	Total homes as of the date of Project transfer.
4	End State	Planned total homes at the end of the Initial Development Period, including any formally approved Major Decision adjustments thereafter due to re-scoping, additional debt, additional scoring, etc.
5	Current Quarter	Total homes during the current quarter. This is calculated by taking an average of the end-of-month total homes for each month in the quarter.

6	Homes Off-Line	Homes off-line during the current quarter. This calculated by taking an average of the end-of-month homes off-line for each month in the quarter. Homes to be reported as off-line include the homes taken off-line for demolition, major, medium or minor renovation or other reasons established by the Property Manager as well as homes that are used for model homes, property management offices, maintenance offices, Project management offices, construction and/or renovation management offices, development management offices, hospitality or corporate suites, community services offices and homes occupied by Project employees, unless said employees are paying rent.
7	Homes Available	Automatically calculates the difference of the Current Quarter (item 5) and the Homes Off-Line (item 6).
8	Homes Occupied	Homes occupied during the current quarter. This calculated by taking an average of the end-of-month homes occupied for each month in the quarter.
9	Waiting List	Waiting list for the current quarter. This is calculated by taking an average of the end-of-month waiting list, excluding applicants for intra-post moves, for each month in the quarter.
10	GFOQ	Total homes, homes off-line, homes occupied and waiting list information for General and Flag Officer quarters (O7 and above). Homes occupied by unaccompanied military personnel should not be reported in this item, but rather, should be reported in Other (item 16).
11	SGO	Total homes, homes off-line, homes occupied and waiting list information for senior grade officer quarters (O6). Homes occupied by unaccompanied military personnel should not be reported in this item, but rather, should be reported in Other (item 16).
12	FGO	Total homes, homes off-line, homes occupied and waiting list information for field grade officer quarters (W4-W5, O4-O5). Homes occupied by unaccompanied military personnel should not be reported in this item, but rather, should be reported in Other (item 16).
13	CGO	Total homes, homes off-line, homes occupied and waiting list information for company grade officer quarters (W1-W3, O1-O3). Homes occupied by unaccompanied military personnel should not be reported in this item, but rather, should be reported in Other (item 16).
14	SNCO	Total homes, homes off-line, homes occupied and waiting list information for senior NCO quarters (E7-E9). Homes occupied by unaccompanied military personnel should not be reported in this item, but rather, should be reported in Other (item 16).
15	JNCO / JENL	Total homes, homes off-line, homes occupied and waiting list information for enlisted and junior NCO quarters (E1-E6). Homes occupied by unaccompanied military personnel should not be reported in this item, but rather, should be reported in Other (item 16).
16	Other *	Total homes, homes off-line, homes occupied and waiting list information for all other tenants not in the groups above. The reported value of Homes Occupied should equal the total Homes Occupied reported in the Other Residents Breakdown (item 26).
17	Total	Totals for total homes, homes off-line, homes occupied and waiting list information. This line is automatically calculated.
18	Pro forma	Projections from the later of the final operational, final financial or final combined operational and financial closing pro forma or the latest final pro forma approved by HQDA through the Major Decision process for the current quarter for total homes, homes off-line and homes occupied generated as the average of the monthly projections for the quarter, when possible.
19	Explanation of Variances	Use this area to explain variances between actual results and pro forma expectations
20	Homes Occupied by Housing Size	This section compiles information on occupancy by homes size across the Project. For multi-Installation Projects, this data represents the values for each individual Installation, as reported in the Installation # sections, and a total of all the individual Installation.
21-24	2BR, 3BR, 4BR & 5BR+	Total homes, homes off-line, homes occupied and waiting list information by home size.
25	Total	Totals for total homes, homes off-line, homes occupied and waiting list information. This line is automatically calculated.
26	Other Residents Breakdown	This section captures how the occupancy waterfall is being utilized by the Project and who comprises the tenants.
27-31	Single Military, Retirees, DoD/Federal Civilians, Civilians & Foreign Military	Homes occupied during the current quarter. This calculated by taking an average of the end-of-month homes occupied for each month in the quarter.
32	Explanation of Occupancy Distribution	Information regarding use of tenant waterfall, etc.
33	Additional Notes (Occupancy, Waiting List, Move-Ins/Move-Outs)	Comments on any issues regarding Project occupancy, including providing specific waiting list information for ranks with large backlogs.

Primary Statement of Operations
 This worksheet collects the key financial performance information relating to ongoing Project operations. Please insert the statement of operations in Microsoft Excel format provided by the Project's financial reporting software (i.e. Yardi). Do not insert a screenshot or pdf of the Statement of Operations.

Additional Statement of Operations
 This worksheet collects the key financial performance information relating to ongoing, Partner-specific additional expenses funded by Project cash flow that are not captured on the Primary Statement of Operations worksheet. Please insert any additional statement of operations in Microsoft Excel format provided by the Project's financial reporting software. Additional guidance will be provided by the OACSIM Program Manager on a Partner-specific basis on what should be reported in this area.

Construction & Renovation Cost Summary - IDP
 The purpose of this worksheet is to provide detailed information pertaining to the construction and renovation costs for the approved Initial Development Period scope. Please insert the draw(s) as of the end of the reporting period that outlines the costs for the new construction, renovations, site work, amenities, general conditions, overhead, contingency, fees and other construction and renovation soft costs. If there are separate contracts in place for new construction and renovations, please insert both applicable draws into this section. Please insert the draw(s) in Microsoft Excel format. Do not insert just the draw cover sheet (i.e. AIA G702 cover sheet). The submitted draw(s) should include, at a minimum, the original budget, budget changes, the revised budget, total completed, previous draws, current draw, retainage and balance to complete.

Development & Soft Cost Summary - IDP		
<i>Please insert the Project Company's name in the worksheet header.</i>		
The purpose of this worksheet is to provide detailed information on development and soft costs for the approved Initial Development Period scope for work that is not managed by the Design/Builder or Construction Manager. These costs include soft costs and financing costs specific to a Project. The line items reported should be customized by the Project team and organized in line item categorizations that are in line with the latest closing (operational and/or financial) final pro forma or the latest final approved Modified Scope Plan (MSP) pro forma. The reported line items should cover all costs that make-up the total development cost budget that are not included in the construction and/or renovation draws provided with this Quarterly Report.		
1	Latest Closing or Latest Approved MSP Budget	Include the total budgeted amount for the IDP scope of work as outlined in the latest closing (operational and/or financial) final pro forma or the latest final MSP pro forma approved by HQDA through the Major Decision process.
2	Financial Closing Budget	Include the total budgeted amount for the IDP scope of work as outlined in the final financial closing pro forma.
3	Variance \$	Subtract the Latest Closing or Latest Approved MSP Budget number from the Financial Closing Budget number.
4	Variance %	Divide the variance in dollars by the Financial Closing Budget number.
5	Actual Costs to Date	Include the cumulative development and soft costs during the IDP to be actually incurred as of the end of reporting period.
6	Latest Closing or Latest Approved MSP Costs to Date	Include the cumulative development and soft costs during the IDP as of the end of the reporting period as outlined in the latest closing (operational and/or financial) final pro forma or the latest final MSP pro forma approved by HQDA through the Major Decision process.
7	Variance \$	Subtract the Actual Costs to Date from the Latest Closing or Latest Approved MSP Costs to date
8	Variance %	Divide the variance in dollars by the Latest Closing or Latest Approved MSP Costs to Date
9	Comments and Variance Discussion	Use this area to explain variances between actual results to date and pro forma expectations.

Construction & Renovation Cost Summary - ODP		
The purpose of this worksheet is to provide detailed information pertaining to the construction and renovation costs for the latest approved, currently in-progress 5-year development period within the Out-Year Development Period. Please insert the draw(s) as of the end of the reporting period that outlines the costs for the new construction, renovations, site work, amenities, general conditions, overhead, contingency, fees and other construction and renovation soft costs. If there are separate contracts in place for new construction and renovations, please insert both applicable draws into this section. Please insert the draw(s) in Microsoft Excel format. Do not insert just the draw cover sheet (i.e. AIA G702 cover sheet). The submitted draw(s) should include, at a minimum, the original budget, budget changes, the revised budget, total completed, previous draws, current draw, retainage and balance to complete. Reported values should not cover the full remaining term from the end of the Initial Development Period to the expiration of the Ground Lease, just the latest approved, currently in-progress 5-year development period. Multiple draws to cover each approved 5-year development period within the Out-Year Development Period should be provided.		

Development & Soft Cost Summary - ODP		
<i>Please insert the Project Company's name in the worksheet header.</i>		
The purpose of this worksheet is to provide detailed information on development and soft costs for the latest approved, currently in-progress 5-year development period within the Out-Year Development Period for work that is not managed by the Design/Builder or Construction Manager. These costs include soft costs and financing costs specific to a Project. The line items reported should be customized by the Project team and organized in line item categorizations that are in line with the Project Out-Year Plan (POP) final pro forma or the latest final approved Modified Scope Plan (MSP) pro forma. The reported line items should cover all costs that make-up the total development cost budget that are not included in the construction and/or renovation draws provided with this Quarterly Report for the same 5-year development period. Reported values should not cover the full, remaining term from the end of the Initial Development Period to the expiration of the Ground Lease, just the latest approved, currently in-progress 5-year development period. Multiple copies of this sheet to cover each approved 5-year development period within the Out-Year Development Period should be provided.		
Additionally, this worksheet captures non-development costs that the Army has approved to be financed from the Reinvestment Account for the latest approved, currently in-progress 5-year development period within the Out-Year Development Period. The work captured in this section is managed by the Property Manager and/or Asset Manager but paid for using Reinvestment Account funds. The line items reported should be customized by the Project team and, whenever possible, organized in line item categorizations that are in line with the Project Out-Year Plan (POP) final pro forma or the latest final approved Modified Scope Plan (MSP) pro forma.		
1	POP or Latest Approved MSP Budget	Include the total budgeted amount for the scope of work for the latest approved, currently in-progress 5-year development period as outlined in the POP final pro forma or the latest final MSP pro forma approved by HQDA through the Major Decision process.
2	POP Budget	Include the total budgeted amount for the scope of work for the latest approved, currently in-progress 5-year development period as outlined in the POP final pro forma.
3	Variance \$	Subtract the POP or Latest Approved MSP Budget number from the POP Budget number.
4	Variance %	Divide the variance in dollars by the POP Budget number.
5	Actual Costs to Date	Include the cumulative development and soft costs during the latest approved, currently in-progress 5-year development period within the ODP to be actually incurred as of the end of reporting period.
6	POP or Latest Approved MSP Costs to Date	Include the cumulative development and soft costs during the latest approved, currently in-progress 5-year development period within the ODP as of the end of the reporting period as outlined in the POP final pro forma or the latest final MSP pro forma approved by HQDA through the Major Decision process.
7	Variance \$	Subtract the Actual Costs to Date from the POP or Latest Approved MSP Budgeted Costs to date.
8	Variance %	Divide the variance in dollars by the POP Budgeted Costs to Date.
9	Comments and Variance Discussion	Use this area to explain variances between actual results to date and pro forma expectations.

Lockbox Waterfall
<i>Please insert the Project Company's name in the worksheet header.</i>
The purpose of this worksheet is to outline the monthly flow of Project funds through the holistic waterfall that is governed by the Servicing and Lockbox Agreement/Trustee Indenture and Operating/Partnership Agreement and Sublease as applicable. Superior to "Cash Flow Available for Distribution", the Project team should customize the tiers of the waterfall to match the specific accounts and disbursements outlined in the Project's Servicing and Lockbox Agreement/Trust Indenture. Reported values in these waterfall tiers should reflect the monthly cash flow waterfall executed by the Servicer/Lockbox Agent/Trustee. Subordinate to "Cash Flow Available for Distribution", the Project team should customize the tiers of the waterfall to match the specific accounts and disbursements outlined in the Project's Servicing and Lockbox Agreement/Trust Indenture, Operating/Partnership Agreement and Sublease, as applicable, that are in effect during the Initial Development Period and then during the Out-Year Development Period. Reported values in these waterfall tiers should reflect the monthly cash flow waterfall executed by the Servicer/Lockbox Agent/Trustee, as applicable, and tracked by the Project Company entities for those movements and disbursements that are governed by the Operating/Partnership Agreement and Sublease, as applicable. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter. Comments are to be included on waterfall activities during the reported quarter. Comments are to be included on waterfall activities during the reported quarter.
This worksheet also depicts the monthly transaction history of the Project's Reinvestment Account during the Out-Year Development Period. Entries are to be done on a monthly basis and include: 1.) the beginning balance of the account, 2.) interest earned on the account, 3.) deposits made into the account, 4.) withdrawals from the account and 5.) the ending balance of the account. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter. Comments are to be included on Reinvestment Account activities during the reported quarter.

Lockbox Balances
<i>Please insert the Project Company's name in the worksheet header.</i>
This worksheet compiles a summary of balances for financial accounts outlined in and governed by the Project's Servicing and Lockbox Agreement or Trust Indenture. The accounts reported should be customized by the Project team to reflect the specific Project accounts, and associated account activity, reported by the Servicer/Lockbox Agent/Trustee. Entries are to be done on a monthly basis and include: 1.) the beginning balance of the account, 2.) interest earned on the account, 3.) deposits made into the account, 4.) withdrawals from the account and 5.) the ending balance of the account. The reported values should include the three months of the reported quarter plus the nine months preceding the reported quarter. Comments are to be included on accounts activities during the reported quarter.

Equity Return and Cash Flow Split Calculations
<i>Please insert the Project Company's name in the worksheet header.</i>
The purpose of this worksheet is to provide detailed information pertaining to the calculation of equity return payments and cash flow split payments to the Partner during the Out-Year Development Period. Please insert the running calculation over the Project's Fiscal Year computed in accordance with the Project's legal documents for how the cash flow eligible to be used to pay equity returns and cash flow splits is determined and the amounts of equity return payments and cash flow split payments to the Partner. Please insert the calculations in Microsoft Excel format.

Small and Local Business		
<i>Please insert the Project Company's name in the worksheet header.</i>		
1	Small Business	SBA has established a size standard for most industries in the economy. The most common size standards are as follow: - 500 employees for most manufacturing and mining industries - 100 employees for all wholesale trade industries - \$6 million for most retail and service industries - \$28.5 million for most general & heavy construction industries - \$12 million for all special trade contractors - \$0.75 million for most agricultural industries SBA has posted the Table of Small Business Size Standards matched to North American Industry Classification System (NAICS) on its Website.
2	Current Quarter	Contracts awarded during the most recently ended quarter.
3	To-Date	Contracts awarded since the closing date of the Project.
4	Army Goal	Federal targets for small business participation.
5	Comments	This column provides space to provide any comments relating to small business participation.
6	Executed Contracts	The total value of contracts that have been awarded. For purposes of RCI reporting, this refers to contracts below the Project-entity level (or its affiliates and major contractors). As an example, the General Contractor or Construction Manager on the Project would not be included as part of "Executed Contracts", however, all subcontracts of the General Contractor or Construction Manager are counted.
7	Large Business	Amount of contracts that have been awarded to large businesses
8	Small Business	Amount of contracts that have been awarded to small businesses (all types)
9	Veteran-Owned	A small business concern (A) not less than 51 percent of which is owned by one or more veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and (B) the management and daily business operations of which are controlled by one or more veterans.
10	Service Disabled Veteran-Owned	A small business concern (A) not less than 51 percent of which is owned by one or more service disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service disabled veterans; and (B) the management and daily business operations of which are controlled by one or more service disabled veterans. A service disabled veteran is one who has a "permanent and severe disability" that was incurred or aggravated in line of duty in the active military, naval, or air service. For the term "permanent and severe disability," SBA referred to the regulations promulgated by the U.S. Department of Veteran's Affairs (VA) guidance of permanent and severe disability."

11	HUB Zone	The HUB Zone Empowerment Contracting Program stimulates economic development and creates jobs in urban and rural communities by providing Federal contracting preferences to small businesses. These preferences go to small businesses that obtain HUB Zone (Historically Underutilized Business Zone) certification in part by employing staff who live in a HUB Zone. The company must also maintain a "principal office" in one of these specially designated areas. A principal office is the location where the greatest number of employees at any one location actually perform their work, except for construction and service industries, which have exemptions based on their occasional need to assign employees at the contract location. Notice that the 'principal office' definition can mean something very different from a company's headquarters. It could happen that a small business might have a headquarters in a non-HUB Zone location and establish a principal office within a HUB Zone locality and still qualify legitimately for program participation.
12	Disadvantaged Business	A small business concern that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged. This can include a publicly owned business that has at least 51 percent of its stock unconditionally owned by one or more socially and economically disadvantaged individuals and whose management and daily business is controlled by one or more such individuals.
13	Women-Owned C128	Women-owned small business concern means a small business concern (a) which is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and (b) Whose management and daily business operations are controlled by one or more women."
14	Local Business	Contracts awarded to all business falling within the project-defined local area. Depending on the specific project, the local business area may be designated by a radius, municipality, congressional district, or other means.
15	Executed Contracts	Total contracts awarded. This line is equivalent to line 7 above, and is automatically filled in.
16	Local Business	Amount of contracts awarded to local business
17	Non-Local Business	Refers to contracts awarded to all other businesses not meeting the project's definition of "local business" (this field is calculated automatically)

Other Project Information

Please insert the Project Company's name in the worksheet header.

1	Accounts Receivable	This section captures payment balances owed to the Project that are outstanding for more than 30 days.
2	Rent	Rental payments due that were not received through the allotment process or during move-in / move-out procedures
3	Utilities Overage Charges to Residents	Utility overage charges to residents that have not been received.
4	Other	Total outstanding balance of payments due for all other revenue-producing Project activities not related to BAH collection.
5	Total	The total balance of payments outstanding. This is the sum of item 2 through item 4.
6	Current Project Resident	Total payments owed to the Project by residents currently living in the Project's housing
7	Past Project Resident	Total payments owed to the Project by residents who have vacated the Project's housing
8	Total	The total balance of payments outstanding. This is the sum of item 6 and item 7.
9	Incentive Fees Awarded	This section captures information on incentive fees awarded to the Project's prime contractors during the quarter.
10	Asset Management	Total incentive fee associated with Asset Management. If not applicable, insert "N/A".
11	Property Management	Total incentive fee associated with Property Management. If not applicable, insert "N/A".
12	Maintenance Management	Total incentive fee associated with Maintenance Management. If not applicable, insert "N/A".
13	Construction Management	Total incentive fee associated with Construction Management. If not applicable, insert "N/A".
14	Renovation Management	Total incentive fee associated with Renovation Management. If not applicable, insert "N/A".
15	Development Management	Total incentive fee associated with Development Management. If not applicable, insert "N/A".
16	Project Staffing	This section collects information on the staffing levels involved in management and oversight of the RCI Project by prime private sector entities and their affiliates. Corporate allocations should not be included in the line items below.
17	Currently Filled FTE Positions	The total number of full-time equivalent positions associated with the Project as of the end of the reporting period that are filled/occupied by private sector personnel. A full-time equivalent position is one in which an individual works for 40 hours per week. Please include all partial full-time equivalent positions in the reported value.
18	Vacant FTE Positions	The total number of full-time equivalent positions associated with the Project as of the end of the reporting period that are vacant and are planned to be filled/occupied by private sector personnel. A full-time equivalent position is one in which an individual works for 40 hours per week. Please include all partial full-time equivalent positions in the reported value.
19	Total FTE Positions	The total number of full-time equivalent positions associated with the Project as of the end of the reporting period. This is the sum of item 17 and item 18.
20	Project Management	Number of full-time equivalent positions associated with the Project of the prime entity and any of its affiliates engaged in overall Project and/or asset management. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Subcontractors should not be included in the reported values. Please do not include corporate allocations.
21	Property Management / Leasing	Number of full-time equivalent positions associated with the Project of the prime entity and any of its affiliates engaged in property management and leasing. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Subcontractors should not be included in the reported values. Please do not include corporate allocations.

22	Maintenance	Number of full-time equivalent positions associated with the Project of the prime entity and any of its affiliates engaged in maintenance. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Subcontractors should not be included in the reported values. Please do not include corporate allocations.
23	Development Management	Number of full-time equivalent positions associated with the Project of the prime entity and any of its affiliates engaged in development management. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Subcontractors should not be included in the reported values. Please do not include corporate allocations.
24	Construction / Renovation Management	Number of full-time equivalent positions associated with the Project of the prime entity and any of its affiliates engaged in construction and/or renovation management. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Subcontractors should not be included in the reported values. Please do not include corporate allocations.
25	Temporary Personnel	Any full-time equivalent positions associated with the Project of a prime entity and/or any of its affiliates that are put in place for a finite amount of time to support operations. Development, construction and/or renovation management positions that are planned to be in place for nearly the full length of a planned scope of work should not be reported in item 28 and item 29. Those positions should be reported in item 23 and item 24.
26	Project Management	Number of full-time equivalent temporary positions associated with the Project of the prime entity and any of its affiliates engaged in overall Project and/or asset management. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Please do not include corporate allocations.
27	Property Management / Maintenance / Leasing	Number of full-time equivalent temporary positions associated with the Project of the prime entity and any of its affiliates engaged in property management, maintenance management and leasing. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Please do not include corporate allocations.
28	Development Management	Number of full-time equivalent temporary positions associated with the Project of the prime entity and any of its affiliates engaged in development management. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Please do not include corporate allocations.
29	Construction / Renovation Management	Number of full-time equivalent temporary positions associated with the Project of the prime entity and any of its affiliates engaged in construction and/or renovation management. Reported personnel should include all personnel located on-site at the Project and off-site personnel providing direct functional support, such as accounting, finance and legal support. Reported values should not include management personnel above the regional management level. Please do not include corporate allocations.
30	Other	Number of full-time equivalent positions associated with the Project of a prime entity and/or any of its affiliates that are not reported in item 20 through item 29. A explanation of the position should be provided in the Comments section.
31	Total	The total number of full-time equivalent Project personnel. This is the sum of item 20 through item 30.
32	Army Staffing	This section provides staffing information on Army Housing office and RCI Staff and the PAL Point of Contact.
33	Currently Filled FTE Positions	The total number of full-time equivalent positions associated as of the end of the reporting period that are filled/occupied by government personnel. A full-time equivalent position is one in which an individual works for 40 hours per week. Please include all partial full-time equivalent positions in the reported value.
34	Vacant FTE Positions	The total number of full-time equivalent positions as of the end of the reporting period that are vacant and are authorized to be filled/occupied by government personnel. A full-time equivalent position is one in which an individual works for 40 hours per week. Please include all partial full-time equivalent positions in the reported value.
35	Total FTE Positions	The total number of full-time equivalent Army positions as of the end of the reporting period. This is the sum of item 33 and item 34.
36	Average % of Time Spent on RCI	Estimated amount of time, as a percentage of total time worked during the quarter net of all leave time, that Army employees spend on RCI oversight, actions and issues. The value reported in item 38 through item 42 should be an average for the personnel reported during the quarter in the Currently Filled FTE Positions category.
37	Average % of Time Spent on PAL	Estimated amount of time, as a percentage of total time worked during the quarter net of all leave time, that Army employees spend on Privatization of Army Lodging (PAL) oversight, actions and issues. The value reported in item 38 through item 42 should be an average for the personnel reported during the quarter in the Currently Filled FTE Positions category.
38	RCI Asset Management Staff	Number of full-time equivalent Army positions engaged in RCI asset management and oversight functions.
39	Housing Services Office Staff	Number of full-time equivalent Army positions engaged in Housing Services Office functions.
40	Unaccompanied Housing Staff	Number of full-time equivalent Army positions engaged in barracks support.
41	Other Installation AFH Staff	Number of full-time equivalent Army positions that are not reported in item 37 through 39 and item 41 that are part of the Installation housing office. A explanation of the position should be provided in the Comments section.
42	Non-Housing Staff Privatization of Army Lodging Point of Contact	Army position that is not assigned to the Installation Housing Office that has been identified as the Privatization of Army Lodging (PAL) Point of Contact (POC). If the identified PAL POC is an Army position within the Installation Housing Office, then no value should be reported in this line item. Only the Average % of Time Spent on PAL should be reported in this line item.
43	Total	The total number of full-time equivalent Army personnel. This is the sum of item 37 through item 41.

Sources and Uses		
<i>Please insert the Project Company's name in the worksheet header.</i>		
This worksheet summarizes the changes to Project Sources and Uses related to the IDP and ODP. For the ODP, please report just the Sources and Uses for the latest approved, currently in-progress 5-year development scope. Reported values should not cover the full, remaining term from the end of the Initial Development Period to the expiration of the Ground Lease, just the currently approved 5-year period. Additional Sources and Uses tables that cover each approved 5-year period within the Out-Year Development Period should be included on this worksheet. Current Projection values should be updated each quarter. The Project may provide this information in another format, such as the original or current pro forma's Sources and Uses worksheet. However, please provide such alternative information formats in Microsoft Excel.		
1	Sources - IDP	Summation of all funds used to finance the Project's IDP development scope.
2	Partner Equity	Equity investment the Partner puts into the Project.
3	Army Equity	Equity investment the Army puts into the Project.
4	Loan Proceeds	Par amount for Project loan.
5	Excess Cash Flow	Additional funds that remain after debt service, incentive fees, capital repair and replacement reserve deposits, all other reserves deposits and any other subordinated expenses that will be deposited into the Construction Account.
6	Interest Income	Income received from interest earned on cash temporarily held in certificates of deposit, savings accounts and other investments.
7	Other	Any other source of funds for the Project, including sale proceeds from land dispositions. Please provide details for each additional source of funds.
8	Total	Sums the total for all sources.
9	Uses - IDP	Summation of all funds spent to deliver the Project's IDP development scope.
10	Hard Costs	Costs associated with construction (i.e. concrete, plumbing, etc.)
11	Soft Costs	Costs not considered direct construction costs (i.e. architecture, engineering, overhead, etc.)
12	Finance Costs	All costs associated with Financing, including financial closing and original issue discount costs.
13	Other	All other costs not captured in line items 10-12. Please provide details of each additional cost.
14	Total	Sums the total for all uses.
15	Sources & Uses Surplus / Deficit - IDP	This section calculates the variance between the sources and uses summations.
16	Surplus / Deficit	The difference, if any, between the sources and uses summations.
17	Sources - ODP	Summation of all funds used to finance the Project's ODP development scope.
18	Partner Equity	Equity investment the Partner puts into the Project.
19	Army Equity	Equity investment the Army puts into the Project.
20	Loan Proceeds	Par amount for Project loan.
21	Excess Cash Flow	Additional funds that remain after debt service, incentive fees, capital repair and replacement reserve deposits, all other reserves deposits, any other subordinated expenses and equity returns that will be deposited into the Construction Account or Reinvestment Account
22	Interest Income	Income received from interest earned on cash temporarily held in certificates of deposit, savings accounts and other investments.
23	Other	Any other source of funds for the Project, including sale proceeds from land dispositions. Please provide details for each additional source of funds.
24	Total	Sums the total for all sources.
25	Uses - ODP	Summation of all funds spent to deliver the Project's ODP development scope.
26	Hard Costs	Costs associated with construction (i.e. concrete, plumbing, etc.)
27	Soft Costs	Costs not considered direct construction costs (i.e. architecture, engineering, overhead, etc.)
28	Finance Costs	All costs associated with Financing, including financial closing and original issue discount costs.
29	Other	All other costs not captured in line items 26-28. Please provide details of each additional cost.
30	Total	Sums the total for all uses.
31	Sources & Uses Surplus / Deficit - ODP	This section calculates the variance between the sources and uses summations.
32	Surplus / Deficit	The difference, if any, between the sources and uses summations.

GFOQ		
<i>Please insert the Project Company's name in the worksheet header.</i>		
1	GFOQ Reporting	Privatized General and Flag Officer Quarters reporting tab.
2	State / Country	State / Country where the GFOQ units are located.
	Installation	Name of the installation where the GFOQ units are located.
	Quarters ID	Unit identification number for the GFOQ units.
	Year Built	Year the GFOQ units were completed.
	Size NSF	Net square footage of the GFOQ units.
	Operation Cost	Operation cost for each GFOQ unit. Please exclude utility costs from the calculation. If that is not possible, place an (*) by the Quarters ID number, where utility costs are included as part of the operations cost.
	Maintenance Cost	Maintenance cost for each GFOQ unit, including any minor or unscheduled maintenance cost.
	Repair Cost	Capital repair and recovery cost for each GFOQ unit.
	Total OMR Cost	Total Operations, Maintenance and Repair costs.

Congressional Reporting		
<i>Please insert the Project Company's name in the worksheet header.</i>		
1	Utility Cost Reporting	An assessment of cost assessed to members of the armed forces for utilities compared to utility rates in the local area.
2	Installation	TO BE COMPLETED BY RCI PARTNER: Specify installation. For Projects with more than one installation, put additional installation utility information in extra lines provided in [11] Other.
3	Utility Rate Charged to Project (per applicable unit of measurement)	TO BE COMPLETED BY RCI PARTNER: Utility rate charged to Project per applicable unit of measurement.
4	Average Quarterly Utility Cost Per Project Occupied Unit	TO BE COMPLETED BY RCI PARTNER: Average cost for utility that is charged to Project per occupied unit for the quarter.
5	City and State of Local Municipality	TO BE COMPLETED BY ARMY ASSET MANAGER: Local municipality to be used for off-post utility comparison.
6	Comparable Utility Rate in Local Municipality (per applicable unit of measurement)	TO BE COMPLETED BY ARMY ASSET MANAGER: Utility rate charged in the comparable off-post local municipality per applicable unit of measurement.
7	Average Quarterly Utility Cost Per Project Occupied Unit Using Comparable Local Rates	TO BE COMPLETED BY ARMY ASSET MANAGER: Average cost for utility that would be charged to Project per occupied unit for the quarter using comparable off-post utility rate.
8	Water	Assessment of water utility cost charged to Project versus comparable off-post water utility cost.
9	Electric	Assessment of electric utility cost charged to Project versus comparable off-post electric utility cost.
10	Natural Gas	Assessment of natural gas utility cost charged to Project versus comparable off-post natural gas utility cost.
11	Others	If other utilities or additional installations apply, put this information in the additional lines provided.

Cumulative Change Order Log - IDP

This worksheet summarizes approved Change Orders executed during the Initial Development Period. Please insert the cumulative log of Change Orders approved in accordance with the Project's legal documents since contract inception for work performed during the IDP. If multiple contracts were executed during the IDP (ex. separate contracts for two phases of work or separate contracts for new construction and renovations), insert a cumulative Change Order log for each contract. Cumulative Change Order logs should be provided in Microsoft Excel format, if available.

Cumulative Change Order Log - ODP

This worksheet summarizes approved Change Orders executed in association with the latest approved, currently in-progress 5-year development period within the Out-Year Development Period. Please insert the cumulative log of Change Orders approved in accordance with the Project's legal documents since contract inception for work performed during the latest approved, currently in-progress 5-year development period. If multiple contracts were executed during the latest approved, currently in-progress 5-year development period (ex. separate contracts for two phases of work or separate contracts for new construction and renovations), insert a cumulative Change Order log for each contract. Cumulative Change Order logs should be provided in Microsoft Excel format, if available. Cumulative Change Order logs that cover each approved 5-year development period within the Out-Year Development Period should be provided.

Annual OSD MHPI Templates

As discussed in detail earlier in this section, the following MHPI Current Data Sheet and MHPI Long-Term Data Sheet templates comprise the required annual MHPI submission for each RCI Company. These templates are subject to change. The OSD website (<http://www.acq.osd.mil/housing/evalplan.htm>) should be consulted when assistance is needed, as it will contain the latest version of templates and instructions.

MHPI Current Data Sheet

Line	Element
1	LOCATION (CITY AND STATE)
1a	Existing Unit Inventory at End of Period
1b	Existing UH Bedroom Inventory at End of Period
2	RCI COMPANY OVERVIEW
2a	OMB-Approved Total # of Base Housing Units Before Privatization
2b	OMB-Approved Total # of Units Transferred
2c	OMB-Approved Total # of Units Replaced
2d	OMB-Approved Total # of Units Renovated
2e	OMB-Approved Total # of Units Transferred with No Initial Work Required
2f	OMB-Approved Total # of Deficit Reduction Units
2g	OMB-Approved Total # of Units Demolished or Sold Without Replacement
2h	OMB-Approved Total # of Units Privatized
3	Service-Approved Total # of Units Privatized
3a	OMB-Approved Total # of Inadequate Units Eliminated
3b	OSD-Approved Total # of Units Transferred
3c	OSD-Approved Total # of Units Replaced
3d	OSD-Approved Total # of Units Renovated
3e	OSD-Approved Total # of Units Transferred with No Initial Work Required
3f	OSD-Approved Total # of Deficit Reduction Units
3g	OSD-Approved Total # of Units Demolished or Sold Without Replacement
3h	OSD-Approved Total # of Units Privatized
3i	Service-Approved Total # of Units Transferred
3j	Service-Approved IDP Total # of Units Replaced
3k	Service-Approved IDP Total # of Units Renovated
3l	Service-Approved IDP Total # of Units Transferred with No Initial Work Required
3m	Service-Approved IDP Total # of Deficit Reduction Units
3n	Service-Approved IDP Total # of Units Demolished or Sold Without Replacement
3o	Service-Approved ODP Total # of Units Replaced
3p	Service-Approved ODP Total # of Units Renovated
3q	Service-Approved ODP Total # of Deficit Reduction Units
3r	Service-Approved ODP Total # of Units Demolished or Sold Without Replacement

Line	Element
4	OMB-Approved Total # of Base Housing Units At Completion of IDP Development
5	RCI Company Term (Yrs./Mos.)
6	Closing (MM/YYYY)
7	IDP Completed (MM/YYYY)
8	CONSTRUCTION
9	New construction completed (#)
10	New construction scheduled for completion (#)
11	Major renovation completed (#)
12	Major renovation scheduled for completion (#)
13	GOVERNMENT SERVICES
14	Fire (Yes/No)
15	Police (Yes/No)
16	Utilities - Gas (Yes/No/Not Applicable)
17	Utilities - Electric (Yes/No)
18	Utilities - Water (Yes/No)
19	Utilities - Waste Water (Yes/No)
20	OCCUPIED UNITS
21	Military Families (#)
22	Military Unaccompanied (#)
23	Military Retirees (#)
24	Civil Service (#)
25	Civilians (#)
26	MILITARY HOUSING DEMOGRAPHICS
27	Enlisted (E1-E6) Families / Unaccompanied (E1-E6)
28	Enlisted (E7-E9) Families / Unaccompanied (E7-E9)
29	Officer (O1-O10) (W1-W5) Families / Unaccompanied (O1-O10) (W1-W5)
30	Total Military Families / Unaccompanied Personnel
31	OCCUPANCY AND DSCR
32	Units available for occupancy (#)
33	Occupied units (#)
34	Current occupancy rate (%)
35	Debt Service Coverage Ratio (DSCR) on Private Debt (#)
36	Combined Debt Service Coverage Ratio (DSCR) on Private Debt Plus Government Debt (#)
37	DEAL STRUCTURE
38	Developer/General Partner (Name)
39	Government Cash Equity (\$M)
40	Private Sector Equity (\$M)
41	2875 Test Percentage (Cash Equity %)
42	2875 Test Percentage (Total %)

Line	Element
43	FINANCIAL PROFILE
43a	Total Budget Score (\$M) (Total)
43b	Direct Loan Score (\$M)
43c	Limited Guarantee Score (\$M)
43d	Investment Score (\$M)
43e	Differential Lease Payment (\$M)
43f	Balance of Remaining Differential Lease Payments (\$M)
43g	Date of Final Differential Lease Payment (MM/DD/YYYY)
44	PRIVATE SECTOR SENIOR (1ST MORTGAGE) DEBT
45	Lender Name
46	Loan amount (\$M)
47	Term (Yrs.)
48	Interest Rate (%)
49	Special Provisions
50	Guaranteed by Government (Yes/No)
50a	Date of Final Loan Payment of Government-Guaranteed Loan (MM/DD/YYYY)
51	Guaranteed Threshold Event Ratio
52	Eligible Military Families - Base (#)
52a	Date of Calculation of "Eligible Military Families-Base" for Loan Guarantee (MM/DD/YYYY)
53	Eligible Military Families - Current (#)
54	PRIVATE SECTOR JUNIOR (2ST MORTGAGE) DEBT
55	Lender Name
56	Loan Amount (\$M)
57	Term (Yrs.)
58	Interest Rate (%)
59	Special Provisions
60	GOVERNMENT DEBT
61	Direct Loan Amount (\$M)
62	Direct Loan Term (Yrs.)
62a	Date of Final Loan Payment of Government Direct Loan (MM/DD/YYYY)
63	Direct Loan Interest Rate (%)
64	Special Provisions
65	DATE OF LOAN EXECUTION
66	Senior Mortgage (MM/YYYY)
67	Junior Mortgage (MM/YYYY)
68	REMAINING PRINCIPAL BALANCE
69	Senior Mortgage (\$M)
70	Junior Mortgage (\$M)
71	Reinvestment Account (%)

Line	Element
72	Outstanding Litigation (Yes/No)
73	Short Term Outlook (Next 5 Years)
74	Long Term Outlook (6-25 Years from current reporting period)
75	RCI COMPANY NOTIFICATION/INCIDENCE REPORTS
76	Date of Default Notice (MM/YYYY)
77	Date of Change in RCI Company Ownership (MM/YYYY)
78	Date of Loan Modification (MM/YYYY)
79	TENANT SURVEY
80	Effective Date of Survey (MM/YYYY)
81	Number of Tenants Surveyed this Reporting Period (#)
82	Recommendation for Newly Constructed Units
83	Recommendation for Newly Renovated Units
84	Recommendation for Unrenovated Units

PER Long-Term Data Sheet (OSD version dated May 2014)

Capital Sources (\$ Millions)		
	IDP (\$ Millions)	Current/Approved (\$ Millions)
(85) Private Debt (\$M)	\$ 50.0	\$ 50.0
(86) Government Direct Loan (GDL) (\$M)	\$ 12.0	\$ 12.0
(87) Total Debt (Lines 85+86)	\$ 62.0	\$ 62.0
(88) Private Equity (\$M)	\$ 10.0	\$ 10.0
(89) Government Cash Equity (\$M)	\$ 80.0	\$ 80.0
(90) Total Equity (Lines 88+89)	\$ 90.0	\$ 90.0
(91) Other Development Funds (\$M) (Specify sources in Line 119)	\$ 100.0	\$ 101.0
(92) Total Sources (Lines 87+90+91)	\$ 252.0	\$ 253.0

Annual Operating Summary (\$ Millions)		
(93) Date of Financial Statement (MM/YYYY)	09/2016	
	From Budget	From Fin Stmt
(94) Effective Gross Income (\$M)	\$ 50.0	\$ 52.0
(95) Operating Expenses (\$M)	\$ 45.0	\$ 46.0
(96) Net Operating Income (Line 94 Minus Line 95)	\$ 5.0	\$ 6.0
(97) Cumulative Reinvestment Acct Balance (\$M)	\$ 5.0	\$ 5.0

Cumulative Next 5-Year Capital Plan			
(98) Reporting Period (MM/YYYY To MM/YYYY)	10/2016	to	09/2021
Capital Requirements (\$ Millions):	# of Units	\$ / Unit	Total (\$ Millions)

(99) Demolition (\$M)	50	\$	15,000	\$	0.8
(100) New Construction (\$M)	30	\$	80,000	\$	2.4
(101) Major Renovation (\$M)	15	\$	30,000	\$	0.5
			Total Requirement		Total (\$ Millions)
(102) Capital Repair & Replacement (\$)		\$	1,999,999	\$	2.0
(103) Ancillary Facilities (\$)		\$	2,000,000	\$	2.0
(104) Total Capital Requirement (Sum Lines 99:103)				\$	7.6
	Starting Balance (\$ Millions)		Deposits & Interest (\$ Millions)		5-yr Cumulative (\$ Millions)
Sources (\$ Millions):					
(105) Capital Repair & Replacement (\$M)	2.0		0.1	\$	2.1
(106) Reinvestment Account (\$M)	1.0		0.2	\$	1.2
(107) Additional Private Debt (\$M)	3.0		0.3	\$	3.3
(108) Other Sources (\$M) <i>(Specify sources in Line 119)</i>	2.0		0.2	\$	2.2
(109) Total Sources (Sum Lines 105:108)				\$	8.8
(110) Surplus / (Deficit) (Line 109 Minus Line 104)				\$	1.2

Year 6 (from current reporting period) Thru Lease Term Capital Plan (\$ Millions)		
	Yrs 6-25 (\$ Millions)	Remaining Lease Term (\$ Millions)
(111) Capital Requirements (\$M)	\$ 50.0	\$ 75.0
Sources:		
(112) Capital Repair & Replacement Acct (\$M)	\$ 10.0	\$ 15.0

(113) Reinvestment Account (\$M)	\$	12.0	\$	18.0	-
(114) Planned Debt / Equity (\$M)	\$	13.0	\$	19.0	-
(115) Other Sources (\$M) (<i>Specify sources in Line 119</i>)	\$	5.0	\$	10.0	-
(116) Total Sources (Sum Lines 112:115)	\$	40.0	\$	62.0	-
					-
(117) Surplus / (Deficit) (Line 116 Minus Line 111)	\$	(10.0)	\$	(13.0)	-

PERFORMANCE OUTLOOK AND BUSINESS STRATEGY

(118) Operating Performance:

(119) Capital Performance:

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(120) Other Actions:

RCI Company Reviews

Overview

RCI Company Reviews will be conducted to assist in resolving issues or, in the case of Development or Operations Reviews, on a periodic basis during the IDP and/or ODP. HQDA may direct an RCI Company Review to gain greater insight into a particular concern such as with a Development/Construction, Operations, Capital Repair and Replacement, Insurance, or an MSA rate review. As another example, HQDA may want to conduct a review of lockbox activity for a particular Company and may request a review for this reason. Alternatively, an RCI Company Review may be in response to AMC, IMCOM HQ, or a Garrison Commander or USAG Housing Manager's request for assistance regarding a specific issue or problem including: utility cost increases, MSA adjustments, or incentive performance management plan process challenges. HQDA shall evaluate the need and establish the scope, process, and schedule of RCI Company Reviews. HQDA will coordinate the review requirements with the USAG Housing Manager and R. Depending on the situation, this coordination could include soliciting participation by USACE, OGC, AAA, GAO, or other government entities as required. The USAG Housing Manager will ensure coordination with appropriate RCI Company personnel and Installation participants.

Key Points of an RCI Company Review

- Can be initiated by HQDA, AMC, IMCOM HQ, IMCOM ID, Garrison Commander or USAG Housing Manager
- Provides resolution or clarification on issues that may have a significant financial or operational impact on the RCI Portfolio or individual RCI Company
- Lessons Learned from the review will be applied to other RCI Companies

Review findings will be documented along with a list of recommendations for action by the RCI Company, HQDA, AMC, IMCOM HQ, IMCOM ID, Installation, or Army agencies. RCI Company Reviews could lead to a change in legal documents, operating procedures, or RCI Policy.

The specific topic of each RCI Company Review will vary, including different areas of focus depending on the issue at hand. Descriptions of typical reviews are presented below with specific areas of focus.

RCI Development Review

An RCI Development Review should be conducted at the following points of time during a Company's duration:

- For an RCI Company in its ODP, at least once every two years during periods of follow-on

development and construction involving disbursement of Development and/or Construction/Renovation Management fees and in the six-months prior to close-out of the each ODP.

The purpose of the Development Review will be to assess the effectiveness of:

- The development program at the installation level
- The development manager in representing the interests of the Army as an owner in the RCI Company
- The construction manager in minimizing cost overruns and completion delays while delivering quality construction
- The renovation manager in minimizing cost overruns and completion delays while delivering quality construction

The review will also involve a comparison of the approved pro forma with the actual construction and unit on-line schedules.

Development Review Tasks

- Conduct a general comparison of the following from the contract documents to actual delivery of housing, identifying where the final product varied to a material degree, the reasons for the variance, and the approval process for the variance:
 - Materials utilized
 - Home design
 - Number and type of homes or renovations planned
 - Amenities provided
- Compare the current delivery schedule to the contract documents and assess the effectiveness of the construction manager in managing the schedule and mitigating delays. Identify specific risks and recommend mitigation strategies. This will include a comparison of the Company's pro forma with the construction schedule and the actual results to date.
- Review actual costs per home completed and provide a forecast of costs to complete the scope. Those costs and forecasts will be compared to the original contract documents. Identify causes of deviations and strategies to mitigate or accommodate any identified increases.
- Compare the approved sources and uses to the updated sources and uses of the Company. Identify whether the RCI Company has the ability to complete the original scope, if not, to provide analysis/options for the RCI Company.
- Review processes and procedures used by the developer and general contractor in the following areas and identify successful processes to develop a "lessons learned" guide for other installations, including but not limited to:
 - Initial design process for construction
 - Staffing and coordination effort of both the developer and general contractor
 - Subcontracting and procurement processes used by the developer and general contractor
 - Interactions between the developer, contractor and Army Housing teams
 - Davis-Bacon compliance

- Review the performance metrics established in the construction management incentive plan and assess the effectiveness of those performance metrics in driving success.
- Prepare and deliver a brief written summary of key or exceptional aspects and findings of the Development Review to HQDA within 5 business days of completing the on-site visit.
- Prepare and deliver a draft final report to HQDA within 45 days following completion of the site visit. HQDA will review and approve the report and distribute copies to appropriate parties.

ODP Close-out Development Review

For Companies that are approaching the completion of the ODP, a specialized ODP Close-out Development Review will be conducted during the 180-day period prior to the planned or scheduled official completion of the ODP. For more information on this review see Section VI, RCI Company Planning, of this Handbook.

Capital Repair and Replacement Review

The focus after the close of the IDP for RCI Companies is normally on sustainment and maintenance of the homes and the community. In many cases the CRR reserve accounts are inadequate to fund all required CRR work; it is understood that reinvestment account proceeds will be required to fund a portion of the CRR work.

RCI Companies should have sufficient historical data to more accurately estimate ongoing capital needs of the project through the out-years. Unknown variables (i.e., amount of available funds, future BAH growth, new compliance requirements, Base Realignment and Closure impacts, fluctuating cost of materials and labor, etc.) will still exist. Development of a comprehensive sustainment plan that identifies all future capital needs of the RCI Company to include housing, infrastructure, amenities and ancillary facilities based on reasonable point-in-time assumptions is critical to ensure long-term project viability. In cases where the Army does not agree with RCI Company assumptions on CRR requirements or estimates that the current CRR plan is inadequate, a CRR review may be requested. This review will result in development of a comprehensive sustainment plan, to encompass both out-year development and CRR planning and the required funding to complete the plan. Costs and replacement times based on estimated useful lives will be tied to replacements with the out-year development scope. This review is used as a baseline from which the Army and the RCI Company can make decisions on minimum levels of CRR funding to meet future project requirements.

Portfolio and Asset Management Training

Training Overview

A well trained USAG Housing Management team is necessary to protect the Army's interests. A lack of asset management training can create a strategic risk for the Army's RCI program. Changes in personnel, policies, technology, and services, as well as the quest for continuous improvement in the RCI program impose a need to provide frequent targeted training.

The Army Housing Careerist Training Program is detailed in the Army Civilian Training, Education & Development System Plan (ACTEDS Plan) under Career Program 27 Housing Management. The purpose of the ACTEDS Plan for CP-27 is to ensuring formal training for Army individuals as they progress from the Housing Specialist and Associate level to the Senior Housing Program Manager Level. Additionally, the housing career field includes four main areas to include RCI. Detailed training requirements and knowledge, skills, and abilities for RCI specific requirements are provided in the ACTEDS Plan.

RCI-Provided PAM Training - Overview

The IMCOM HQ Housing Chief will establish a program for systematic training of Garrison and Senior Army Leadership, the Army Housing Team and the RCI Partner in RCI PAM directives, principles, practices, and procedures. Training will include real estate fundamentals and their applicability to the RCI Program as well as incorporate lessons learned. It is the responsibility of the RCI Housing Manager to coordinate with IMCOM HQ to discuss any specific topics which need to be addressed during PAM training.

Additionally, an annual training session may be requested by the RCI Housing Manager in coordination with an IMCOM HQ or HQDA Project Visit. This training may address issues specific to the project, as well as issues relevant across the portfolio, to include industry best practices or lessons learned. Additionally, PAM training will be included as a discussion topic at the following meetings:

- IMCOM Garrison Commander Conference
- Garrison Pre-Command Course
- Senior Commander Pre-Command Course
- DPW Conference
- Annual Housing Training

A specific set of key skills and core competencies for RCI Housing Managers is required. RCI Housing Managers are strongly encouraged to acquire additional formalized training in order to gain or enhance these required skills. Information on available continuing education/formalized training is provided at the end of this section and detailed in the ACTEDS Plan.

Initial RCI PAM Training

Initial PAM training will establish clear guidelines for the RCI Housing Manager and the Garrison Commander or his or her designee as the Army representative on the ground. It will clarify the authority level they have regarding spending and decisions that deviate from the approved plans before it is necessary to consult higher authority (See Section III RCI Major Decisions). A second focus area of the training is to detail the roles and responsibilities of the RCI Housing Management team. Understanding and clarifying the interactions between the RCI Company Representative (normally the Project Director), and Property Manager and the USAG Housing Manager will be reviewed at all PAM training and site visits.

Upon completion, the participants should have an understanding of the following:

- PAM Goals
- PAM Concepts and Processes
- Corporate Governance
- Roles and Responsibilities
- Resources available to assist with PAM activities
- The working relationship among the parties
- Keys for sustaining the partnership
- Next steps in PAM implementation (2884/5 Compliance, Out-Year Planning, etc.)

PAM Training will contain several sessions, each addressing a different topic as follows:

- Overview of Asset Management Concepts
- Overview of Real Estate and Financial Concepts including Corporate Governance
- Discussion of “keys for sustaining the partnership”
- Discussion and Presentation of Key PAM Deliverables

An important component of the training will be an Overview of Asset Management Concepts. The following concepts will be covered:

- Discussion of Basic Allowance for Housing (BAH) Survey Process and Housing Manager’s Role;
- Discussion of the RCI Housing Manager’s fiduciary duty to the Project and the Army;
- Discussion of Compliance Facilitation and Process Improvement;
- Presentation of Asset Level Oversight and ongoing Risk Management;
- Discussion of Document Management Requirements.

In order to successfully lead the implementation of PAM at the installation, the RCI Housing Manager will need to have a thorough understanding of real estate and financial concepts, especially as they relate to reporting requirements. The following topics will be covered in the Overview of Real Estate and Financial Concepts session.

-
- Real Estate Review
 - Portfolio Concepts and Analysis
 - Presentation of Key Asset Level Financial Metrics

In order to facilitate cooperation between all parties and to ensure that interests remain aligned throughout the life of the Project, it is important that all parties establish a strong working relationship. In order to facilitate this, a crucial part of the PAM training is a discussion between the RCI Housing Manager and his/her staff, senior installation leadership, and RCI Partner representatives. The following topics will be covered:

- Role of the USAG Housing Manager
 - Role of the RCI Housing Manager in the PAM Process
 - Difference between the roles of the RCI Housing Manager and the RCI Partner's senior representative (RCI Partner's Representative or Project Director)
 - Overview of decision making authority
 - Discuss residual staffing as it relates to PAM
 - Define the roles and responsibilities of garrison level Housing Management team

Another important goal of PAM training is to set the stage for implementation of other PAM deliverables. The following templates will be discussed with the relevant parties:

- RCI Company Quarterly Report template (including OSD MHPI Report to Congress)
- RCI Company Monthly Dashboard template

Outline for PAM Training

The outline for PAM training is presented below:

- Review of Program Objectives
 - Discuss opportunities and challenges to realization of program goal
 - Review of lessons learned
- Asset Management Concepts
 - Overview of OSD MHPI Report to Congress
 - Review of Basic Allowance for Housing (BAH) Survey Results
 - Review of RCI Company Compliance Visits
 - Discussion of Compliance Checklists Facilitation and Process Improvement
 - Presentation of Insurance Review Findings and other Risk Management Issues
 - Review of Incentive Performance Management Plan Status
 - Review of USACE Ground Lease Services
 - Review Document Management functions
- Finance
 - Review of Accounting and Financial Reporting Results
- Development
 - Discussion of Management of Third Party Construction Consultant Contract and Issues Associated with Quality Assurance program
 - Discussion of Participation in Inspection Process
 - Comparison of development metrics with national indices and other projects
- Property Operations and Maintenance

- Plan for Annual Program Tenant Satisfaction Surveys
- Discussion of Asset Level Surveying Techniques
- Comparison of operations metrics with national indices and other projects
- Review of “Keys for Sustaining the Partnership”

Additional Professional Development

Specialized asset management training will continue to be a focus for the PAM program. However, as reiterated throughout, there is also a requirement for each Housing Management team to supplement the PAM training with additional training opportunities. Again, housing personnel should review the ACTEDS Plan in developing the training and development required for their career. Although not all-inclusive, below is a listing of available development training opportunities.

Military Housing and Lodging Institute

<http://www.MHLI.org/>

MHLI offers foundation level and advanced courses in all areas of military housing management and privatized housing operations and a series of pre-privatization training sessions targeted to specific military installations. MHLI also provides a certification program, the Certified Defense Privatization Manager, in partnership with the Institute of Real Estate Management (IREM) (www.irem.org) and the National Apartment Association (NAA) www.naahq.org.

National Association of Housing and Redevelopment Officials (NAHRO)

<http://www.nahro.org>

NAHRO provides seminars, certifications and technical assistance programs which are recognized industry-wide.

National Development Council (NDC)

<http://www.nationaldevelopmentcouncil.org>

NDC’s certification programs “Economic Development Finance Professional” and “Housing Development Finance Professional” have earned the endorsement of the International Economic Development Council as the accepted credentials for development finance professionals.

National Apartment Association Education Institute (NAAEI)

<http://www.naahq.org>

The National Apartment Association Education Institute (NAAEI) is the education and research arm of the National Apartment Association. NAA's professional designations include the Certified Apartment Manager (CAM), Certified Apartment Maintenance Technician, Certified Apartment Property Supervisor (CAPS) and Certified Apartment Supplier (CAS).

Institute of Real Estate Management (IREM)

<http://www.irem.org>

Offered in classroom, online and home study formats, IREM's real estate management programs provide accreditation as a Certified Property Manager (CPM) or Accredited Residential Manager (ARM).

Urban Land Institute

<http://www.uli.org>

ULI provides conferences and workshops for real estate professionals worldwide. Workshops for USAG Housing Managers include "Basic Real Estate Finance" and "Pro-forma modeling using excel".

Core-Net

http://www2.corenetglobal.org/learning/edp_seminar_series/

Core-Net provides an executive development program that includes a technical series and a Master of Corporate Real Estate (MCR) Professional development series. The technical series has a course titled "Facilities Management" and the MCR series has two relevant courses "Performance Portfolio Management" and "Corporate Real Estate Finance".

Local colleges and universities

Real estate, finance and accounting classes

Document Management

Overview

Document management provides a structured, readily accessible tool to enable HQDA, AMC HQ, IMCOM HQ, IMCOM IDs, SC, GC, USAG Housing Managers, Installation agencies, USACE, and other stakeholders to easily store and retrieve RCI Company documents. Document management also enables the Army to meet its regulatory requirements in the areas of maintaining official records and supporting the Freedom of Information Act (FOIA) requirements.

DCS G-9, ISH, with the support of USACE (Norfolk District) manages the entirety of RCI program documents, establishing document retention policy and procedures in accordance with AR 25-400-2 and maintaining a document repository. The repository for all RCI files is in the enterprise Military Housing (eMH) Privatization Portfolio Management (PPM) module.

Document Management Process for RCI and PAL Agreements

Implementation of RCI and PAL projects on Army installations generates documents in a variety of formats and delivery methods. USACE and the USAG Housing Manager assist the HQDA eMH Program Managers as needed in complying with all document retention requirements. All hard copy “final” documents received by either the HQDA PM, USACE, IMCOM, or USAG Housing Team must be scanned or converted immediately to Adobe Portable Document Files (PDFs) for electronic document retention.

The filing of all documents into specific folders will be completed by the HQDA eMH PPM Managers. If HQDA, USACE, or the USAG Housing Team have documents which must be maintained, they will upload the documents into the PPM Army Working Folder “IN BOX.” The HQDA eMH PPM Managers will ensure all documents have the correct naming structure and file them in their proper location for future use.

Corporate Records Related to RCI

Corporate records for each RCI transaction are generally governed by the provisions of state law and/or income tax codes as they apply to the RCI Company, and are generally the responsibility of the RCI Company Representative.

Army RCI Records

USACE, as the designated Real Estate advisor to the Secretary of the Army, is required to maintain official records of signed agreements, and may be required to produce the original signed documents to meet standards of evidence in courts of law.

Key documents that must be retained in original form (including any subsequent amendments in original form) include but are not limited to the following:

- Deed of Conveyance of Housing Units

- Ground Lease
- Ancillary/Support Leases
- Municipal Services Agreement
- Final Surveys
- Contingent Purchase Option Agreement
- Operating Agreement
- Lockbox Agreement
- Development Agreement
- Construction/Renovation Agreement
- Construction Consultant Agreement
- Asset Management Agreement
- Property Management Agreement
- Local Memorandums of Agreement
- Documentation of decisions made by local authorities
- Delegations of Authority
- National Environmental Policy Act (NEPA) documentation
- Environmental Baseline Survey
- Findings of Suitability
- Community Development and Management Plans
- Modified Scope Plans
- Major Decisions
- Official Reports of RCI entities

Garrison RCI personnel have a need to retain RCI documents to enable and facilitate daily administration of the RCI agreements. Specifically, each USAG Housing Manager shall maintain the CDMP, Municipal Services Agreement, final surveys, Ground Lease, RCI Company formation documents, and such other documents and records as are needed for frequent reference. The RCI office should also maintain, or have access to, records related to utility and services billing from the garrison to the RCI entity. The Army's USAG Housing Manager is not required to obtain or retain any occupant records.

Document Repository

Locating the Army RCI records at a central document repository is the most efficient way to organize records over the long-term. HQ USACE Real Estate Project Delivery Team at Norfolk District provides the paper document repository and is responsible for complying with regulations concerning RCI Company formation documents, contract documents, real estate cadastral (survey) records, and retention of official records. USACE, in managing the paper document repository, ensures that confidential documents and information are appropriately safeguarded. DCS, G-9, through eMH, provides the electronic document repository and is responsible for ensuring all RCI Company documents are uploaded into the system.

Many of the agreements executed during the RCI Company Closing will contain notice requirements that pertain to administration of the agreements. The Army's central document repository serves as an efficient central location for those notices to be filed and retained by the Army for reference, processing of FOIAs, and as evidence of observance of the agreements.

USACE shall provide copies of documents in the paper repository to CVD, DCS G-9, and OGC as needed.

Upon the closing of an RCI transaction, one original signed copy of each agreement including attachments and exhibits shall be provided for the document repository at the following address:

US ARMY CORPS OF ENGINEERS
Fort Norfolk, 803 Front Street
Norfolk, VA 23510-1096
Attn: CENAO-RE-R

Upon modification of any of the agreements of an RCI or PAL transaction, one complete original signed copy of each modified agreement shall be provided to the document repository at the above address. It is important that all attachments, enclosures, addendums, maps, sketches and appendices be provided so that the document repository is complete. One signed original copy of each notice required by any of the RCI agreements shall be provided to the above address and retained in accordance with regulations. Any documents received by USACE will be forwarded electronically to the DCS, G-9 Housing Office for retention in eMH.

Release of records under the Freedom of Information Act (FOIA) is a governmental function that is carried out as articulated by Attachment 1, DASA (E&P) letter of 2 Jul 02. DoD Directive 5400.7-R of 27 Sep 97 and Army Regulation 25-55 of 1 Nov 97 are the implementing regulations. Exemption 4 of FOIA applies to confidential material contained in the Army's document repository. Though responsibility for any decision to keep material confidential for business reasons rests with the Army, the process for making that determination requires specific input from the originator of the material. AR 25-55 contains specific requirements for labeling of records transmittals. The requirement to make redacted versions of some documents available pursuant to the "Electronic Freedom of Information Act Amendment of 1996 (P.L. 104-231) applies to RCI records.

Electronic Document Warehouse

Electronic documents provide a means of assuring quick, reliable access to RCI documents while preserving the integrity of the original signed papers and the confidentiality of material that is not publicly released. Accordingly, USACE shall collect and make available to the DCS, G-9 Housing Office the electronic version of RCI documents contained in the paper document repository.

- CVD and DCS G-9 personnel shall have full web-based access to all documents
- Installation SJAs shall have full web-based access to all policy documents and to the RCI documents associated with their respective installations. On an as-needed basis, the DCS G-9 Program Manager may provide limited access to any specific set of records in the repository for a set period of time to other Army personnel.
- RCI Company personnel may have access to records of the agreements and notices, and all publicly available documents related to their respective RCI Companies only, by requesting such documents from their SJA or eMH PPM Manager.
 - Access requests shall be provided electronically by email to bernice.m.ivory.civ@mail.mil or patricia.a.baker.civ@mail.mil. If there is any question concerning the merit of the access request, the question should be forwarded to Office of General Counsel and CVD simultaneously and resolved at that level.

Documents that are redacted for the purpose of release pursuant to FOIA will also be maintained as separate versions in the electronic document warehouse. These redacted versions will not contain information that is confidential under the legal definition.

Other Portfolio and Asset Management Tools

Overview

There are several additional tools available to HQDA, AMC, IMCOM HQ, IMCOM IDs, the Garrison Commander and the USAG Housing Manager to support administration of the RCI program and ensure the financial and operational success of each RCI Company. These tools may be needed to address issues surfaced by legal compliance review, accounting and financial reports, RCI Company Reviews or Compliance Visits; or to focus special expertise on critical project issues including the lockbox review, which is discussed below. The HQDA RCI Resident Survey, another PAM tool, is discussed in detail in the final part of this appendix.

Examples of additional Portfolio and Asset Management support include assessment of environmental issues, sale or assignment of developer interests and administration of incentive award programs. This support will be provided on an as-needed basis and the tools/reports will be tailored to each specific request. It is important for the Army Housing Manager to recognize particular issues as they arise and request the support of HQDA, AMC, or IMCOM HQ as required.

Key Points of Other Portfolio Management Tools:

- Supports the Program Managers and Army Housing Managers in administration of PAM
- Provided through worksheets, reports, and analysis tailored to each specific situation
- Identifies ways to optimize or enhance project or portfolio performance
- Many be incorporated into updates of the PAM Handbook to support continuous improvement of the PAM process

Portfolio, Asset and Project Level Tools

Examples of additional tools available at the portfolio, asset and project levels follow. The lists are not all-inclusive, and additional tools may be implemented, as each situation requires.

Portfolio Level

- Support HQDA as requested including but not limited to:
 - Transaction / Financial restructuring
 - Sale or assignment of developer interest
 - Major Decisions under the Operating Agreement
 - Modification of the Ground Lease

Asset Level

- Resident related activities:
 - Reassess adequacy and relevance of the standard resident survey Review
 - periodic utility allowance adjustments
- Support IMCOM HQ or Army Housing Manager as requested including but not limited to:
 - Environmental issues
 - Utilities privatization
 - Housing and BAH Market Analysis
 - Compliance items (Legal, Davis-Bacon, Congressional)
 - Construction Change Order requests
 - CDMP execution issues Administration of the Ground Lease
 - Finance, accounting and reporting procedures

Project / Asset Level

- Daily Operations requirements:
 - Occupancy/utilization reports
- Resident related activities:
 - Review resident surveys
 - Approve periodic utility allowance adjustments Review
 - referral and wait lists
 - Review maintenance service calls and response and completion time reports Review
 - resident complaints
 - Provide housing counseling and respond to customer inquiries Delinquency report for rent or utilities
- Project and Development Management: Overview of current stage of the RCI Company
 - Summary of adherence to RCI Construction Standards Review
 - and evaluation of third party inspection process
 - Review and summary of third party inspection results with respect to codes, specifications and standards of construction
 - Summary of designs as compared to approved proposal documents Review
 - and recommendation on Change Order requests
 - Changes to the renovation and new construction delivery schedule
 - Recommendations on construction/other issues highlighted during review
- Administer Incentive Award Program for service providers
- Participate in and/or monitor annual Basic Allowance for Housing Surveys
- Initiate/oversee periodic Housing Market Analyses

The tools referenced in the following sections allow for advanced monitoring of cash flow and resident satisfaction and should be used on an ongoing basis. When used regularly, the tools help readily identify correctable items, resulting in improved RCI Company performance.

Lockbox Reviews

The Lockbox Review is an additional PAM tool which provides the Army the opportunity to monitor all cash flows into and out of the project. Currently, every project has an agent (often called Lockbox Trustee, Lockbox Agent, Servicing Agent, or Servicer) who is engaged by the RCI Company on behalf of the operating entity and the lender to service the loan on a monthly basis, monitor all project cash flows and fund the appropriate operating, escrow and reserve accounts. This servicing agent will disburse funds according to the Lockbox Agreement. There have been instances across the portfolio, however, in which the servicing agent diverged from the original intent of the legal documents, affecting the funding of certain accounts in conflict with the agreed specified order of priority of payments (cash flow waterfall). The Lockbox Review ensures the fidelity of all the lockbox accounts and associated cash transactions, providing an important layer of Government oversight to a very complex, yet crucial, aspect of the privatization project.

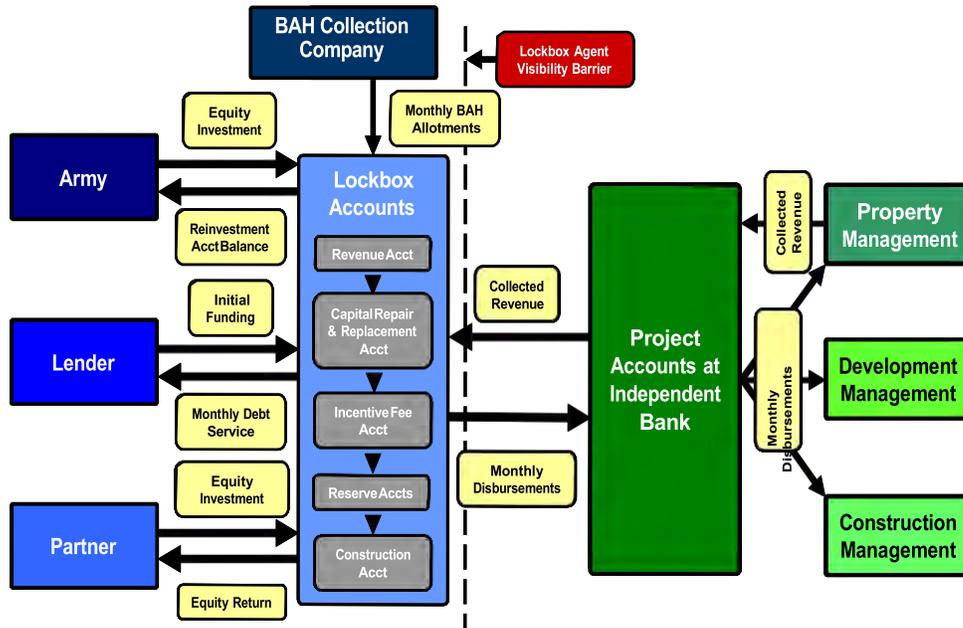
Overview - Flow of Funds

Each RCI Company's lockbox accounts are held at a financial institution agreed to by the Lender, RCI Company Representative, and Army and is comprised of a series of sub-accounts from which funds are used for numerous designated purposes. The Lockbox Agreement clearly details the number and purpose of each sub-account, the mechanisms for how funds are deposited into and withdrawn from each, and a sub-account's required or minimum balance, if any. Except for the revenue, capitalized interest, and debt service sub-accounts, all sub-accounts require that a formal Disbursement Request be filed with the Lockbox Agent in order for funds to be disbursed. After the initial wiring of borrowed funds from the lender pursuant to the financial closing, the Lockbox Agent distributes all received funds to the designated sub-accounts. Subsequently, additional funding for each sub-account comes from the cash flow waterfall and/or interest earned on the account's balance.

The following Flow of Funds diagram, **Figure F-1**, outlines the overall funding and disbursement framework of a typical Lockbox Agreement and the relationships of all parties to the Lockbox Agent.

Figure F - 1: Flow of Funds

FLOW OF FUNDS

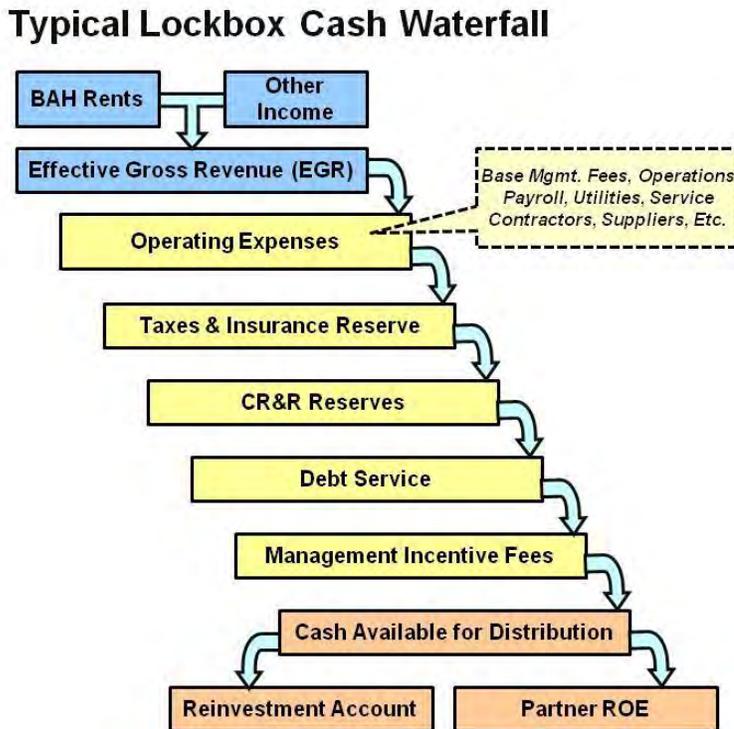


The cash flow waterfall is composed of a prioritized subset of sub-accounts that are eligible for funding on a monthly basis from the revenue generated by project operations and sometimes interest income. Figure F-2 below shows a cash flow waterfall specified in a typical Lockbox Agreement.

The Revenue Sub-account, represented by the blue boxes in the diagram, is the apex of the waterfall. This account is funded by the Basic Allowance for Housing (BAH) disbursements, in the form of rents received from DFAS, any other revenue collected by the project during the month, such as for damages the project has temporarily deposited at another “eligible” financial institution, and interest income earned on designated sub-accounts that is swept into the Revenue Account.

The priority order of funding sub-accounts or making expense disbursement from the Revenue Sub-account prior (also called “senior”) to the payment of debt service is specified in the Lockbox Agreement. The Lockbox Agreements typically only allow disbursements for operating expenses, taxes, insurance, and a Capital Repair and Replacement Reserve deposit, in that order, to come before the payment of debt service. Funds in these areas are used to operate the project’s revenue generating activities and maintain the condition of the real property and improvements, thereby contributing to the project’s ability to meet its loan obligations.

Figure F-2: Cash Waterfall



The monthly disbursement for operating expenses varies by project and comes in the form of either the budgeted amount for a specific month or one-twelfth (1/12) of the overall annual budget for operating expenses, excluding taxes and insurance in both cases. The budgetary allotment for operating expense funds are then transferred to project controlled accounts at other financial institutions. The financial institutions selected by the RCI Companies to house their separate accounts must meet certain criteria set forth in the servicing and lockbox agreement to be deemed an Eligible Institution. Once funds have been transferred to the Eligible Institution, the Lockbox Agent has no accountability for how funds are spent by the Partnership.

Based on past experiences, the portfolio level has designed the following measures to minimize risk to the Army's interests - interests that are not parallel to the interests of the lender. These are designed to fill any existing oversight gaps of the Army's interests by monitoring RCI Company aspects that are not within the lockbox agent's realm of responsibilities and to establish oversight mechanisms to quickly address and correct any funding not in compliance with the legal agreements.

Annual Budget Reviews

Budget Review

Under an RCI Company's legal documents, when certain DCR triggers are hit, the Lockbox Agent is entitled to complete a review of the annual operating budget submitted by the RCI Company. Because the Lockbox Agent does not receive the annual budget until after it has

been approved by the Army through the Major Decision process, such budgetary challenges do not typically occur -- barring a significant omission or aberration from past operational performance or pro forma. The annual budget is generally viewed by the Lockbox Agent as the RCI Company's agreed upon intention for how the project will operate and how funds will be disbursed for the target time period of the budget. This installationure places increased importance on the budget reviews conducted at the project and portfolio level by the Army since it is at these stages that the overwhelming majority of budgetary changes will occur. The Lockbox Agent relies on the Army to perform an in-depth review of the budget, challenging and refining it at a granular level to ensure revenue generation estimates are realistic and expenditures are appropriately allocated.

A thorough review by the Army of the operating expenses included in each annual budget is paramount due to their importance in the execution of the cash flow waterfall and the determination of the debt coverage ratio (DCR). In the typical project, each month the Lockbox Agent disburses only a budgeted amount to fund operating expenses into accounts controlled by the project. If the budgeted amount is too low, the project may have to tap into the reserve accounts to fund operations, thereby affecting funds for development, or decrease services, thereby reducing resident satisfaction or failing to adequately sustain the inventory. If budgeted amounts are too high, excess funds will go unused and will reside in project-controlled accounts and the lockbox agent will have no accountability for how the funds are used. This will also affect the funds available for development as funds that would have flowed into the Construction Account or Construction Escrow Sub-account instead are disbursed to the project. Additionally, the budgeted amount of operating expenses is used to determine NOI for purposes of calculating the project's monthly DCR. The DCR is the primary barometer used by the lender to determine the RCI Company's ability to meet its loan obligations, both during the IDP and ODP.

During this budget oversight process by the Army, it is paramount that the USAG Housing Manager obtain a concurrent review of the proposed budget by the HQDA PM; closely working together on the budget review ensures comments generated at the portfolio level are reflected in the finalization of the RCI Company budget and expedites the approval process by offering feedback to the RCI Company Representative earlier and addressing issues in a manner less constrained by approval schedules. This Army teaming enables the financial acumen of the portfolio level and the on-the-ground knowledge of the Project teams to combine synergistically to stay on top of the financial actions of the partnership.

As the two teams work together, the portfolio level team will continue to incorporate lessons learned from across the portfolio and raise issues identified as commonalities both across the RCI portfolio and across each RCI Company's respective portfolio.

Quarterly Reviews

Lockbox Administration Tool

Since functioning of the waterfall directly contributes to the amount of funding for development and learning errors do occur during the first few months following project transfer, the RCI asset and portfolio level teams should conduct quarterly reviews of cash flow waterfall administration. The first component of the review is the construction of a Lockbox Administration Tool (LAT) that will be used to track all of the account balances throughout the history of the project. The LAT demonstrates how project revenues flow through the lock box accounts. The LAT provides a means for reviewing each account and tracing its balance through its monthly deposits, fees paid, interest earned, and disbursements. The LAT determines if these accounts have been funded and swept in a manner consistent with the Lock Box Agreement. If a

target balance or target disbursement for an account is stipulated in the Lock Box Agreement, then these figures will be benchmarked against the actual deposits/disbursements in order to determine if the account is experiencing an overage or a shortfall. The LAT incorporates information from the servicing agent's lockbox reports, the Lockbox Agreement, the Development Management Agreement, the capitalization interest schedule, and the annual budget.

Based upon the results produced by the LAT, a brief quarterly report (Ref: Lockbox Activities Report below) is compiled by the HQDA PM and disseminated to IMCOM HQ, the Army Housing Management teams describing the current conditions of the different accounts within the waterfall. This one to two page document will include a brief table summarizing the account balances, a summary of key issues, current action being taken, and the status of prior actions. This report functions as an analysis of the LAT and a tool to correct any discrepancies in waterfall funding procedures.

In addition to monthly lockbox statements, the project and portfolio level Army teams must receive copies of the account statements for the RCI Company-controlled accounts on a quarterly basis. These statements should then be reconciled by the HQDA PM against the lockbox and PAM quarterly reports received. In each RCI Company quarterly report template, there is a lockbox tab that details the current state of the accounts. This tab should be reconciled by the USAG Housing team on a quarterly basis by using the aforementioned statements.

Monthly Reviews

Army Housing Managers, through their financial review by IMCOM Hubs are responsible for receiving and reviewing the lockbox agent's monthly cash flow waterfall statement. As part of this review, the Army must verify all activity within the accounts, monitoring all withdrawals and disbursements. The Army team should also be vigilant of the order of funding into the accounts, using the Lockbox Agreement to ensure that the Lockbox Agent is abiding by the rules outlined in the document.

On the following pages is an example of the Lockbox Activities Report (described above) used to review the lockbox accounts and procedures.

Project #1 LOCKBOX ACTIVITIES REPORT

(April 2014 – June 2014)

Summary

- Operating Disbursement Account over-payment reimbursement to fund \$100,000 to Utilities Account shortfall remains outstanding.
- RCI Company cash flow was insufficient to fund management fees, performance incentive account deposits, and the cash flow split.
- The RCI Company Owner is due \$150,000 in management and incentive fees

Account Summary Table June 30, 2014

Account Name	Actual Balance	Target Balance	Variance
Account #1	\$300,000	\$600,000	(\$300,000)
Account #2	\$900,000	\$900,000	\$0
Account #3	\$3,000,000	\$3,000,000	\$0
Account #4	\$400,000	\$500,000	(\$100,000)

Summary of Key Items

1. Summarizes the key items in regards to the administration of the Lockbox.

Status of Prior Outstanding Action Items

OPR	Date Assigned	Required Action	Status
Army	3/31/14	Analyze the impact of over drawing from the Cap I account to fund Debt Service	The Army completed an analysis of the impacts of over drawing from the Cap I account to fund Debt Service and found this course of action to be detrimental to the Project in the long term. Item complete.
Lockbox Agent	3/31/14	Fund the shortfall in the utility reserve account following reimbursement of utilities over-payments to RCI Company	Awaiting the reimbursement of funds by the servicing agent.

Lockbox Agent	3/31/14	Fund the \$7,000 shortfall to the Reinvestment Account	Item Complete
Lockbox Agent	3/31/14	Fund the \$100,000 shortfall in the Operating Reserve Account	Awaiting sufficient cash flows

New Action Items

OPR	Required Action	Status
N/A	No Required Actions	N/A

HQDA RCI Resident Survey

Providing adequate housing for Soldiers and their Families is the primary focus of the RCI Program. The HQDA RCI Resident Survey, conducted by the Army is a key factor in the ability to assess residents' overall satisfaction with their living conditions. The survey is thorough, encompassing the actual perceptions, goals and visions of the residents living at the installations.

Survey questions are focused on variables affecting the decision to live on-installation as well as levels of satisfaction with attributes of the housing unit, safety and security, and responsiveness of the property manager and RCI asset management office. Perceptions can vary considerably among installations and among neighborhoods at each installation.

Also, the survey results provide metrics for the MHPI Report to Congress, for the incentive fee assessment process, and provide property management information to help improve overall resident satisfaction.

Survey Structure

An annual review of the survey is conducted to ensure questions and metrics continue to reflect the needs and perceptions of residents.

The survey contains a mix of categorical questions (demographic / profile questions) and perception questions. The response options for perception questions are keyed to a 5-point scale wherein "1" represents very dissatisfied or no agreement and "5" represents very satisfied or extreme agreement.

The perception questions are grouped into several statistical factors for analysis and reporting purposes. Factors are groupings of several questions that, in concert, capture the notion of "satisfaction" for a particular topic, such as "Move-In." A more robust measure of the topic can be derived by asking questions that relate to the most significant aspects of experience. In other words, a statistical factor provides a better representation of perceptions of residents for any topic than any single question or group of questions can provide. The factors include: Housing assignment, move-in, policies, housing community, routine service requests, emergency / urgent service requests, staff and office hours, communications, housing services, heating and air, unit

attributes, safety and security, military housing privatization, overall satisfaction with services, overall satisfaction with property, overall satisfaction with housing experience.

Administration

Data collection typically begins in the second quarter of each year and runs for about 90 days. Surveys are conducted using an on-line Web-Enabled Survey System.

Survey Forms

RCI Companies submit a list of survey participants and their email addresses to the survey provider. Since it hinges on using locally-provided resident e-mail addresses to initiate the request for survey completion, additional coordination by the USAG Housing Manager is required to implement this process.

Packets of information are emailed from the survey provider to each participant. These packets include a letter from the Garrison Commander, survey instructions, and the survey form.

Results Analysis

Individual installation analysis including full benchmarked results is available within 45-days of the close of the survey.

Analysis Highlights

Management Sections – To provide information that will be more useful to property managers, results are reported in three major sections: Services, Property and Housing Experience. Services focus on aspects of the residents' experience that is under the control of management; Property focuses on the physical attributes and conditions of the housing unit and community; and Housing Experience is the overall experience which incorporates both Services and Property. This breakdown is reflected throughout the online and written analysis.

Comparisons – Participating installations are provided with comparative analysis to benchmark their results. Those analyses include both internal and external comparisons:

- Communities / Neighborhoods. Each installation has communities/neighborhoods for internal comparisons;
- All Projects. A comparison is provided against all installations participating in this study;
- Longitudinal. For installations that participate more than one year, a longitudinal trend is automatically created comparing one year to the previous year.

Analysis Delivery Methods

Online Analysis – The advantages are:

- Quick Access. For installations using online surveying, limited individual online results are available immediately. Full benchmark analysis is available after the full survey program has been completed at all participating installations.
- Providing Access to Others. On-line access allows a survey administrator to provide full or limited access to the online results to other people including key Army stakeholders, upper administration, junior housing management staff, etc.

- Executive Summary. A visual, high-level, interactive Executive Summary is provided
- Supports Executive Summaries. Each of the online reports can be copied into PowerPoint, Word, or can be exported to a PDF format to support the creation of Executive Summaries.

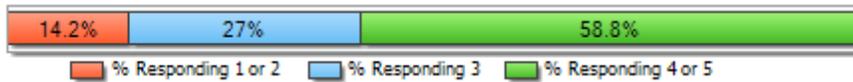
Written Analysis – An Executive Summary (RCI Company and portfolio level) is provided as well as in-depth analysis. All information is provided online.

Types of Analysis Provided

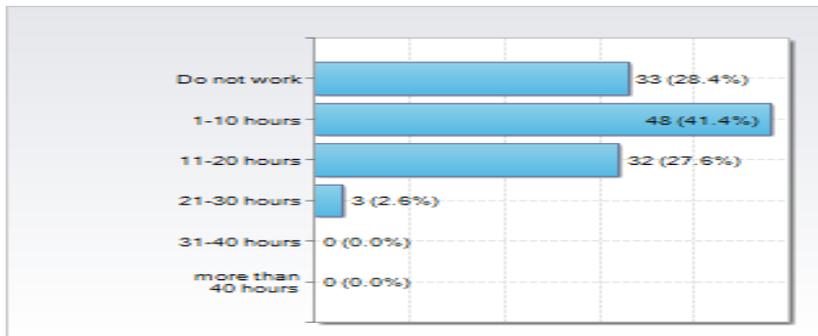
Online analysis charts and tables can be easily copied and pasted into Power Point presentations, Word documents, or other presentation software. The following are the highlights of the types of analysis offered online.

Frequency Distributions – Percentages of residents who are satisfied or dissatisfied:

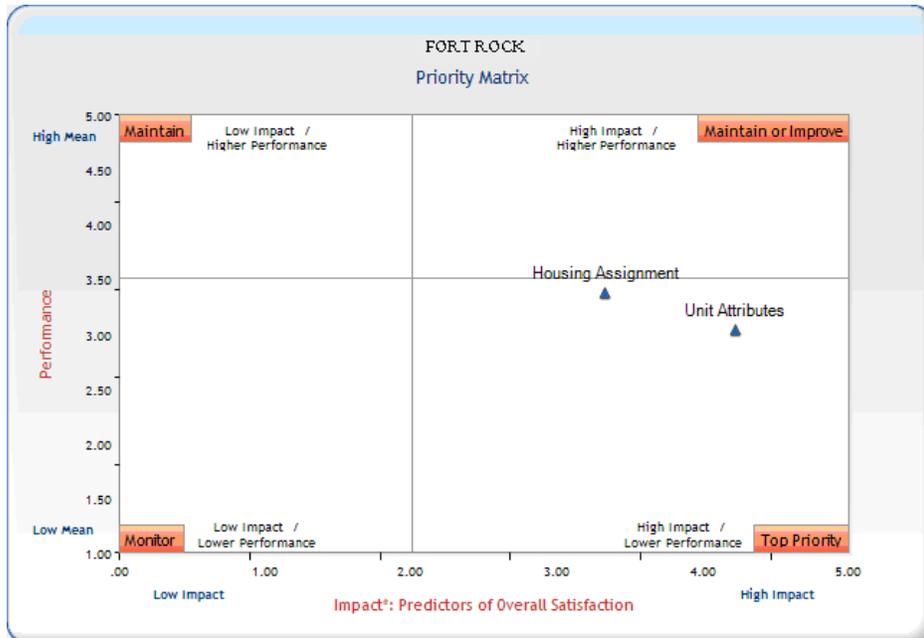
Housing Assignment - To what degree did the property management staff responsible for processing your housing assignment: Show a sincere interest in helping you



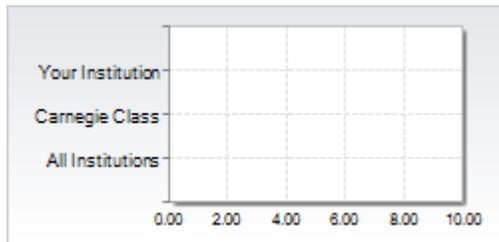
Longitudinal Analysis – A trend, over time, to determine the effectiveness of actions:



Priority Matrix – Each year a statistical test is run on each installation’s data to determine which factors impact Overall Satisfaction with Services, Overall Satisfaction with Property and Overall Satisfaction for that installation. The factors that have high impact are those areas that, if improved, will likely improve Overall Satisfaction with Services, Overall Satisfaction with Property, or Overall Satisfaction, respectively. Those results create the Priority Matrix. There are written and charted versions of the Priority Matrix. Below is an example of the Priority Matrix chart:



External Comparisons – Comparisons to peer Projects that transferred the same time other Projects transferred (RCI Status), and all participating Projects:



Community Comparisons – Comparison within the installation by community/neighborhood to determine high performing communities and lower performing communities:

Factor 1 . Housing Assignment	Mean	Std Dev	N	% Responding
Population: Fort Drum	3.37	1.04	368	85.6 %
The "Difference" below refers to the difference in means between 'U1. Community/Neighborhood Code' and 'Fort Drum.'				
Sort by: Difference <input type="checkbox"/> in desc order				
Monument Ridge N = 105 Std Dev = 1.04	Mean = 3.18			Difference = -0.19
Crescent Woods N = 43 Std Dev = 1.06	Mean = 3.35			Difference = -0.02
Adirondack Creek N = 94 Std Dev = 0.97	Mean = 3.48			Difference = 0.11
Rhicard Hills N = 92 Std Dev = 1.06	Mean = 3.58			Difference = 0.21

Assessment Management Tool

Once an RCI Company understands which areas to work on, the system allows upper management to go in and enter plans associated with specific areas. The survey system will allow an action plan to be formulated from the survey results and then tracked over time to determine if the action taken was effective. New actions can be established based on this evaluation.

Use of the Data

It is essential that the results of the Resident Survey are shared with management personnel on-site as well as the Garrison Commander and RCI Company Representative. It is also critical to share some results with residents, so that they understand their responses were reviewed. As a diagnostic tool, the survey allows attention to be allocated to those areas that are in need of improvement as well as serving the following functions:

- Providing in depth analytical capability for local managers to help identify specific resident items needing attention;
- Providing accurate, impartial information that can be used in the determination of incentive fees awarded at the project;
- Determining where budget cuts can be made when necessary by evaluating areas that residents see as essential and nonessential to their satisfaction;
- Benchmarking satisfaction and improvements from year to year;
- Determining where capital improvements should be made when necessary;
- Providing metrics for portfolio reporting such as the MHPI Report to Congress;
- Motivating staff by using benchmarking data to demonstrate that improvement is possible.

Summary of RCI Policies

Copies of all current policies are maintained in the eMH document repository.

6 September 2019 – Delegation of Authority to Approve RCI Project Incentive Performance Management Plans and Award Incentive Fees

- Delegates authority to approve and award incentive fees to Commander, Army Materiel Command.

13 May 2019 – Development, Construction and Renovation Standards for RCI Family housing Program – Update #5. Clarification of Minimum Fire Standards

- Clarifies fire protection standards required by the Construction/Renovations and Condition Standards for RCI Family Housing Program Policy – Update #5.
- Automatic sprinkler systems (see UFC 3.600-1) are required in all new RCI family housing and renovations exceeding 50 percent of the replacement cost.

23 Oct 2018 – RCI Construction/Renovation Standards Update #5

- Replaces the referenced construction standards with new standards that apply to all homes on RCI installations.
- This memorandum replaces previous policy dated July 19, 2011: Construction/Renovation and Condition Standards for Residential Communities Initiative (RCI) Family Housing Program – Update #4.

23 Oct 2018 – RCI Major Decision Policy

- This memorandum identifies the approval authority for RCI Major Decisions and also details the responsibilities of each RCI Project's Major Decision. Army representatives must understand and perform their duties within the framework of the RCI Limited Liability Company (LLC) (or Limited Partnerships) structure for each RCI project.
- This policy supersedes ASA (IE&E) memorandum on policy for RCI Major Decisions dated 5 February 2013.

16 Aug 2018 – Domestic Animals on Army Installations

- This policy applies to all Army installations and all types of Army housing and lodging, including Army owned, privatized, and leased. For the purpose of this directive, this policy applies only to privately owned animals, specifically those pets owned by Service Members, Government employees, Contractors, including all family members and all visitors. This policy is not intended

to address control of Department of Defense (DoD)-owned animals, e.g. Military working Dogs, Government-owned (non- Department of Defense) animals, or Non-Appropriated Fund-owned animals (NAF-owned animals) such as horses on Army installations.

1 Oct 2017 – Utility and Services Reimbursement Policy for Residential Communities Initiative (RCI) and Privatization of Army Lodging (PAL) Partnerships

- This policy memorandum replaces the Utility Services Reimbursement Policy for RCI Partnerships, issued on 5 May 2004, and clarifies the process of determining the reimbursement amounts for utilities and services provided to RCI projects, including locations under PAL. Moreover, the reimbursement for utilities and services will be accomplished pursuant to a written Municipal Services Agreement (MSA).
- This policy memorandum supersedes the Utility and Services Reimbursement Policy for Residential Communities Initiative (RCI) and Privatization of Army Lodging (PAL) Partnerships, issued 26 November 2012, and clarifies the process of determining reimbursement amounts for utilities and services provided to RCI projects, including locations under PAL.

27 Sep 2017 – Local Moves and Non-Temporary Storage (NTS)

- Government may continue to pay for local moves of soldiers from adequate off-post housing to privatized on-post housing and for NTS of household goods, when properly authorized.

11 Sep 2017 – Land and Environmental Surveys for Residential Communities Initiatives (RCI) and Privatization of Army Lodging (PAL) Programs

- Provide guidance regarding the policy for funding real estate and/or environmental requirements subsequent to the initial closing of RCI/PAL projects.
- Rescinds Army Residential Communities Initiative (RCI) Integrated Process Team (IPT) Policy Directive #11 – RCI –Related Land Surveys, dated 8 December 2000
- Rescinds Army Residential Communities Initiative (RCI) Housing Development Footprint Policy, dated 9 January 2004.

15 Aug 2017 – Deposits and Fees in Residential Communities Initiative (RCI) Housing

- Prohibits security deposits for military residents and allows security deposits for civilian residents in the event that they are offered RCI housing.
- Supersedes Army Residential Communities Initiative (RCI) Integrated Process Team (IPT) Directive #10- Residential Security Deposits, dated 8 December 2000.

15 Aug 2017 – Criteria for Construction of Utility Infrastructure Outside Military Housing Privatization Initiative (MHPI) Points of Demarcation

- The purpose of this memorandum is to ensure that “orphaned utilities” do not continue to be created in MHPI projects on Army installations.

15 Aug 2017 – Key and Essential (K&E) Guidance Pertaining to Housing Assignments

- Provides guidance on the proper management of Key and Essential (K&E) personnel lists at Army installations and to outline the housing benefits associated with K&E positions.

- Supersedes Guidance on Residential Communities Initiative (RCI) Privatized Housing Tenant Waterfall and Key and Essential (K&E) Personnel, dated 25 August 2014.

14 Aug 2017 – Army Housing Market Analysis (HMA) Policy

- Implements updated guidance on the HMA Policy as identified in the DoD Housing Manual. The policy defines the purpose, types, and frequency of housing market analysis reports. Moreover, the policy eliminates more frequent updates and establishes that a priority for Army Family Housing funding of HMAs is based on a four-year interval.
- Updates ACSIM Policy on Housing Market Analysis (HMA), dated 18 May 2011

18 Jul 2017 – Planning for Extraordinary Expenses and Use of Reinvestment Account Funds

- Establishes policy for authorized use of the project reinvestment account for all unprogrammed project related expenditures. The intent of the policy is to properly protect the resources of RCI projects while providing quality housing for Soldier and Families in the out years. Any use of reinvestment account funds is subject to prior approval from the Army Secretariat through the Major Decision process.
- Extraordinary Expenses Budgets. During the normal course of business, actions occur in the MHPI projects requiring project resources which are unplanned or unbudgeted. Examples include Legal expenses, financing fees, environmental site characterizations, real estate studies, consent fees to bondholder representatives, etc.

12 Jul 2017 – Policy for Rent at RCI Projects

- Provides guidance on rent collections at RCI locations.
- Supersedes SAIE Memorandum, 28 April 2005, subject: Policy for Rent at Residential Communities (RCI) Projects.

6 Jul 2017 – Wait List Procedures

- Updates the resident wait list procedures for housing, as developed by the Army and RCI Privatization Partners for all future residents applying for privatized housing on an installation.
- Supersedes Residential Communities Initiative (RCI) Resident Wait List Procedures, dated 23 July 2010
- Supersedes Guidance on Residential Communities Initiative (RCI) Privatized Housing Tenant Waterfall and Key and Essential (K&E) Personnel, dated 25 August 2014.

23 Jun 2017 – Rescission of Army Residential Communities Initiative (RCI) Integrated Process Team (IPT) Directives #8 – Rental Payments in Arrears

- Allows military residents to pay rents in arrears.

16 Jun 2017 – Rescission of Army Residential Communities Initiative (RCI) Integrated Process Team (IPT) Directives #6 – Installation Housing Staffs and #9 – Surviving Spouse Residency/Rent, 8 December 2000

- AR 420-1 provides current guidance for occupancy by surviving spouses

14 Jun 2017 – Procedure for Transfer of Military Housing Privatization Initiative (MHPI) Utility Infrastructure on Army Installation

- This policy memorandum provides instructions for transfer of portions of utility system constructed by third parties, particularly Military Housing Privatization Initiative (MHPI) lessees, back to the Army or Utilities Privatization (UP) System Owner (SO) for subsequent operation or transfer. These utility system have been labeled as “orphaned” utilities.

24 May 2017 – Civilian Occupancy at Residential Communities Initiative (RCI) Sites

- The purpose of this memorandum is to provide the policy regarding civilian occupancy at installations with privatized housing under the auspices of the Residential Communities Initiative.
- Supersedes ASA IEE Policy Army Residential Communities Initiative (RCI) Integrated Process Team (IPT) Policy Directive #2 – Civilian Occupancy at RCI Sites, dated 25 July 2000
- Supersedes ACSIM Guidance on Residential Communities Initiative (RCI) Privatized Tenant Waterfall and key and Essential (K&E) Lists, dated 25 August 2014

17 Jan 2017 – Sustainable Design and Development Policy Update

- Provides an update to the planning, design, and construction requirements for all construction activities on Army installations regardless of funding source, with the exception of DoD Medical funding and privatization initiatives. Specifically, the policy includes updated guidance in the following categories: siting & site development, energy performance, water use, metering / monitoring / sub-monitoring, commissioning and plans for operation, construction materials, waste and recyclables management, acoustical control, and new and underutilized technologies.

30 Aug 2016 – Residential Communities Initiative (RCI) Major Decision Review

- Identifies the approval authority for RCI Major Decisions and also details the responsibilities of each Garrison Commander as the Secretary of the Army’s Garrison representative for each RCI Project’s Major Decision. The day-to-day asset management oversight for RCI projects is performed by the OACSIM-ISP, and RCI portfolio management oversight is performed by the DASA-IHP (CVD). The RCI Major Decision approval process is a collaborative effort between the Army, Garrison Commanders and/or their designated RCI Asset Manager, and the RCI private sector Partners/Managing Members.

19 May 2016 – Real Estate Business Clearance Process

- Establishes mandatory Business Clearance Process for actions, projects, and initiatives that involve the use, disposal or acquisition of real property in business relationships between the Army and private entities, non-profits or non DoD governmental entities and have an estimated cumulative business value of greater than \$750,000. A Realty Governance Board (RGB) is created to administer the Business Clearance Process. The proponent of the action, project or initiative and the delegated real estate officer are responsible for preparing and presenting the proposal to the RGB.

- Acquisition of interests in real property for Army military missions subject to the notification requirements of reference b. (property with an estimated purchase price or annual rent greater than \$750,000) or subject to the approval requirement of reference c. (property with an estimated purchase price or annual rent greater than \$1,000,000 or land areas greater than 1,000 acres).

23 Mar 2015 – Military Housing and Privatization Initiative (“MHPI”) Policy for Residential Communities Initiative (“RCI”) Support Leases of Ancillary Supporting Facilities Pursuant to 10 U.S.C. § 2871 et seq.

- This memorandum establishes the process for authorizing and approving support leases for ancillary supporting facilities

8 Jul 2014 – Clarification of Reimbursement Policy for Emergency Services

- This provides clarification for the Emergency Services Reimbursement Policy Memorandum #6, which provides instructions on determining how to calculate the amount owed by a housing privatization project, including a location under PAL, to the Army for firefighting and fire protection services and police protection services. The memorandum clarifies that the use of the Emergency Services Calculation Template is not required if the incremental costs associated with the provision of Emergency Services to the RCI and PAL projects are mutually agreed to by the Installation Garrison Commander and the RCI and/or PAL Partnership located on an Installation.

9 Dec 2013 – Reimbursement Policy for Emergency Services Policy Memorandum #6

- This policy memorandum supplements Reimbursement of Utility and Services, Policy Memorandum #5, by providing instructions on determining how to calculate the amount owed by a housing privatization project, including a location under PAL, to the Army for firefighting and fire protection services and police protection services. The reimbursement will be obtained pursuant to the terms of the Municipal Services Agreement (MSA) that is negotiated between the Project and Garrison Commander.

26 Nov 2012 – Utility and Services Reimbursement Policy for Residential Communities Initiative (RCI) and Privatization of Army Lodging (PAL) partnerships – Policy Memorandum #5

- This policy memorandum replaces the utility Services Reimbursement Policy for Residential Communities Initiative (RCI) Partnerships, issued on 5 May 2004, and clarifies the process of determining reimbursement amounts for utilities and services provided to RCI projects, including locations under PAL.

4 Jun 2012 – Crime Scenes

- Provides guidance for the long-term retention of crime scenes, death scenes and recovery scenes by a search and seizure authorization or warrant issued by appropriate legal authority. The control and processing of a scene, and the collection and preservation of the evidence found at the scene, are the exclusive responsibilities of the CID special agent or supervisor in charge of the scene when the CID has investigative responsibility.

27 Oct 2010 – Policy for Pest Management Activities

- Provides guidance for installation pest management activities on RCI properties at Army Installations. This major decision also clarifies that Garrison Commanders have the responsibility for ensuring RCI partners meet the pest management requirements as detailed in the Project's RCI Ground Lease, Environmental Management Plan, and/or Pest Management Plan. Additionally, the RCI partner should ensure that vehicles and equipment are clearly identified and used only for pest management activities.

28 Sep 2010 – Reimbursement for Utilities and Services at Joint Bases

- Establishes policy for how reimbursement rates for utilities and services at joint bases are to be calculated after the transfer of installation management. Reimbursement rates shall be based on a project's original legal instruments, accepted pro formas, and historical practice of calculating such costs by the supported Service Component.

13 Aug 2009 – Real Estate Transaction Oversight

- Establishes assistance in identifying and distinguishing various functions, tasks, products and services related to the acquisition, management and disposal of real estate and related programs. The policy also establishes inherently governmental functions versus non-inherently government functions (contractor suitable products & services).

10 Feb 2009 – RCI Standards

- Provides additional implementation guidance regarding three standards/policies across the RCI portfolio: a) chain of command access to Family and Unaccompanied Personnel Housing (UPH) RCI housing, b) partner/employee access to installations, and c) pet policies.

28 Aug 2008 – RCI Resident Utility Policy Update

- Provides an update to the RCI Utility Policy dated 27 May 2007. Updates the policies and implementing instructions regarding resident responsibility for utilities for residents of privatized housing under the RCI program.

11 Jul 2008 – Army Policy for Davis-Bacon Act Compliance for Privatized Housing

- Provides a new compliance checklist and establishes formal guidance for completing it, including the obligation to complete and submit on an annual basis.

11 Oct 2007 – Transformation of the OASA (I&E)

- Reorganizes ODASA (P&P) into three divisions along privatization process flow lines, and clarifies delineation of RCI responsibilities between ODASA (P&P) and OACSIM.

29 Jun 2007 – Real Estate Policy Guidance for RCI Reports of Availability

- The RCI ROA is required to be submitted to the DASA (I&H) for review and written approval prior to an Army commitment to lease property for an initial RCI project or an Army commitment to add or exchange additional land to an RCI Company

Aug 2006 – Clarification on Payment of Partial Dislocation Allowance

- HQDA OGC clarifies that it is not allowable for soldiers to receive partial dislocation allowance when moving from RCI housing.

04 Nov 2005 – Final Housing Privatization Life Cycle Cost Policy

- Contains the final policy for calculating life cycle costs for housing privatization projects which aims to improve the calculation of operations and maintenance costs for the Milcon alternative while retaining a methodology which is simple, accurate, and consistent across the Services.

17 Jun 2005 – AAFES and RCI Project Coordination

- Purpose to help foster more effective coordination between AAFES and RCI as they work toward the mutual objective of supporting quality communities for military families.

21 Jan 2004 – Dislocation Allowance Non-Authorization Under RCI

- States that partial Dislocation Allowance in the amount of \$500 may be paid to a soldier when ordered to occupy or vacate family housing provided by the United States to permit the privatization or renovation of housing or for any other reason (other than pursuant to a permanent change of station).

09 Jan 2004 - RCI Supplemental Utility Policy

- Supplements the RCI utility policy memorandum dated 25 March 2002 to ensure that RCI project scopes are integrated with utility services and providers.

08 Jan 2003 - OSD Housing Requirements Determination Process Policy

- Discusses the rigorous analytical process and consistent methodology for determining the number of suitable and affordable private sector rental housing units available to our military families in the communities surrounding our military installations.

Glossary of Terms

Glossary of Terms		Army Portfolio And Asset Management	
TERM	DEFINITION		
AACR	See: After-Action Compliance Report		
DCS, G-9 Program Manager	Person on Privatized Housing and Lodging Division staff responsible for programmatic oversight of RCI Companies. Provides policy guidance and support to USAG Housing Managers and coordinates with CVD and IMCOM as required.		
Affiliate	An entity related to another entity by common ownership or control. In RCI Projects, many Service Providers for development management, construction management, and property/asset management are affiliates of the partner entity.		
After-Action Compliance Report (AACR)	Report prepared by the ACSIM PM documenting the key results of a Project Compliance and Partnering Visit summarizing follow-up suspense items/dates, lessons learned and best practices, and significant actions which emerge from the visit. Due within 30 days following completion of a site visit.		
AMC	Army Materiel Command		
Annual Business Plan	See: Project Plan and Budget		
ASA (IE&E) (Secretariat)	Assistant Secretary of the Army for Installations, Energy and Environment. ASA (IE&E) has responsibility for policy development, program oversight and coordination of a wide variety of Army activities. These include (but are not limited to): design, construction, operations, maintenance and management of Army installations; privatization of Army family housing, energy initiatives, real estate, utilities and other infrastructure programs; environmental compliance, clean-up and site disposal programs; and management of the Army's safety and occupational health programs.		
Asset Management Agreement	Contract establishing services of an asset management entity for executing various functions for the RCI Company. Many RCI Companies do not engage an asset management entity – folding this scope into the Developer and/or Property Manager.		
ASV	Annual Site Visit -- See: RCI Company Compliance Visit		
BAH	See: Basic Allowance For Housing		
Basic Allowance For Housing	Government entitlement providing a monthly housing stipend to military families that live off-post or in RCI-privatized on-post housing. Determined at each installation through annual surveys of the broad region encompassing the installation and surrounding areas conducted by the Defense Travel Management Office (DTMO). BAH rates are adjusted each year based on costs for rental housing including utilities.		
BOM	Between Occupancy Maintenance. Sometimes called Vacant Quarters Maintenance (VQM) or Change of Occupancy Maintenance (COM)		
BRAC	Base Realignment and Closure		
Capital Repair and Replacement	Repair and replacement of long-lived components of homes and community facilities funded by the Capital Repair and Replacement reserve fund. The IRS		

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	defines capital expenses as those that materially add to the value or significantly extend the useful life of an asset.		
Cash Flow Waterfall	The order of priority of payment of expenses of the partnership from the Lockbox Account. Before any expense of a lower priority can be paid, all expenses of a higher priority must first be paid. Usually established in the Lockbox Agreement with additional guidance in the Operating Agreement and/or loan documents.		
Cash Waterfall	See: Cash Flow Waterfall		
CDMP	See Community Development and Management Plan		
Certificate of Occupancy	In an RCI Project, a certification by a Construction Consultant that a dwelling or facility meets all legal requirements for habitation for its intended purpose.		
Change Order	Modification to a construction or renovation contract that changes the agreed scope of work, cost, or schedule of completion of contracted work. Certain change orders above thresholds defined in the Major Decision Policy or Project Documents require Army approval.		
Christmas Tree Chart	A graphical illustration of the IDP or IDP and ODP primary development scope for all homes in the RCI Company inventory. Typically organized by neighborhood and major house type (age/style of construction), it shows the planned demolition, replacement, new construction, and ranges of renovations as each house type/neighborhood ages over the duration of the lease.		
Closing	The consummation of the RCI transaction, which can encompass an operational closing, financial closing, or combined transaction.		
COM	Change of Occupancy Maintenance. Sometimes called Vacant Quarters Maintenance (VQM) or Between Occupancy Maintenance (BOM).		
Community Development and Management Plan	Comprehensive concept plan for development, construction, property management and financing of RCI Company. Developed before closing and updated annually after closing through the Annual Business Plan or Modified Scope Plan		
Compliance	The processes for ensuring RCI Companies comply with Legal, Davis-Bacon Act, and Congressional requirements. See Appendix A of the PAM Handbook.		
Concept Paper	A document from a Garrison Commander together with supporting information requesting consideration and approval of a concept to begin the Major Decision Approval Process.		
Congressional Oversight Compliance	Section 2885/2884 requirements for Services oversight and management of military housing privatization projects. See Appendix A of the Handbook.		
Consolidated Dashboard Report	Summary report of all individual Monthly RCI Company Dashboard Reports		
CRR	See: Capital Repair and Replacement		
CSM	Command Sergeant Major (in RCI, often refers to the Garrison Command Sergeant Major reporting to the Garrison Commander)		
Dashboard Report	Monthly report on RCI Company status due 15 days after the end of each month, prepared by the RCI Company and USAG Housing Manager		
Davis-Bacon Act	Statutes requiring the payment of minimum federal wages, per wage determinations, for construction-related work on government projects. Applies to RCI Companies for construction, renovation, demolition, and certain maintenance and repair work considered. See Appendix A of the Handbook.		
Davis-Bacon Act Compliance	The component of compliance primarily concerned with the RCI Company's compliance with the Davis-Bacon Act. See Appendix A of the Handbook.		

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Davis-Bacon Compliance Checklist	A checklist of requirements for standard compliance with the terms of the Davis-Bacon Act. See Appendix A of the PAM Handbook.		
DBA	See: Davis-Bacon Act		
DCR	Debt Coverage Ratio. See: Debt Service Coverage Ratio		
Debt Service Coverage Ratio	Ratio between the amount of money available (or projected to be available) to make debt payments (NOI) during a period and amount of money actually owed as debt payments (debt service) during that period.		
Defense Finance and Accounting Service (DFAS)	The federal agency that processes all military payroll accounts. Provides payment of BAH allotments (rent) for Service Members residing in RCI housing to a third-party contractor, which ultimately forwards aggregated monthly payments to each RCI Company.		
Defense Travel Management Office	Single focal point for commercial travel within DoD. Also responsible for providing BAH rates annually for Service Members.		
Department of Labor	Federal agency responsible for oversight and enforcement of the Davis-Bacon Act. See: Davis Bacon Act		
Department of Public Works	Installation based group responsible for the operation, maintenance, renewal, and replacement of post facilities, infrastructure, and utilities and reports to the Garrison Commander through a Director DPW. Includes subgroups supporting engineering, utilities/energy, environmental, master planning, and project management requirements at the installation.		
Deputy Chief of Staff, G-9, Privatized Housing and Lodging Branch	Army portfolio manager focused on financial monitoring, long-term RCI Company health, and compliance oversight of the portfolio.		
Development Agreement	Contract establishing services of a development management entity to execute the development scope on behalf of the RCI Company.		
Development Review	An RCI Company Review intended to assess the project development and construction program, including costs, schedule, scope, and development and construction managerial effectiveness on behalf of the RCI Company.		
DFAS	See: Defense Finance and Accounting Service		
DOL	See: Department of Labor		
DPW	Department of Public Works		
DSCR	See: Debt Service Coverage Ratio		
DTMO	See: Defense Travel Management Agency		
FM&C	Financial Management and Comptroller: Army agency responsible for, among other duties, formulating, submitting, and defending the Army budget.		
Fort Knox National Company (FNNC)	Fort Knox National Company: The contractor engaged by the Army to process BAH allotments for military residents of RCI Projects to DFAS, to receive DFAS BAH payments for Soldiers, to make monthly aggregated BAH transfer payments to each RCI Project.		
GC	Garrison Commander		
Ground Lease Compliance Inspection (GLCI)	Completed by USACE annually and used to ensure good management of the land under Army jurisdiction and compliance by the Lessee with the terms of use, as set out in the terms and conditions of the Ground Lease.		
Ground Lease (RCI)	The lease agreement between the Army and the RCI Company entity that governs the landlord-lessee relationship under certain terms and conditions specified therein.		
HMA	See: Housing Market Analysis		
HMA Update	See : Housing Market Analysis		

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Housing Market Analysis	A study by the Army completed at an installation detailing current and future military family housing needs including the capacity of the local private sector to satisfy forecasted requirements. Updates to an HMA may be conducted more frequently; however HMA Updates may not repeat all elements of the typical HMA research regimen.		
Housing Services Office	An installation-based office that assists Soldiers and military families seeking acceptable housing.		
HSO	See: Housing Services Office		
IDP	See: Initial Development Period		
IDP Close-out Review	See: IDP Close-Out Process		
IDP Close-out Process	Process of preparing for the completion of the IDP and commencement of the out-years phase of an RCI Project. Section VI discusses this process.		
IMCOM	Installation Management Command		
Incentive Plan	The overall plan for basing portions of development, construction, and property management fees on the attainment of performance goals and targets by each major service provider to the Project partnership.		
Incentive Performance Management Plan (IPMP)	The plan for using performance metrics to measure service provider performance and award incentive fees based on the achievement of performance goals. Performance against the performance goals is typically self-reported by partners. The USAG Housing Team validates this reporting and provides written award recommendations to the Garrison Commander who makes the final incentive fee award determination which is approved through the applicable IMCOM ID, IMCOM HQ and AMC HQ.		
Initial Development Period (IDP)	The phase of a Project immediately after Closing during which the initial development and construction program is completed utilizing all, or substantially all of the intended financing sources. The IDP must be closed out at its end through the IDP Close-out Process to prepare the Project for on-going operations into the Out-year Development Period (ODP).		
Insurance Certificate	A written notice from an insurance company that the specified insurance coverage(s) on behalf of the specified insureds is in force and effect.		
Insurance Review	A RCI Company Review focused on evaluation of an RCI Company's entire insurance program, including coverages, certificates, and coordination of contracts and subcontracts agreements and coverages.		
IPMP	See: Incentive Performance Management Plan		
LAT	See: Lockbox Administration Tool		
Legal Compliance	The component of Compliance primarily concerned with RCI Company's (including the Army as partner) compliance with all agreements project. See Appendix A of the Handbook.		
Legal Compliance Checklist	A checklist of legal requirements of an RCI Company monitored by the USAG Housing Managers. See Appendix A of the Handbook.		
LLC/LP	RCI Company ownership entity: Limited Liability Corporation / Limited Partnership		
Lockbox Account	The master account held in a financial institution by the Lockbox Trustee that collects the BAH rental stream and holds all other escrow and reserve accounts specified in the Lockbox Agreement		
Lockbox Administration Tool	A spreadsheet tool used to track all Lockbox account balances for the duration of the RCI Company via recording initial funding, and monthly deposits, disbursements, and interest earnings. It models the requirements set forth in an		

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	associated Lockbox Agreement, Development Agreement, and annual budget. See Appendix F		
Lockbox Agreement	The agreement between the RCI Company and the lender as to how funds of the company will be managed and protected while the private sector loan is in place. The Lockbox Agreement is subject to Army approval prior to closing.		
Lockbox Statements	Financial statements issued by the Lockbox Trustee reporting the cash position of the Lockbox Account and associated sub-accounts and the disposition of deposits and disbursements that transpired during the reporting period.		
Lockbox Trustee	A fiduciary entity (typically a national bank) that operates the Lockbox Account on behalf of the Lender and Owner.		
Major Decision (MD)	An RCI Company decision which, under the terms of the RCI Company Operating Agreement, and in conformance with DA guidance, requires consideration and approval of the Army member of the partnership. Major Decision authority is delegated by the ASA (IEE). All MDs must be memorialized in a written Major Decision Approval Memorandum signed by appropriate approval authorities of both parties.		
Major Decision Approval Memorandum	Memo crafted by CVD, DCS G-9, or AMC HQ and signed by appropriate approval authorities of the RCI Company documenting the final outcome of a Major Decision. See: Major Decision.		
Managing Member (MM)	The entity within a limited liability corporation or limited partnership that has authority and obligations to execute and manage the business of the RCI Company. This entity is also referred to as the RCI Company Representative.		
MD	See: Major Decision		
MDM	Major Decision Memorandum; see Major Decision		
Metrics	The specific key performance indicators or measures used within the Incentive Performance Management Plan for monitoring and reporting of service providers achievements against performance goals.		
MHLI	Military Housing and Lodging Institute. The educational arm of PHMA.		
MHPI Report to Congress	Previously called the PER. Annual report prepared by the USAG Housing Manager reviewed by DCS G-9, and sent to CVD for consolidation to forward to OSD		
MM	See: Managing Member		
Modified Scope Plan	An abbreviated revised CDMP or ODP that recalibrates key project assumptions to reflect significantly changed circumstances. Consists of short- and long-range projections of revised financial projections (new pro forma) and revised plan documents supporting development, construction, and property management as necessary.		
MSA	See: Municipal Services Agreement		
MSA Rate Review	An RCI Company Review intended to evaluate utility rates and costs charged to the RCI Company by the installation in accordance with the Municipal Services Agreement.		
MSP	See Modified Scope Plan		
Municipal Services Agreement	Agreement between the installation (DPW) and the RCI Company governing the provision of municipal services to the Project (utilities, fire, police and emergency services, etc.) by the installation.		
Net Operating Income	Operating cash left after all operating expenses are paid from revenue collections, calculated as Net Rental Income Less Operating Expenses		

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Net Rental Income	Gross Potential Rent Revenue Less Vacancy Allowance and Credit Losses. Should balance with cash collections		
NOI	See: Net Operating Income		
OASA (IE&E)	Office of Assistant Secretary of the Army (Installations, Energy and Environment)		
ODASA (IH&P)	Office of Deputy Assistant Secretary of the Army (Installations, Housing & Partnerships)		
ODP	See: Out-year Development Plan or Out-year Development Period		
OGC	Office of General Counsel: provides legal advice and support RCI program offices.		
Operating Agreement	Legal Agreement between the Army and the private entity that defines the terms of forming the RCI Company and constitutes the core partnership document. Executed by all parties at time of Closing.		
Operating Expenses	Controllable and non-controllable costs incurred to run day-to-day operations of Project for residents. Does not include any costs with respect to development, construction, or renovation of facilities		
OSD	Office of the Secretary of Defense		
Out-year Development Period	The phase of a RCI Company following the completion of the initial development period for the following five years and continuing in five year cycles until the end of the lease.		
Out-year Development Plan	Plan prepared by the RCI Company during the IDP Close-out Period for operations following the completion of the IDP closeout. It incorporates a new development plan (Modified Scope Plan) as necessary, a new development phasing (Christmas Tree) chart, and a recalibrated pro forma using current project results and updated assumptions. The ODP for each project will include a detailed 5 year plan in addition to other requirements as detailed in Section VI of the Handbook and will be updated and approved on a 5-year cycle.		
PAL	Privatized Army Lodging		
PAL Quarterly Snapshot	Provides a high level overview of key financial, operational, and development lodging performance indicators for each installation. This report is provided to the Garrison Commander and PAL POC.		
PAM	Army RCI Portfolio and Asset Management		
PHMA	Professional Housing Management Association: Professional association comprised of persons and organizations engaged in development and management of military housing and lodging.		
Privatized Housing and Lodging Branch	Branch under the Army Housing Division of the Deputy Chief of Staff, G-9.		
Project Compliance and Partnering Visit Checklist	A structured, on-site physical inspection and review worksheet for use by the PPD PM in conducting a project site visit. See Appendix D.		
Portfolio Quarterly Report	Quarterly report due 60 days after a quarter prepared by ACSIM and forwarded to applicable stakeholders.		
RCI Company Compliance Visit	Yearly (or more frequently if necessary) visit to a project by HQDA and others to provide portfolio and asset management training, gather information, evaluate RCI Company performance, and reinforce partnering processes and communications. The CV is conducted generally according to the PAM guidance in Appendix C of the PAM Handbook.		
Property Management Agreement	Agreement executed between the RCI Company and a property management entity to provide property management and operating services to the privatized		

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	housing community and residents. The property management firm may be an affiliate of the RCI Company owner.		
RCI	Residential Communities Initiative		
RCI Company	Entity which includes the Army and privatization entity responsible for management, oversight, and control of the project.		
RCI Company Representative	Person with signature authority on RCI Company related matters.		
RCI Company Plan and Budget	Also called Annual Business Plan. RCI Company must submit an annual business plan no less than 60 days (or per legal requirements) prior to the start of the upcoming fiscal year for consideration and approval of the Army. It contains all elements of property management along with analysis of financial impacts of implementing the plan. A general description of this submittal may be found in Appendix B; however, the RCI Company's Operating Agreement may specify the nature and contents of this submittal for the specific project.		
Reinvestment Account	Each RCI Company has a reinvestment account reserve fund held by the Lockbox Trustee that collects excess cash flow not required for operating expenses, dept service, other priority payments, or return on equity or cash flow splits with the privatized entity. This account accumulates funds for future use in renovation and/or replacement of homes after the IDP has ended.		
Resident Survey	Army conducts a satisfaction survey for residents of on-post military family and unaccompanied housing. Garrisons have input into survey content (installation specific questions may be included).		
Residential Communities Office	Successor to most Garrison's "Housing Office". Typically contains the Installation RCI Staff, HSO, and other associated housing functions that remain with the Army after privatization of the on-post housing.		
ROA	Report of Availability: Army document certifying that the land and improvements intended to be conveyed to the Project partnership can be legally conveyed by the Government.		
ROA	Resident Occupancy Agreement: the lease between a resident and the Project partnership for a dwelling unit.		
SC	See Senior Commander		
Section 2884/2885	Section 2885 of the 2009/2013 Defense Authorization Act which dictates that the Services will conduct certain oversight activities with respect to military housing privatization projects. Section 2884 details specific reporting requirements which have been incorporated into the monthly and quarterly financial reporting templates. All these requirements are incorporated into Appendix A of the Handbook.		
Senior Commander	Normally, but not always, the senior general officer at the installation. The SC's mission is the care of Soldiers, Families, and Civilians, and to enable unit readiness.		
Service Providers	Key contractors to the RCI Company to perform development management, construction management, renovation management, and property/asset management services.		
SJA	See Staff Judge Advocate		
Sources and Uses	Shorthand for Sources of Funds and Uses of Funds of the RCI Company.		
Staff Judge Advocate	Installation lawyer, whether civilian or military, charged with the duty to provide government legal counsel to Garrison leadership with respect to the RCI Company.		
Transaction Documents	The legal documents and associated attachments and referenced documents (such as the CDMP) that constitute the basis for a privatization project.		

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Transfer	The point in time, usually at Closing, when the Ground Lease conveys control of housing land and assets to the RCI Company ownership entity and the RCI Company takes over housing management and operations functions.		
Transition	The process of preparing for the commencement of privatized housing services and simultaneous cessation of government provided housing programs. Includes preparation of legal documents, and commencing in a planned and coordinated process orderly process.		
Transition Planning	The process of preparing to turn over the government operated housing to the private sector company for commencement of operations by the RCI Company and its Service Providers		
Trustee	Under RCI, this typically refers to the Lockbox Trustee		
UFAS	Uniform Facilities Accessibility Standards: Federal guidelines for designing and constructing facilities that are accessible by handicapped persons.		
Unaccompanied Housing (UH)	Also called Barracks, UH facilities are government-provided quarters for single Soldiers. Elements of UH have been added to certain existing RCI Companies for development, construction, financing, and operations.		
USACE	United State Army Corps of Engineers		
USAG Housing Manager	Installation level person principally responsible for RCI Company oversight on behalf of the Army.		
USAG Housing Team	Typically contains the Installation Housing Staff, HSO, Barracks, and other associated housing functions that remain with the Army after privatization of the on-post housing.		
VQM	Vacant Quarters Maintenance. Sometimes called Between Occupancy Maintenance (BOM) or Change of Occupancy Maintenance (COM)		