



Air Force Housing Privatization Portfolio Management Program Evaluation Plan



AIR FORCE CENTER FOR ENVIRONMENTAL EXCELLENCE Information Sheet

The Program Evaluation Plan (PEP) is a semiannual assessment of key housing privatization project metrics, both qualitative and quantitative, for delivery to the Office of the Secretary of Defense (OSD). The PEP provides the OSD with a high level summary of all military privatization projects, which includes the following information:

- Financial
- Physical
- Tenant
- Project Structure
- Service Portfolio
- Department of Defense Portfolio

The PEP consists of the following three reporting components:

Program Fact Sheet—a static view of key financial, timeline, and other project structure metrics at transaction closing that should remain consistent for each reporting period

Program Monitoring Matrix—a compilation of ongoing financial, developmental, and operational metrics that change over time

Project Summary Report—a summary of the following information:

- Measurement of costs and time

- Advantages and disadvantages of the different Military Housing Privatization Initiative (MHPI) authorities
- Measurement of Project Owner performance
- Member tenant satisfaction
- Other project highlights

The PEP process begins one and one-half to two months before PEP submittals are due. The Portfolio Manager initiates this process by sending a formal call letter to the Major Command (MAJCOM). At this time, the Portfolio Manager also sends the electronic PEP templates to the MAJCOM and the installation. The installation then completes the PEP templates (with the assistance of the Portfolio Manager and the MAJCOM), using the Project Summary Report to provide supporting discussion on any project issues not specifically covered in the Program Fact Sheet or Program Monitoring Matrix.

Upon completion of the PEP reports, the MAJCOM approves and submits them to the Portfolio Manager. The Portfolio Manager reviews installation submissions and compiles PEP submittals from all installations into a consolidated Program Fact Sheet, Program Monitoring Matrix, and Project Summary Report. Before submitting the PEP to Air Staff and OSD, the Portfolio Manager composes an executive summary on the performance of the portfolio.

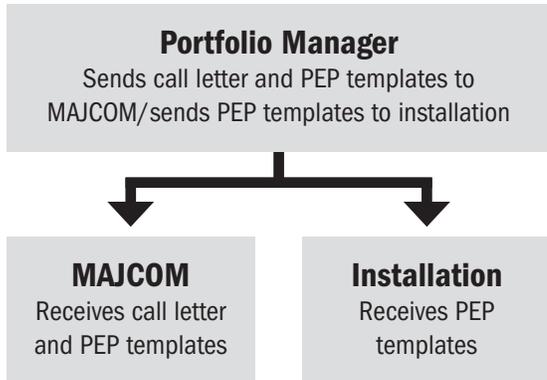
A sample PEP is accessible on-line at www.defenselink.mil/acq/installation/hrso/index.htm. Current and historical PEP reports for each installation as well as the Air Force roll-up are included on the Portfolio Management Extranet.

* The Air Force Housing Privatization Portfolio Manager is the Air Force Center for Environmental Excellence, which executes duties with the assistance of Jones Lang LaSalle, the current Portfolio Management support consultant.

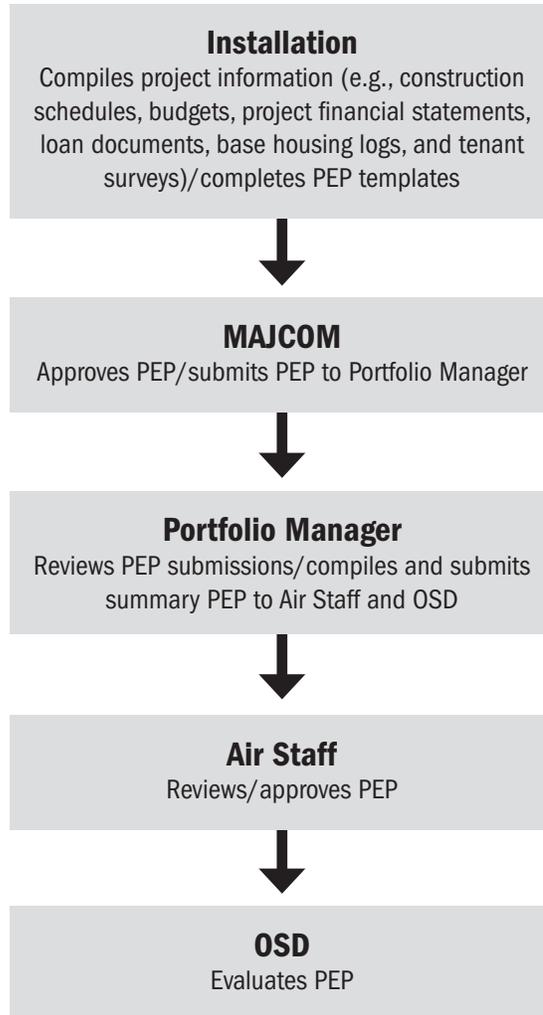


OSD requires that the PEP reporting process be completed two times each year, for the periods ending June 30 (June PEP) and December 31 (December PEP). The PEP is typically due to the Portfolio Manager three to four weeks after the end of each period. The PEP is a summary reporting tool, not an exhaustive evaluation of privatization projects, and does not replace the need for detailed Air Force and installation-level project monitoring.

PEP Initiation



PEP Document Flow



PORTFOLIO MANAGEMENT SERIES

This Information Sheet is one in a series on the subject of Portfolio Management. In February 2001, the Air Force Center for Environmental Excellence (AFCEE) was designated as the Air Force Housing Privatization Portfolio Manager. AFCEE executes its Portfolio Management responsibilities with the assistance of Jones Lang LaSalle (JLL), the current Portfolio Management support consultant.

From transaction closing through project closeout, the Portfolio Manager acts in oversight, monitoring, and guidance roles on behalf of the Air Force to protect the Government's interests. (Project closeout is at the conclusion of the transactional performance period, assets are disposed of and the project is closed out.)

FOR MORE INFORMATION

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