



# **PORTFOLIO AND ASSET MANAGEMENT**

## **Mr. Tom Kraeer, Chief, Portfolio Management Division**

**Office of the Deputy Assistant Secretary of the Army (Energy & Partnerships)  
Office of the Assistant Secretary of the Army for Installations & Environment**

## **Mr. Ivan Bolden, Chief, Public-Private Initiatives Division**

**Directorate of Installation Services  
Office of the Army Chief of Staff for Installation Management**

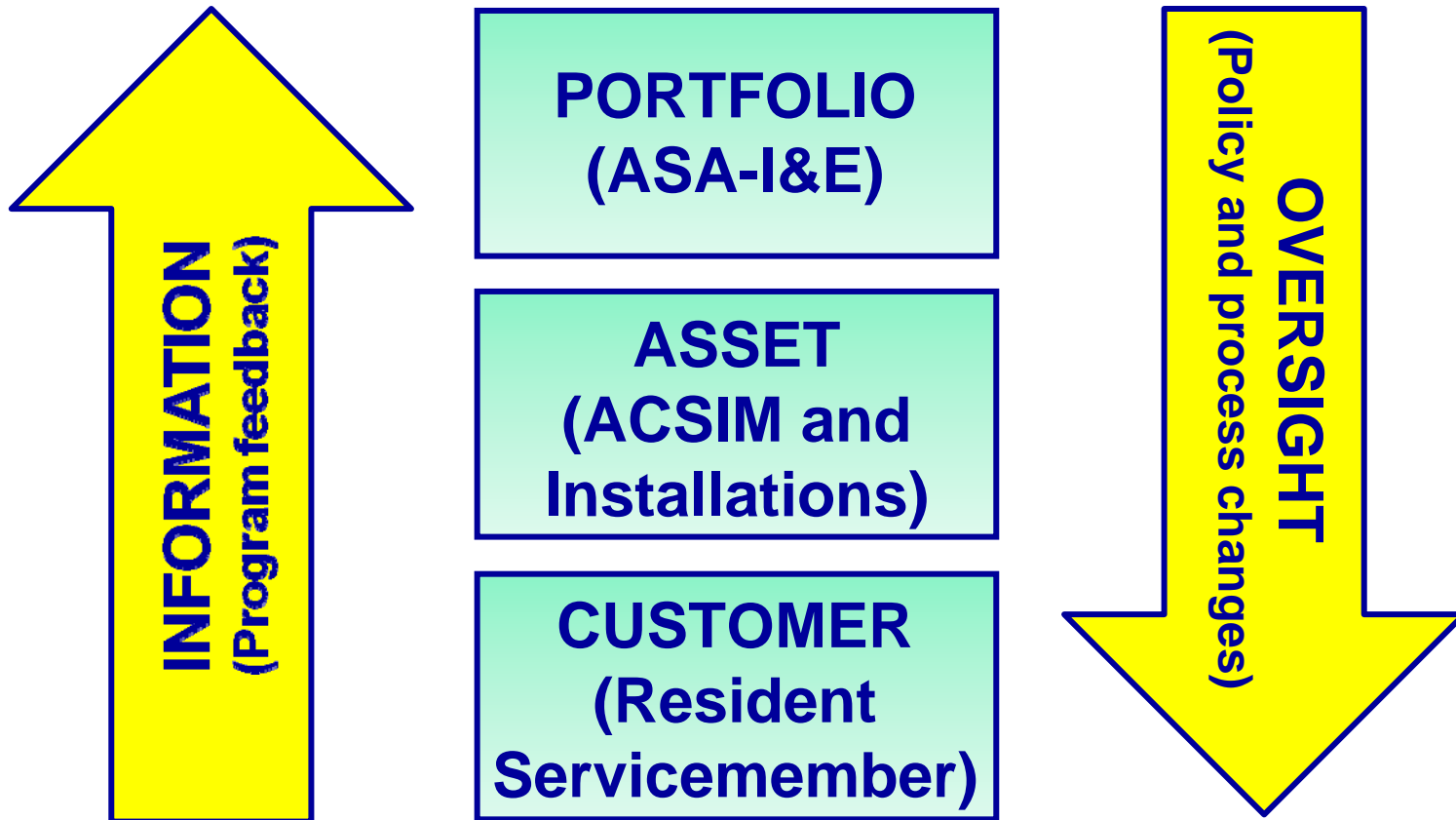
## **Mr. Bill Pearson, Deputy Program Manager for Housing**

**Fleet and Family Readiness  
Commander Navy Installations Command**

**January 19, 2009**

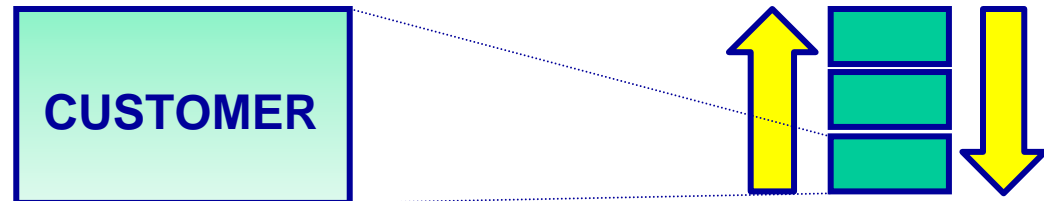


# PORTFOLIO AND ASSET MANAGEMENT





# PORTFOLIO AND ASSET MANAGEMENT



- **Portfolio management oversight process at the deck plate; metrics and methods employed to monitor performance and support the partnership**
- **Topics include:**
  - On-site assessments
  - Customer/resident satisfaction survey
  - Move-In surveys
  - Customer outreach
  - Occupancy
  - Business agreement oversight



# PORTFOLIO AND ASSET MANAGEMENT



---

## ON SITE ASSESSMENTS

- **PPV Focus Group Assessment Program**
  - Initiated in FY06
  - Objective is to obtain direct, unbiased feedback to determine if privatization projects are providing what is needed for our Sailors
  - All locations are visited once every two years
- **Strategy includes:**
  - 2-3 day visits on site
  - **Separate meetings with**
    - Command and Command representatives
    - Installation Housing Directors
    - On-site Privatization Property Managers
    - Focus Groups with residents, spouses, ombudsman, and senior enlisted
  - **Out-brief at the end of site visit followed by detailed report**
- **Yearly summary published to provide portfolio observations; areas that are working well and areas that need improvement**



## PORTFOLIO AND ASSET MANAGEMENT



---

### FY08-FY09 ASSESSMENT OBSERVATIONS

- **New homes providing high value, positive resident satisfaction**
- **Size, age, and condition of older homes vary, highlighting have's and have-not's**
- **Unit size in proportion to the amount of rent paid perceived as unfair**
- **Partnerships require time to form; instant (day one) transitions are difficult and should be expected**
- **Business partners are delivering high quality services**
- **Unanimous feedback from focus group participants that Service Members should have faster access to waiting lists and homes**



# PORTFOLIO AND ASSET MANAGEMENT



---

## RESIDENT SATISFACTION SURVEY

- **RSS Annual Survey used by Navy since 2000**
- **Conducted by commercial entity**
- **Measures resident satisfaction – gives residents a voice!**
- **Measures residents' satisfaction with facilities & property management performance**
  - Drill down capability to focus on problem areas
- **Results have multiple uses**
  - Leads to development of an Action Plan to bridge performance gaps
  - Used to quantify and evaluate performance improvements over time
  - Used to determine PPV property management incentive fee
  - Used to recognize outstanding performance
  - Includes award program



# PORTFOLIO AND ASSET MANAGEMENT



## 2008 NAVY RESULTS

- **Navy Trends are established and results are continuously monitored**
- **The Navy will recognize the following for outstanding Service performance in 2008:**
  - **Government Owned Housing**
    - 23 Family Housing Neighborhoods
    - 40 Bachelor Housing Buildings/Complexes
  - **Privatized Housing**
    - 68 Family Housing Neighborhoods
    - 1 Bachelor Housing Buildings/Complexes



# PORTFOLIO AND ASSET MANAGEMENT



## MOVE IN SURVEYS

- **Move-In Surveys:**
  - Focus on Housing Referral services
  - Determine where Service Members chose to live & why
- **Pilot completed in January 2009**
  - 6 CONUS Locations
  - 2 OCONUS Locations
  - Response rate: 23.1%
  - Surveyed all Bachelors eligible for BAH and Families seeking military housing, PPV housing, and community referrals
- **Official results expected in late February**
  - Need to figure out how to reach those who use other available services
    - Rental.com, etc.
- **Roll-out to all Installations planned for March FY09**
  - Share results with all Stakeholders quarterly





# PORTFOLIO AND ASSET MANAGEMENT



---

## CUSTOMER OUTREACH

- **PCS Transition Support**
  - **Focus on Housing Referral services**
    - Initiatives ongoing to identify appropriate referral services
    - Objective is to provide Sailors the right information at the right time
  - **Supporter of AHRN and like services**
  - **Working group with Privatization Partners to improve interface and process**



# PORTFOLIO AND ASSET MANAGEMENT



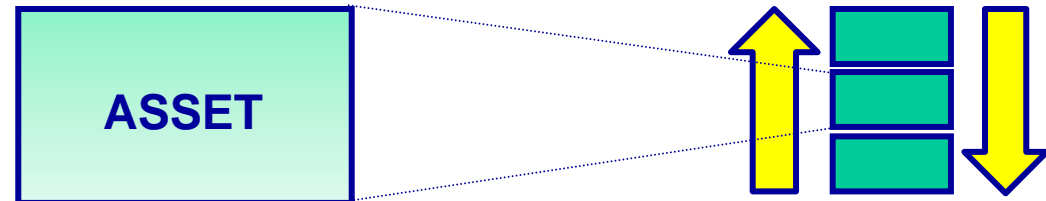
---

## OVERSIGHT METRICS

- **Occupancy**
  - Monitor occupancies and trends associated with project Capture Rates
  - Monitor capture rates
  - Establish linkage between capture rates and other external factors
  
- **Monitoring Matrix**
  - Implemented 1 July 2008 for all Navy projects
  - Data captured at deck plate level
  - Provides a tool to document and communicate issues with business document compliance



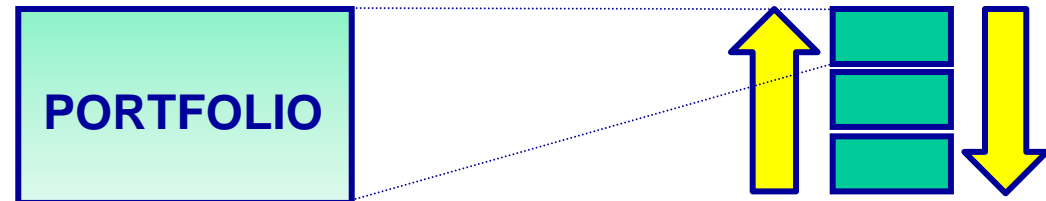
# PORTFOLIO AND ASSET MANAGEMENT



- **How do we monitor progress at the asset (project) level?**
  - Post-transition site visit
  - Monthly dashboards
  - Semi-annual ASCIM site visits
  - Annual budget reviews
  - Annual asset training
  - Leadership education
- **How do we insure asset-level corrective actions are taken on underperforming projects?**
  - Monthly dashboards provide early warning
  - Monthly development compliance checklists highlight issues
  - Quarterly asset report ratings show overall progress/regress
  - Corrective action plans are implemented
  - Significant, persistent issues require Major Decision process
    - Criteria in closing documents, PAM Handbook



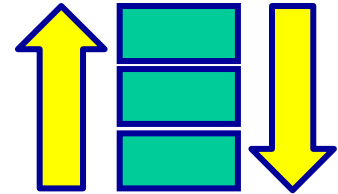
# PORTFOLIO AND ASSET MANAGEMENT



- **How do we monitor progress at the portfolio level?**
  - Major Decisions are reviewed and approved by DASA (E&P)
  - Quarterly report monitors development progress, financial and operational metrics, resident satisfaction
- **How do we develop and maintain a good working relationship with our partners?**
  - Semi-annual Partner Working Group meetings
  - Semi-annual Senior Executive meetings
- **How do we keep our stakeholder agencies (Service leadership, OSD, Congress, GAO) informed?**
  - Leadership briefings and reports
  - PEP report to OSD thru to Congress
  - Congressional reporting (Sec 2885)
  - Periodic GAO audits



# PORTFOLIO AND ASSET MANAGEMENT



Questions?