



DEPUTY SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-1010

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MEMORANDUM FOR: SEE DISTRIBUTION

Subject: Pentagon Occupancy and Space Allocation Study (POSAS) Results

On October 22, 2005, I directed the POSAS to determine post-renovation Pentagon occupancy based on an organizational review of headquarters personnel required to support the Secretary of Defense, Chairman, Joint Chiefs of Staff, and other senior leadership. Rather than continuing to allocate space to components based on historical practices, this study established metrics for determining Pentagon occupancy through the analysis of organizational structures, relationships, and core missions that are critical to supporting the Secretary of Defense and other senior leaders. The resulting space allocations by component are at Enclosure 1.

Implementation will occur during the final two Wedges (4 and 5) of Pentagon renovation. Planning will begin immediately with the development of a Master Implementation Strategy (MIS), which will map all personnel moves, their relocation sites, and estimated costs for all components. The Director of Administration and Management (DA&M), through the Washington Headquarters Services (WHS), will lead this effort, assisted by the components' Tenant Agency Representatives (TARs).

The MIS must ensure that POSAS implementation is cost, scope, and schedule neutral for the Pentagon renovation and that implementation is fully consistent with the Department's Base Realignment and Closure (BRAC) 2005 obligations. All proposed implementation actions will be carefully cross-walked with BRAC recommendations to ensure no action violates BRAC requirements. Relocation of any organization into the Pentagon costing more than \$500,000 will require certification to the Defense Committees that the relocation is in the best interest of the government. In addition, all components impacted by POSAS will integrate facility movement plans with the modernization of their continuity of operations programs as directed by the DoD Continuity Strategy (March 2006) and continuity guidance in the Strategic Planning Guidance for FY08—FY13.

The MIS is expected to be finalized and approved in mid-January 2007. The DA&M/WHS will then provide the MIS, including an analysis of all associated costs, to the Office of the Under Secretary of Defense (Comptroller), and together they will address any budgetary issues, equitably realign rents among components, and identify a methodology to pay costs associated with this effort. The MIS will also be provided to the Deputy Under Secretary of Defense (Installations and Environment) so they can ensure that POSAS actions are consistent with BRAC 2005.

The POSAS revealed that an estimated 27 percent of the personnel located in Pentagon, swing, and leased space are contractors. To establish a more disciplined space management process, we need to align contracting and space management procedures to identify contractor personnel separately and assess the nature of their work against their need to be collocated with



the employing component. When collocation is necessary, contracts shall clearly indicate that on-site collocation is required, either on a full or part-time basis, and be fully coordinated with the TARs before initiating contract actions. If collocation is not necessary, contractors shall perform the work in their own commercial space. Components will not be provided additional space over their established baselines to accommodate these personnel in their work spaces. The DA&M will incorporate this policy into the next update of DoD Instruction 5305.5, "Space Management Procedures, National Capital Region."

The POSAS has been a first-ever, focused effort to determine the ideal mix of who should occupy the Pentagon based on the functions they perform, the tiers of leadership they support, and whether they work predominantly in a joint context. These reallocations of space among components will facilitate the effective coordination of office moves tied to completion of the Pentagon renovation, and those moves associated with BRAC implementation, including the drawdown of swing and leased space in the National Capital Region. In addition, a new baseline of valuable data on Pentagon occupancy has been established that will provide the basis for a strengthened space management process.



Enclosure
As stated

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POSAS Space Allocation By Component

Pentagon Occupancy and Space Allocation Study

New Space Allocations for Post-Renovation Pentagon

Organization	Previous Allocation		New Allocation *	
	Total sf	% of Total	Total sf	% of Total
OSD	529,606	12.75%	709,196	17.26%
Joint Staff	331,000	7.97%	417,555	10.16%
Army	1,044,000	25.12%	767,375	18.68%
USAF	789,000	18.99%	659,294	16.05%
Navy/USMC	651,000	15.67%	681,846	16.60%
Defense Agencies **	394,228	9.49%	351,544	8.56%
Common Use	416,456	10.02%	521,747	12.70%
TOTAL	4,155,290	100%	4,108,557	100%

* New allocation amounts are from Facility Information Management System (FIMS) database

** Defense Agency space includes DIA, DISA, DLA, NGA, and PFFA; and Field Activities WHS and AFIS. NGB space was also grouped under this line item.

Note: Common Use space includes IT, telecom, food services, concessions, etc.

As of September 14, 2006