OPNAV INSTRUCTION 11014.3

From: Chief of Naval Operations

Subj: FACILITY MAINTENANCE UNIT IDENTIFICATION CODE HOLDER RESPONSIBILITIES

    (b) OPNAVINST 4000.84C
    (c) DoD Instruction 1015.15 of 31 October 2007
    (d) OUSD Memorandum, Accounting Policy Update for Financial Statement Reporting for Real Property Assets, 30 September 2015
    (e) DoD Instruction 4165.14 of 17 January 2014
    (f) USD (AT&L) Memorandum, Revised Implementation Goals for the Linear Segmentation Capability of the Real Property Inventory Requirements (RPIR), 4 February 2013 (NOTAL)
    (g) OPNAV M-5090.1 of 10 January 2014

1. **Purpose.** To issue policy, procedures, and responsibilities governing the management of facilities, infrastructure, and environmental functions on Navy installations (hereafter referred to as “the host”). This instruction clarifies host-tenant responsibilities where the host is not the facility maintenance unit identification code (MUIC) holder.

2. **Applicability.** This instruction applies to Commander, Navy Installations Command (CNIC) and all tenant activities located on CNIC installations, including joint bases for which Navy is the supporting service. It does not apply to Navy facilities hosted by other Services. Support at joint bases where the Navy is not the supporting Service is provided in Deputy Secretary of Defense Memorandum, Department of Defense Initial Guidance for BRAC 2005 Joint Base Implementation, of 22 January 2008.

3. **Background**

   a. Per OPNAVINST 5450.339, CNIC is assigned as the Navy’s shore integrator, responsible for designing and developing integrated solutions across Navy commands, budget submitting offices (BSO), Navy warfare enterprises and providers for the sustainment and development of Navy shore infrastructure. Office of the Chief of Naval Operations, Director of Shore Readiness (OPNAV N46) Memorandum, Designation of Authority as Agent for Managing and Establishing Requirements for Real Property, of 17 March 2016 designates CNIC as the Chief of Naval Operations’ (CNO) agent for managing and establishing requirements for Navy real property.
b. Per references (a) and (b), CNIC is mission funded to provide common base operating support (BOS) services, with exceptions noted in subsequent paragraphs. Navy tenant activities do not budget for BOS services that are provided by the host at the CNO established common output level standards. CNIC issues an operations plan at the beginning of each fiscal year that publishes common output level standards. Services in support of tenant specific requirements are a funding responsibility of the tenant. In addition, costs for services that exceed established common output level standards provided by the host or that are additional, identifiable, and can be segregated or metered on a reasonable and meaningful basis (e.g., utilities, custodial, grounds maintenance, etc.), will be funded by the tenant.

c. Navy facilities, also referred to as class 2 property, are generally categorized as buildings, structures, or utilities. Detailed data on each facility is maintained in the internet Navy Facility Assets Data Store (iNFADS), the Navy’s authoritative real property database. Each facility record includes numerous data elements, including maintenance fund source code (MFSC) and MUIC. These data elements indicate the type of funds used for maintenance and repair of a particular facility and the activity responsible for funding facilities sustainment, restoration and modernization (FSRM) and other facility operating costs. These data elements, along with related sustainment fund source codes and sustainment organization codes, define which organizations program resources to maintain Navy shore infrastructure. Although the host is normally identified as the MUIC holder for real property on CNIC installations, several exceptions are described below in subparagraph 4b.

4. Policy

a. Per reference (a), MUIC holders are responsible for funding facility requirements per applicable Department of Defense (DoD) and Navy financial policies and established host-tenant support agreements.

b. The host is assigned the MUIC for all facilities used by tenants on CNIC installations unless noted below in subparagraphs 4b(1) through 4b(14).

(1) Facilities financially reported by a defense or Navy working capital fund tenant activity. If a working capital fund tenant activity is the exclusive user of an entire site designated as a special area in iNFADS, the tenant has MUIC responsibility of the special area and all associated class 2 property and BOS functions in those facilities. Reference (a) clarifies funding responsibilities of working capital fund sites and activities.

(2) Tenants resourced under the Deputy Assistant Secretary of the Navy, Research, Development, Test and Evaluation program.

(3) Facilities resourced by the Defense Health Agency for use by Bureau of Medicine and Surgery activities.
(4) Facilities used exclusively by a Defense Agency or other Federal Agency activity (e.g., Defense Intelligence Agency, Defense Logistics Agency, etc.).

(5) Facilities used exclusively by a non-Navy component activity of the DoD (e.g., Army, Air Force, Coast Guard, DoD Education Activity). This exception does not apply on joint bases or joint regions where MUIC will be assigned per Joint Basing Implementation Guidance.

(6) Facilities used exclusively by State-sponsored National Guard units.

(7) Facilities used exclusively by a combatant or subordinate unified command where the Secretary of the Navy is not assigned as the combatant command support agent per DoD Directive 5100.03 of 9 February 2011. MUIC in this case will be assigned to the activity designated by the combatant command support agent.

(8) For Government-owned, contractor-operated facilities, MUIC will normally be assigned to the sponsoring tenant activity.

(9) Facilities used by morale, welfare, and recreation or other non-appropriated fund activities where appropriated FSRM funding support is not authorized per reference (c).

(10) Any facility that has been transferred to the Base Realignment and Closure (BRAC) Program Management Office for disposal. MUIC in this case will be assigned to the BRAC Caretaker Support Office. A support agreement is not required in this case.

(11) Any outgranted facility that requires the grantee to be responsible for FSRM per terms and conditions of the respective support agreement or real estate instrument. The term “outgrant” means any transaction whereby a non-Department of the Navy (DON) entity may enjoy an interest in, or use of, DON-controlled real property, such as a support agreement, lease, license, use agreement, host tenant real estate agreement, easement, permit, right of entry, or any other term applied to a similar arrangement.

(12) Any ingranted facility that requires the end user or tenant to be responsible for FSRM per terms and conditions of the respective support agreement or real estate instrument. The term “ingrant” means any transaction such as a support agreement, lease, permit or license, temporary easement, foreign base rights agreement, and treaty, or any other term applied to a similar arrangement, under which DON acquires a less than a fee interest in, or control of, real property. This exception does not apply if the end user or tenant is a host activity or other appropriated fund Navy activity.

(13) Facilities used by a non-federal or private entity that are not authorized appropriated fund support per reference (c).
(14) Any other facility with an established host-tenant or other support agreement in place that identifies the tenant activity as responsible for FSRM, including those agreements based on preponderant use by the tenant. The preponderant user is normally the primary user of a real property asset based upon the largest quantity of usage for a specific activity or function. CNIC, as the shore integrator, exists to provide support governed by this instruction to Operations and Maintenance, Navy (O&M,N) and Operations and Maintenance, Navy Reserve (O&M,NR) funded tenants even when CNIC is not the preponderant user. If an O&M,N and O&M,NR funded tenant provides sufficient justification to have MUIC and associated responsibilities, a host-tenant support agreement (hereafter referred to as a support agreement), which can be an inter-Service support agreement, DON Form 7600A General Terms and Conditions, memorandum of agreement, or memorandum of understanding, will be established per reference (a) to formalize funding responsibilities for FSRM and BOS requirements.

c. For subparagraphs 4b(1) through 4b(14) above, exclusive use facilities are those occupied by a single activity for their sole use. For the purpose of MUIC assignment, exclusive use includes those facilities in which a tenant occupies 90 percent or more of the physical capacity of a real property asset. The 90 percent threshold acknowledges, from an operational and economic benefit perspective, there is a level of usage below 100 percent which should require the tenant to be responsible for maintenance as well as financial reporting as required by reference (d). This 90 percent threshold is not meant to override existing or future support agreements that assign MUIC to a tenant. For example, if a tenant occupies the majority of a facility and is capable of meeting the requirements of this instruction, then it is permissible for that tenant to hold the MUIC.

d. The host will hold the MUIC for all common-use facilities. Common-use facilities are those used or available for use by all activities on the installation. Examples include roads, parking lots, perimeter fence lines, dining halls, chapels, theaters, Navy exchanges, Navy lodges, etc.

e. If a MUIC holding command no longer has a requirement for use of a facility, that command remains responsible for basic maintenance and security of the facility until it is disposed or transferred to the host. The host is not required to accept excess facilities, but may accept MUIC and associated responsibilities if a facility has residual value or potential for future use. Prior to relinquishment or transfer from an activity with assigned MUIC to another activity, the overall condition of the facility will be evaluated and documented. The relinquishing activity will remove equipment and relocatable facilities supporting its mission unless a deviation is mutually agreed upon and documented. The relinquishing activity is also responsible to fund costs to complete an environmental condition assessment. Any adverse effects due to past facility operations that are identified will be characterized and documented. Adverse effects attributable to the relinquishing activity require mitigation prior to transfer. Tenants will not be required to remediate adverse effects of outdated construction practices such as lead or asbestos usage, or documented conditions prior to occupancy. Existing MUIC holders are responsible for complying with this instruction until the MUIC is successfully transferred.
f. The host will be assigned MUIC responsibility for non-exclusive use facilities with multiple tenants (joint-use) and the sustainment organization and MFSC associated with the host will be assigned to all utilization records. When a host is assigned MUIC, the MFSC is O&M,N or O&M,NR. This includes facilities in which the host does not occupy any space. However, per references (b) and (e), the host may establish support agreements that identify facility sustainment as reimbursable to a tenant or tenants in a joint-use facility. In this case, the sustainment organization and fund source associated with the reimbursable tenant’s asset utilization records in iNFADS will reflect the tenant’s DoD organization and fund source used by the tenant to fund facilities sustainment. Once signed, these support agreements will be uploaded into iNFADS using the document management feature. If this instruction creates a need to update iNFADS records that otherwise would not have existed, those updates may be completed during the standard asset evaluation (AE) cycle.

g. The restoration modernization organization code and restoration modernization fund source code will reflect the DoD organization and fund source code used by the MUIC holder to fund facilities restoration modernization unless alternate arrangements are agreed upon and documented in a support agreement. Joint Basing Implementation Guidance, support agreements, and other directives may be applicable.

h. Tenants that are not MUIC holders are responsible for certain FSRM requirements regardless of MUIC assignment, as outlined below in subparagraphs 4h(1) and 4h(2).

(1) Additions, improvements, alterations, and rehabilitation of facilities to support tenant-specific requirements. These requirements may compete for available CNIC funding using the installation’s work induction process, but funding cannot be guaranteed. Approval from host commanding officer is required prior to any of this work occurring. Additionally, all work must be performed to DoD unified facilities criteria, Navy, CNIC, and installation standards.

(2) Maintenance and repairs, beyond normal wear and tear, caused solely by the tenant's occupancy or use of the facilities is the responsibility of the tenant.

(a) Normal wear and tear implies the maintenance requirement would exist regardless of tenant. Examples include periodic painting, carpet repair and replacement, and change of occupancy preparations created by rotating staff. Although a host can reasonably be expected to provide this maintenance, budget constraints may hinder a host’s ability to provide a timely solution.

(b) Beyond normal wear and tear implies a requirement would not exist for a typical occupant. The requirement is often generated by special equipment that creates a need for a facility modification. Modifications to return a facility to original condition would also be considered beyond normal wear and tear.
i. MUIC holders are responsible for determining and funding the appropriate level of preventive and corrective maintenance on facilities under their cognizance. Proper management, prioritization of resources, and timely correction of life, safety, or health discrepancies not only extend the service life of existing facilities, but also enable organizations to effectively function. In addition, preventive maintenance reduces unplanned maintenance and repair actions which are inherently more expensive, time consuming, and disruptive to daily operations. In most cases, Commander, Naval Facilities Engineering Command (COMNAVFACENGCOM) will be the organization responsible for execution of preventive and corrective maintenance in support of the MUIC holder. Regardless of execution agent, minimum maintenance responsibilities are following in subparagraphs 4i(1) through 4i(6).

(1) Development of annual maintenance execution plans to be submitted to host at least 6 months prior to the next fiscal year.

(2) Execution of emergency, urgent, and routine service calls to minimize damage or deterioration.

(3) Correction of conditions hazardous to life, safety, or health.

(4) Preventive maintenance of dynamic equipment (e.g., heating, ventilation and air conditioning equipment, automatic door openers) per manufacturer’s recommendations.

(5) Maintenance of storm water systems, features, and structures up to the point of demarcation, typically 5 feet from the facility.

(6) Maintenance, inspection and certification of elevators, backflow preventers, boilers, unfired pressure vessels, built-in weight handling equipment, fire protection systems, and other class 2 property requirements per all applicable DoD instructions, criteria, and industry standards.

j. In order to properly execute FSRM responsibilities and ensure the safety and security of Navy facilities, MUIC holders are responsible for specific requirements are described below in subparagraphs 4j(1) through 4j(9).

(1) **Condition-Based Maintenance Management.** Per Office of the Under Secretary of Defense for Acquisition, Technology and Logistics Memorandum, Standardizing Facility Condition Assessments, of 10 September 2013, and Deputy Chief of Naval Operations, Fleet Readiness and Logistics (CNO N4) Memorandum, Risk-Based Targeted Facilities Investment Strategy, of 27 September 2017, all MUIC holders will implement a condition-based maintenance program to ensure limited resources are focused on critical building components or systems in facilities where failure jeopardizes life or warfighter mission.
(a) CNO’s Shore Investment Guidance of May 2015 directs that all shore facilities have a component-level condition index and overall facility condition index. This data is used to support condition-based maintenance programs and overall management of Navy facilities. Facility condition assessments will be conducted on a 5-year cycle (approximately 20 percent of facilities per year). Unless a support agreement indicates otherwise, the host is responsible for funding condition assessments for all facilities with an O&M,N and O&M,NR MFSC.

(b) Based on the complexity of condition assessments, MUIC holders are encouraged to obtain these assessments from the local public works department or regional COMNAVFACENGCOM component command. All MUIC holders desiring an execution agent other than COMNAVFACENGCOM will first consult with COMNAVFACENGCOM to ensure compliance with condition assessment processes and data submission criteria.

(2) Real Property Inventory (RPI) and AEs. All MUIC holders will ensure an AE and periodic asset review is conducted at least every 5 years, with the exception of historic real properties, which must be reviewed and physically inventoried every 3 years. An AE is not the same as a facility condition assessment, rather, it is a physical inventory that support accurate reporting of the Navy’s RPI. The host is responsible for the AE of all facilities with a O&M,N, O&M,NR, and Family Housing, Navy MFSC. Additional information, including the definition of historic real properties, is located in reference (e).

(a) COMNAVFACENGCOM is the preferred execution agent for RPIs and AEs, funded on a reimbursable basis. Any MUIC holder desiring to use an execution agent other than COMNAVFACENGCOM will first consult with COMNAVFACENGCOM to ensure compliance with minimum standards described in reference (e) and will provide funding to COMNAVFACENGCOM to complete the data entry into authoritative facility databases.

(b) Any acquisition, capital investment, or real property disposal will be reported to COMNAVFACENGCOM within 30 days of the transaction in order to maintain a complete and accurate RPI. All periodic AEs, DD 1354 Transfer and Acceptance of DoD Real Property, and supporting documentation will be submitted to the host’s real property accountability officer or validation and acceptance into the Navy's RPI. CNIC is mission funded to support baseline real property accountability officer labor and overarching program management duties such as audit support and data maintenance. However, MUIC holders are required to fund additional labor for tenant specific requirements such as AEs, DD 1354 reconciliation, and other property inventory requirements.

(3) Financial Reporting for Real Property Assets. Real property must be reported per reference (d) by an entity that derives primary economic benefit and is responsible for sustainment of the property. If no entity meets criteria described in reference (d), the host must report the real property in its financial statements.
(4) **Linear Segmentation.** Reference (f) required DoD components to identify their linear structures as measurable modules in the appropriate RPI by September 2017. This includes, but is not limited to, roads, airfield pavement, electrical distribution, water distribution, sewage collection, chilled water distribution, steam (hot water) distribution, fire protection water distribution, gas distribution, petroleum, oil and lubricant distribution, and railroad and crane trackage. The host is responsible for ensuring that all linear structures with an O&M,N, O&M,NR, and Family Housing, Navy MFSC are assessed. Family Housing, Navy will provide additional funds to ensure linear systems in non-privatized housing areas are assessed adequately.

   (a) MUIC holders for these linear structures are responsible for identifying, validating, segmenting, and maintaining linear structures in compliance with reference (f).

   (b) Based on the complexity of linear segmentation assessments, MUIC holders are highly encouraged to obtain these assessments from the local public works department or the regional COMNAVFACENGCOM component command. Any MUIC holder desiring to use an execution agent other than COMNAVFACENGCOM will first consult with COMNAVFACENGCOM to ensure compliance with data submission criteria. Additionally, these MUIC holders will provide funding for COMNAVFACENGCOM to complete data entry into iNFADS and other authoritative facility databases.

(5) **Cybersecurity.** Per DoD Instruction 8500.01 of 14 March 2014 and DoD Instruction 8510.01 of 12 March 2014, all MUIC holders will ensure operational technology and control systems for their respective facilities have completed the risk management framework process to receive and maintain an authority to operate from COMNAVFACENGCOM, the Navy’s authorizing official for shore facilities systems. In this context, operational technology or control systems include: building control systems (e.g., heating, ventilation and air conditioning, direct digital control, elevators, lighting) and utility control systems (e.g., supervisory control and data acquisition). The host is responsible for all facilities with an O&M,N, O&M,NR, and Family Housing, Navy MFSC. Funding of authority to operate efforts for physical security systems (electronic security systems) is the responsibility of the command with the security requirement, regardless of MUIC assignment.

(6) **Environmental Compliance Responsibilities of MUIC Holders.** Per reference (g), the host retains overall responsibility for environmental compliance. This typically includes property and equipment owned or operated by tenants that are MUIC holders. Even though the host retains overall responsibility, all MUIC holders will comply with the Navy’s Environmental Readiness Program as outlined in reference (g) and as established in support agreements. This includes, but is not limited to subparagraphs 4j(6)(a) through 4j(6)(f).

   (a) Coordination and management of mission related environmental permits. In cases where overarching (e.g., state or host nation) regulation requires the MUIC holder to execute
environmental compliance actions such as obtaining a permit, associated information will be communicated with the host in support of overall management of the environmental compliance requirements of reference (g).

(b) Immediately report all notice of deficiencies or violations or any other notice from a regulatory or compliance enforcement agency. The tenant will also take an active role coordinating the funding of corrective actions and process improvements to address and close out notice of deficiencies or violations in a timely manner. If necessary and appropriate, submit funding requests to the BSO to support projects required to correct the identified deficiencies and root causes.

(c) Report all spills or releases of oil and hazardous substances per the host’s oil and hazardous substances contingency plan.

(d) Communicate planning for new operations, equipment, training, and facility requirements with the potential for environmental impact or change to installation environmental conditions. Additionally, MUIC holders will budget and fund costs related to environmental mitigation such as retrofitting and equipment modification needed to comply with both existing and new environmental requirements.

(e) Budget and fund environmental compliance testing (i.e., radon) and any necessary risk communication to comply with both existing and new environmental requirements.

(f) Per reference (g), the host always retains responsibility for the environmental permitting process. For example, if a tenant’s emergency generator requires an air permit, the host commanding officer is responsible for requesting and holding the permit, not the MUIC holder. However, the MUIC holder is responsible for funding the cost of permit preparation and compliance.

(7) Environmental Compliance Responsibilities of All Tenants. Per reference (g), all tenants, regardless of whether they have MUIC responsibility, will support the environmental management system (EMS) program in coordination with the host. Responsibilities include, but are not limited to subparagraphs 4j(7)(a) through 4j(7)(e).

(a) For all EMS nonconformities and compliance deficiencies identified in internal and external EMS and compliance audits, identify root causes and develop, execute, and document a plan with corrective actions, and process improvements.

(b) Actively participate in the identification of corrective actions and process improvements to address deficiencies and their root causes. If necessary and appropriate, submit funding requests to BSO to support projects that correct identified deficiencies and root causes.
(c) Advise the host as soon as possible if an EMS nonconformity, compliance deficiency, or other problem may result in adverse public relations or require regional coordination to solve.

(d) Support and assist host in implementing environmental compliance requirements, including, but not limited to: spill program training and exercises, hazardous materials management, and hazardous waste disposal.

(e) Coordinate with the host for any procurement that would affect environmental aspects or have environmental implications to the host command.

(8) **Navy Occupational Health and Safety.** Establish tenant command led programs to prevent employee exposure to known hazards to life, safety, or health such as asbestos, mold, lead, radon, radiation, unexploded ordnance, and other materials known to cause health problems due to exposure.

(9) **Shore Energy.** Per OPNAVINST 4100.5E, the Navy’s energy goals apply to all CNIC installations. All tenants on CNIC installations will support the Navy's shore energy management and reporting programs, including, but not limited to:

(a) facility energy and water intensity reduction and use auditing,

(b) building energy monitor program participation,

(c) meeting sustainability criteria for new footprint and major restoration modernization projects, and

(d) energy usage and compliance reporting.

5. **Responsibilities**

   a. **CNIC**

      (1) Ensure support agreements are established with all supported commands and tenant activities per reference (g). Support agreements will clearly identity whether the host or tenant will hold the MUIC for occupied facilities and whether the responsibilities described in this instruction are reimbursable or non-reimbursable. Support agreements on joint bases will be established per Deputy Secretary of Defense Memorandum, Department of Defense Initial Guidance for BRAC 2005 Joint Base Implementation, of 22 January 2008.

      (2) Ensure RPI data is current and accurate, periodic AEs are conducted every 3 or 5 years as appropriate, and updates are incorporated into required data management systems per financial improvement and audit readiness requirements.
(3) Ensure all shore facilities have a component-level condition index and facility condition index, periodic updates are conducted at least every 5 years, and updates are incorporated into required data management systems in a timely manner.

(4) Ensure real property officers are appointed in writing by their respective regional engineer and real property accountability officer are appointed in writing by their respective host commanding officer.

b. COMNAVFACENGCOM

(1) Properly maintain real property data in iNFADS to support efficient planning, management, and reporting of shore facilities. The accuracy and completeness of the facility data in iNFADS is the responsibility of the appointed real property officer and real property accountability officer.

(2) Provide condition-based maintenance management program management, technical expertise, and reporting to support condition-based maintenance implementation and investment decision making.

(3) Execute condition assessments, AEs, or linear segmentation for MUIC holders upon receipt of request and commensurate funding.

(4) Provide MUIC holders annual budget level estimates for all reimbursable requirements (e.g., utilities, preventive maintenance, etc.).

(5) Provide periodic updates to BSOs through the annual development facilities sustainment model process including the opportunity to provide input and resourcing to support updating unit cost models.

c. MUIC Holders. Budget for BOS and FSRM services as outlined by this instruction and other governing directives.

6. Records Management

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the DON/Assistant for Administration, Directives and Records Management Division portal page at https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx.

b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact the local records manager or the DON/Assistant for Administration, Directives and Records Management Division program office.
7. **Review and Effective Date.** Per OPNAVINST 5215.17A, CNO N4 will review this instruction annually on the anniversary of its issuance date to ensure applicability, currency, and consistency with Federal, DoD, Secretary of the Navy, and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will be in effect for 10 years, unless revised or cancelled in the interim, and will be reissued by the 10-year anniversary date if it is still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the instruction is no longer required, it will be processed for cancellation as soon as the cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.


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