



U.S. General Services Administration

ADMINISTRATOR'S SEMIANNUAL MANAGEMENT REPORT TO CONGRESS



REPORT NO. 68
OCTOBER 1, 2022 – MARCH 31, 2023

U.S. General Services Administration

Robin Carnahan
Administrator

Office of the Chief Financial Officer

Nimisha Agarwal
Chief Financial Officer

Office of Audit Management and Accountability

Evan Farley
Director

May 2023

This report is in the public domain. Authorization to reproduce it in whole or in part is granted. While permission to reprint this publication is not necessary, the citation should be:
U.S. General Services Administration, Office of the Chief Financial Officer, Office of Audit Management and Accountability, *Administrator's Semiannual Management Report to Congress, No. 68*, Washington, DC 20405.

Copies of this report can be obtained using any of the following:

E-mail: GAO-IGAuditMgmtDiv@gsa.gov

Online: [Semiannual Management Report to Congress](#)

Contents

Message from the Administrator.....	3
Overview	4
Management’s Response to the OIG Semiannual Report to Congress.....	4
U.S. General Services Administration Organization	4
Audit Follow-up Program	5
Organization of Audit Follow-up Program.....	5
Agency Audit Follow-up Official	5
Chief Financial Officer (CFO)	5
Heads of Services and Staff Offices, Regional Administrators	5
Synopsis of Audit Activity	6
Audits with Disallowed Costs.....	7
Audits with Better Use Funds (Potential Cost Savings)	8
Audits under Appeal/Litigation	9
Contract Audits.....	10
Internal Audits	11
Open OIG Recommendations Not Fully Implemented as of March 31, 2023.....	12
Glossary of Terms	27
Appendix	29

Message from the Administrator

I am pleased to provide Congress with the U.S. General Services Administration's (GSA) Semiannual Management Report to Congress, which summarizes the agency's audit-related actions and accomplishments for the six months that ended March 31, 2023.

GSA greatly values the contributions of GSA Office of Inspector General (OIG) and takes their recommendations seriously. GSA continues strengthening its oversight and is committed to driving solutions that save taxpayer dollars and support agencies in delivering on their mission. This commitment is reflected in its actions on auditor recommendations and many other initiatives.

GSA looks forward to continued work with GSA's OIG and Congress to support an effective, efficient, and accountable government for the public.



Robin Carnahan
Administrator
U.S. General Services Administration

Overview

Management's Response to the OIG Semiannual Report to Congress

This report, GSA's 68th report to Congress since the implementation of the reporting requirement, presents management's perspective on audit resolution and follow-up activity for the semiannual reporting period, in addition to general statistical summaries. The data in this report indicates that GSA's audit monitoring and management activities continue to play a significant and valuable role in the effective management of GSA operations, the accomplishment of the Agency mission, and the effective use of taxpayer dollars.

U.S. General Services Administration Organization

GSA's Public Buildings Service and Federal Acquisition Service provide Governmentwide delivery of real estate, acquisition, and technology services. GSA's Office of Government-wide Policy manages the development of specific Governmentwide policies and regulations and provides shared services across the Government. GSA's 11 regions provide local support to Federal agencies nationwide, while GSA's several staff offices provide support to other GSA organizations, other Federal agencies, and the public.

The Administrator of General Services directs the execution of all GSA functions. Members of the Administrator's office, as well as Regional Administrators and Heads of Services and Staff Offices, advise and make recommendations on policy or operational issues of national scope. Heads of Services and Staff Offices also are responsible for the execution of programs and services within their offices, under the leadership of the Administrator.

Audit Follow-up Program

Organization of Audit Follow-up Program

GSA has effective systems in place for tracking and managing audit recommendations, and enhancement and modification of these systems is ongoing. GSA's management is accountable for ensuring prompt, appropriate corrective action and works with supervisors and program managers who develop remedies from identified findings and report progress in implementing solutions. Agency managers have the responsibility to act on the auditor's recommendations, with the audit resolution process overseen by the Agency Audit Follow-up Official. The descriptions of the duties of the GSA officials involved in the audit follow-up process are below.

Agency Audit Follow-up Official

The GSA Deputy Administrator, as the Agency Audit Follow-up Official, has overall responsibility for the audit follow-up program. This includes responsibility for ensuring the adequacy of the Agency's follow-up system, monitoring the resolution of audit recommendations, and ensuring timely implementation of corrective actions. The incumbent in this position also makes final decisions to resolve differences between Agency management and the GSA OIG.

Chief Financial Officer (CFO)

The CFO provides direction and oversight to the officials in the Office of the Chief Financial Officer (OCFO) who manage the GSA's Audit Resolution and Follow-up System. Their responsibilities are as follows:

- Liaise with the GSA OIG and GAO for the coordination of OIG and GAO audits within GSA, and coordinate preparation of responses and reports for the signature of the Heads of Service and Staff Offices or the Administrator, as required;
- Ensure timely and effective resolution and implementation of audit recommendations made by the GSA OIG and GAO;
- Ensure agency efficacy in the resolution of findings that cross multiple offices or agencies.
- Oversee the collection and proper accounting of monetary amounts determined due to the Government as the result of audit-related claims;
- Upon request, review past or present audit recommendations concerning GSA programs;
- Maintain automated control systems for internal and external audits that provide an accurate means for monitoring, analyzing, tracking, and documenting actions taken to implement audit recommendations; and
- Provide analysis to identify trends, minimize repeat findings, and enable preventive action.

Heads of Services and Staff Offices, Regional Administrators

Heads of Services and Staff Offices and Regional Administrators to whom audit recommendations pertain have primary responsibility for resolving and implementing recommendations promptly, and for the following:

- Ensure controls are implemented to provide timely, accurate, and complete responses to audit reports;
- Develop, advocate, and document agency positions on audit recommendations;
- Prepare responses to GSA OIG and GAO draft and final reports;
- Provide comments on audit decision papers prepared by the GSA OIG to accurately state management's position on unresolved audit recommendations.

Synopsis of Audit Activity

The Inspector General Act of 1978, as amended, requires the Administrator of General Services to report directly to Congress on management decisions and final actions taken on audit recommendations made by the GSA OIG.

This report covers the period of October 1, 2022, through March 31, 2023. Included in the report are summaries of GSA audit activities concerning:

- GSA implementation of GSA OIG audit report recommendations;
- Final actions not taken on audits 1 year after the date of the management decision; and,
- Audit reports and audit actions involving financial recommendations, including disallowed costs, funds put to better use (better use funds), or both.

On October 1, 2022, GSA had 55 contract and internal audit reports pending final action. These reports contained financial recommendations totaling \$603,919,919.00 (sum of row A, pages 7 and 8).

- Financial recommendations for 33 contract audits totaled \$601,706,734.00.
- Financial recommendations for 22 internal audits totaled \$2,213,185.00.

Between October 1, 2022, through March 31, 2023, GSA finalized management decisions on 28 audit reports concerning nationwide GSA programs and operations.

- In 19 of the 28 audits, a total of \$2,016,843.00 in pre- and post-award contracts program spending identified as having been incorrectly charged to the Government was determined to be disallowed costs.
- GSA OIG recommended in 17 pre-award audits that \$470,499,982.00 could be used more effectively if management acted to fully implement and complete GSA OIG's recommendations (see Appendix).

During this 6-month reporting period, GSA successfully took final action on 28 audits. GSA's audit actions represent the recovery of \$4,564,136.66 (row C, page 7) in Government funds and the identification of \$238,635,693.00 in potential future savings (row C, page 8).

As of March 31, 2023, GSA had 55 open internal and contract audits, with four audits in litigation.

Audits with Disallowed Costs

Final Action for the 6 Months Ending March 31, 2023	Number of Audit Reports	Disallowed Costs
A. Audit reports where final action had not been taken by the commencement of the reporting period.	55	\$8,908,958.00
B. Audit reports where GSA/OIG made management decisions during the reporting period.	28	\$2,016,843.00
<hr/>		
C. Audit reports where GSA took final action during the reporting period.	28	\$4,564,136.66
(i) the dollar value of disallowed costs		\$2,664,807.28
- collections.....		\$2,134,377.95
- offset.....		\$493,1210.00
- property in lieu of cash.....		\$0.00
- surplus.....		\$37,308.33
- other.....		\$0.00
(ii) the dollar value of disallowed costs written off by management.		(\$1,899,329.38)
D. Audit reports where GSA did not take final action by the end of the reporting period and includes audit reports issued during this reporting period.	53	\$6,129,757.00

Audits with Better Use Funds (Potential Cost Savings)

Final action for the 6 Months Ending March 31, 2023	Number of Audit Reports	No Budget Impact (Actual and Estimated)	Budget Impact
A. Audit reports where final action had not been taken by management by the commencement of the reporting period.	55	\$595,010,961.00	\$0
B. Audit reports where GSA/OIG made management decisions during the reporting period	28	\$470,499,982.00	\$0
C. Audit reports where GSA took final action during the reporting period.	28	\$238,635,693.00	\$0
<i>(i) the actual dollar value of recommendations that were completed.</i>		\$0	
<i>(ii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be implemented or completed.</i>		\$0	
<i>(iii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be determined (calculated).</i>		\$0	
<i>(iv) the estimated dollar value of "funds to be put to better use" as agreed to by GSA management and GSA OIG.</i>		\$238,635,693.00	
D. Audit reports where GSA took no final action by the end of the reporting period and includes audit reports issued during this reporting period.	53	\$582,736,252.00	\$0

Audits under Appeal/Litigation

Financial recommendations are not included for contract awards or actions that are not completed.

Audit Report Number and Name of Contractor	Issue Date of Report	Management Decision Amounts of Disallowed Costs
A200986P4X21014 Balfour Beatty Construction, LLC	2/11/2021	\$0
A201000P4X21031 Berkel & Company Contractors, Inc.	6/9/2021	\$0
A200997P4X21040 Kirlin Design Build, LLC	8/27/2021	\$0
A210054P4X22013 Desbuild EG Management Services JV, LLC	3/3/2022	\$0

Contract Audits

Audits with Management Decisions made prior to March 31, 2022, with No Final Action as of March 31, 2023

Audit Report Number and Name of Contractor	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action
A150001Q2X17033 Noble Sales Co., Inc.	3/30/2017	\$285,906	An investigation was opened by either the OIG or the Justice Department regarding actions taken by the contractor.
A190070Q4X20035 KPaul Properties LLC	5/27/2020	\$133,932	In the process of collection - GSA is collecting funds owed the Government.
A190088Q6X20050 United Rentals, Inc.	9/29/2020	\$3,466,171	Negotiations are proceeding between Contracting Officer and contractor.
A200986P4X21014 Balfour Beatty Construction, LLC	2/11/2021	\$0	Litigation in progress.
A201000P4X21031 Berkel & Company Contractors, Inc.	6/9/2021	\$0	Litigation in progress.
A200997P4X21040 Kirlin Design Build, LLC	8/27/2021	\$0	Litigation in progress.
A210024Q3X21048 Slalom, LLC	9/28/2021	\$0	Negotiations are proceeding between Contracting Officer and contractor.
A210054P4X22013 Desbuild EG Management Services JV, LLC	3/3/2022	\$0	Litigation in progress.
A210066Q9X22015 Koniag Technology Solutions, Inc.	3/30/2022	\$0	Negotiations are proceeding between Contracting Officer and contractor.

Internal Audits

Audits with Management Decisions made prior to March 31, 2022, with No Final Action as of March 31, 2023

Audit Report Number and Title of Report	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action	Projected Completion Date
A210020P6R22003	3/24/2022	\$0	Audit is in the Pending Closure Stage	TBD
PBS Has Not Identified All High-Risk Uses of Space, Resulting in Potential Safety Risks				

Open OIG Recommendations Not Fully Implemented as of March 31, 2023

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A210018PTR22004 Audit of the Security Controls for Building Automation Technologies in GSA Facilities	4/22/2022	004	OIG recommends the PBS Commissioner, in coordination with the GSA Chief Information Officer, implement controls to ensure that conditions identified in the Acceptance of Risk letters are tracked and remediated within the time limits specified and in accordance with GSA's IT Security Procedural Guide: Managing Enterprise Cybersecurity Risk, CIO-IT Security-06-30. Original due date: 3/30/2030 Current due date: 4/21/2023
A210033P5R22006 Audit of Security Camera and Alarm Systems at GSA-Owned Buildings	6/22/2022	001B	In conjunction with the U.S. Department of Homeland Security's Federal Protective Service (FPS), develop and implement a plan to repair, replace, and install the security camera and alarm systems identified through the nationwide assessment. Original due date: 6/30/2023 Current due date: 6/30/2023
		001C	In conjunction with the U.S. Department of Homeland Security's Federal Protective Service (FPS), revise GSA's Memorandum of Agreement (MOA) with FPS to clearly define responsibility for repairing and replacing security camera and alarm systems within an acceptable time frame. Original due date: 12/30/2022 Current due date: 4/28/2023
		002	In conjunction with FPS, GSA is not able to secure funding to repair, replace, or install security camera and alarm systems, GSA should work with Congress to establish a consistent funding stream to address current and future security camera and alarm system deficiencies. Original due date: 6/30/2023 Current due date: 6/30/2023

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A201045Q3P22001 FAS's Use of the 4P Tool on Contract and Option Awards Often Results in Noncompliant Price Determinations	7/27/2022	001	OIG recommends that the FAS Commissioner develop and implement oversight controls to ensure contracting personnel adhere to FAS Policy and Procedures 2020- 02 and 2021-05, and only use the 4P tool as part of a larger negotiation strategy that seeks the lowest overall cost alternative to meet the needs of the federal government, as required by the Competition in Contracting Act of 1984. Original due date: 9/29/2023 Current due date: 9/29/2023
		004	OIG recommends that the FAS Commissioner develop and implement oversight controls to ensure contracting personnel are following the updated 4P Application User Guide. Original due date: 9/29/2023 Current due date: 9/29/2023
		005	OIG recommends that the FAS Commissioner include commercial market pricing research on the 4P tool overview tab. Original due date: 9/29/2023 Current due date: 9/29/2023
		006	OIG recommends that the FAS Commissioner include "no competitive research found" flags and a competitive research rate in 4P reports, exclusive of self-hits. Original due date: 9/29/2023 Current due date: 9/29/2023
		007	OIG recommends that the FAS Commissioner design and implement procedures to ensure only accurate, current pricing is included in 4P reports. Original due date: 9/29/2023 Current due date: 9/29/2023
		002C	OIG recommends that the Acting NCR Regional Commissioner should coordinate with the OCFO to ensure national RWA policies and goals are met for substantial completion dates to be entered into RWA Entry and Tracking Application (RETA). Original due date: 3/31/2023 Current due date: 4/28/2023
		A210039PRR22007	9/23/2022
Audit of the PBS NCR's Metropolitan Service Center Reimbursable Work Authorizations			

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A200975Q3P22002 FAS Cannot Provide Assurance that MAS Contract Pricing Results in Orders Achieving the Lowest Overall Cost Alternative	9/30/2022	004	OIG recommends that the FAS Commissioner explore new pricing methodologies that can ensure that its contracting personnel are able to leverage aggregate government buying power to negotiate and award MAS contracts that result in orders that reflect the lowest overall cost alternative to meet the needs of the government. Original due date: 9/29/2023 Current due date: 9/29/2023
A201018P4R22008 COVID-19: PBS Faces Challenges in its Efforts to Improve Air Filtration in GSA-Controlled Facilities	9/30/2022	001A	OIG recommends that the PBS Commissioner for GSA-owned facilities conduct an accurate and complete assessment of HVAC systems to identify deficiencies in air filtration. Based upon the assessment, PBS should maximize central air filtration in existing HVAC systems without significantly reducing design airflow. Original due date: 9/29/2023 Current due date: 9/29/2023
		001B	OIG recommends that the PBS Commissioner for GSA-owned facilities review and update current and future operations and maintenance (O&M) contracts to ensure that they clearly identify the required Minimum Efficiency Reporting Value (MERV) air filters and preventive maintenance schedules. Original due date: 5/31/2023 Current due date: 5/31/2023
		001C	OIG recommends that the PBS Commissioner for GSA-owned facilities establish controls to ensure that PBS obtains and maintains complete preventive maintenance records. Original due date: 5/31/2023 Current due date: 5/31/2023
		001D	OIG recommends that the PBS Commissioner for GSA-owned facilities ensure contracting officer representatives conduct inspections of mechanical rooms and preventive maintenance records to ensure that air filters meet Minimum Efficiency Reporting Value (MERV) requirements. Original due date: 9/29/2023 Current due date: 9/29/2023

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A201018P4R22008 COVID-19: PBS Faces Challenges in its Efforts to Improve Air Filtration in GSA-Controlled Facilities	9/30/2022	002A	OIG recommends that the PBS Commissioner for GSA-leased space review and update current and future lease agreements to ensure that they clearly identify the required Minimum Efficiency Reporting Value (MERV) air filters and preventive maintenance schedules. (continued) Original due date: 9/29/2023 Current due date: 9/29/2023
		002B	OIG recommends that the PBS Commissioner for GSA-leased space ensure that lessors maintain and provide required preventive maintenance records and provide timely access to mechanical rooms. Original due date: 9/29/2023 Current due date: 9/29/2023
		002C	OIG recommends that the PBS Commissioner for GSA-leased space ensure that PBS representatives inspect mechanical rooms and preventive maintenance records to ensure that air filters meet Minimum Efficiency Reporting Value (MERV) requirements. Original due date: 9/29/2023 Current due date: 9/29/2023
A220037ATF23001 GSA Is Not Fully Complying with the Geospatial Data Act of 2018	10/5/2022	001B	OIG recommends that the GSA Administrator ensures that the collection, maintenance, dissemination, and preservation of GSA's geospatial data complies with the Geospatial Data Act of 2018 Agency-wide by conducting an Agency-wide assessment to identify and inventory all geospatial data, including, but not limited to, contracts purchasing geospatial data. Original due date: 9/29/2023 Current due date: 9/29/2023
		001C	OIG recommends that the GSA Administrator ensures that the collection, maintenance, dissemination, and preservation of GSA's geospatial data complies with the Geospatial Data Act of 2018 Agency-wide by incorporating all geospatial data into GSA's Geospatial Data Strategy and Covered Agency Annual Report and Self-Assessment. Original due date: 9/29/2023 Current due date: 9/29/2023

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A220037ATF23001 GSA Is Not Fully Complying with the Geospatial Data Act of 2018	10/5/2022	002A	OIG recommends that the GSA Administrator ensures that GSA adheres to the appropriate geospatial data standards by developing a process for reviewing and updating the Inventory of Owned and Leased Properties (IOLP) and Federal Real Property Profile Management System (FRPP MS) MS datasets to ensure they comply with the appropriate data standards.
(continued)			Original due date: 12/30/2023 Current due date: 12/30/2023
		002B	OIG recommends that the GSA Administrator ensures that GSA adheres to the appropriate geospatial data standards by working with submitting agencies to obtain any incomplete data during the next Federal Real Property Profile Management System (FRPP MS) dataset reporting cycle.
			Original due date: 12/30/2023 Current due date: 12/30/2023
		002C	OIG recommends that the GSA Administrator ensures that GSA adheres to the appropriate geospatial data standards by reviewing and revising the FRPP MS data verification process to ensure the Federal Real Property Profile Management System (FRPP MS) dataset contains complete and valid data.
			Original due date: 9/29/2023 Current due date: 9/29/2023
		003C	OIG recommends that the GSA Administrator ensures that GSA adheres to the appropriate geospatial metadata standards by developing a routine review process to ensure geospatial metadata is accurate and complete.
			Original due date: 9/29/2023 Current due date: 9/29/2023

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A220037ATF23001 GSA Is Not Fully Complying with the Geospatial Data Act of 2018 (continued)	10/5/2022	004B	OIG recommends that the GSA Administrator implements a comprehensive, formalized oversight structure that ensures GSA's Agency-wide compliance with the Geospatial Data Act of 2018 (GDA), including, but not limited to implementation of mechanisms to ensure those responsible for GDA compliance are fully aware of geospatial-related activities Agency-wide. Original due date: 9/29/2023 Current due date: 9/29/2023
		004C	OIG recommends that the GSA Administrator implements a comprehensive, formalized oversight structure that ensures GSA's Agency-wide compliance with the Geospatial Data Act of 2018 (GDA), including, but not limited to development of oversight mechanisms that ensure the completeness, accessibility, and usability of GSA geospatial data uploaded to Data.gov and the GeoPlatform. Original due date: 9/29/2023 Current due date: 9/29/2023
JE23-001 Ventilation Issues Persist in Unrenovated Wings of GSA Headquarters Building	11/28/2022	004D	OIG recommends that the GSA Administrator implements a comprehensive, formalized oversight structure that ensures GSA's Agency-wide compliance with the Geospatial Data Act of 2018 (GDA), including, but not limited to development of oversight mechanisms to identify and exclude CUI from the IOLP dataset. Original due date: 7/31/2023 Current due date: 7/31/2023
		001	OIG recommends that the Public Buildings Service Commissioner should continue to monitor IAQ in Wings 0 and 3 of the Headquarters Building, in accordance with the PBS Desk Guide. Original due date: 11/28/2023 Current due date: 11/28/2023
		002	OIG recommends that the Public Buildings Service Commissioner should expeditiously notify Headquarters Building occupants of any IAQ results that do not meet ASHRAE standards. Original due date: 11/28/2023 Current due date: 11/28/2023

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
A210045P2R23001 The GSA Public Buildings Service's Special Programs Division Is Not Effectively Managing Reimbursable Work Authorizations	12/2/2022	001	OIG recommends that the PBS Commissioner takes action to ensure that the SPD properly trains its employees in the acceptance, execution, and closeout of RWAs in accordance with applicable laws, regulations, and GSA policies. Original due date: 4/28/2023 Current due date: 4/28/2023
		002	OIG recommends that the PBS Commissioner takes action to ensure that the SPD properly oversees project managers and other acquisition personnel regarding any RWA contract administration, including modifications and closeouts. Original due date: 4/28/2023 Current due date: 4/28/2023
		003	OIG recommends that the PBS Commissioner takes action to ensure that the SPD Implements controls to ensure that substantially completed RWAs are identified and closed out according to applicable GSA policies. Original due date: 4/28/2023 Current due date: 4/28/2023
		004	OIG recommends that the PBS Commissioner takes action to ensure that the SPD Implements controls to ensure that substantially completed RWAs are identified and closed out according to applicable GSA policies. Original due date: 4/28/2023 Current due date: 4/28/2023
		005	OIG recommends that the PBS Commissioner takes action to ensure that the SPD Implements controls to ensure that substantially completed RWAs are identified and closed out according to applicable GSA policies. Original due date: 4/28/2023 Current due date: 4/28/2023

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
A210053P2R23002 PBS Needs to Strengthen Its Training and Warranting Programs for Contracting Officers	12/30/2022	001	OIG recommends that the PBS Commissioner takes appropriate action to address the deficiencies described in this report by ensuring that the training and development needs of contracting officers at the GS-12 level and above are adequately addressed to foster PBS's operational success in achieving GSA's mission. Original due date: 7/31/2023 Current due date: 7/31/2023
		002	OIG recommends that the PBS Commissioner takes appropriate action to address the deficiencies described in this report by implementing a national policy to establish a standardized process for evaluating and verifying the contracting experience and qualifications of warrant applicants. Original due date: 10/31/2023 Current due date: 10/31/2023
		003	OIG recommends that the PBS Commissioner takes appropriate action to address the deficiencies described in this report by implementing controls to mitigate warrant authority risks created by the limitations of the FAI CSOD system. Original due date: 10/31/2023 Current due date: 10/31/2023
		004A	OIG recommends that the PBS Commissioner takes appropriate action to address the deficiencies described in this report by ensuring that key warranting records for the PBS acquisition workforce are properly maintained. Original due date: 10/31/2023 Current due date: 10/31/2023
		004B	OIG recommends that the PBS Commissioner takes appropriate action to address the deficiencies described in this report by ensuring Heads of Contracting Activity formally appoint acquisition career managers via delegation appointment memos and communicate their duties and responsibilities. Original due date: 10/31/2023 Current due date: 10/31/2023

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
JE23-002 GSA Oversight of Federal Surplus Firearms	1/19/2023	001	<p>OIG recommends that the Assistant Commissioner of the Office of General Supplies and Services should review and revise GSA Order FSS P 4025.5 to establish the management objectives and requirements of the Surplus Firearms Donation Program, including GSA's roles and responsibilities for surplus firearms.</p> <p>Original due date: 5/31/2023 Current due date: 5/31/2023</p>
		002	<p>OIG recommends that the Assistant Commissioner of the Office of General Supplies and Services should coordinate with the GSA Office of General Counsel to revise internal procedural documents, including the SOP, to reflect current practices and ensure they are consistent with each other and with federal requirements.</p> <p>Original due date: 5/31/2023 Current due date: 5/31/2023</p>
		003	<p>OIG recommends that the Assistant Commissioner of the Office of General Supplies and Services should establish a process to ensure GSAXcess initial firearms data entered by federal agencies into GSAXcess is both accurate and sufficient to allow for the proper identification, tracking, and donation of surplus firearms.</p> <p>Original due date: 8/31/2023 Current due date: 8/31/2023</p>
		004	<p>OIG recommends that the Assistant Commissioner of the Office of General Supplies and Services should establish a process to ensure GSA firearms staff proactively screen and timely update GSAXcess firearms data to avoid errors.</p> <p>Original due date: 8/31/2023 Current due date: 8/31/2023</p>
		005	<p>OIG recommends that the Assistant Commissioner of the Office of General Supplies and Services should implement a centralized records management system to ensure both the consistent storage and efficient access of documentation supporting GSA's Surplus Firearms Donation Program.</p> <p>Original due date: 12/29/2023 Current due date: 12/29/2023</p>

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses Awaiting OIG Feedback

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
JE21-002	9/14/2021	001	Take appropriate action to remedy the harm caused by a tainted performance review process that resulted in an unsatisfactory rating and in her removal from the Associate Administrator position, as well as the loss of any opportunity for a FY 2017 performance period pay increase or bonus.
OIG EVALUATION REPORT: Evaluation of the General Services Administration's Use of an Ad Hoc Appraisal Process for an Executive		002	Review current processes and procedures to ensure sufficient oversight of employee misconduct and disciplinary reviews, including timely referral to the OIG.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A210064A3F23002 GSA's Administration of Performance-Based Contracts Puts the Government at Risk of Unsatisfactory Contractor Performance and Wasted Funds	2/9/2023	001A	OIG recommends that GSA Administrator, through the FAS and PBS Commissioners, and the Assistant Administrator for OAS, revise or issue Agency policy to ensure the appropriate oversight of acquisition planning activities for performance-based service contracts, including the creation of a quality assurance surveillance plan (QASP) that complies with applicable regulations.
		001B	OIG recommends that GSA Administrator, through the FAS and PBS Commissioners, and the Assistant Administrator for OAS, revise or issue Agency policy to ensure contracting personnel have clear, descriptive instruction on how to monitor and enforce quality assurance surveillance plans (QASPs) during contract administration to ensure compliance and improve acquisition outcomes.
		002	OIG recommends that GSA Administrator, through the FAS and PBS Commissioners, and the Assistant Administrator for OAS, require contracting personnel to complete refresher training on any revised policies and new training on any policies issued in response to this audit report.
		003	OIG recommends that GSA Administrator, through the FAS and PBS Commissioners, and the Assistant Administrator for OAS, ensure Contractor Performance Assessment Reporting System assessments are supported by justification narratives, accurately depict contractor performance, and are timely.
		004	OIG recommends that GSA Administrator, through the FAS and PBS Commissioners, and the Assistant Administrator for OAS, implement management oversight to ensure contracting personnel comply with policies and procedures intended to ensure sufficient government oversight of contractor performance.
A210030P5R23004 PBS Southeast Sunbelt Region's Lack of Planning Has Resulted in Chillers That Are Outdated, Inadequately Maintained, and Lack Redundancy	2/16/2023	001A	OIG recommends the PBS Regional Commissioner (4P) assess the condition of all chillers within PBS Region 4 to identify those that have, or will soon, exceed their useful lives.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number	Issue Date	Recommendation
A210030P5R23004 PBS Southeast Sunbelt Region's Lack of Planning Has Resulted in Chillers That Are Outdated, Inadequately Maintained, and Lack Redundancy	2/16/2023	001B OIG recommends the PBS Regional Commissioner (4P) assess the condition of all chillers within PBS Region 4 to identify those that are due for or behind on manufacturer-recommended overhauls and are not nearing or beyond their useful lives.
		001C OIG recommends the PBS Regional Commissioner (4P) assess the condition of all chillers within PBS Region 4 to identify those that lack required redundancy.
		002A OIG recommends the PBS Regional Commissioner (4P) develop and implement a plan to replace the chillers that have exceeded, or will soon exceed, their useful lives.
		002B OIG recommends the PBS Regional Commissioner (4P) develop and implement a plan to perform the identified manufacturer-recommended overhauls, as well as ensure future overhauls are performed in a timely manner.
		002C OIG recommends the PBS Regional Commissioner (4P) develop and implement a plan to prioritize redundancy in accordance with GSA's Facilities Standards for the Public Buildings Services.
		003 OIG recommends the PBS Commissioner perform a similar assessment of the condition of all chillers across PBS's nationwide portfolio.
		004 OIG recommends the PBS Commissioner develop and implement a plan to address the results of the assessment.
A220026PRR23003 Audit of PBS's Oversight of Lease Periodic Services	2/16/2023	001 OIG recommends that the PBS Commissioner require lease administration managers (LAMs) supervisors to routinely ensure that LAMs are verifying that lessors complete all periodic services.
		002 OIG recommends that the PBS Commissioner require lease administration managers (LAMs) supervisors to routinely ensure that LAMs are verifying that lessors complete all periodic services.
		003 OIG recommends that the PBS Commissioner ensure regional offices conduct the required Management Analysis and Review Systems (MARS) reviews to ensure lease administration managers (LAMs) maintain all required records in the Lease Management Tool (LMT), including the annual schedule of periodic services.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A220026PRR23003 Audit of PBS's Oversight of Lease Periodic Services (continued)	2/16/2023	004	OIG recommends that the PBS Commissioner require that upon assignment and on a regular basis, the lease administration managers (LAMs) communicate with the lessor and tenant agency to obtain and verify the updated schedule of periodic services.
A210069P6R23005 GSA Is Not Monitoring Data from Access Card Readers to Identify Risks to GSA Personnel and Federal Property	2/21/2023	001	OIG recommends that the GSA Administrator develop and implement procedures for monitoring access card data to identify repeated, failed access attempts that require follow up.
		002	OIG recommends that the GSA Administrator use the access card data that is being collected to produce trend data to inform building security stakeholders of individuals with a significant number of failed attempts over a specified period of time.
		003	OIG recommends that the GSA Administrator create and disseminate guidance addressing how building security stakeholders should handle repeated, failed access attempts.
A210070P9R23006 Audit of the Calexico West Land Port of Entry Expansion and Modernization Project	3/2/2023	001	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region review the contracts and site security procedures for the Calexico West LPOE project and modify contracts and site security procedures that contain inconsistent or contradictory security requirements.
		002	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region perform an internal review to identify all contractors for the Calexico West LPOE project who did not undergo HSPD-12 processing and submit all identified personnel, including the 41 identified during this audit, for HSPD-12 processing. In addition, review the access rights for the eight contractors with criminal histories identified during this audit and take appropriate corrective action.
		003	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region verify all contract employees working on the Calexico West LPOE project pass initial HSPD-12 screening, as well as the U.S. Customs and Border Protection Quick Check screening, if applicable, before working on the project.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A210070P9R23006 Audit of the Calexico West Land Port of Entry Expansion and Modernization Project	3/2/2023	004	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region ensure that contractors are not performing inherently governmental functions.
(continued)			
		005	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region implement controls to carefully monitor contractors performing acquisition activities that are closely associated with inherently governmental functions.
		006	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region develop and implement effective controls to ensure contracting officers have performed all acquisition activities necessary to determine fair and reasonable pricing, establish the contractors' technical abilities, and authorize funding when awarding contract modifications.
		007	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region require that PBS officials perform an adequate number of labor standards interviews for the Calexico West LPOE project. In addition, review and validate all labor standards interviews with available data, including payroll, to ensure contractors comply with labor standards requirements.
		008	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region ensure all contractors working at the Calexico West LPOE are paid prevailing wages and their corresponding benefits.
		009	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region ensure all awards below the simplified acquisition threshold comply with Federal Acquisition Regulation simplified acquisition procedures.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A210070P9R23006 Audit of the Calexico West Land Port of Entry Expansion and Modernization Project	3/2/2023	010	OIG recommends that the PBS Regional Commissioner for the Pacific Rim Region implement controls to ensure all contract employees complete required safety orientation training before accessing the Calexico West LPOE site.
(continued)			
JE23-003 GSA Misled Customers on Login.gov's Compliance with Digital Identity Standards	3/7/2023	001	The FAS Commissioner should establish adequate management controls over TTS.
		002	The FAS Commissioner should ensure adequate documentation of policies, decisions, procedures, and essential transactions involving TTS programs, including Login.gov, and records management in accordance with GSA standards.
		003	The FAS Commissioner should implement a comprehensive review of Login.gov billings for IAL2 services.
		004	The FAS Commissioner should establish a system for internal reviews of TTS programs to ensure that they comply with relevant standards.
		005	The FAS Commissioner should adopt a policy to clearly notify each customer agency seeking identity and authorization assurance services whether Login.gov meets all applicable NIST published standards and the services specified in the interagency agreements.

Glossary of Terms

The following definitions, based on the Inspector General Act Amendment of 1978, apply to terms used in this Semiannual Management Report:

Questioned Costs Costs questioned by the OIG because of:

- an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds;
- a finding that, at the time of an audit, such cost is not supported by adequate documentation;
- a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

Disallowed Cost Questioned costs that GSA management in a management decision sustained or agreed should not be charged to the Government.

Recommendation that Funds be Put to Better Use A recommendation by the GSA OIG that funds could be used more efficiently if management took action to implement and complete the recommendations, including:

- reductions in outlays;
- de-obligation of funds from programs or operations;
- withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds;
- costs not incurred by implementing recommended improvements related to the operations of the establishment, a contractor, or grantee;
- avoidance of unnecessary expenditures noted in pre-award reviews of contract or grant agreements;
- any other savings that are identified specifically.

Management Decision The evaluation by management of the findings and recommendations included in an audit report and the issuance of a final decision by management and concurrence by the OIG concerning its response to such findings and recommendations, including planned corrective actions to remedy weaknesses identified in the report.

Final Action The completions of all actions that GSA management concluded in its management decision were necessary with respect to the findings and recommendations included in the audit report. If GSA concluded no action was necessary, final action occurred when the management decision was made.

Management Actions - Questioned Costs The following are the different management actions used by GSA management to resolve questioned costs in an audit report.

- **Audit reports on which management decisions made during the period:** Data pertaining to the number of audit reports on which management decisions made during the period and the associated amount of disallowed costs furnished by GSA OIG.
- **Write-offs:** For the purposes of this report, write-offs represent a management decision not to recover the disallowed cost cited by the OIG report.

Management Actions - Better Use Funds The following are the different management actions used by GSA management to resolve the "better use" of funds in an audit report.

- **Better Use Funds:** The figure represents amounts cited as "cost avoidance" and "funds to be put to better use," as agreed to by GSA management and the OIG. Prior to April 1990, no funds were identified by the OIG specifically as "funds to be put to better use," and no management decisions were issued based on the consideration of "better use" of funds.
- **Budget Impact Funds:** Funds identified as "budget impact" involve the obligation process. Audit-related savings of these funds, depending on the fund involved, may be available for another use.
- **No Budget Impact Funds:** Funds identified as "no budget impact" are composed of estimated and actual amounts, and do not involve obligated monies, and therefore, cannot be construed as having a material effect on GSA's appropriated funds.
- **Audit reports on which management decisions made during the period:** Data pertaining to the number of audit reports on which management decisions made during the period and the associated dollar amounts agreed to by management furnished by GSA OIG.
- **Value of recommendations that management concluded should not or could not be calculable:** Management was unable to determine the award amounts and "better use funds" implemented since the amount is included in the overall award to the prime contractor and savings could not be determined.

Appendix



**Office of Audits
Office of Inspector General
U.S. General Services Administration**

April 4, 2023

**MEMORANDUM FOR EVAN FARLEY
DIRECTOR
OFFICE OF AUDIT MANAGEMENT AND
ACCOUNTABILITY (BA)**

FROM: LISA L. BLANCHARD
DIRECTOR
AUDIT PLANNING, POLICY, AND OPERATIONS STAFF
(JAO)

LISA BLANCHARD
Digitally signed by LISA BLANCHARD
Date: 2023.04.04 08:43:50 -0400

SUBJECT: Semiannual Report to the Congress on the Number of Management Decisions

This memo is intended to relate the total management decisions for the period October 1, 2022 through March 31, 2023. The totals are based on BA/JA Data Match Report, dated April 3, 2023 and JA's AMIS database. The OIG's management decision statistics are, as follows:

Type of Audit	Number of Audits	Amount of Better Use Funds	Amount of Disallowed Cost
Preaward	17	\$ 470,499,982	\$ 840,509
Postaward	2	\$ 0	\$ 1,176,334
Internal	7	\$ 0	\$ 0
Totals	26	\$ 470,499,982	\$ 2,016,843

Please acknowledge your agreement of the statistics by signing below and returning to JAO as soon as possible.

EVAN FARLEY
Digitally signed by EVAN FARLEY
Date: 2023.04.04 12:43:29 -0400

Name _____ Title _____ Date _____



U.S. General Services Administration
1800 F Street NW, Washington, DC 20405