

**U.S. GENERAL SERVICES
ADMINISTRATION**



**FY 2018
Congressional Justification**

May 23, 2017

U.S. General Services Administration

SUMMARY of the FY 2018 REQUEST

Fiscal Year 2018 Budget Request

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Summary of the Request

The General Services Administration's (GSA) FY 2018 budget request supports the agency mission of delivering the best value in real estate, acquisition, and technology services to Government and the American people. The FY 2018 budget requests \$509,434 thousand in discretionary budget authority, including \$231,434 thousand for GSA's annual direct appropriations, and requests zero net budget authority for the Federal Buildings Fund (FBF). Within the total discretionary budget authority, GSA is requesting \$228 million to support the establishment of the Technology Modernization Fund (TMF), \$40 million to support the establishment of the Asset Proceeds and Space Management Fund as authorized in Public Law 114-287 and \$10 million to support the establishment of the Environmental Review Improvement Fund.

Summary of Discretionary Budget Authority

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 CR Level	FY 2018 Request
Discretionary Budget Authority			
FBF Net Budget Authority	\$ 376,973	\$ (1,598)	\$ -
Annual Appropriations	\$ 240,731	\$ 240,632	\$ 231,434
GSA Discretionary Budget Authority	\$ 617,704	\$ 239,034	\$ 231,434
Pre-Election Activities	\$ 13,278	\$ -	\$ -
Presidential Transition	\$ -	\$ 9,500	\$ -
Technology Modernization Fund	\$ -	\$ -	\$ 228,000
Asset Proceeds and Space Management Fund	\$ -	\$ -	\$ 40,000
Environmental Review Improvement Fund	\$ -	\$ -	\$ 10,000
Total GSA Discretionary Budget Authority	\$ 630,982	\$ 248,534	\$ 509,434

GSA Mission and Goals

GSA was established on July 1, 1949, as a result of the Hoover Commission's recommendation that consolidating administrative functions across Government into one organization would be more effective and economical for the Government and would avoid "senseless duplication, excess cost, and confusion in handling supplies, and providing space." Our mission, vision and goals continue in this tradition and focus our activities to make Government more effective and economical by providing savings to Federal departments and agencies, improving the efficiency of operations and service delivery, and delivering excellent customer service.

Mission

Deliver the best value in real estate, acquisition, and technology services to Government and the American people.

Strategic Goals

- **Savings – Provide savings to Federal departments and agencies.** We will use our purchasing power and expertise to deliver cost-effective real estate, acquisition and technology solutions to Federal departments and agencies.
- **Efficiency – Improve the efficiency of operations and service delivery.** We will streamline our operations to offer high quality real estate, acquisition, and technology services at an excellent value to Federal departments and agencies.
- **Service – Deliver excellent customer service.** We will deliver excellent customer service to Federal agencies and departments by making it easier to reliably meet their real estate, acquisition and technology needs.

Investing in Federal Infrastructure

Federal Buildings Fund

GSA requests \$9,950,519 thousand in New Obligational Authority (NOA) for the Federal Buildings Fund, the amount is equal to the anticipated revenue collections. A zero net budget authority request continues to support a robust capital program, allowing the Public Buildings Service (PBS) to fund mission-critical construction and repair and alterations projects and improve the safety and condition of Government-owned assets. GSA will continue to lead efforts to reduce the overall cost of both the owned and leased space portfolios. Efforts will include continuing to improve space utilization and optimization of the inventory while bringing focus to

the total cost to the Federal government. These actions will be included in agency plans and specific project proposals.

Full funding of the FBF is integral to sound portfolio management. Anything less means the agency will be unable to fund necessary repairs and improvements to the GSA inventory, which reduces the value of the public's assets over time, results in unnecessary costs due to repairs, and missed opportunities to improve efficiency through the consolidations of space.

The FY 2018 request will enable PBS to fund priority construction as well as major repairs and alterations in our real estate portfolio in a strategic, timely, and cost-effective manner. Without this funding, construction will continue to be delayed and repairs will remain unaddressed, resulting in increased costs in the future.

Technology Modernization Fund

Technology has transformed how the Federal government operates and has revolutionized the way in which the American people interact with their government, supporting new ways of doing business and creating both opportunities and challenges. Investing in technology has the potential to enable agencies to accomplish their missions more securely, effectively, and economically, but in order to take advantage of these opportunities, agencies must be able to invest in projects that modernize and upgrade or retire existing IT systems.

Despite the benefits of modern technologies, the pervasive use of legacy information technology (IT) systems results in increased cybersecurity risks to Federal IT systems, inadequate services for the American people and businesses, and increased carrying costs to operate and maintain aging systems. Absent immediate action, the cost to operate and maintain legacy systems will continue to grow, while security vulnerabilities and other risks will expand.

IT modernization can generate significant long-term cost savings, but agencies are not always able to fund the investments up front. To address these issues, the President's FY 2018 Budget places a portion of the Federal government's \$80+ billion in annual IT spending under a central mechanism designed to improve management and oversight. The Technology Modernization Fund (TMF) will be dedicated to retiring and replacing antiquated legacy IT systems that are not cost-effective or pose security risks by transitioning those functions to more secure and efficient modern IT platforms, such as cloud and shared services. This fund will also become a self-sustaining mechanism for Federal agencies to regularly refresh their IT systems based on up-to-date technologies.

The budget requests \$228 million to seed this new fund. The predominant use of the TMF will be the direct allocation of upfront funding to agencies. This will enable agencies to amortize nonrecurring upfront costs and more appropriately plan for the retirement, replacement, and modernization of priority legacy systems. Agencies will repay to the TMF this upfront funding over a period of time, typically not greater than five years, while generating out-year savings from modernization efficiencies.

Enhancing the Nation's Security

Federal Buildings Fund

The President's Budget includes funding for critical border security projects, consolidation of headquarters operations for the Department of Homeland Security (DHS), and acquisition of facilities for law enforcement agencies. GSA is requesting \$489 million for land port of entry (LPOE) construction projects in New York, California, and Arizona as well as \$18 million for a land port of entry repair and alterations project in Washington State. These LPOE investments will provide the infrastructure capacity to fulfill traffic demands, meet the latest security requirements, and support Federal inspection agencies in their missions of securing our Nation's borders.

GSA will invest an additional \$135 million for the continued consolidation of the Department of Homeland Security (DHS) at the St. Elizabeths campus. Bringing DHS components into a government owned campus will significantly reduce the costs associated with the current leased locations and enable employees to collaborate in a consolidated headquarters facility.

GSA will purchase and renovate the Federal Bureau of Investigations (FBI) Field Office Building currently under lease in New Orleans, LA. The purchase and modernization will allow GSA to realize significant out year cost avoidance for the taxpayer while providing the FBI with a modernized facility that supports their mission needs.

Federal Citizen Services Fund

The Technology Transformation Service's (TTS) Office of Products and Programs will support efforts to make cloud computing an easy, secure and default IT solution for Federal Agencies. Among the initiatives funded in this budget is the Federal Risk and Authorization Management program (FedRAMP), a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services. In addition to continued growth of authorized cloud services, FedRAMP will work to improve cybersecurity performance and management in cloud environments through ongoing awareness of information security, vulnerabilities, and threats impacting the operating information environment, ensuring that only authorized users have access to resources and information.

Improving Government Efficiency

Federal Buildings Fund

GSA will continue to lead efforts to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the Federal government's real estate footprint. The FBF will invest \$100 million in projects that will enable agencies to relocate to GSA owned space that more efficiently meets mission needs. These relocations will result in improved space utilization

and cost savings to the American people. Since inception of the Consolidation Activities Program in FY 2014, GSA has received \$215 million in support of the program. Through FY 2016, the consolidation activities program has funded 69 projects, which when complete will result in a reduction of more than 1.4 million square feet, \$112 million in government lease cost avoidance, and \$54 million in agency rent savings.

The FY 2018 request continues efforts to reduce operating costs associated with PBS's building inventory. PBS has implemented more robust national oversight of regional operating budgets in an effort to examine the management, contract provisions, contracting practices, and other activities that contribute to better value in PBS's operating services.

PBS's Rental of Space NOA request reflects an overall reduction of 4.0 million RSF in anticipated leased square footage from FY 2017 to FY 2018. As the Federal government continues to implement strategies to identify savings through efficient space use, the cost to lease new space is expected to decrease in aggregate as GSA replaces, consolidates, or terminates expiring leases, while potentially increasing on a case-by-case basis.

Asset Proceeds and Space Management Fund

The Government Accountability Office has designated Federal real property management as a high-risk area, citing concerns about the deteriorating condition of facilities, the quantity of excess and underutilized properties, and an overreliance on leasing. To address these concerns, the President's FY 2018 budget requests the establishment of the Asset Proceeds and Space Management Fund as authorized by the Federal Asset Sales and Transfer Act of 2016 (Public Law 114-287), which will consolidate the footprint and maximize the utilization rate of Federal buildings and facilities, reduce the reliance on leased space, and sell or redevelop high value assets that are under-utilized to obtain the highest value for the American people.

The Asset Proceeds and Space Management Fund will fund the recommended actions of the Public Buildings Reform Board that have been approved by the Office of Management and Budget. The Fund will be under the supervision of GSA. The Board will identify opportunities for cost savings and deficit reduction by reducing the Federal government's inventory of civilian real property.

Environmental Review Improvement Fund

The Environmental Review Improvement Fund supports the Federal Permitting Improvement Steering Council (FPISC) established under Title XLI of the Fixing America's Surface Transportation (FAST) Act of 2015 (Public Law 114-94). The Council will lead ongoing government-wide efforts to modernize the Federal permitting and review process for major infrastructure projects and work with Federal agency partners to implement and oversee adherence to the statutory requirements set forth in the FAST Act. The principal mission of the FPISC is to streamline the permitting process relating to large infrastructure projects that require

Federal authorization or environmental reviews making it easier for companies to work with agencies across the government.

Working Capital Fund

GSA has consolidated administrative services within the Working Capital Fund (WCF) in order to standardize operations and leverage best practices that improve customer service while driving down costs. These efforts are already leading to savings in the offices where the main consolidation activities have taken place. GSA's WCF request for FY 2018 is 4.3 percent below the FY 2017 planned operating level.

The agency also continues to look for ways to improve the efficiency of administrative functions. In FY 2018, GSA anticipates reduced financial management spending from the planned FY 2017 level as a result of the transfer of its Financial Management Line of Business (FMLoB) to the U. S. Department of Agriculture in FY 2015. In FY 2018 the GSA Office of Human Resource Management will complete the implementation of the Human Resource Line of Business (HRLoB). Funding for decommissioning and optimization of legacy systems allows for a reduction of \$3.8 million in HR systems spending compared to FY 2017.

Acquisition Services Fund

FAS has fully embraced the principles of Category Management, managing the government-wide Program Management Office and leading the government in Best in Class contract solutions. In FY 2017 and FY 2018, FAS will continue to support key government-wide goals of speed to value, reducing burden and unnecessary duplication, and improving small business utilization.

The service continues to modernize its Multiple Award Schedules Program, which accounted for over \$33 billion in Federal spend in FY 2016. The most transformational activity in FY 2016 was the implementation of the Transactional Data Rule (TDR) pilot which was intended to reduce unnecessary burdens on contractors and small businesses and provide the data on Federal spend to save millions of dollars for the American taxpayer through better pricing and buying strategies. As with any pilot, GSA is evaluating the utility of TDR, as well as the burdens and benefits associated with it.

In addition, FAS will pursue additional efforts to transform its global supply business model to be more efficient, cost-effective and responsive to customers. In FY 2017 and FY 2018, Global Supply will continue to identify operational efficiencies while also growing support of DoD overseas through the Enterprise Supply Chain Solutions (ESCS) Fourth Party Logistics (4PL) solution model and other sourcing strategies.

U.S. General Services Administration
 Summary of the FY 2018 Request

Federal Buildings Fund, Request for New Obligational Authority

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2017 Enacted	FY 2018 Request
Total Revenues	\$9,819,151	\$10,178,339	\$10,178,339	\$9,950,519
Federal Buildings Fund (FBF), New Obligation Authority				
Construction and Acquisition	\$ 1,607,738	\$ 1,607,738	\$ 205,749	\$ 790,491
Repairs and Alterations	\$ 735,331	\$ 735,331	\$ 676,035	\$ 1,444,494
Rental of Space	\$ 5,579,055	\$ 5,563,995	\$ 5,628,363	\$ 5,493,768
Building Operations	\$ 2,274,000	\$ 2,269,677	\$ 2,335,000	\$ 2,221,766
Sub-Total, New Obligation Authority	\$ 10,196,124	\$ 10,176,741	\$ 8,845,147	\$ 9,950,519
FBF Net Budget Authority	\$ 376,973	\$ (1,598)	\$ (1,348,192)	\$ -

FY 2018 Capital Investment Program

(Dollars in Thousands)

CONSTRUCTION AND ACQUISITION Program

Executive Agencies.....	\$ 164,422
Land Ports of Entry.....	\$ 488,827
New Courthouses.....	\$ 137,242
New Obligational Authority, CONSTRUCTION AND ACQUISITION Program	\$ 790,491

REPAIRS AND ALTERATIONS Program

Nonprospective (Basic) Repairs and Alterations Program.....	\$ 384,956
Special Emphasis Programs.....	\$ 205,000
Major Repairs & Alterations.....	\$ 850,338
R&A Design Program.....	\$ 4,200
New Obligational Authority, REPAIRS AND ALTERATIONS Program	\$ 1,444,494

Total New Obligational Authority, Capital Investment Program	\$ 2,234,985
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GSA Annual Appropriations

Annual Appropriations, Request for New Budget Authority

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 CR Level	FY 2018 Request
Annual Appropriations, Budget Authority			
Government-wide Policy	\$ 58,000	\$ 57,890	\$ 53,499
Operating Expenses	\$ 49,376	\$ 49,282	\$ 45,645
Former Presidents	\$ 3,277	\$ 3,630	\$ 4,754
Civilian Board of Contract Appeals	\$ 9,184	\$ 9,167	\$ 8,795
Federal Citizen Services Fund	\$ 55,894	\$ 55,787	\$ 53,741
Office of the Inspector General	\$ 65,000	\$ 64,876	\$ 65,000
Sub-Total, Annual Appropriations	\$ 240,731	\$ 240,632	\$ 231,434
Pre-Election Activities	\$ 13,278	\$ -	\$ -
Presidential Transition	\$ -	\$ 9,500	\$ -
Technology Modernization Fund	\$ -	\$ -	\$ 228,000
Asset Proceeds and Space Management Fund	\$ -	\$ -	\$ 40,000
Environmental Review Improvement Fund	\$ -	\$ -	\$ 10,000
Total Appropriated BA	\$ 254,009	\$ 250,132	\$ 509,434

GSA requests \$231,434 thousand for its six existing appropriated programs, a net decrease of \$9,198 thousand or 3.82 percent from the FY 2017 Full Year CR funding. In FY 2018 GSA also requests the establishment of three new accounts: the Technology Modernization Fund; the Asset Proceeds and Space Management Fund; the Environmental Review Improvement Fund.

U.S. General Services Administration
 Summary of the FY 2018 Request

Summary of Requested Appropriations Action

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 CR Level	FY 2018 Request
Federal Buildings Fund (FBF), New Obligation Authority			
Construction and Acquisition	\$ 1,607,738	\$ 1,607,738	\$ 790,491
Repairs and Alterations	\$ 735,331	\$ 735,331	\$ 1,444,494
Installment Acquisition Payments	\$ -	\$ -	\$ -
Rental of Space	\$ 5,579,055	\$ 5,563,995	\$ 5,493,768
Building Operations	\$ 2,274,000	\$ 2,269,678	\$ 2,221,766
Sub-Total, New Obligation Authority	\$ 10,196,124	\$ 10,176,742	\$ 9,950,519
FBF Net Budget Authority	\$ 376,973	\$ (1,598)	\$ -
Annual Appropriations, Budget Authority			
Government-wide Policy	\$ 58,000	\$ 57,890	\$ 53,499
Operating Expenses	\$ 49,376	\$ 49,282	\$ 45,645
Former Presidents	\$ 3,277	\$ 3,630	\$ 4,754
Civilian Board of Contract Appeals	\$ 9,184	\$ 9,167	\$ 8,795
Federal Citizen Services Fund	\$ 55,894	\$ 55,787	\$ 53,741
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Presidential Transition	\$ -	\$ 9,500	\$ -
Technology Modernization Fund	\$ -	\$ -	\$ 228,000
Asset Proceeds and Space Management Fund	\$ -	\$ -	\$ 40,000
Environmental Review Improvement Fund	\$ -	\$ -	\$ 10,000
Total Appropriated BA	\$ 254,009	\$ 250,132	\$ 509,434
TOTAL, BA and NOA	\$ 10,450,133	\$ 10,426,874	\$ 10,459,953

U.S. General Services Administration
Summary of the FY 2018 Request

Total Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
11.1 Full-time permanent.....	\$ 1,127,679	\$ 1,205,626	\$ 1,161,728
11.3 Other than full-time permanent	\$ 9,009	\$ 7,126	\$ 6,135
11.5 Other personnel compensation.....	\$ 17,437	\$ 19,359	\$ 18,516
11.8 Special personnel service payments.....	\$ 1,253	\$ 1,242	\$ 1,160
12.1 Civilian personnel benefits.....	\$ 384,688	\$ 409,344	\$ 393,900
13.0 Benefits for former personnel.....	\$ 1,668	\$ 2,006	\$ 507
21.0 Travel and transportation of persons.....	\$ 23,715	\$ 28,448	\$ 27,508
22.0 Transportation of things.....	\$ 9,448	\$ 5,919	\$ 6,075
23.1 Rental payments to GSA	\$ 67,858	\$ 55,917	\$ 58,366
23.2 Rental payments to others.....	\$ 5,654,021	\$ 5,565,984	\$ 5,494,987
23.3 Communications, utilities, and misc. charges.....	\$ 1,910,105	\$ 1,749,922	\$ 1,795,150
24.0 Printing and reproduction.....	\$ 2,806	\$ 3,455	\$ 3,058
25.1 Advisory and assistance services.....	\$ 6,447,392	\$ 6,632,761	\$ 6,894,596
25.2 Other services from non federal sources.....	\$ 32,728	\$ 29,448	\$ 27,351
25.3 Other goods and services from federal sources....	\$ 814,650	\$ 754,214	\$ 761,188
25.4 Operation and maintenance of facilities.....	\$ 1,577,334	\$ 1,436,200	\$ 1,241,827
25.6 Medical Care	\$ 107	\$ -	\$ -
25.7 Operation and maintenance of equipment.....	\$ 138,708	\$ 142,331	\$ -
25.8 Subsistence and Support of Persons	\$ -	\$ -	\$ 137,685
26.0 Supplies and materials.....	\$ 868,394	\$ 963,471	\$ -
31.0 Equipment.....	\$ 3,166,135	\$ 2,959,195	\$ 1,055,527
32.0 Land and structures.....	\$ 1,022,332	\$ 2,575,290	\$ 3,081,666
33.0 Investment and Loans	\$ -	\$ -	\$ 2,056,086
41.0 Grants, subsidies, and contributions.....	\$ 30	\$ -	\$ -
42.0 Insurance claims and indemnities.....	\$ 1,664	\$ 156	\$ -
43.0 Interest and dividends.....	\$ 26,181	\$ -	\$ -
44.0 Refunds.....	\$ 69	\$ -	\$ -
99.0 Total Obligations.....	\$ 23,305,411	\$ 24,547,414	\$ 24,223,016
<i>Subtotal, PC&B.....</i>	<i>\$ 1,541,734</i>	<i>\$ 1,644,703</i>	<i>\$ 1,581,946</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ 21,763,677</i>	<i>\$ 22,902,711</i>	<i>\$ 22,641,070</i>
Pre-Election Activities	\$ 3,711	\$ 9,567	\$ -
Presidential Transition	\$ -	\$ 9,500	\$ -
Total GSA Obligations	\$ 23,309,122	\$ 24,566,481	\$ 24,223,016

U.S. General Services Administration
Summary of the FY 2018 Request

GSA Total FTE

	FY 2016 Actual			FY 2017 Full Year CR			2018 Request		
	Direct	Reimb.	Total	Direct	Reimb.	Total	Direct	Reimb.	Total
Annual Appropriations									
Office of Government-wide Policy	131	32	163	151	42	193	147	42	189
Operating Expenses	236	12	248	255	21	276	208	16	224
Federal Citizen Services Fund	76	0	76	65	0	65	70	0	70
Former Presidents	0	0	0	0	0	0	0	0	0
Civilian Board of Contract Appeals	35	0	35	41	0	41	41	0	41
Office of Inspector General	<u>296</u>	<u>2</u>	<u>298</u>	<u>326</u>	<u>3</u>	<u>329</u>	<u>326</u>	<u>3</u>	<u>329</u>
Subtotal, Annual Appropriations	774	46	820	838	66	904	792	61	853
Revolving Funds									
Federal Buildings Fund	4,981	350	5,331	5,308	280	5,588	5,025	270	5,295
Acquisition Services Fund	0	3,065	3,065	0	3,308	3,308	0	3,351	3,351
Working Capital Fund	0	1,932	1,932	0	2,124	2,124	0	2,019	2,019
Environmental Review Improvements Fund	0	0	0	0	0	0	10	0	10
Technology Modernization Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20</u>	<u>0</u>	<u>20</u>
Subtotal, Revolving Funds	4,981	5,347	10,328	5,308	5,712	11,020	5,055	5,640	10,695
Permanent Budget Authority									
Transportation Audits	<u>30</u>	<u>0</u>	<u>30</u>	<u>37</u>	<u>0</u>	<u>37</u>	<u>37</u>	<u>0</u>	<u>37</u>
Subtotal, Permanent Budget Authority	30	0	30	37	0	37	37	0	37
GSA TOTAL	5,785	5,393	11,178	6,183	5,778	11,961	5,884	5,701	11,585

Explanation of Changes, Federal Buildings Fund

(New Obligational Authority, Dollars in Thousands)

	Construction and Acquisition	Repairs and Alterations	Rental of Space	Building Operations	TOTAL
FY 2017 Full Year CR	\$1,607,738	\$735,331	\$5,563,995	\$2,269,678	\$10,176,742
Change in Construction for Executive Agencies	(\$251,578)				(\$251,578)
Change in Construction of Courts	(\$863,251)				(\$863,251)
Change in Construction of LPOE	\$297,582				\$297,582
Change in Basic R&A program		\$84,956			\$84,956
Change in Line-Item R&A program		\$540,007			\$540,007
Change in Design and Construction		\$4,200			\$4,200
Change in Special Emphasis programs		\$80,000			\$80,000
FY 2017 Program Changes			\$59,560		\$59,560
Annualization of remaining FY 2017 Program Changes			(\$96,560)		(\$96,560)
FY 2017 Unobligated Balance Used to Fund FY 2018 Requirements			(\$31,794)		(\$31,794)
Rental Rate Increases			\$40,024		\$40,024
Lump Sum Payments for real estate taxes and lease buyouts			\$116,941		\$116,941
Lease Cancellations			(\$132,636)		(\$132,636)
Lease Expansions (other than indefinite)			\$4,238		\$4,238
Reduction for FY 2018 Estimated Prior Year Recoveries			(\$30,000)		(\$30,000)
Change in Base Building Cost				\$6,964	\$6,964
Change in Other/ Miscellaneous Building Cost				\$28,847	\$28,847
Change in PBS Administrative Cost				\$65,230	\$65,230
Change in Other / Miscellaneous PBS Administrative Cost				\$1,447	\$1,447
Change in Other Fundng Sources				(\$150,400)	(\$150,400)
FY 2018 Request	\$790,491	\$1,444,494	\$5,493,768	\$2,221,766	\$9,950,519

U.S. General Services Administration
Summary of the FY 2018 Request

Explanation of Changes, GSA Annual Appropriations
(Budget Authority, Dollars in Thousands)

	Government-wide Policy		Operating Expenses		Civilian Board of Contract Appeals		Former President		Federal Citizen Services Fund		Inspector General		Technology Modernization Fund		Review Improvement Fund		Asset Proceeds and Space Management Fund		Total	
	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request
FY 2017 Full Year CR	151	\$ 57,890	255	\$ 49,282	41	\$ 9,167		\$ 3,630	65	\$ 55,787	326	\$ 64,876	0	\$ -	0	\$ -	0	\$ -	838	\$ 240,632
FY 2018 Pay Increase (1.9%), Effective Jan 2018		\$ 698		\$ 447		\$ 112				\$ 188		\$ 124								\$ 1,569
Program Increases:																				
Increase for Federal Asset Sales and Transfer Act		\$ 500																		\$ 500
Transfer of Federal.gov Registry Program From OGP										\$ 1,501										\$ 1,501
Insourcing of Contractual Services									5	\$ 1,034									5	\$ 1,034
Travel and Transportation of persons						\$ (5)		\$ 38												\$ 33
WCF Bill		\$ 163								\$ 586										\$ 749
Personnel Compensation and Benefits								\$ 18												\$ 18
Rent						\$ 11														\$ 11
Full Year Operations for Former President Obama								\$ 794												\$ 794
Benefits for Former Presidents								\$ 45												\$ 45
Rental Payment								\$ 33												\$ 33
Printing and Communications						\$ 5														\$ 5
Operation and maintenance of equipment						\$ 2														\$ 2
Supplies, Materials, and Equipment						\$ 35		\$ 122												\$ 157
Contractual Services								\$ 90		\$ 132										\$ 222
FPISC Personnel														13	\$ 1,770				13	\$ 1,770
Contracts and Contract Support															\$ 6,923					\$ 6,923
Other Costs of Operation/Program Overhead															\$ 1,307					\$ 1,307
Program Decreases:																				
Transfer of DotGov Domain Program to the Federal Citizen Services Fund		\$ (1,501)																		\$ (1,501)
Federal High Performance Green Buildings Office FTE dec.	(1)	\$ (189)																	(1)	\$ (189)
Federal High Performance Green Buildings Contracts		\$ (1,357)																		\$ (1,357)
Evaluation Sciences Office FTE decrease and Non-Federal Detailee decrease	(2)	\$ (587)																	(2)	\$ (587)
Evidence and Analysis Office FTE decrease	(1)	\$ (189)																	(1)	\$ (189)
Info. Integrity and Access Contract Red. Content Mgmt. Sup.		\$ (78)																		\$ (78)
508 Data Analytics		\$ (86)																		\$ (86)
Conclusion of the Data Center Optimization Initiative		\$ (1,720)																		\$ (1,720)
IT Applications O&M Support		\$ (45)																		\$ (45)
Digital Services										\$ (1,100)										\$ (1,100)
Reduction in Hosting and Infrastructure Services										\$ (3,488)										\$ (3,488)
Personnel Compensation and Benefits			(47)	\$ (2,718)		\$ (434)													(47)	\$ (3,152)
Printing and Communications								\$ (16)												\$ (16)
Travel and Transportation				\$ (38)						\$ (8)										\$ (46)
Contractual Services				\$ (1,277)		\$ (85)				\$ (870)										\$ (2,232)
Communications, Printing, and Reproduction				\$ (19)						\$ (15)										\$ (34)
Supplies, Materials, and Equipment				\$ (33)						\$ (6)										\$ (39)
Equipment						\$ (10)														\$ (10)
Operation and maintenance of facilities						\$ (3)														\$ (3)
FY 2018 Request	147	\$ 53,499	208	\$ 45,644	41	\$ 8,795	0	\$ 4,754	70	\$ 53,741	326	\$ 65,000	0	\$ 228,000	13	\$ 10,000	0	\$ 40,000	805	\$ 509,433

Information Technology Resources

GSA's information technology integration policy establishes a consistent approach to achieve the goal of effectively serving the U.S. public and Government through innovative, intuitive, and integrated systems.

The FY 2018 budget request includes key investments that will strengthen GSA's IT enterprise architecture. Modernizing the IT enterprise architecture will allow GSA IT to shift more resources from running legacy applications and infrastructure to investing in efforts to grow and transform GSA's business IT systems.

As part of the GSA Governance Process, the Chief Information Officer and Chief Financial Officer have reviewed and approved all major IT investments in the FY 2018 budget request ensuring sufficient IT resources and appropriate budget estimates.

Information Technology Budget by Fund

(Dollars in Millions)

	FY 2016	FY 2017	FY 2018
Working Capital Fund	\$ 337	\$ 337	\$ 307
Acquisition Services Fund	\$ 283	\$ 306	\$ 260
Federal Buildings Fund	\$ 55	\$ 46	\$ 47
Government-wide Policy	\$ 12	\$ 13	\$ 12
Acquisition Workforce Training Fund	\$ 5	\$ 5	\$ 5
Office of the Inspector General	\$ 6	\$ 7	\$ 7
Federal Citizen Services Fund	\$ 54	\$ 53	\$ 54
Electronic Government	\$ 1	\$ -	\$ -
Other Agencies	\$ 72	\$ 69	\$ 72
Grand Total	\$ 825	\$ 836	\$ 764

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U.S. General Services Administration

FEDERAL BUILDINGS FUND

Fiscal Year 2018 Budget Request

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Summary of the Request

The General Services Administration (GSA) Public Buildings Service's (PBS) FY 2018 request supports GSA's long-term plan for Federal real estate. The President's Budget invests in border and homeland security projects, improves the safety and condition of government-owned assets, and invests in projects to reduce the Federal real estate footprint. While fully supporting critical capital construction and renovation programs, the request makes targeted reductions to PBS's building services and administrative costs without compromising service and support to tenant agencies.

When Congress established the Federal Buildings Fund (FBF), it provided dedicated resources through market-driven rent collections to maintain the nation's public buildings. This is a common-sense approach that emulates private sector real estate best practices. Prior to FY 2011, the appropriations process generally provided appropriations at or above the level of collections.

Investing all revenue collected through agency rents into the FBF activities including a robust capital investment program creates efficiency, improves outcomes, and reduces costs. The FY 2018 request allocates FBF resources to address key capital requirements. Without a self-sustaining FBF, the government is unable to capitalize on opportunities to make smart investments in the Federal real estate portfolio that will result in greater efficiencies and lower operating costs.

Net Budget Authority 12 Year History

(Dollars in Thousands)

	Presidents Budget Revenue		Net Budget Authority
	Estimate	Enacted NOA	
FY2005	\$ 7,198,850	\$ 7,217,043	\$ 58,766
FY2006	\$ 7,808,785	\$ 7,827,745	\$ 58,950
FY2007	\$ 7,844,979	\$ 7,598,426	\$ (203,215)
FY2008	\$ 7,916,272	\$ 8,012,414	\$ 146,219
FY2009	\$ 8,134,239	\$ 8,427,771	\$ 350,397
FY2010	\$ 8,222,539	\$ 8,443,585	\$ 287,406
FY2011*	\$ 8,870,933	\$ 7,597,540	\$ (1,202,123)
FY2012	\$ 9,302,761	\$ 8,017,967	\$ (1,205,174)
FY2013	\$ 9,777,590	\$ 8,024,967	\$ (1,665,003)
FY2014	\$ 9,950,560	\$ 9,370,042	\$ (580,518)
FY2015	\$ 9,917,667	\$ 9,238,310	\$ (679,357)
FY2016	\$ 9,807,722	\$ 10,196,124	\$ 388,402
FY2017 CR	\$ 10,178,339	\$ 10,176,741	\$ (1,598)
FY2017 Enacted*	\$ 10,178,339	\$ 8,845,147	\$ (1,333,192)

*Net Budget Authority does not include rescission of prior year funding

The President's Budget requests zero net budget authority, providing GSA access to the full value of collected rents to reinvest in the maintenance and improvement of Federal real property assets. A lower authorized level reduces GSA's ability to fund the necessary repairs and improvements to the Federal inventory, resulting in unnecessary costs due to delayed repairs, and missed opportunities to consolidate space. When GSA is unable to adequately invest in its buildings, the inventory deteriorates in quality and decreases in value, and the revenues available to reinvest in the inventory will decrease as well.

The FY 2018 request of \$1,444 million in Repairs and Alterations funding is necessary to address the identified needs of PBS's Federal inventory, with an average age of 47 years. Basic and Major repairs and alterations have been repeatedly deferred, including repairs to malfunctioning elevators, replacement of malfunctioning electrical systems, updates to outdated fire alarm systems, and asbestos abatement. In the FY 16 Annual Performance Report, GSA estimated the total cost of deferred maintenance and repairs to be approximately \$1.2 billion, for activities categorized as work needing to be performed immediately to restore or maintain acceptable condition of the building inventory. Investing in the maintenance of our public buildings today allows PBS to address much needed repairs and improvements that if allowed to go unfunded, will negatively impact agency operations, impact building occupants and result in costly and potentially emergency repairs in the future.

GSA prioritizes repair and alteration projects relative to the following criteria:

- Serving Our Partners: Factors considered include consolidation and customer priorities.
- Reducing GSA's repair backlog: Factors considered include project timeframe urgency, facility condition indices, and length of time in queue;
- Promoting Savings and Economic Development: Factors considered include project phase, lease cost avoidance, return on investment, payback period and market factors;
- Reducing the Federal Footprint: Factors considered include space recapture and utilization rate improvement;
- Ensuring a Safe, Secure and Responsible Work Environment: Factors considered include code compliance, sustainability improvements, and historic status; and
- Asset Performance: Factors considered include planned holding period for the asset and GSA's evaluation of the asset's contribution to the performance of the overall portfolio.

To determine the FY 2018 list of new construction projects, we reviewed each project and rated its priority relative to other potential projects based on:

- Serving Our Partners: Factors considered include agency priority and existing master plans;
- Responsible Asset Stewardship: Factors considered include the condition of facility

being replaced including the building systems, security, and functionality of the space; funds received to date; existing occupancy status and housing plan; and length of time planned to retain the new asset;

- Delivering Better Value and Savings: Factors considered include lease cost avoidance and return on investment; and
- Smaller, More Sustainable Footprint: Factors considered include utilization rate improvement, and other efficiency improvements.

The FY 2018 request reflects a continued effort toward building operations that seeks to reduce spending on building services and administrative costs. The requested level of funding will maintain building services at a standardized level, meeting customer needs while limiting increased spending; to fund PBS's workforce; and to fund the contractual obligations associated with PBS's leasing program, which continues to reflect reductions in rentable square feet (RSF).

While maximizing resources for new construction and acquisition activities and repairs and alteration programs, the FY 2018 request continues to optimize the internal operations of PBS supporting the key building operation needs requested by our customers.

Beginning in FY 2014, PBS implemented its Consolidation Activities special emphasis program, which deploys strategies to use space more efficiently and maximize the use of existing Federally owned inventory, reducing partner agencies' reliance on costly leased space to meet long-term housing requirements. Since inception, this program has supported projects that will enable Federal tenants to reduce square footage by more than a 1.4 million, yielding \$112 million in government lease cost avoidance, and \$54 million in agency rent saving.

Additionally, when a housing requirement is met in leased space, PBS is working proactively with its partner agencies to ensure that the space is used as efficiently as possible, resulting in utilization rate improvements. These efforts have resulted in a reduction of the leased inventory of over 6 million RSF since FY 2012, and continued projected decreases in the leased inventory of approximately 1.9 million more RSF are anticipated by the end of FY 2018, even after accounting for 4.7 million RSF of delegated leases that agencies will turn back to GSA between FY 2015 and FY 2017.

This request supports GSA's commitment to excellent customer service, providing \$1,146 million for building services. This funding will optimize building services efficiencies through a data-driven facilities management model that is standardized across the regions without compromising service, making PBS more responsive to occupant needs and in support of establishing operational efficiencies. Increases related to new inventory and labor wage escalations are offset by savings achieved from standardizing service levels, in order to reduce costs without significantly reducing service levels. GSA will continue to strive for optimal pricing

and maintain flexibility on non-recurring requirements; aggregating requirements to gain economies of scale, partnering with major vendors to identify cost saving opportunities across the portfolio as well as renegotiating local contracts. These actions will make it possible to manage a larger inventory at the FY 2018 requested funding levels. Enhanced analytics enable more targeted approaches that preserve service levels to the customer. Greater visibility on cost and trend data informs decision making at all levels and supports effective contract negotiations. To enhance PBS's portfolio management, this request includes funding to improve long-term capital project planning by investing \$22.5 million in facility studies to ensure high quality in out-year major construction and renovation projects as well as in support of ongoing building operations and basic repairs.

The request of \$1,076 million for salaries and expenses will fund PBS personnel compensation and benefits (PC&B) at a reduced level of \$672 million, including reimbursable funding for PC&B of \$34 million. To support PBS staff in maintaining an expert real estate workforce, the FY 2018 request increases training funding from the FY 2017 Full Year CR level of \$7.4 million to \$7.5 million. This mix of investments ensures that PBS has the skills and tools needed to maintain current levels of customer service, improve portfolio management, enhance project selection, and augment the skills that PBS staff utilizes to manage and support a dynamic and complex portfolio.

Fiscal Year 2018 Request

The FY 2018 budget request provides a total new obligational authority (NOA) of \$9,950,519 thousand. In FY 2018, the funds requested support a \$2,234,985 thousand capital investment program. The requested funding includes:

- (1) \$790,491 thousand for New Construction and Acquisition and
(2) \$1,444,494 thousand for Repairs and Alterations including \$384,956 thousand for Basic Repairs and Alterations** and to provide for the following projects:

CONSTRUCTION AND ACQUISITION Program:

(Dollars in thousands)

(In Priority Order)

	FY 2018 NOA
New Construction:	
Washington, DC DHS Consolidation at St Elizabeths	\$ 135,440
New Orleans, LA FBI Building Purchase	\$ 28,982
Subtotal, Executive Agencies	\$ 164,422
Alexandria Bay, NY U.S. Land Port of Entry Phase II	\$ 132,979
San Diego, CA Otay Mesa U.S. Land Port of Entry	\$ 121,848
San Luis, AZ San Luis I U.S. Land Port of Entry	\$ 234,000
Subtotal, Land Ports of Entry	\$ 488,827
Harrisburg, PA New U.S. Courthouse	\$ 137,242
Subtotal, Courthouses	\$ 137,242
Total FY 2018 Construction and Acquisition of Facilities Program	\$ 790,491

U.S. General Services Administration
Federal Buildings Fund

REPAIRS AND ALTERATIONS Program

(Dollars in Thousands)

(In Priority Order)

	FY 2018 NOA
Nonprospectus (Basic) Repairs and Alterations Program:	\$ 384,956
Major Repairs and Alterations:	
Van Nuys, CA James C. Corman Federal Building	\$ 12,690
Indianapolis, IN Major General Emmett J. Bean Federal Center	\$ 45,950
Portland, OR 911 Federal Building	\$ 8,153
Richmond, VA Lewis F. Powell, Jr. U.S. Courthouse and Courthouse Annex	\$ 11,677
Ogden, UT IRS Service Center	\$ 51,241
New York, NY Jacob K. Javits Federal Building	\$ 65,712
Cleveland, OH Anthony J. Celebrezze Federal Building	\$ 74,224
Washington, DC Harry S. Truman Federal Building	\$ 13,200
Blaine, WA Pacific Highway U.S. Land Port of Entry	\$ 17,960
Cincinnati, OH Potter Stewart U.S. Courthouse	\$ 10,872
Honolulu, HI Prince J. Kuhio Kalaniana'ole Federal Building and U.S. Courthouse	\$ 100,982
Akron, OH John F. Seiberling Federal Building and U.S. Courthouse	\$ 17,938
Milwaukee, WI Federal Building and U.S. Courthouse	\$ 12,991
Seattle, WA Federal Office Building	\$ 24,234
Hartford, CT Abraham A. Ribicoff Federal Building and U.S. Courthouse	\$ 15,220
Boston, MA Thomas P. O'Neill Jr. Federal Building	\$ 9,636
Oklahoma City, OK William J. Holloway, Jr. U.S. Courthouse & Post Office-Courthouse	\$ 141,575
Pittsburgh, PA Joseph F. Weis, Jr. U.S. Courthouse	\$ 31,036
Memphis, TN IRS Service Center	\$ 35,009
Philadelphia, PA James A. Byrne U.S. Courthouse	\$ 41,800
Fayetteville, AR John Paul Hammerschmidt Federal Building and U.S. Courthouse	\$ 20,013
Washington, DC Robert F. Kennedy Federal Building	\$ 27,800
Holtsville, NY IRS Service Center	\$ 6,434
New York, NY Alexander Hamilton U.S. Custom House	\$ 53,991
Subtotal, Major Repairs and Alterations	\$ 850,338
Repair and Alteration - Design Program	
Washington, D.C. Lyndon Baines Johnson Federal Building	\$ 4,200
Subtotal, Design	\$ 4,200
Special Emphasis Programs	
Judiciary Capital Security Program	\$ 20,000
Consolidation Activities Program	\$ 100,000
Fire Protection and Life Safety Program	\$ 45,000
Seismic Mitigation Program	\$ 40,000
Subtotal, Special Emphasis Programs	\$ 205,000
Total FY2018 Repairs and Alterations Program	\$ 1,444,494

(3) \$5,493,768 thousand for Rental of Space to acquire and administer leasehold interests in privately owned buildings where Federally owned space is not available. This amount funds annual rent for current leases, real estate tax and other one-time payments, and rent increases associated with replacement leases and expansion space.

(4) \$2,221,766 thousand for Building Operations to provide services for both Federally owned and leased facilities as well as administration and management of all PBS real property

programs. Of the total amount for Building Operations, \$1,146,089 thousand will be allocated to Building Services to fund current services and cost increases for cleaning, utilities, maintenance, and building services in new space, and; \$1,075,677 thousand will be allocated to Salaries and Expenses to maintain the 5,025 full time equivalents (FTE) as well as costs for PBS specific information technology (IT) applications and PBS's contribution to the GSA Working Capital Fund (WCF).

In addition to the authority requested in FY 2018, PBS projects \$1,180,000 thousand in reimbursable authority for services provided to other agencies, including funding for 270 FTE. PBS also projects \$207,189 thousand in permanent indefinite authority from leased expansion space, outleasing, energy rebates, and revenue from the sale of recyclable materials

The Federal Buildings Fund

The Federal Building Fund (FBF), as a quasi-revolving fund, leverages income GSA collects from charging commercially-comparable rent assessments to provide customer partners space and services in a relationship similar to that of landlord and tenant. This income funds the activities of PBS, including minor and major repairs and alterations and new construction activities, all building operations, and the administrative cost of administering the programs. As a quasi-revolving fund, the FBF is subject to annual Congressional enactment of New Obligational Authority (NOA), a limitation on the use of revenue.

The FBF allows PBS to provide workplace solutions for Federal workers and superior value to the American people. PBS engages architects, construction managers, and engineers to design and build award-winning courthouses, land ports of entry, Federal office buildings, laboratories, and data processing centers. PBS also repairs, alters, and renovates existing facilities and is a leader in energy conservation, sustainability, and historic preservation. PBS continues to support agency efforts to reduce the Federal government's footprint by improving office space utilization, rightsizing the use of leases, and disposing of unneeded or underutilized facilities. PBS meets the workspace requirements of Federal agencies and more than 1 million Federal employees with an inventory of approximately 350 million square feet of workspace in communities across the country.

Capital Program

When the FBF was created by Congress the goal was to ensure dedicated resources for capital investment in the portfolio of buildings. Funding the FBF at the level of collections ensures agencies receive the services they are paying for by providing funding to meet the needs of the inventory. Several years of obligational limitations significantly below the level of collections have made investments at the level of anticipated collections in FY 2018 critical to restoring a sustainable level of reinvestment in the inventory.

The GSA request includes \$2,234,985 thousand in support of the capital program including Construction and Acquisition, Major Repairs and Alterations and Special Emphasis programs, and Basic Repairs and Alterations.

Construction

The FY 2018 Construction and Acquisition program request is \$790,491 thousand and reflects GSA's dedication supporting investments in border and homeland security projects, projects to improve the safety and condition of government-owned assets, and activities in support of the Administration's direction to reduce the Federal real estate footprint.

- At the request level, GSA will invest an additional \$135,440 thousand for the continued consolidation of the Department of Homeland Security in the National Capital region at the St. Elizabeths campus. By bringing these agency components into a single government-owned campus, DHS will save on leased space and enable these employees to collaborate in a consolidated headquarters facility. Delays in enacted funding lead to delay in the original consolidation timeline; however, the FY 2018 request is an important standalone project that can proceed even though the FY 2017 request was not enacted. Continued support of this vital project will allow GSA to continue execution of the DHS consolidation resulting in more than \$1 billion in savings over the current leased Headquarters locations.
- GSA's request includes \$488,827 thousand to support three land port of entry (LPOE) projects including Phase II for Alexandria Bay, NY, Otay Mesa in San Diego, CA, and San Luis I in San Luis, AZ. The refurbishment and replacement of these LPOE facilities which currently lack the infrastructure capacity to fulfill traffic demands and meet the latest security requirements, are critical for our partner Federal Inspection Agencies as they complete their missions of securing our Nation's borders. The proposed investments also support the President's goals to improve border security and support lawful trade and travel.
- In addition, GSA supports additional construction funding of \$137,242 thousand for a new courthouse in Harrisburg, PA, the Federal Judiciary's highest priority construction project.
- GSA also proposes to acquire, through existing purchase option, the Federal Bureau of Investigations (FBI) Field Office Building currently under lease to the Federal government located in New Orleans, LA. The execution of this purchase option and undertaking of minor alterations for \$28,982 thousand will result in the elimination of costly lease obligations and the realization of significant out year cost avoidance for the government.

Repairs and Alterations

The FY 2018 Repairs and Alterations program request is \$1,444,494 thousand including \$384,956 thousand for Basic Repairs and Alterations. The FY 2018 request funds repair activities, at the lowest possible cost to the taxpayer necessary, to ensure that existing infrastructure receives the investment necessary to support customer agencies, and supports cost saving consolidation activities within existing Federal buildings.

- PBS will invest \$850,338 thousand in the existing GSA portfolio of buildings through major repairs and alterations projects. Funding for these capital improvements in owned buildings, including the repair/replacement of failing mechanical, electrical, fire and life safety, conveyance, heating, ventilation and air conditioning (HVAC) systems and the correction of exterior and structural deficiencies, are critical to maintaining safe, secure and functional buildings where customer agencies can perform their mission. Proposed repairs and alterations will also facilitate improved asset utilization and lower costs for the American taxpayer.
- PBS will invest \$384,956 thousand in the Basic Repairs and Alterations program, investing in projects with a total cost below the prospectus threshold of \$3.095 million. This program ensures that emerging needs are met, mitigating the need for more costly projects in the out years. Over 70% of these funds are annually allocated to basic serviceability items to keep chillers and boilers running, elevators in working order, and buildings safe for occupancy.
- Special Emphasis Programs include Consolidation Activities, Judicial Capital Security, Fire and Life Safety and Seismic Mitigation. PBS will invest \$205,000 thousand in these programs.
 - The FY 2018 Request funds \$100 million in consolidation activities to further GSA's ongoing efforts to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the Federal government's real estate footprint. Projects funded under this authorization will enable agencies to relocate to Federally owned space that more efficiently meets mission needs. These relocations will result in improved space utilization and cost savings to the American people. Since inception of the Consolidation Activities Program in FY 2014, GSA has received \$215 million in support of the program. Through FY 2016, the consolidation activities program has funded 69 projects. When complete, the 69 projects will result in more than a 1.4 million square foot reduction, reduce agency rental payments paid to GSA by \$54 million, and provide \$112 million in annual government lease cost avoidance.
 - The FY 2018 Request funds \$20 million for the Judicial Capital Security program will continue to improve the physical security in buildings occupied by the

Judiciary and the United States Marshal Service. Since 2012, GSA has received \$80 million in funding in support of the program. With these funds, GSA has been able to undertake 10 projects.

- The FY 2018 Request funds \$45 million for the Fire and Life Safety program will continue to remove or reduce code deficiencies, hazards and building-wide and localized risks in Government-owned buildings nationwide. Since FY 2010, GSA has received \$76,000 thousand in funding and has been able to undertake 68 fire protection and life safety projects in over 60 buildings.
- The FY 2018 Request funds \$40 million for a new Seismic Mitigation Program that GSA proposes to install, upgrade, and improve seismic performance in government-owned buildings starting in FY 2018. Completion of projects funded through this program will reduce the overall level of risk from seismic events in government-owned buildings.

Building Operations

The FY 2018 request is \$2,221,766,thousand and continues GSA's strategy to drive efficiencies in operating programs, making investments in those areas that directly support mission achievement and finding more efficient ways to perform necessary management and administrative activities.

Building Operations: Building Services

The FY 2018 Building Services portion of the Building Operations request is \$1,146,089 thousand, or 1 percent above the FY 2017 Full Year CR budget.

The FY 2018 request continues efforts to reduce operating costs associated with PBS's building inventory, funding daily maintenance at \$407 million, utilities at \$339 million, cleaning at \$351 million, and building support at \$73 million. In FY 2015, PBS implemented more robust national oversight of operating budgets in an effort to examine the management, contract provisions, contracting practices, and other activities that contribute to better value in PBS's operating services. Through these efforts, PBS will be able to employ national strategies to drive reductions in cleaning and maintenance without negatively impacting or creating inconsistencies in customer service. The FY 2018 request reflects these strategies by holding funding levels for cleaning, maintenance and building support consistent with the reduced level , while accommodating a 1.8 percent increase for non-pay inflation and \$4 million incremental cost increase associated with new inventory. Included in the amounts for cleaning and maintenance is a strategy to invest in transitioning its recurring service contracts from monthly funding under the Limitation of Government Obligation (LOGO) clause to full funding at the time of award. This investment is associated with a longer term plan to completely transition all of PBS's recurring service contracts to full funding.

The FY 2018 request also includes \$22 million to fund studies in support of the Five Year Capital Plan as well as ongoing building operations and basic repair planning. Funding studies at the level requested is critical to support the long term planning associated with PBS's capital construction projects.

Building Operations: Salaries and Expenses

The FY 2018 Salaries and Expenses portion of the Building Operations request is \$1,075,677 thousand, or 5.2 percent below the FY 2017 Full Year CR budget.

PBS's total PC&B projection for FY 2018 is \$672 million, of which \$638 million is funded directly from NOA and \$34 million is anticipated to be funded through reimbursable work that PBS performs on behalf of other agencies and paid through reimbursable agreements rather than rent.

The FY 2018 request for includes \$42.2 million, a \$986 thousand reduction from the FY 2017 Full Year CR level, to fund PBS's internal IT business applications and \$10.6 million to fund administrative services, which are in support of national programmatic requirements.

The FY 2018 request funds PBS's training requirements at \$7.5 million, which represents about 1.5 percent of base salaries. PBS's projected travel requirement for FY 2018 is \$10.6 million; and other administrative costs are projected at \$9.7 million, which supports telephones, supplies, equipment, printing, and transportation of things.

The FY 2018 request funds PBS's contribution to the Working Capital Fund (WCF) is \$347 million, which is a \$5.6 million decrease from the FY 2017 Full Year CR level.

Rental of Space

GSA recognizes that historical trends alone are not good indicators of projected lease costs. As a result, PBS's FY 2018 Rental of Space budget request continued to utilized the improved rent estimation process instituted in FY 2016. This provides for more accurate requirements development to build the rental of space budget request and monitor program execution in the current year.

GSA has worked closely with customers to capture the full breadth of agency real estate portfolios and create a roadmap for agencies to right-size their respective footprints. GSA is working with agencies to outline opportunities for consolidation and establishing a sustainable ratio of leased and owned real estate. The funding provided for consolidation projects and the Consolidation Activities special emphasis program through the capital program allows PBS to create new opportunities for agencies to downsize and reduce costs.

PBS's Rental of Space NOA request reflects an overall reduction of 4.0 million RSF in anticipated leased square footage from FY 2017 to FY 2018. As the Federal government continues to implement strategies to identify savings through efficient space use, the cost to lease new space is expected to decrease in aggregate as GSA replaces, consolidates, or terminates expiring leases, while potentially increasing on a case-by-case basis. While leased space costs are a pass-through cost for PBS, GSA's objective is to reduce the overall amount of leased RSF while also budgeting for the necessary costs of the Rental of Space budget.

The Rental of Space budgeting and projection system has a direct connection to GSA's source system for leasing data. The reporting modules in the budgeting system have been enhanced to allow the projections from the system to be broken out to the lease level and projected out two years. The enhanced reporting provides a significant improvement for data analysis and review for analysts to identify and correct potential data errors. Delegated returns are identified to isolate that growth in the leased portfolio from returning delegations. The budgeting system also allows for seamless and a fully automated process to ensure GSA adjusts budget requirements when leases previously funded through indefinite authority need to be funded through new obligational authority, reducing any chances of error.

U.S. General Services Administration
Federal Buildings Fund

Resources, New Obligational Authority, and Fund Balance

(Dollars in Thousands, excludes Indefinite Authority)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2017 Enacted	FY 2018 Request
Resources:				
Available from prior year for reauthorization	\$ 3,566,647	\$ 3,189,674	\$ 3,191,272	\$ 3,191,272
Redemption of Debt				
Reprogramming Authority	\$ 44,781			
Appropriation				
Transfer	\$ (1)			
Rescission/Lapsed Current Year Authority				
Rescission/Lapsed Prior Year Authority				
Revenue from operations:				
Rent	\$ 9,757,820	\$ 10,152,436	\$ 10,152,436	\$ 9,924,592
Miscellaneous	\$ 21,477			\$ -
Outleasing	\$ 3,469	\$ 7,142	\$ 7,142	\$ 6,782
Retention of Proceeds (Sale of Real Property)	\$ 18,433	\$ 3,369	\$ 3,369	\$ 3,700
SSA/CDC/CMS Payments	\$ 17,952	\$ 15,392	\$ 15,392	\$ 15,445
Subtotal, Revenue	\$ 9,819,151	\$ 10,178,339	\$ 10,178,339	\$ 9,950,519
Total Resources Available	\$ 13,430,579	\$ 13,368,013	\$ 13,369,611	\$ 13,141,791
New Obligational Authority:				
Construction and Acquisition	\$ 1,621,738	\$ 1,607,738	\$ 205,749	\$ 790,491
Major Repairs and Alterations	\$ 466,112	\$ 435,331	\$ 363,945	\$ 1,059,538
Basic Repairs and Alterations	\$ 300,000	\$ 300,000	\$ 312,090	\$ 384,956
Installment Acquisition Payments	\$ -	\$ -		\$ -
Rental of Space	\$ 5,579,055	\$ 5,563,995	\$ 5,628,363	\$ 5,493,768
Building Operations - Building Services	\$ 1,137,000	\$ 1,134,839	\$ 1,184,240	\$ 1,146,089
Building Operations - Salaries and Expenses	\$ 1,137,000	\$ 1,134,839	\$ 1,150,760	\$ 1,075,677
Total New Obligational Authority	\$ 10,240,905	\$ 10,176,741	\$ 8,845,147	\$ 9,950,519
Fund Balance:				
Total Resources Available	\$ 13,430,579	\$ 13,368,013	\$ 13,369,611	\$ 13,141,791
Total New Obligational Authority	\$ (10,240,905)	\$ (10,176,741)	\$ (8,845,147)	\$ (9,950,519)
Changes to Prior Year Authority	\$ -	\$ -	\$ (15,000)	\$ -
Fund Balance (Available for Reauthorization)	\$ 3,189,674	\$ 3,191,272	\$ 4,509,464	\$ 3,191,272
Net Budget Authority	\$ 376,973	\$ (1,598)	\$ (1,348,192)	\$ 0

Crosswalk of FY 2015 New Obligational Authority

(Dollars in Thousands)

	P.L. 114-113 Enacted 12/18/2015	Approved Reprogramming	FY 2016 Enacted Legislation	Indefinite Authority	FY 2016 Total Authority
New Obligational Authority:					
Construction and Acquisition	\$ 1,607,738	\$ 30,781	\$ 1,638,519	\$ -	\$ 1,638,519
Major Repairs and Alterations	\$ 435,331	\$ 14,000	\$ 449,331	\$ 17,146	\$ 466,477
Minor Repairs and Alterations	\$ 300,000	\$ -	\$ 300,000	\$ 2,960	\$ 302,960
Installment Acquisition Pymts	\$ -	\$ -	\$ -	\$ -	\$ -
Rental of Space	\$ 5,579,055	\$ -	\$ 5,579,055	\$ 57,122	\$ 5,636,177
Building Operations - Building Services	\$ 1,137,000	\$ -	\$ 1,137,000	\$ 40,446	\$ 1,177,446
Building Operations - Salaries and Expenses	\$ 1,137,000	\$ -	\$ 1,137,000	\$ 304	\$ 1,137,304
Total, New Obligational Authority	\$ 10,196,124	\$ 44,781	\$ 10,240,905	\$ 117,978	\$ 10,358,883

1. Reprogramming towards Construction and Acquisition provided funding for Laredo LPOE (\$14,000 thousand)
2. Reprogramming toward Major Repairs and Alterations provided funding for Pensacola Courthouse (\$30,781 thousand)

Indefinite Authority

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
Repairs and Alterations:			
Historical Outleasing	\$ 8,877	\$ 7,000	\$ 10,000
Energy Rebates	\$ 8,116	\$ 6,000	\$ 10,000
International Trade Center	\$ 2,960	\$ 4,000	\$ 4,000
Recycling	\$ 153	\$ 153	\$ 700
Total, Repairs and Alterations	\$ 20,105	\$ 17,153	\$ 24,700
Rental of Space: Leased Expansion Space	\$ 57,122	\$ 83,125	\$ 140,034
Building Operations:			
International Trade Center - Building Services	\$ 32,830	\$ 34,653	\$ 34,500
International Trade Center - Salaries and Expenses	\$ 304	\$ 650	\$ 650
Cooperative Use Act - Outleasing	\$ 5,117	\$ 3,745	\$ 4,810
National Antenna Program	\$ 2,499	\$ 1,678	\$ 2,495
Total, Building Operations	\$ 40,751	\$ 40,726	\$ 42,455
Total Indefinite Authority	\$ 117,978	\$ 141,004	\$ 207,189

Note: Indefinite authorities are not included in reported resources or new obligational authority.

Appropriations Language

Amounts in the Fund, including revenues and collections deposited into the Fund, shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation, and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings, including grounds, approaches, and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of ~~[\$10,196,124,000]~~*\$9,950,519,000*, of which—

(1) ~~[\$1,607,738,000]~~ *\$790,491,000* shall remain available until expended for construction and acquisition (including funds for sites and expenses, and associated design and construction services) ~~[as follows]:~~

~~[(A) \$341,000,000 shall be for the DHS Consolidation at St. Elizabeths;]~~

~~[(B) \$105,600,000 shall be for the Alexandria Bay, New York, Land Port of Entry;]~~

~~[(C) \$85,645,000 shall be for the Columbus, New Mexico, Land Port of Entry;]~~

~~[(D) \$947,760,000 shall be for new construction projects of the Federal Judiciary as prioritized in the "Federal Judiciary Courthouse Project Priorities" plan approved by the Judicial Conference of the United States on September 17, 2015, and submitted to the House and Senate Committees on Appropriations on September 28, 2015;]~~

~~[(E) \$52,733,000 shall be for new construction and acquisition projects that are joint United States courthouses and Federal buildings, including U.S. Post Offices, on the "FY2015-FY2019 Five-Year Capital Investment Plan" submitted by the General Services Administration to the House and Senate Committees on Appropriations with the agency's fiscal year 2016 Congressional Justification; and]~~

~~[(F) \$75,000,000 shall be for construction management and oversight activities, and other project support costs, for the FBI Headquarters Consolidation:]~~

~~Provided, That [each of the foregoing limits of costs on new construction and acquisition projects] amounts identified in the spend plan for construction and acquisition required by section 515 of this division may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in a transmitted prospectus, if required, unless advance [approval] notice is [obtained from] transmitted to the Committees on Appropriations of a greater amount;~~

(2) ~~[\$735,331,000]~~ *\$1,444,494,000* shall remain available until expended for repairs and alterations, including associated design and construction services, of which—

(A) ~~[\$310,331,000]~~ *\$1,059,538,000* is for Major Repairs and Alterations;

(B) ~~[\$300,000,000]~~ *\$384,956,000* is for Basic Repairs and Alterations; and

(C) ~~[\$125,000,000]~~ *\$205,000,000* is for Special Emphasis Programs, ~~[of which—]~~

~~[(i) \$20,000,000 is for Fire and Life Safety;]~~

~~[(ii) \$20,000,000 is for Judiciary Capital Security;]~~

~~[(iii) \$10,000,000 is for Energy and Water Retrofit and Conservation Measures; and]~~

~~[(iv) \$75,000,000 is for Consolidation Activities: Provided, That consolidation projects result in reduced annual rent paid by the tenant agency: Provided further, That no consolidation project exceed \$20,000,000 in costs: Provided further, That consolidation projects are approved by each]~~

of the committees specified in section 3307(a) of title 40, United States Code: *Provided further*, That preference is given to consolidation projects that achieve a utilization rate of 130 usable square feet or less per person for office space: *Provided further*, That the obligation of funds under this paragraph for consolidation activities may not be made until 10 days after a proposed spending plan and explanation for each project to be undertaken, including estimated savings, has been submitted to the Committees on Appropriations of the House of Representatives and the Senate:]

Provided, [That funds made available in this or any previous Act in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount identified for each project, except each project in this or any previous Act may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount: *Provided further*, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from] *That amounts identified in the spend plan for major repair and alterations required by section 515 of this division may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in a transmitted prospectus, if required, unless advance notice is transmitted to the Committees on Appropriations of a greater amount: Provided further, That additional projects for which prospectuses have been transmitted may be funded under this category only if advance notice is transmitted to the Committees on Appropriations:*

Provided further, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: *Provided further*, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects;

(3) [~~\$5,579,055,000~~]~~\$5,493,768,000~~ for rental of space to remain available until expended; and

(4) [~~\$2,274,000,000~~]~~\$2,221,766,000~~ for building operations to remain available until expended; [of which ~~\$1,137,000,000~~ is for building services, and ~~\$1,137,000,000~~ is for salaries and expenses: *Provided further*, That not to exceed 5 percent of any appropriation made available under this paragraph for building operations may be transferred between and merged with such appropriations upon notification to the Committees on Appropriations of the House of Representatives and the Senate, but no such appropriation shall be increased by more than 5 percent by any such transfers: *Provided further*, That section 508 of this title shall not apply with respect to funds made available under this heading for building operations:] *Provided*[*further*], That the total amount of funds made available from this Fund to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, *if required to be submitted pursuant to 40 U.S.C. 3307, has not been transmitted to the Committees referenced therein* [if required by 40 U.S.C. 3307(a), has not been approved], except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus; *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance [approval]*notice* is [obtained from] *transmitted* to the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under 40 U.S.C. 592(b)(2) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to

18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further,* That revenues and collections and any other sums accruing to this Fund during fiscal year ~~[2016]~~2018, excluding reimbursements under 40 U.S.C. 592(b)(2), in excess of the aggregate new obligational authority authorized for Real Property Activities of the Federal Buildings Fund in this Act shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

U.S. General Services Administration
Federal Buildings Fund

Obligations by Object Class

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
11.1 Full-time, permanent.....	\$ 510,531	\$ 545,990	\$ 495,392
11.3 Other than full-time permanent.....	\$ 2,585	\$ 2,518	\$ 2,321
11.5 Other personnel compensation.....	\$ 9,657	\$ 10,465	\$ 9,640
11.8 Special personnel services payments.....	\$ 61	\$ 81	\$ 72
12.1 Civilian personnel benefits.....	\$ 168,241	\$ 180,785	\$ 165,260
13.0 Benefits for former personnel.....	\$ -	\$ -	\$ -
21.0 Travel and transportation of persons.....	\$ 12,606	\$ 12,631	\$ 11,181
22.0 Transportation of things.....	\$ 107	\$ 59	\$ 74
23.1 Rental payments to GSA	\$ 3	\$ -	\$ -
23.2 Rental payments to others.....	\$ 5,654,012	\$ 5,565,971	\$ 5,494,987
23.3 Communications and utilities.....	\$ 401,515	\$ 334,228	\$ 323,483
Subtotal, Rent, communications & utilities...	\$ 6,055,530	\$ 5,900,199	\$ 5,818,470
24.0 Printing and reproduction.....	\$ 270	\$ 308	\$ 148
25.1 Advisory and assistance services.....	\$ 716,282	\$ 781,574	\$ 622,700
25.2 Other services.....	\$ 25,529	\$ 22,898	\$ 20,887
25.3 Goods & services from Gov't accounts.....	\$ 410,947	\$ 392,508	\$ 399,317
25.4 Operation and maintenance of facilities.....	\$ 1,576,970	\$ 1,436,136	\$ 1,241,763
25.5 Other contractual services - Research and Developm	\$ -	\$ -	\$ -
25.6 Medical care.....	\$ 100	\$ -	\$ -
25.7 Operation and maintenance of equipment.....	\$ 27,284	\$ 27,350	\$ 18,416
25.8 Subsistence and support of persons.....	\$ -	\$ -	\$ -
Subtotal, Contractual services.....	\$ 2,757,112	\$ 2,660,466	\$ 2,303,083
26.0 Supplies and materials *.....	\$ 7,462	\$ 8,033	\$ 10,017
31.0 Equipment.....	\$ 96,059	\$ 114,526	\$ 93,923
32.0 Land and structures.....	\$ 1,021,395	\$ 2,575,290	\$ 2,021,086
33.0 Investments and loans.....	\$ -	\$ -	\$ -
41.0 Grants, subsidies, and contributions.....	\$ 30	\$ -	\$ -
42.0 Insurance claims and indemnities.....	\$ 841	\$ -	\$ -
43.0 Interest and dividends.....	\$ 26,181	\$ -	\$ -
44.0 Refunds	\$ 69	\$ -	\$ -
94.0 Financial Transfers	\$ -	\$ -	\$ -
99.9 Total Obligations.....	\$ 10,668,738	\$ 12,011,351	\$ 10,930,667
Subtotal, PC&B.....	\$ 691,075	\$ 739,839	\$ 672,685
Subtotal, Non-labor.....	\$ 9,977,663	\$ 11,271,512	\$ 10,257,982

U.S. General Services Administration
Federal Buildings Fund

Obligations by Program

(Dollars in Thousands)

	FY 2016 Actual		FY 2017 Full Year CR		FY 2018 Request		Increase/(Decrease) FY 2018 Request	
	FTE	Obligations	FTE	Obligations	FTE	Obligations	FTE	Obligations
FTE and Obligations:								
1. Construction and Acquisition		\$ 395,283		\$ 1,855,429		\$ 1,047,653		\$ (807,776)
2. Repairs and Alterations		\$ 696,594		\$ 722,725		\$ 987,480		\$ 264,755
3. Installment Acquisition Payments		\$ 3		\$ -		\$ -		\$ -
4. Construction of Lease Purchase Facilities		\$ -		\$ -		\$ -		\$ -
5. Pennsylvania Avenue Activities		\$ -		\$ -		\$ -		\$ -
a) Repairs and Alterations		\$ -		\$ -		\$ -		\$ -
b) Building Operations - Building Services		\$ -		\$ -		\$ -		\$ -
c) Building Operations - Salaries and Expenses		\$ -		\$ -		\$ -		\$ -
6. International Trade Center								
a) Repairs and Alterations		\$ 315		\$ -		\$ -		\$ -
b) Building Operations - Building Services		\$ 31,478		\$ -		\$ -		\$ -
c) Building Operations - Salaries and Expenses		\$ 72		\$ -		\$ -		\$ -
7. Rental of Space		\$ 5,664,201		\$ 5,563,995		\$ 5,493,768		\$ (70,227)
8. Building Operations								\$ -
a) Building Services		\$ 1,358,353		\$ 1,134,171		\$ 1,146,089		\$ 11,918
b) Salaries and Expenses	4,981	\$ 1,130,960	5,308	\$ 1,134,171	5,025	\$ 1,075,677	(283)	\$ (58,494)
9. Reimbursable	350	\$ 1,391,480	280	\$ 1,600,860	270	\$ 1,180,000	(10)	\$ (420,860)
Total FTE and Obligations	5,331	\$ 10,668,738	5,588	\$ 12,011,351	5,295	\$ 10,930,667	(293)	\$ (1,080,684)
<i>Net Outlays:</i>		\$ (1,095,645)		\$ (755,139)		\$ 740,188		\$ 1,495,327

FY 2018 Capital Program

Program Description – Construction and Acquisition of Facilities

This activity provides for the construction or purchase of facilities, prospectus-level extensions to existing buildings, and remediation. All costs directly attributable to site acquisition, construction, and the full range of design and construction services, and management and inspection of construction projects are funded under this activity.

Construction and Acquisition of Facilities
(Dollars in Thousands)

	FUNDED TO DATE	ESTIMATED TOTAL PROJECT COST				FY 2018 REQUEST					
		SITE	DESIGN	CONSTRUCTION	M&I	TOTAL	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL
New Construction:											
Washington, DC DHS Consolidation at St. Elizabeths	\$ 1,591,000	\$ 6,722	\$ 243,029	\$ 2,028,659	\$ 136,034	\$ 2,414,444	\$ -	\$ 9,272	\$ 116,896	\$ 9,272	\$ 135,440
New Orleans, LA FBI Building Purchase	\$ -	\$ 24,000	\$ 510	\$ 4,000	\$ 472	\$ 28,982	\$ 24,000	\$ 510	\$ 4,000	\$ 472	\$ 28,982
Subtotal, Executive Agencies	\$ 1,591,000	\$ 30,722	\$ 243,539	\$ 2,032,659	\$ 136,506	\$ 2,443,426	\$ 24,000	\$ 9,782	\$ 120,896	\$ 9,744	\$ 164,422
Alexandria Bay, NY U.S. Land Port of Entry	\$ 126,160	\$ 2,965	\$ 21,095	\$ 219,355	\$ 15,694	\$ 259,109	\$ -	\$ -	\$ 126,139	\$ 6,840	\$ 132,979
San Diego, CA Olaj Mesa U.S. Land Port of Entry	\$ -	\$ -	\$ 10,062	\$ 100,718	\$ 11,068	\$ 121,848	\$ -	\$ 10,062	\$ 100,718	\$ 11,068	\$ 121,848
San Luis, AZ San Luis U.S. Land Port of Entry	\$ -	\$ -	\$ 17,557	\$ 198,886	\$ 17,557	\$ 234,000	\$ -	\$ 17,557	\$ 198,886	\$ 17,557	\$ 234,000
Subtotal, Land Ports of Entry	\$ 126,160	\$ 2,965	\$ 48,714	\$ 518,959	\$ 44,319	\$ 614,957	\$ -	\$ 27,619	\$ 425,743	\$ 35,465	\$ 488,827
Harrisburg, PA New U.S. Courthouse	\$ 55,510	\$ 20,000	\$ 11,336	\$ 147,739	\$ 13,677	\$ 192,752	\$ -	\$ -	\$ 123,565	\$ 13,677	\$ 137,242
Subtotal, Courthouses	\$ 55,510	\$ 20,000	\$ 11,336	\$ 147,739	\$ 13,677	\$ 192,752	\$ -	\$ -	\$ 123,565	\$ 13,677	\$ 137,242
Total FY 2018 Construction and Acquisition of Facilities Program	\$ 1,772,670	\$ 53,687	\$ 303,589	\$ 2,699,357	\$ 194,502	\$ 3,251,135	\$ 24,000	\$ 37,401	\$ 670,204	\$ 58,886	\$ 790,491

New Construction Project Descriptions

Arizona

San Luis, AZ San Luis I U.S. Land Port of Entry.....\$234,000,000

GSA requests \$234,000 thousand to undertake the construction of facilities to modernize and expand the San Luis I Land Port of Entry (LPOE) in San Luis, AZ. The project includes relocation and expansion of northbound vehicle primary and secondary inspection facilities, replacement of the head house, main building, kennels, and development of southbound inspection facilities and CBP design guide compliant detention facilities. The project will meet the current and future operational requirements of the Federal agencies.

The San Luis I LPOE is the busiest non-commercial LPOE in Arizona processing over 3,000,000 vehicles and 2,500,000 pedestrians a year. The port currently processes much greater traffic than originally designed to accommodate. Existing facilities are significantly undersized and no longer meet the mission requirements of CBP. All major building systems are past their useful lives. The expanded facilities will reduce wait times and provide considerable capacity for pedestrians and cross border travelers.

The FY 2018 request is for Design (\$17,557 thousand), Construction (\$198,886 thousand) and Management and Inspection (\$17,557 thousand).

California

San Diego, CA Otay Mesa U.S. Land Port of Entry.....\$121,848,000

GSA requests \$121,848 thousand to undertake the construction of facilities to modernize and expand the Otay Mesa LPOE in San Diego, CA. The project includes expansion construction of additional non-commercial primary inspection booths, pedestrian processing facilities, and a commercial annex building, relocation of detention and Secure Electronic Network for Travelers Rapid Inspection (SENTRI) facilities and hazardous material processing, construction of surface or structured parking for employees and visitors, and commercial import lot improvements. The project will meet the current and future operational requirements of the federal agencies.

Non-commercial pedestrian processing is undersized and the planned development of a new locally developed transit center (adjacent to the LPOE) is expected to significantly increase the congestion in the pedestrian processing facilities. Detention areas in the main building do not meet current CBP design guide standards and expose the traveling public and officers to unnecessary risk.

The port averages 2,400 northbound trucks, 21,000 northbound privately owned vehicles and 9,500 pedestrians on a daily basis. Total commercial flows have increased an average of 2.25% a year since 2005. Circulation within the commercial port is extremely congested which impedes processing of commercial vehicles and creates dangerous conditions for officers. Due to a constrained site and the need to maintain sufficient area for commercial vehicle circulation, structured parking is proposed. [EMC1]

The FY 2018 request is for Design (\$10,062 thousand), Construction (\$100,718 thousand) and Management and Inspection (\$11,068 thousand).

District of Columbia

Washington, DC DHS Consolidation at St. Elizabeths.....\$135,440,000

The General Services Administration (GSA) proposes \$135,440 thousand to continue the ongoing development of the DHS consolidated headquarters at the St. Elizabeths Campus by: 1) continuing design, management and inspection, and construction of the site's utility infrastructure including completion of work on perimeter security as well as environmental remediation; 2) ongoing historic preservation activities in support of public outreach; and 3) management and inspection funding for these activities.

The FY 2018 request includes design and construction for additional infrastructure work including restoration of roads and parking lots on site, stabilization of historic buildings for future adaptive reuse, additional site utilities and remaining work on the central utility plant.

The FY 2018 request also supports ongoing Historic Preservation activities to ensure the work is consistent with the preservation requirements and public outreach is consistent with the programmatic agreements in place between the Government and stakeholders.

In January 2015, GSA and DHS finalized the updated DHS HQ consolidation program at the St. Elizabeths Campus. The updated program, referred to as the Enhanced Plan, results in a more efficient utilization of space at a lower cost. The West Campus is a 176-acre National Historic Landmark, plus an additional 8 contiguous acres of Shepherd Parkway acquired from the National Park Service (NPS), as well as existing buildings containing approximately 1 million gross square feet (GSF) plus newly constructed buildings.

Under the Enhanced Plan, DHS components will require less space through realized efficiencies and improved utilization rates, plus the FEMA headquarters that was planned for the East Campus has been moved to the West Campus. The West Campus, however, will continue to be developed in accordance with guidelines set out in the Master Plan as amended and/or as a result of continued compliance with NHPA and NEPA during specific project designs.

The FY 2018 request is for Design (\$9,272 thousand), Construction (\$116,896 thousand) and Management and Inspection (\$9,272 thousand).

Louisiana

New Orleans, LA FBI Field Building Purchase\$28,982,000

The GSA proposes \$28,982 thousand to purchase the Federal Bureau of Investigation (FBI) New Orleans Field Office Building located at 2901 Leon C. Simon Road in New Orleans, LA. The facility, currently leased by GSA, provides 137,279 rentable square feet of space and 256 parking spaces, occupied entirely by the FBI. In addition to acquiring the building, GSA proposes to replace the roof and fire alarm system and upgrade the heating, ventilation and air conditioning (HVAC), elevator and electrical systems to improve the safety and efficiency for

long-term use of the building. Purchase will reduce the government's rental payment to the private sector by approximately \$3,276,000 annually.

The FBI Field Office has a long term requirement. Purchase of this facility, at the pre-negotiated purchase price will produce long term government savings, avoiding lease, move and space replication costs of more than \$18 million. All utilities, electricity, gas, water, wastewater, telephone, cable, and drainage are present in sufficient capacity to serve the needs of the improvements on the site. The asset is located in one of the few geographic locations in New Orleans that did not flood during Hurricane Katrina.

An assessment of the existing facility was completed to determine what improvements would be required for the building to come under Federal ownership. The roof system is nearing the end of its useful life. Life safety concerns will be addressed by replacing the aging fire alarm system with current technology. Mechanical upgrades to the HVAC are needed for optimum energy efficiency and tenant comfort. An elevator modernization is needed to comply with code. An electrical system upgrade will include replacing the main switch board to comply with code. The exterior façade will be sealed to remain weather tight throughout its typical service life.

The FY 2018 request is for Site (\$24,000 thousand), Design (\$510 thousand), Construction (\$4,000 thousand) and Management and Inspection (\$472 thousand).

New York

Alexandria Bay, NY U.S. Land Port of Entry Phase II.....\$132,979,000

GSA requests \$132,979 thousand to undertake the construction of facilities to replace the existing LPOE in Alexandria Bay, NY, and funding in support of Phase II of this two-phase project. The project includes construction of commercial inspection lanes, a new veterinary services building, an impound lot, a main administration building, non-commercial inspection lanes, a new non-commercial secondary inspection plaza, new non-intrusive inspection (NII) buildings, and employee and visitor parking areas. The project will meet the current and future operational requirements of the tenant agencies and be flexible to adapt to future requirements.

The proposed project will address traffic issues by expanding the queuing area, increasing the number of primary inspection lanes, increasing the area for secondary inspection, and providing safe and secure vehicle parking and well-defined truck queuing and maneuvering areas. The project will replace the existing port and is proposed in two phases. Phase I includes construction of a commercial inspection warehouse with inspection bays, commercial inspection lanes (with split-level booths for either commercial or non-commercial), a new veterinary services building, impound lot, and a portion of the elevated parking over the commercial side. Phase I also includes acquisition of the two remaining necessary parcels of land.

Phase II includes construction of a new main administration building, a new outbound inspection facility, non-commercial inspection lanes, a new non-commercial secondary inspection plaza, new NII buildings, and employee and visitor parking areas.

The FY 2018 request is for Construction (\$126,139 thousand) and Management and Inspection

(\$6,840 thousand).

Pennsylvania

Harrisburg, PA New U.S. Courthouse.....\$137,242,000

GSA requests \$137,242 thousand in additional funding for the construction of a new U.S. Courthouse of approximately 243,000 gross square feet (GSF), including 43 inside parking spaces, in Harrisburg, PA. The project that GSA proposes will meet the 10-year space needs of the court and court-related agencies, and the site will accommodate the anticipated 30-year needs of the court. The Judiciary’s Courthouse Project Priorities list (approved by the Judicial Conference of the United States on September 13, 2016) includes a courthouse project in Harrisburg, PA.

The existing U.S. Courthouse, constructed in 1966, does not meet the United States Courts Design Guide standards, and lacks adequate security. The existing building configuration cannot provide secure circulation for judges without traveling into common hallways. Due to lack of suitable expansion space in the Federal building, several courtrooms have been constructed with columns which obstruct views within the courtrooms. The new courthouse will provide for a single location for court operations and separate circulation for the public, judges, and detainees, thereby improving security as well as efficiency of court operations.

The FY 2018 request is for Construction (\$123,565 thousand) and Management and Inspection (\$13,677 thousand).

Program Description – Repairs and Alterations

This activity provides for repairs and alterations of existing buildings as well as associated design and construction services. Protection of the Government’s investment, health and safety of building occupants, transfer of agencies from leased space, and cost effectiveness are the principal criteria used in establishing priorities. Repairs to prevent deterioration and damage to buildings, their support systems, and operating equipment are given priority.

Repairs and Alterations Project Descriptions

Arkansas

Fayetteville, AR John Paul Hammerschmidt Federal Building and U.S. Courthouse.....\$20,013,000

GSA proposes \$20,013 thousand to undertake a repair and alteration project for the John Paul Hammerschmidt Federal Building and U.S. Courthouse located at 35 East Mountain Street in Fayetteville, AR. Alterations include modernizing the outdated heating, ventilation and air conditioning system (HVAC), fire alarm system and electrical and plumbing systems, as well as exterior improvements to the roof and window system. The project will modernize the asset and improve energy efficiency.

The building was constructed in 1974 and has never received any significant building-wide upgrade. The air distribution system consists of duct board ductwork which is no longer code compliant. Exterior envelope consists of a single pane window system and face brick in need of tuckpointing. Finishes are dated and entry lobby area is suboptimal at the security checkpoint. Emergency/exit stairways do not comply with the current fire code. The basement area houses the mechanical systems and main electric gear and experiences significant flooding with heavy rainfall. Site drainage and flood control improvements are needed. Additionally, the asphalt surface of the adjacent parking lot is deteriorated and in need of subsurface water management.

The FY 2018 request is for Design (\$1,697 thousand), Construction (\$17,363 thousand) and Management and Inspection (\$953 thousand).

California

Van Nuys, CA James C. Corman Federal Building.....\$12,690,000

GSA proposes \$12,690 thousand to undertake a repair and alteration project for the James C. Corman Federal Building at 6230 Van Nuys Boulevard, Van Nuys, CA. The project includes roof replacement, building systems upgrades and egress and life-safety improvements. This work is essential to the long-term positioning of the asset and it facilitates future recovery of vacant space by providing accommodation for Federal agencies currently in commercial leased facilities.

Due to its age and condition, the asset requires repair and alteration to assure service continuity and safety and to attract and keep tenants for vacant space recovery. This project, in conjunction with an FY 2016 consolidation activities special emphasis project, and other backfill plans will help take the building from two-thirds vacant to full occupancy by the time construction is complete. Life-safety improvements and upgrades will improve occupant safety and code compliance and enhance the asset performance, efficiency and reliability. Some improvements also will provide the added benefit of improving occupant comfort and marketability of the asset needed to recover vacant space.

The FY 2018 request is for Design (\$1,183 thousand), Construction (\$10,704 thousand) and Management and Inspection (\$803 thousand).

Connecticut

Hartford, CT Abraham A. Ribicoff Federal Building and U.S. Courthouse
.....**\$15,220,000**

GSA proposes \$15,220 thousand to undertake a repair and alteration project to the Abraham A. Ribicoff Federal Building and U.S. Courthouse in Hartford, CT. The proposed project, which is confined to the annex portion of the building, will replace the existing granite panelized wall system and glazing, as well as the atrium glazing and related interior surfaces. The roof will be replaced with a system that will improve performance and appearance of the envelope. Additionally, security systems will be improved.

The granite panelized wall system needs to be replaced to avoid imminent failure and further deterioration of building interiors. If not completed, water infiltration will compromise recently completed interior finish work and add additional work to building interiors. The wall system replacement will impact the roof assembly and atrium, making replacement mandatory. The exterior integrity of the building will be improved and security will be enhanced because there will no longer be a potential of the existing panels cracking, splitting and spalling.

The FY 2018 request is for Design (\$1,443 thousand), Construction (\$12,908 thousand) and Management and Inspection (\$869 thousand).

District of Columbia

Washington, DC Harry S. Truman Federal Building.....**\$13,200,000**

GSA proposes \$13,200 thousand to undertake a repair and alteration project to upgrade elevators at the Harry S. Truman (Main State) Building located at 2201 C Street, NW, Washington, DC. The continued deterioration of the elevators and increased population in the building has accelerated the need for these repairs.

State continues to increase the building population, however, the outdated, existing elevators are unable to meet the usage demands. The elevators have long since reached the end of their serviceable life and are in irreparable conditions and must be addressed immediately. The elevators are susceptible to reliability problems and the continued availability of repair parts is uncertain. Major parts have not been manufactured since 1995 and refurbished parts have become increasingly difficult to obtain and when found they tend to be less reliable. On average, two to three elevator cars are out of service. Upgraded elevators will meet current safety codes that current elevators do not meet. Historic finishes in the elevator cabs will also be addressed.

The FY 2018 request is for Design (\$1,210 thousand), Construction (\$11,180 thousand) and Management and Inspection (\$810 thousand).

Washington, DC Robert F Kennedy Federal Building.....**\$27,800,000**

GSA proposes \$27,800 thousand to undertake a repair and alteration project to modernize

elevators at the Robert F. Kennedy (RFK) Federal Building, located at 950 Pennsylvania Ave., NW, Washington, D.C. The proposed project will upgrade 36 passenger elevators and four freight elevators in the National Register Listed-RFK Federal Building, also known as the Main Justice Building.

The RFK Federal Building is historic with "Art Deco" style elevators that have not been fully modernized since the 1970's. Currently, the Department of Justice has shut down eight elevators to use their parts to keep the others running. Of the remaining active elevators, the finishes, controls, and equipment are old, unreliable, historically incorrect and do not meet current codes. The age of the current control system and car mechanical parts make it increasingly difficult to repair and find replacement parts. The operating equipment is outdated and well past its useful life expectancy. Problems are occurring with the door adjustments on the elevator car and hatch doors causing frequent entrapment of building occupants. The door clutches and adjustment arms are worn to the point where a total replacement is needed. Elevator lights need to be upgraded to meet ABAAS requirements. The lumens are too low in some cabs, thereby making it difficult or impossible for visual impaired riders to see call buttons, emergency phones or instructions in the cabs.

The FY 2018 request is for Design (\$2,300 thousand), Construction (\$23,600 thousand) and Management and Inspection (\$1,900 thousand).

Hawaii

Honolulu, HI Prince J. Kuhio Kalaniana'ole Federal Building and U.S.

Courthouse.....\$100,982,000

GSA proposes \$100,982 thousand to undertake a repair and alteration project for the Federal Building portion of the Prince Jonah Kuhio Kalaniana'ole (PJKK) Federal Building and U.S. Courthouse complex located at 300 Ala Moana Boulevard, Honolulu, HI. In 2014, a full renovation of the U.S. Courthouse portion of the complex was completed through funding provided by the American Recovery and Reinvestment Act of 2009 (ARRA).

The PJKK Federal Building and U.S. Courthouse complex houses about 70 agencies and serves as a main Federal location that covers Hawaii and Southern Pacific areas. Prior to 2008, many of PJKK's existing building equipment/systems were original to the building(s) and were near the end of their useful service. Through ARRA, a full modernization and renovation design was completed for both buildings in the complex, but only a major renovation of the courthouse was completed. The PJKK Federal Building has not undergone a major renovation since its construction in 1977.

The façade, including curtain wall caulking and window systems, need repairs or replacements to prevent further deterioration of the building infrastructure and interior finishes due to excessive moisture and humidity. Replacement of the existing single pane windows will seal the building exterior, as well as provide blast protection and energy efficiency.

Water infiltration has permeated the deteriorated water membrane in the plaza and box planters causing damage to the basement ceiling and the piping systems. In addition, this work will

improve the management of storm water and reduce the potential for mold. Elevator work will replace equipment that has met its useful life and will now meet current safety standards. The fire sprinkler system does not have rapid response heads that are now required and the fire life safety devices do not meet current codes for safety. Floor flood drains will be installed; a toilet fixture failure caused extensive water damage due to a lack of floor drains in the original restrooms. In addition, none of the restrooms, with the exception of the recently renovated second floor, meet current accessibility standards. The cafeteria will be downsized, saving energy costs, and its failing and unsafe building systems and equipment will be replaced.

The FY 2018 request is for Design (\$8,626 thousand), Construction (\$85,823 thousand) and Management and Inspection (\$6,533 thousand).

Indiana

Indianapolis, IN Major General Emmett J. Bean Federal Center.....\$45,950,000

GSA proposes \$45,950 to undertake a repair and alteration project for the Major General Emmett J. Bean Federal Center (Bean Center) at 8899 E. 56th Street in Indianapolis, IN. The project will renovate space in the Bean Center and consolidate Federal agencies currently housed in leased space. The government is expected to achieve a lease cost avoidance of approximately \$9,600,000 per year and an annual agency rent savings of \$3,600,000. The project will provide a long-term housing solution improving space utilization rates, reducing the amount of space the Federal government leases in the private real estate market and reducing federally owned vacant space.

The project will provide a long-term housing solution that will improving space utilization rates, reduce reducing the amount of space the Federal government leases in the private real estate market and reduce reducing federally owned vacant space.

The Defense Financing and Accounting Service (DFAS) is the anchor tenant at the Bean Center, occupying approximately 900,000 usable square feet (USF). DFAS plans on vacating to vacate approximately 175,000 USF, which along with existing vacant space, will provide the opportunity to consolidate federal agencies that are currently housed in approximately 340,000 USF of leased space in Indianapolis. To consolidate their existing footprints in from leased space, the amount of space these agencies will occupy in the Bean Center will be reduced to approximately 212,000 USF. To create a contiguous space for the backfill tenants, three agencies currently in the Bean Center will most likely have to be relocated within the building.

The FY 2018 request is for Design (\$3,435 thousand), Construction (\$39,707 thousand) and Management and Inspection (\$2,808 thousand).

Massachusetts

Boston, MA Thomas P. O'Neill, Jr., Federal Building.....\$9,636,000

GSA proposes \$9,636 thousand to undertake a repair and alteration project to replace the deficient roof systems at the Thomas P. O'Neill, Jr., Federal Building located at 10 Causeway Street, Boston, MA. The proposed project will address existing roof deficiencies, improve performance and comply with applicable life safety code requirements.

The roof and skylight gaskets/sealants systems are at the end of their useful lives. The failure of the roof is further exacerbated by the near-term risk for increased wind turbulence from an adjacent privately owned high-rise building currently under construction, which is leading to more rapid delamination. The project is critical to ensure the roof and skylight gaskets/sealant replacements occur prior to full failure, minimizing impact to customer mission. The low-rise roof has had minor leaks that have negatively impacted tenant space. Due to the poor condition of the skylight gaskets/sealants, precipitation has been able to enter the atrium area. If not addressed, full roof material failure risks damage to interior finishes, tenant property and mission, and other building elements, in addition to increased energy consumption due to deterioration of insulation properties. The incorporation of permanent roof-mounted fall protection for personnel is an important safeguard to meet life safety requirements.

The FY 2018 request is for Design (\$849 thousand), Construction (\$8,105 thousand) and Management and Inspection (\$682 thousand).

New York

Holtsville, NY IRS Service Center.....\$6,434,000

GSA proposes \$6,434 thousand to undertake a repair and alteration project to decommission the Total Energy Plant (TEP) at the Internal Revenue Service (IRS) Service Center at 1040 Waverly Avenue in Holtsville, NY. The proposed project will disconnect generators and remove backup power systems that support non-critical building loads, resulting in reduced energy costs and mitigation of potential environmental contamination at this location.

IRS has maintained and used the equipment since transferring to local power to ensure no interruption to the redundant power supply for both the fire pump and sewage treatment plant, but maintaining the equipment has become increasingly difficult and expensive.

Decommissioning of the equipment will significantly reduce the maintenance costs incurred by the government. The work also would significantly decrease the potential for fuel oil contamination of Long Island groundwater from the TEP generator.

The FY 2018 request is for Design (\$602 thousand) Construction (\$5,396 thousand) Management and Inspection (\$436 thousand).

New York, NY Alexander Hamilton U.S. Custom House.....\$53,991,000

GSA proposes \$53,991 thousand for a repair and alteration project for Phase I of a two-phase repair and alteration project to address building deficiencies at the Alexander Hamilton U.S.

Custom House, a National Historic Landmark located at 1 Bowling Green, New York, NY. This proposed project (Phase I) will remediate water infiltration in the sub-basement and basement levels to prevent further damage to the building. Phase II, to be submitted as part of a future request, proposes replacing the skylight, replacing the exterior windows with blast windows and repairing the laylight.

Water infiltration in the sub-basement and basement levels is jeopardizing the structural integrity of the building and building systems. Water and drain piping located under the sidewalk vault are compromised and could collapse, which presents a potential safety hazard and could cause additional damage. Falling debris from the overhead damaged areas poses a potential safety risk to personnel and would result in additional costly emergency work. Water infiltrating at the windows also is causing damage to the building interior and negatively affecting the building's energy efficiency. The proposed two-phase project will ensure the long-term occupancy of Federal agencies by providing a safe and reliable work environment.

The FY 2018 request is for Design (\$4,706 thousand), Construction (\$45,533 thousand) and Management and Inspection (\$3,752 thousand).

New York, NY Jacob K. Javits Federal Building.....\$65,712,000

GSA proposes \$65,712 thousand to undertake a repair and alteration project to address structural stability and life safety issues at the Jacob K. Javits Federal Office Building (Javits FOB), located at 26 Federal Plaza, New York, NY. The project will address water infiltration and the resulting structural damage to the plaza and security pavilion affixed to the building and garage that, if unaddressed, could significantly impact the structural integrity.

The Javits FOB is experiencing structural and related waterproofing deficiencies that pose a structural stability and life safety threat. Presently, reinforced concrete columns and slabs at the three expansion joints designed into the west plaza and sub-grade levels of the garage and basement have sustained structural damage caused by persistent water infiltration. Loose concrete debris has been falling onto vehicles and nearly 200 of the 300 spaces in the garage have been closed off. Remedial actions are being taken to mitigate falling debris hazards in areas that remain in use. It is critical that the proposed repairs to the garage be completed prior to the completion of the ongoing FBI reconfiguration and alteration project (PNY-0282-NY16), since FBI requires approximately 250 official parking spaces for government vehicles.

The west side of the building entrance has been temporarily closed due to safety concerns. The entrance also serves as the primary entry point for Citizen and Immigration Services. The closure of the entrance compromises the ability to bring visitors into the building, thereby resulting in lengthy lines outside the building envelope. The buildings' aged roofing systems are damaged, which is allowing the infiltration of water in areas covering critical building systems, such as the elevator machine rooms and in tenant areas. Perimeter lighting will be installed and lighting in the garage will be repaired or replaced, if necessary, to enhance overall building safety. Building security coordination will ensure project site is secure during the construction.

The FY 2018 request is for Design (\$5,131 thousand), Construction (\$57,670 thousand) and Management and Inspection (\$2,911 thousand).

Ohio

Akron, OH John F. Seiberling Federal Building and U.S. Courthouse.....\$17,938,000

GSA proposes \$17,938 thousand to undertake a repair and alteration project to repair the structural deficiencies of the plaza system at the John F. Seiberling Federal Building and U.S. Courthouse located at 2 South Main Street in Akron, OH. The proposed project includes replacement of the existing, failed waterproofing system, upgrades to the drainage system, atrium skylight repairs, and site improvements.

The plaza waterproofing system is original to the building and has exceeded its useful life. Directly beneath the front portion of the plaza, along Main Street, are offices, a cafeteria, storage, mechanical, and circulation space. Beneath the rear portion of the plaza is a parking garage. Water has infiltrated into the occupied spaces below into the plaza and the parking garage. Water infiltration along the south wall of the plaza has caused water build-up in ductwork and cracking in the walls and floors. Structural concrete has begun to crack and spall as a result of the moisture build-up, causing steel reinforcement members to rust and swell. Water infiltration around the skylight is causing staining in the building interior. Interim repairs have been undertaken using minor repair and alteration program funds. The new plaza system will help to reduce the heat island effect on the west side of the building and will help to create an outdoor space that tenants can utilize.

The FY 2018 request is for Design (\$1,739 thousand), Construction (\$14,725 thousand) and Management and Inspection (\$1,474 thousand).

Cincinnati, OH Potter Stewart U.S. Courthouse.....\$10,872,000

GSA proposes \$10,872 thousand to undertake a repair and alteration project to modernize the elevator systems at the Potter Stewart U.S. Courthouse. The proposed project will upgrade eight passenger elevators and one freight elevator.

The elevator system has exceeded its useful life and is difficult to maintain. Some of the equipment such as the gearless hoist machines of the equipment dates back to the original construction of the building. The elevators are not in compliance with current code and safety standards and the control systems are not compatible with current technology.

Tenant impacts include entrapment in the passenger/freight elevators. The elevators also have been taken out of service due to mechanical failure. When this occurs, parts have had to be sent offsite for repairs and the elevators can be out of service for months, as components are no longer manufactured and have to be re-machined.

The FY 2018 request is for Design (\$1,054 thousand), Construction (\$8,869 thousand) and Management and Inspection (\$949 thousand).

Cleveland, OH Anthony J. Celebrezze Federal Building.....\$74,224,000

GSA proposes \$74,224 thousand to undertake a repair and alteration project in the Anthony J. Celebrezze Federal Building (Celebrezze Building) located at 1240 E. 9th Street in Cleveland, OH. The project will renovate and provide consolidated space in the Celebrezze Building for the Veterans Benefits Administration (VBA), the Department of Labor Office of Workers' Compensation Programs (OWCP), and the Department of Education (DoE). VBA is currently housed in the Celebrezze Building. OWCP and DoE are in privately owned leased space and will relocate into Celebrezze when the project is complete.

The project will provide long term housing solutions for all of the agencies. VBA currently occupies approximately 113,000 usable square feet in the Celebrezze Building. They have been housed on the 10th through 13th floors of the federal building since it opened in 1966. The modernization will provide VBA with contiguous space that meets its current requirements and will assist them in providing veterans services more effectively. Hazardous materials abatement needs to be completed in the renovated spaces to replace the ceiling, lighting, and fireproofing which are original to the building. OWCP and DoE will backfill space vacated by VBA.

The FY 2018 request is for Design (\$6,008 thousand), Construction (\$63,362 thousand) and Management and Inspection (\$4,854 thousand).

Oklahoma

Oklahoma City, OK William J. Holloway, Jr. U.S. Courthouse and U.S. Post Office-Courthouse.....\$141,575,000

GSA proposes \$141,575 thousand to undertake a repair and alteration project for the William J. Holloway, Jr. U.S. Courthouse (Holloway CT) and the U.S. Post Office Courthouse (PO-CT). These two buildings are part of a three-building Federal complex that also includes the Oklahoma City Federal Parking Garage. Alterations to both of the buildings include interior alterations, modernizing outdated mechanical, fire alarm, electrical, and plumbing systems and exterior improvements, such as roof and window system replacements.

The heating, ventilation and air conditioning (HVAC) system in both the Holloway CT and PO-CT have exceeded their useful lives and need to be replaced for tenant comfort and efficient operation. Outdated HVAC control systems and related electronic components need frequent repairs and parts are no longer available. In addition, new controls will support separate control of air on different floors. Public restrooms, elevator lobbies and common areas need upgrades for Architectural Barriers Act Accessibility Standards (ABBAS) compliance and outdated fixtures and finishes. Water infiltration has caused damage to building interiors. The fire alarm system is outdated and needs to be replaced for life safety. Reconfiguration of underground parking areas will maximize efficiency.

Together, the buildings obtain only marginal energy performance. A replacement of lighting systems and electrical system components are needed to increase efficiency and comply with current code. Inefficient and leaking windows are original to both buildings. The potential

failure of the stone exterior is a serious life safety concern. Interior stairwells are required to bring emergency egress into compliance with fire safety codes. Seismic upgrades are included to address dramatically increased seismic activity in the area. Plumbing components have exceeded their useful lives and replacement parts are difficult to locate. Site work is needed to eliminate tripping hazards and comply with ABBAS.

The FY 2018 request is for Design (\$11,393 thousand), Construction (\$123,568 thousand) and Management and Inspection (\$6,614 thousand).

Oregon

Portland, OR 911 Federal Building.....\$8,153,000

GSA proposes \$8,153 thousand to undertake a repair and alteration project to upgrade the electrical system in the 911 Federal Building located at 911 NE 11th Avenue, Portland, OR. Alterations include upgrades to the electrical system to meet current code requirements and improve serviceability.

The electrical distribution system is original to the 1953 construction of the building and at the end of its useful life. The parts are no longer manufactured; therefore, when replacement parts are needed, parts have to be fabricated at great expense to the government and repairs cause service interruptions for extended period of time. A major equipment failure would result in an extended building outage. While undertaking these upgrades, sub- metering will be installed at strategic locations throughout the building to aid with energy conservation. The building does not have a lightning protection system and a facility condition assessment indicated that the building has a moderate to high risk per National Fire Protection Association 780 standards.

The FY 2018 request is for Design (\$740 thousand), Construction (\$6,894 thousand) and Management and Inspection (\$519 thousand).

Pennsylvania

Philadelphia, PA James A. Byrne U.S. Courthouse.....\$41,800,000

GSA proposes \$41,800 thousand to undertake a repair and alteration project for the James A. Byrne U.S Courthouse (Byrne USCH), located at 601 Market Street in Philadelphia, PA. The project will upgrade the heating, ventilation and air conditioning (HVAC) system, which includes comprehensive repairs or replacement of obsolete air handling units and degraded ductwork, the installation of enhanced controls and related electrical and life safety upgrades.

The Byrne USCH supports the operations of the U.S. Court of Appeals for the Third Circuit and the U.S. District Court for the Eastern District of Pennsylvania. The majority of the HVAC system components are original to the building and have passed their useful life. Current control constraints limit overall system effectiveness, with the energy management system (EMS) using outdated technology and with perimeter and interior HVAC systems inadequately connected to the EMS. Given the condition of the existing system, there is increasing risk for system failure and outage to portions of floors. These failures would lead to a significant disruption to the Judiciary's ability to meet case load requirements. If tenant agencies were

forced to relocate due to a system failure or outage, it would require costly leased space as there is no vacancy within the Byrne Courthouse.

The FY 2018 request is for Design (\$3,750 thousand), Construction (\$35,075 thousand) and Management and Inspection (\$2,975 thousand).

Pittsburgh, PA Joseph F. Weis, Jr. U.S. Courthouse.....\$31,036,000

GSA proposes \$31,036 thousand to undertake a repair and alteration project for the Joseph F. Weis, Jr., U.S. Courthouse (Weis Courthouse) located at 700 Grant Street in Pittsburgh, Pennsylvania. The project includes upgrading/replacing the heating, ventilation and air conditioning (HVAC) system, upgrading the electrical system and replacing a portion of the roof, as well as space alterations for the U.S. Bankruptcy Court to support the Courts relocation from leased space into approximately 28,000 usable square feet (USF) of vacant space in the Weis Courthouse. Relocating the U.S. Bankruptcy into Federal space provides an annual lease cost avoidance of approximately \$1,776,000 and an annual agency rent savings of \$700,000. Combining the HVAC system work with the proposed tenant renovation will also reduce future tenant disruptions.

The Weis Courthouse supports the operations of the U.S. Court of Appeals for the Third Circuit and the Western District of Pennsylvania for the U.S. District Court. The majority of the HVAC system is more than 50 years old and has surpassed its expected useful life. Older units still utilize antiquated original pneumatic and communication controls making replacement parts often difficult to acquire and costly. With multiple system components exceeding the expected useful life and in a deteriorated condition, the risk is increasing for a system failure and outage to portions of floors. Equipment failures would lead to a significant disruption to the Judiciary's ability to meet case load requirements. The 6th floor roof is proposed as part of this project due to the replacement of the cooling towers. Both cooling towers are located on the 6th floor roof and the roof will be impacted by the replacement of both towers.

The Weis Courthouse has a significant amount of vacant space. Over the last several years, GSA worked with agencies in leased space to reduce their footprint and relocate back into federal space. The U.S. Bankruptcy Court, currently located in one of the more costly GSA leases within Pittsburgh, will reduce their space by more than 30 percent moving into various areas within the courthouse including space currently occupied by the Circuit Library. The Circuit Library is downsizing and will be relocating onto another floor.

The FY 2018 request is for Design (\$2,692 thousand), Construction (\$25,634 thousand) and Management and Inspection (\$2,710 thousand).

Tennessee

Memphis, TN IRS Service Center.....\$35,009,000

GSA proposes \$35,009 thousand to undertake a repair and alteration project to address degraded roof issues at the Internal Revenue Service (IRS) Service Center (Service Center)

located at 5333 Getwell Road in Memphis, TN. The proposed project will provide for the complete replacement of the roof system for the entire Service Center property.

The roofing system of the Service Center, which is original to its 1996 construction, is at the end of its useful life and has deteriorated to the point of needing replacement. The two data center/computer room modules house IRS's primary data processing equipment for both locational and national tax processing activities. To facilitate the continued operations of the Service Center's tax processing mission, it is imperative that the roofs over all of the modules be replaced and the water leak issues resolved so as to avoid the potential of water damage to the computer equipment. The potential damage could be catastrophic and the buildings could be down for several weeks, thereby affecting tax processing operations.

The FY 2018 request is for Design (\$577 thousand), Construction (\$32,674 thousand) and Management and Inspection (\$1,758 thousand).

Utah

Ogden, UT IRS Service Center.....\$51,241,000

GSA proposes \$51,241 thousand to undertake a repair and alteration project for the U.S. Department of the Treasury Internal Revenue Service (IRS) Service Center at 1160 West 1200 South^[EMC7], Ogden, UT. Alteration of this 50-year old building includes interior repairs, upgrade of aging building systems and infrastructure, site work, hazardous materials abatement, and life safety upgrades.

The IRS Service Center has not undergone significant reinvestment since originally constructed in 1966. Many of its systems no longer meet the current code requirements or have exceeded their useful life and replacement parts are expensive and difficult to find.

The current electrical system is inefficient, is not consistent with the National Electric Code and is not appropriately supported for the current loads or fully functional. Replacement of electrical components will reduce maintenance costs and improve energy efficiency, safety and reliability. The fire alarm system is obsolete, unreliable and replacement parts are not available. The south portion of the roof was not addressed as part of the American Recovery and Reinvestment Act of 2009 and it leaks. Replacement of this section will prevent long-term structural and interior damage. Most of the piping and mechanical systems are past their useful lives, parts are expensive and some segments of the heating system have been taken offline because the system is no longer supported. Interior spaces will be impacted by the project and repairs and upgrades will be completed to make the affected space fully functional. Repairing the considerable erosion, potholes, cracking, and breakage in the exterior surface areas will eliminate hazards and meet accessibility standards. Life safety upgrades will provide code compliant protection for the building's 2,500 personnel. Sealing and replacing selected windows and doors will improve energy efficiency and increase tenant comfort.

The FY 2018 request is for Design (\$4,080 thousand), Construction (\$45,074 thousand) and Management and Inspection (\$2,087 thousand).

Virginia

Richmond, VA Lewis F. Powell, Jr. U.S. Courthouse and U.S. Courthouse

Annex.....\$11,677,000

GSA proposes \$11,677 thousand to undertake a repair and alteration project to upgrade the exterior envelope of the Lewis F. Powell, Jr., U.S. Courthouse and Annex (Powell Complex) at 1100 E. Main Street in Richmond, VA.

The roofing and related systems are beyond their useful lives. The existing conditions allow for leaks that are causing interior damage and impacting the buildings' operations. The bulk of the windows are in very poor condition, with some units requiring immediate attention. Continued deterioration of the windows will force additional replacements instead of reuse and rehabilitation and further decrease energy efficiency. Completing the roof and window system rehabilitations under the same project affords operational efficiencies for the buildings' tenants and financial efficiencies for the government.

The FY 2018 request is for Design (\$80 thousand), Construction (\$10,683 thousand) and Management and Inspection (\$914 thousand).

Washington

Blaine, WA Pacific Highway U.S. Land Port of Entry.....\$17,960,000

GSA proposes \$17,960 thousand to undertake a repair and alteration project to resolve exterior envelope deficiencies and promote energy savings at the LPOE located at Pacific Highway in Blaine, WA.

The existing exterior envelope in the Cargo and Auto-Bus buildings lacks a moisture barrier allowing water to infiltrate which is causing interior finish deterioration and mold growth. Water enters the walls at multiple locations, including gaps in cedar and corrugated metal cladding and through roofing screws that have penetrated insulation and building paper. These deficiencies, coupled with failing aluminum window wall gaskets and single pane translucent panels, contribute to the buildings' poor thermal performance and occupant discomfort at the buildings' perimeter. New thermal insulation will be installed where existing systems are water damaged, missing or required by building code. Thermal insulation also will be incorporated into the exterior envelope systems to improve energy performance. Replacement of the exterior walls will interface with and impact other building systems, including exterior lighting, electrical outlets (both interior and exterior), plumbing runs in exterior walls, fire sprinkler heads along exterior walls, and fire alarm speakers. The proposed work will require associated repairs to these systems. Interior finishes and construction work will address water damaged areas and those areas disturbed in connection with the replacement of the building envelope. While these measures are not intended solely to improve tenant comfort, it is expected that tenant comfort will increase as a result of the improved material condition of the building and overall performance of the new building envelope.

The FY 2018 request is for Design (\$1,687 thousand), Construction (\$14,972 thousand) and Management and Inspection (\$1,301 thousand).

Seattle, WA Federal Office Building.....\$24,234,000

GSA proposes \$24,234 thousand to undertake a repair and alteration project to restore exterior deficiencies at the historic Federal Office Building, located at 909 1st Avenue, Seattle, WA. The project will restore the deteriorated exterior façade to stop material degradation and water intrusion into the building and replace the roof on the wing and dome shoulder.

The proposed restoration project will restore the deteriorated exterior facade to stop material degradation and water intrusion into the building, protecting the tenants and the general public. There are multiple locations on the exterior envelope where materials have decayed due to water infiltration in the interior wall cavity, causing damage and biological growth on the masonry. The window putty is deteriorated and the steel casing surrounding the windows is corroding causing glass to break. The roof on the wing and shoulder dome is deteriorated and does not have a fall arrest system. Without restoration, the exterior materials will continue to degrade, compromising the building structure and putting pedestrians and tenants at risk from falling debris.

The FY 2018 request is for Design (\$2,041 thousand), Construction (\$20,892 thousand) and Management and Inspection (\$1,301 thousand).

Wisconsin

Milwaukee, WI Federal Building and U.S. Courthouse.....\$12,991,000

GSA proposes \$12,991 thousand to undertake a repair and alterations project to support fire and life safety upgrades to the Federal Building and U.S. Courthouse (FB/CT) located at 517 E. Wisconsin in Milwaukee, WI. The proposed project will replace the fire alarm system and extend and upgrade the fire suppression system.

The FB/CT's fire alarm system is nearing the end of its useful life. The main fire alarm panel displays frequent false alarms and repair parts are difficult to obtain. There are problems with the annunciator's clarity, speaker zones in the building do not meet code requirements and areas of the building do not have visual and audible fire alarm devices. The current sprinkler system does not provide protection in all areas of the building and the sprinkler heads are nearing the end of their useful life.

The FY 2018 request is for Design (\$1,069 thousand), Construction (\$11,205 thousand) and Management and Inspection (\$717 thousand).

MAJOR REPAIRS AND ALTERATIONS DESIGN

District of Columbia

Washington, DC Lyndon Baines Johnson Federal Building..... \$4,200,000

GSA proposes \$4,200 thousand for the design of a future repair and alteration project for several floors of the Lyndon Baines Johnson (LBJ) Building located at 400 Maryland Avenue,

SW, Washington, DC and occupied by the Department of Education (Education). The future project proposes renovation to realign and reconfigure approximately 286,000 usable square feet of Education occupied space and multiple building systems upgrades/replacements. The completed design of the proposed project will provide GSA with a best estimate of the construction and management and inspection funding necessary to execute the project to be proposed in a future fiscal year.

The proposed renovation will support GSA and Education's ongoing efforts to improve the utilization of space occupied by Education. This improved utilization will be accomplished by merging operations internally and consolidating additional Education employees from multiple leases into the LBJ Building. The project will improve the office and total building utilization rate (UR) from 167 to 123 USF per person, and 233 to 175 USF per person, respectively, and allow Education to consolidate approximately 630 personnel from leased space into the building. To adequately support the increased utilization and higher density, this project also includes upgrades/replacement of multiple building systems including heating, ventilation and air conditioning (HVAC), electrical and plumbing upgrades and life safety and sustainability items including replacement of Fire & Life Safety Fire Control Room equipment, and upgrading of the stairwells to meet current codes.

MINOR REPAIRS AND ALTERATIONS

Nationwide

Basic Repairs and Alterations Project.....\$384,956,000

The FY 2018 repairs and alterations program request includes \$384,956 thousand for Basic Repairs and Alterations and is dedicated to ensuring that the existing infrastructure receives the investment necessary to support customer agencies at the lowest possible cost to the taxpayer.

SPECIAL EMPHASIS

Judiciary Capital Security Program.....\$20,000,000

GSA proposes \$20,000 thousand for alterations to improve physical security in government-owned buildings occupied by the Judiciary and the U.S. Marshals Service (USMS) during FY 2018. This program provides a vehicle for addressing security deficiencies in a timely and less costly manner when constructing a new courthouse is unlikely in the foreseeable future. The projects in this program are based on studies undertaken by the Judiciary. This prospectus requests separate funding to address security conditions at existing Federal Courthouses for locations that are unlikely, in most cases, to be considered for construction of a new courthouse. The Judiciary's asset management planning process serves to help compile a preliminary assessment of potential projects that identify courthouses with poor security ratings nationwide.

Since FY 2012, GSA has received \$80,000,000 in support of this program. These funds supported 10 projects.

Consolidation Activities Program.....\$100,000,000

GSA proposes \$100,000 thousand for reconfiguration and renovation of space within government-owned and leased buildings during FY 2018 to support GSA's ongoing consolidation efforts to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the government's environmental footprint.

Since inception of the Consolidation Activities program in FY 2014, Congress has appropriated \$215,000 thousand in support of this program. Through FY 2016, the Consolidation Activities program has funded 69 projects and that will result in a reduction of more than 1.4 million usable square feet, \$112,000 thousand in government lease cost avoidance, and \$54,000 thousand in agency rent savings.

Fire Protection and Life Safety Program.....\$45,000,000

GSA proposes \$45,000 thousand for alterations to upgrade, replace and improve fire protection systems and life safety features in government-owned buildings during FY 2018. GSA periodically assesses all facilities using technical professionals to identify hazards and initiate correction or risk-reduction protection strategies so that its buildings do not present an unreasonable risk to GSA personnel, occupant agencies or the general public. Completion of these proposed projects will improve the overall level of safety from fire and similar risks in GSA-controlled Federal buildings nationwide.

Since FY 2010, GSA has received \$76,000 thousand in support of this program. These funds supported 68 projects in over 60 government-owned buildings.

Seismic Mitigation Program.....\$40,000,000

GSA proposes \$40,000 thousand to install, upgrade, and improve seismic performance in government-owned buildings starting in FY 2018. GSA is finalizing the seismic risk ratings of buildings located in high seismic areas. Based on the seismic work in conjunction with prior studies, GSA initiated a program identifying seismic hazards and initiates correction and/or risk reduction projects associated with those hazards. According to Federal Emergency Management Agency (FEMA), most of the damage caused by several recent U.S. earthquakes is the result of nonstructural failures. Falling nonstructural building components are responsible for the majority of injuries in a seismic event. Completion of projects funded through this program will reduce the overall level of risk from seismic events in government-owned buildings.

Leasing

(Dollars in Thousands)

FY 2016 Enacted	FY 2017 Full Year CR	FY 2018 Request
\$5,579,055	\$5,563,995	\$5,493,768

Note: Figures do not include indefinite authority for leased space.

Program Description – Leasing

This activity provides for the Federal leasing of privately-owned space. Including space occupied by Federal agencies in U.S. Postal Service facilities, GSA provided 185,926 thousand RSF of space in FY 2016. GSA expects to provide 184,751 thousand RSF in FY 2017 and 180,716 thousand square feet of RSF in FY 2018 a decrease of 2.2 percent. Note: Figures include 4.7 million RSF of lease delegations that returned to the inventory between FY 2015 and FY 2018 and unbilled space.

The FY 2018 Rental of Space request consists of the following requirements which have been offset by \$31,794 thousand for f FY 2017 anticipated unobligated balances carried forward and \$30,000 for FY 2018 anticipated prior year recoveries:

- \$5,526,995 thousand for annual rent for leases already in the inventory;
- \$40,024 thousand for rent increases, usually associated with replacement leases;
- \$116,941 thousand for real estate taxes and one-time payments, such as claims and buyouts;
- (\$132,636) thousand for cancellations, the amount of space leaving the inventory; and
- \$4,238 thousand for expansion space, the amount of space entering the inventory for temporary leases in support of major repair and alteration projects and relocations due to forced moves or health and safety conditions.

Rental of Space, Explanation of Changes

(Dollars in Thousands)

	New Obligational Authority (NOA)
Fiscal Year 2017	\$ 5,563,995
FY 2017 Program Changes	\$ 59,560
Annualization of remaining FY 2017 Program Changes	\$ (96,560)
Fiscal Year 2018 Base	\$ 5,526,995
FY 2017 Unobligated Balance Used to Fund FY 2018 Requirements	\$ (31,794)
Rental Rate Increases	\$ 40,024
Lump Sum Payments for real estate taxes and lease buyouts	\$ 116,941
Lease Cancellations	\$ (132,636)
New Lease Space	\$ 4,238
Reduction for FY 2018 Estimated Prior Year Recoveries	\$ (30,000)
Fiscal Year 2018 Request	\$ 5,493,768

Rental of Space, Delegation Obligations

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
Department of Commerce.....	\$ 5,167	\$ 0	\$ 0

Delegated agencies bear the primary responsibility for making rental payments to lessors in accordance with the provisions of the delegation agreements. In FY2018 no leases meet this criteria.

U.S. General Services Administration
Federal Buildings Fund

Building Operations, Explanation of Changes

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
BASE BUILDING	\$ 1,027,432	\$ 1,162,288	\$ 1,155,324
Maintenance	\$ 374,319	\$ 435,994	\$ 407,578
Cleaning	\$ 322,579	\$ 371,897	\$ 351,303
Utilities	\$ 274,041	\$ 288,534	\$ 339,950
Security	\$ 56,493	\$ 65,863	\$ 56,493
OTHER / MISC BUILDING	\$ 125,106	\$ 127,886	\$ 99,039
Misc Bldg Support	\$ 98,614	\$ 94,604	\$ 73,045
Studies	\$ 21,967	\$ 26,435	\$ 22,500
Building Moves	\$ 4,525	\$ 6,847	\$ 3,494
TOTAL BUILDING SERVICES REQUIREMENT	\$ 1,152,538	\$ 1,290,174	\$ 1,254,363
OTHER FUNDING SOURCES	\$ (15,538)	\$ (155,335)	\$ (108,274)
TOTAL BUILDING SERVICES NOA	\$ 1,137,000	\$ 1,134,839	\$ 1,146,089
PBS ADMINISTRATIVE	\$ 1,115,724	\$ 1,143,211	\$ 1,077,981
Personnel Compensation and Benefits	\$ 643,845	\$ 680,520	\$ 637,974
IT MOU / GSA Working Capital Fund	\$ 352,199	\$ 352,223	\$ 346,574
Management Support	\$ 54,383	\$ 55,037	\$ 40,597
PBS Information Technology	\$ 55,142	\$ 43,186	\$ 42,200
Administrative Services	\$ 10,155	\$ 12,245	\$ 10,636
OTHER / MISC PBS ADMINISTRATIVE	\$ 4,813	\$ 7,282	\$ 5,835
Travel	\$ 12,361	\$ 12,030	\$ 10,580
Training	\$ 5,942	\$ 7,396	\$ 7,524
Telephones	\$ 6,988	\$ 6,729	\$ 6,639
Equipment	\$ 2,876	\$ 2,335	\$ 1,633
Supplies	\$ 1,072	\$ 1,205	\$ 1,291
Printing	\$ 265	\$ 302	\$ 143
Transportation	\$ 18	\$ 10	\$ 25
RWA Sliding Scale Fee	\$ (24,709)	\$ (22,725)	\$ (22,000)
TOTAL SALARIES AND EXPENSES REQUIREMENT	\$ 1,120,537	\$ 1,150,493	\$ 1,083,816
OTHER FUNDING SOURCES	\$ 16,463	\$ (15,654)	\$ (8,139)
TOTAL SALARIES AND EXPENSES NOA	\$ 1,137,000	\$ 1,134,839	\$ 1,075,677
TOTAL BUILDING OPERATIONS NOA	\$ 2,274,000	\$ 2,269,678	\$ 2,221,766

Building Services
(Dollars in Thousands)

FY 2016 Enacted	FY 2017 Full Year CR	FY 2018 Request
\$1,137,000	\$1,134,839	\$1,146,089

Note: Figures do not include indefinite authority

Program Description – Building Services

This activity provides services for government-owned facilities and leased space, including cleaning, utilities and fuel, maintenance, security, and miscellaneous services (such as moving, evaluation of new materials and equipment, and supervision of activities in the field).

Cleaning: The cleaning budget consists of the interior cleaning, exterior cleaning, trash removal, landscaping, and snow removal operations of the buildings within GSA's control. The FY 2018 request includes \$351,303 thousand, a decrease of 5.5 percent from the FY 2017 Full Year CR funding for cleaning. Increases related to new inventory and labor wage escalations are offset by targeting cleaning contracts that have costs above the industry benchmarks for renegotiation and consolidating contracts.

Utilities: The utility budget consists of the cost of energy needed to heat, cool, and power the operations of the buildings and the cost of water and sewage. The FY 2018 request includes \$339,950 thousand, an increase of 17.8 percent from the FY 2017 Full Year CR funding for utilities. The majority of this increase is associated with the policy change to fund CBP's overtime utilities directly from the FBF and collect tenant funds through rent rather than through RWAs. The annual costs of Energy Saving Performance Contracts and Utility Savings Performance Contracts are paid out of the utilities budget; however, most costs are offset by reductions to utility bills paid by PBS and some cost avoidance within the Maintenance and Basic Repairs and Alterations budgets at a later time.

Maintenance: The maintenance budget consists of the electrical, plumbing, HVAC, elevator/escalator operations, and labor in support of the operations of the buildings within GSA's control. The FY 2018 request includes \$407,578 thousand, a decrease of 6.6 percent from the FY 2017 Full Year CR funding for maintenance. Targeting operations and maintenance contracts that have costs above the industry benchmarks and consolidating contracts will slow the growth of maintenance costs. These strategies will improve efficiency and reduce costs without impacting services to agency customers. The FY 2018 request includes maintenance support for buildings that will come into PBS's inventory between FY 2016 and FY 2018.

Security: The security budget provides funding for the work the Federal Protective Service (FPS) performs for GSA, including building security and clearances. The FY 2018 request includes \$56,493 thousand, a decrease of 1.4 percent from the FY 2017 Full Year CR funding for security and at the level of FY 2016 actuals. The decrease is the result of continued efforts to control for vacant space security charges, and reduce PBS's real estate footprint. The funding level provides for the FPS rate increases in FY 2018.

Miscellaneous Building Support: The FY 2018 request includes \$73,045 thousand, a decrease of \$21,559 thousand from the planned FY 2017 Full Year CR funding for miscellaneous building support, representing a decrease of 23.8 percent. GSA will work through FY 2017 to determine the appropriate areas within Miscellaneous Building Support to reduce spend to ensure the impact to customer agencies is minimized. This category includes various programs that support improved operations. The Fire Protection and Life Safety Program identifies fire and safety hazards in GSA-controlled buildings. The Space Alterations and Changes Program funds Federal space requirements development, including expansion space and alterations. The Energy and Environmental Program oversees environmental testing and toxic substance abatement, as well as improving efficiencies by diagnosing, metering, and enhancing building systems with and advanced automation systems. This program supports Realty Services including leased space requirements development, market surveys and appraisals, brokerage commissions and assigning and backfilling space. In addition this funding supports Special Programs that include land acquisition, cafeteria and childcare operations and the historic preservation program; and Miscellaneous Building Support that funds various support functions not chargeable elsewhere such as key making, purchasing signage, renting operating equipment and tools, and raising and lowering flags.

Building Moves: This category funds costs associated with moving an agency into or out of space, or moving GSA assigned space. The FY 2018 request includes \$3,494 thousand, a decrease of 0.5 percent from the FY 2017 Full Year CR funding for building moves. While the FY 2018 request includes additional investments to support ongoing space utilization initiatives for both PBS assigned space as well as customer agency consolidations, GSA has completed most planned moves associated with projects to improve the utilization of space PBS occupies as a tenant.

Studies: The FY 2018 request includes \$22,500 thousand, a decrease of \$3,935 thousand from the FY 2017 Full Year CR funding for studies. Studies supporting the FY 2018 Capital Project request are fully funded in this Building Services request, however building studies in other areas were reduced in total by 20 percent from the FY 2017 Full Year CR funding level. This category includes various building studies such as environmental studies and assessments, project development studies, building engineering reports, and planning studies; energy audits are not included in this category. Studies are the first phase in successfully completing a capital project, and PBS will invest additional funds to studies in FY 2018 in support of the Capital program. Studies are vital to the formulation of the Five-Year Capital Plan.

Salaries and Expenses

(Dollars in Thousands)

FY 2016 Enacted	FY 2017 Full Year CR	FY 2018 Request
\$1,137,000	\$1,134,839	\$1,075,677

Program Description – Salaries and Expenses

This activity provides general management and administration of all real property-related programs including salaries and benefits paid from the FBF, administrative costs funded directly by the FBF, and contributions to the GSA Working Capital Fund.

Personnel Compensation and Benefits (PC&B): The FY 2018 request includes \$637,974 thousand, a decrease of 6 percent from the FY 2017 Full Year CR funding for PC&B. The Building Operations portion of PC&B funds 5,025 FTE with the remaining FTE funded from reimbursable authority.

GSA Working Capital Fund: The FY 2018 request includes \$346,574 thousand, for the PBS portion of the Working Capital Fund, a reduction of \$5.6 million from the FY 2017 CR level. This category provides funding for GSA’s overhead and administrative functions including Budget and Finance, Human Resources, and GSA IT services.

PBS IT Services: The FY 2018 request includes \$42,200 thousand, a decrease of 0.9 percent from the FY 2017 Full Year CR funding for PBS IT Services and a 24 percent decrease from FY 2017 Full Year CR. This category provides funding for PBS-specific IT investments, including operation, maintenance, and enhancements of national applications. This request supports the top priority IT enhancements and investments in the PBS IT portfolio.

Management Support: The FY 2018 request includes \$40,597 thousand, a decrease of 26 percent from the FY 2017 Full Year CR funding for management support. Management Support refers to PBS functions that are contracted out rather than maintained in-house, including administrative functions as well as subject matter expertise in other core areas of PBS’s business, such as leasing and building support. PBS has reduced spending on management support contracts by over \$7 million from the FY 2016 enacted funding through continued insourcing efforts that took place in FY 2016 and FY 2017; additional savings will be pursued throughout FY 2018.

Other/Miscellaneous PBS Administrative: This category provides funding for PBS’s administrative costs, such as transportation, telephones, printing, supplies, equipment, and travel, as well as programmatic spending not associated with Management Support. This category also funds training, which is funded at \$7.5 million, which represents 1.5 percent of base salaries to fund discretionary training and includes \$4.7 million to fund mandatory training requirements for PBS’s Acquisition and Project Management personnel.

Reimbursable Program

(Dollars in Thousands)

	FTE	New Obligational Authority (NOA)
FY 2017 Plan	280	\$ 1,600,860
Workload Decreases	<u>-10</u>	<u>\$ (420,860)</u>
FY 2018 Request	270	\$ 1,180,000

Program Description – Reimbursable Program

When requested by other Federal agencies, PBS provides building services, such as tenant alterations, cleaning and other operations, and protection services which are in excess of services provided under the commercial rental charges.

Schedule of Indefinite Authorities

Program	Source	Explanation
Recycling and Energy Rebates	40 USC 592	The Administrator may obligate amounts received and deposited in the FBF for energy management improvement and recycling programs.
Historic Properties	54 USC 306121	The proceeds of any outlease for a historic property under Section 111 of the National Historic Preservation Act may, notwithstanding any other provision of law, be retained by the agency entering into such lease and used to defray costs incurred by the agency with respect to such property or other properties under the control of the agency which are on the National Register of Historic Places.
Pennsylvania Avenue Activities	40 USC 6701(b)(1)	The Administrator may use amounts transferred from the Pennsylvania Avenue Development Corporation (PADC) or income earned on PADC property for activities associated with carrying out the responsibilities of the PADC transferred to the Administrator. Any income earned after October 1, 1998, shall be deposited to the Federal Buildings Fund to be available for the purposes authorized under this subchapter, notwithstanding 40 USC 592(c)(1). GSA is proposing an Administrative Provision that would enhance GSA's ability to make use of this authority for necessary repairs within the PADC delineated area. More information can be found on page AP-5 of the Administrative Provisions Congressional Justification.
International Trade Center	40 USC 6701(a)(1)	The Administrator may make and perform transactions as necessary to carry out the trade center plan at the Federal Triangle Project. See also 40 USC 6701(b) (1), noted above.
Cooperative Use Act and National Antenna Program	40 USC 581(h)(3)	The Administrator may deposit into the FBF amounts received under Cooperative Use Act leases or rentals, and amounts deposited shall be credited to the appropriation from the Fund applicable to the operation of the building.
Telecommuting	40 USC 587(b)(4)	The Administrator may deposit into the FBF user fees related to telecommuting centers, and use the fees to pay costs incurred in establishing and operating telecommuting centers. GSA may accept and retain income received from Federal agencies and non-Federal sources to defray costs directly associated with the functions of telecommuting centers.

U.S. General Services Administration

GOVERNMENT-WIDE POLICY

Fiscal Year 2018 Budget Request

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Appropriations Language

For expenses authorized by law, not otherwise provided for, for Government-wide policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; Government-wide policy support responsibilities relating to acquisition, travel, motor vehicles, information technology management, and related technology activities; and services as authorized by 5 U.S.C. 3109; [\$58,000,000]\$53,499,000.

Program Description

This appropriation provides for the activities of the Office of Government-wide Policy (OGP). OGP works cooperatively with other agencies to provide the leadership needed to develop and evaluate policies associated with acquisition policy and acquisition workforce career development; real property; personal property; travel, transportation management, motor vehicles and aircraft; committee management; information sharing and cybersecurity; oversight and management of government-wide shared service mission support functions; and transparency of regulatory information. In its work, OGP identifies policies to drive savings, efficiency, and effectiveness.

Amounts Available for Obligation

(Dollars in Thousands)

	2016 Actual	2017 Full Year CR	2018 Request
Discretionary authority:			
Annual appropriation.....	\$ 58,000	\$ 57,890	\$ 53,499
Reimbursable authority:			
Unobligated balance, start of year.....	\$ 13,892	\$ 23,058	\$ 17,502
New authority.....	\$ 3,425	\$ 6,351	\$ 7,351
Transfers in for Inter-Agency Councils/Cross-Agency Priority Goals...	\$ 31,121	\$ 32,000	\$ 32,000
Change in uncollected payments.....	\$ 1,603	\$ -	\$ -
Unobligated balance, expiring.....	\$ (24)	\$ -	\$ -
Subtotal, reimbursable authority.....	\$ 50,017	\$ 50,651	\$ 56,853
Reimbursable Unobligated balance, end of year.....	\$ 20,323	\$ 14,800	\$ 14,800
Obligations, Reimbursable	\$ 28,444	\$ 38,351	\$ 39,351
Obligations, appropriated (annual)	\$ 57,703	\$ 57,890	\$ 53,499
Total obligations.....	\$ 86,147	\$ 96,241	\$ 92,850
<i>Net Outlays</i>	<i>\$ 44,109</i>	<i>\$ 62,101</i>	<i>\$ 55,348</i>

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2016 Actual	FTE	FY 2017 Full Year CR	FTE	FY 2018 Request
	138.0	\$57,703	151.0	\$57,890	147.0	\$ 53,499

Maintaining Current Levels:

FY 2018 Pay Increase (1.9%), Effective January 2018 \$ 698

Program Increases:

Increase for Federal Asset Sales and Transfer Act \$ 500
Working Capital Fund increase \$ 163
Subtotal, Program Increases..... - \$ 663

Program Decreases:

Transfer of DotGov Domain Program to the Federal Citizen Services Fund \$ (1,501)
Federal High Performance Green Buildings Office FTE decrease (1) \$ (189)
Federal High Performance Green Buildings Contracts \$ (1,357)
Evaluation Sciences Office FTE decrease and Non-Federal Detailee decrease (2) \$ (587)
Evidence and Analysis Office FTE decrease (1) \$ (189)
Information Integrity and Access Contract Reductions
Content Management Support \$ (78)
508 Data Analytics \$ (86)
Conclusion of the Data Center Optimization Initiative \$ (1,720)
IT Applications O&M Support \$ (45)
Subtotal, Program Decreases..... (4) \$ (5,752)

Total Adjustments..... (4.0) \$ (4,391)

Explanation of Changes by Office, Appropriated Dollars and FTE

(Dollars in Thousands)

	FY 2016		FY 2017		FY 2018	
	FTE	Obligations	FTE	Authority	FTE	Authority
1. Administration						
Annual appropriation	7.0	\$ 11,022	7.0	\$ 12,481	7.0	\$ 12,698
Subtotal, Administration	7.0	\$ 11,022	7.0	\$ 12,481	7.0	\$ 12,698
2. Evidence and Analysis						
Annual appropriation	10.0	\$ 2,394	10.0	\$ 2,963	9.0	\$ 2,776
Subtotal, Evidence and Analysis	10.0	\$ 2,394	10.0	\$ 2,963	9.0	\$ 2,776
3. Evaluation Sciences						
Annual appropriation	9.0	\$ 1,369	9.0	\$ 1,534	7.0	\$ 1,011
Reimbursable authority	0.0	\$ -	0.0	\$ -	0.0	\$ 1,000
Subtotal, Evaluation Sciences	9.0	\$ 1,369	9.0	\$ 1,534	7.0	\$ 1,011
4. Asset and Transportation Management						
Annual appropriation	45.0	\$ 11,447	45.0	\$ 10,392	45.0	\$ 11,118
Reimbursable authority	0.0	\$ -	0.0	\$ -	0.0	\$ -
Subtotal, Asset and Transportation	45.0	\$ 11,447	45.0	\$ 10,392	45.0	\$ 11,118
5. Information Integrity and Access						
Annual appropriation	26.0	\$ 18,337	34.0	\$ 17,065	34.0	\$ 13,801
Reimbursable authority	0.0	\$ 192	0.0	\$ 1,000	0.0	\$ 1,000
Subtotal, Information, Integrity, and Access Management	26.0	\$ 18,529	34.0	\$ 18,065	34.0	\$ 14,801
6. Federal High Performance Green Buildings						
Annual appropriation	11.0	\$ 4,520	12.0	\$ 4,504	11.0	\$ 2,808
Subtotal, Federal High Performance Green Buildings	11.0	\$ 4,520	12.0	\$ 4,504	11.0	\$ 2,808
7. Acquisition Policy						
Annual appropriation	30.0	\$ 8,614	34.0	\$ 8,951	34.0	\$ 9,287
Reimbursable authority	10.0	\$ 2,194	12.0	\$ 2,851	12.0	\$ 2,851
Subtotal, Acquisition Policy	40.0	\$ 10,808	46.0	\$ 11,802	46.0	\$ 12,138
8. Unified Shared Services Management						
Annual appropriation	0.0	\$ -	0.0	\$ -	0.0	\$ -
Reimbursable authority	3.0	\$ 2,191	7.0	\$ 2,500	7.0	\$ 2,500
Subtotal, Unified Shared Services Management	3.0	\$ 2,191	7.0	\$ 2,500	7.0	\$ 2,500
9. Executive Councils/Cross Agency Priority Goals						
Reimbursable authority	19.0	\$ 23,867	23.0	\$ 32,000	23.0	\$ 32,000
Subtotal, Executive Councils/Cross Agency Priority Goals	19.0	\$ 23,867	23.0	\$ 32,000	23.0	\$ 32,000
Total, Annual appropriated	138.0	\$ 57,703	151.0	\$ 57,890	147.0	\$ 53,499
Total, Reimbursable	32.0	\$ 28,444	42.0	\$ 38,351	42.0	\$ 39,351
Total, Budget Authority	170.0	\$ 86,147	193.0	\$ 96,241	189.0	\$ 92,850

Summary

The FY 2018 appropriated budget request provides \$53,499 thousand for the Office of Government-wide Policy (OGP), a decrease of \$4,391 thousand from the FY 2017 Full Year CR level.

In FY 2018, OGP will continue to develop and analyze administrative policies for the Federal government in multiple functional areas, including real and personal property; aircraft and motor vehicles; travel and transportation of goods and people; acquisition of goods and services; information technology policy; shared services management; and high performance Federal buildings, among others.

The FY 2018 Budget provides the funding required to assist agencies in developing and utilizing the best and most cost effective management practices to meet their programmatic goals. OGP works with other Federal agencies, the private sector, interested parties, and other stakeholders from the very onset of policy review and formulation. Such collaborative efforts offer numerous advantages, not least of which is to ensure "buy-in" from the policy customers.

OGP consists of eight policy offices including the Office of Asset and Transportation Management; the Office of Evidence and Analysis; the Office of Information Integrity and Access; the Office of Federal High Performance Green Buildings; the Office of Evaluation Sciences; the Office of Acquisition Policy; the Office of Executive Councils and the Unified Shared Services Management Office.

Program Financing

Salaries and expenses of OGP staff and Government-wide policy programs are funded from annual appropriations and reimbursable authority. Reimbursable costs include the Federal Acquisition Institute (FAI), the Unified Shared Services Management office, and OGP's management of the Federal Management Councils in coordination with OMB, which identify and pursue performance improvement initiatives across agencies.

Reimbursable Programs

In FY 2018, OGP anticipates providing reimbursable services to other Federal agencies and councils in the amount of \$39,351 thousand and 42 FTE, an increase of \$1,000 thousand from the anticipated FY 2017 level.

The Federal Acquisition Institute (FAI) plans \$2,851 thousand and 12 FTE in reimbursable activity through an agreement with the Acquisition Workforce Training Fund to support implementation of the FAI Improvement Act (41 U.S.C. §1201 Pub. L. 112-81), which promotes career development and strategic human capital management for the Federal acquisition workforce. The FAI deploys a civilian agency training consortium board that uses innovative

tools and technology to reduce redundancies, leverages resources, and aligns acquisition workforce development training objectives across Federal agencies.

The government-wide Executive Councils budget includes up to \$17,000 thousand in transfer authority and 23 FTE for continued support of innovations, initiatives, and activities designed to achieve greater efficiency and effectiveness in mission-support operations across government.

Up to \$15,000 thousand in transfer authority is budgeted for crosscutting goals. This funding enables crosscutting goal leaders throughout Government to support key implementation activities for achieving and accelerating progress on the goals. These activities are discussed in more detail in the Executive Office of the President's FY 2018 Congressional Justification.

Finally, the budget request includes \$4,500 thousand and 7 FTE in reimbursable authority for the Office of Information, Integrity, and Access, the Office of Evaluation Sciences; and the Unified Shared Services Management Office.

Program Increases

In FY 2018, OGP will allocate \$500 thousand to complete the activities assigned to the GSA Administrator in the Federal Assets Sale and Transfer Act of 2016 (Pub.L. 114-287). The Federal Assets Sale and Transfer Act will reduce Federal real estate costs by consolidating the footprint of Federal buildings and facilities; maximizing utilization; reducing reliance on leased space; selling or redeveloping high value assets; reducing operating and maintenance costs; and facilitating and expediting sale, disposal, or transfer of unneeded property, among other purposes. OGP plays key policy, data collection, and analysis roles in implementing the Act.

Reductions

In support of the President's direction to re-prioritize Federal spending and in the spirit of M-17-22: *Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce*, OGP will make reductions of \$4,391 thousand compared to the full year FY 2017 Full Year CR level.

Information Integrity and Access

GSA conducted a thorough review of the DotGov domain registry program, which provides domain registration and associated domain-level cybersecurity protections to Federal agencies, state and local governments, and other Federal entities including Congress and the Supreme Court. GSA determined that the program would be best managed by the Technology Transformation Service (TTS). As such, the request for OGP is reduced by \$1,501 thousand in FY 2018 and the request for the Federal Citizen Services Fund is increased by the same amount to provide TTS the necessary appropriated resources to manage the operations of the DotGov registry. OGP will retain ultimate policy authority on changes impacting Federal agencies recommended by the DotGov program, approving or escalating to GSA leadership as necessary.

OGP has provided substantial policy support and investment as the managing partner of the M-16-19: *Data Center Optimization Initiative*. The FY 2017 investment supports expenses related to the program through the end of FY 2018. Per M-16-19, the initiatives and targets are slated to be complete by September 2018 and have been funded accordingly. The FY 2018 reduction of \$1,720 thousand reflects the conclusion of any OGP-funded support.

Additional reductions for the Office of Information Integrity and Access include \$232 thousand for content management support across its portfolio and \$45 thousand for its IT application operations and maintenance. There will be minimal program impacts as a result of these reductions. They reflect efficiencies realized from larger upfront investments in FY 2017 and insourcing of expertise.

Federal High Performance Green Buildings

OGP will reduce contractual support of the Office of Federal High Performance Green Buildings in the amount of \$1,357 thousand. The office will focus on the highest priority core functions related to implementation of the Energy Independence and Security Act of 2007 (Pub.L. 110-140) and the Federal Building Personnel Training Act (Pub.L. 111-308) aimed, respectively, at greater energy independence, security, and efficiency of buildings and increasing the efficient management and operation of federal buildings. In addition, OGP will reduce the office by \$189 thousand and by one (1) FTE.

Evaluation Sciences and Evidence and Analysis

In support of M-17-22 and reprioritization of Federal spending, OGP has continued to monitor and evaluate its optimal FTE levels for this program. As a result, in FY 2018, OGP will reduce the Office of Evaluation Sciences by \$589 thousand, accounting for two (2) FTE and additional rotational assignments from academic institutions. To ensure the office can continue to provide high quality evaluation support to agency partners, the office is planning \$1,000 in reimbursable activity as OGP seeks to move the office to a reimbursable model. OGP will also reduce its Office of Evidence and Analysis by \$189 thousand and by one (1) FTE.

Obligations by Object Class

(Dollars in Thousands)

	2016 Actual	2017	
		Full Year CR	2018 Request
11.1 Full-time permanent.....	\$ 16,847	\$ 17,489	\$ 18,278
11.3 Other than full-time permanent.....	\$ 275	\$ 285	\$ 194
11.5 Other personnel compensation.....	\$ 228	\$ 208	\$ 200
11.8 Special personnel services payments.....	\$ 294	\$ 844	\$ 650
12.1 Civilian personnel benefits.....	\$ 5,029	\$ 5,910	\$ 6,171
13.0 Benefits for former personnel.....	\$ 75	\$ -	\$ -
21.0 Travel and transportation of persons.....	\$ 188	\$ 206	\$ 202
22.0 Transportation of things.....	\$ -	\$ -	\$ -
23.1 Rental payments to GSA.....	\$ -	\$ -	\$ -
23.2 Rental payments to others.....	\$ -	\$ -	\$ -
23.3 Communications and utilities.....	\$ 45	\$ 35	\$ 38
24.0 Printing and reproduction.....	\$ 361	\$ 454	\$ 447
25.1 Advisory and assistance services.....	\$ 21,404	\$ 19,163	\$ 13,528
25.2 Other services from non-Federal sources.....	\$ 350	\$ 265	\$ 270
25.3 Other goods & services from Federal sources.....	\$ 12,533	\$ 12,969	\$ 13,461
25.4 Operation and maintenance of facilities.....	\$ -	\$ -	\$ -
25.6 Medical care.....	\$ -	\$ -	\$ -
25.7 Operation and maintenance of equipment.....	\$ -	\$ -	\$ -
26.0 Supplies and materials.....	\$ 36	\$ 44	\$ 45
31.0 Equipment.....	\$ 13	\$ 18	\$ 15
32.0 Land and structures.....	\$ -	\$ -	\$ -
33.0 Investments and loans.....	\$ -	\$ -	\$ -
41.0 Grants, subsidies, and contributions.....	\$ -	\$ -	\$ -
42.0 Insurance claims and indemnities.....	\$ 25	\$ -	\$ -
43.0 Interest and dividends.....	\$ -	\$ -	\$ -
44.0 Refunds.....	\$ -	\$ -	\$ -
99.0 Obligations, Appropriated (Annual).....	\$ 57,703	\$ 57,890	\$ 53,499
<i>Subtotal, PC&B.....</i>	<i>\$ 22,748</i>	<i>\$ 24,736</i>	<i>\$ 25,493</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ 34,955</i>	<i>\$ 33,154</i>	<i>\$ 28,006</i>
99.2 Obligations, reimbursable.....	\$ 28,444	\$ 38,351	\$ 39,351
99.9 TOTAL OBLIGATIONS	\$ 86,147	\$ 96,241	\$ 92,850

OGP Policy Offices

Office of Asset and Transportation Management

OGP's Office of Asset and Transportation Management provides policy, guidance, and reporting on asset management functions ranging from personal property and real property to mail, aviation, travel and transportation. The office is responsible for maintaining the Federal Travel Regulation and calculating and publishing annual Per Diem rates. The Office of Asset and Transportation Management helps agencies make better decisions through evidence-based policy that enable effective and efficient Government-wide asset and transportation management.

Office of Evidence and Analysis

The Office of Evidence and Analysis works to expand the agency's ability to gather, compile and generate evidence based analysis from a variety of business systems providing decision making information to senior leadership. The work of this team will improve the effectiveness of operations, processes, and systems by providing evidence and analysis to inform policy development and operational decision-making.

Office of Information Integrity and Access

The Office of Information Integrity and Access supports agency and Government-wide priorities of delivering better customer service by:

- Supporting improved delivery of online services to citizens.
- Providing consultation and advisory assistance on issues pertaining to electronic business and technology.
- Participating in the development, analysis and evaluation of Government-wide technology issues, policies and legislation.
- Guiding the improvement of Federal financial systems with standardized processes and technical interfaces.

This office is also working to coordinate Government-wide efforts to streamline and standardize identity management and cybersecurity technology and processes, an important issue for the Government as more and more work is being conducted in the cloud or on other digital platforms.

Office of Federal High Performance Green Buildings

The Office of Federal High Performance Green Buildings supports the overall Federal government mission of operating more effectively and efficiently. The office supports implementation of the Energy Independence and Security Act of 2007 and drives efficient use of energy, water, and resources.

Office of Evaluation Sciences

The Office of Evaluation Sciences is an innovative group that includes prominent scientists from academia and related research institutions that translate insights into concrete program and policy changes. The team conducts rigorous evaluation trials that test the impact of

recommended policy, system, and communication changes. This office is committed to furthering evidence-based innovations that will improve policy efficacy and government performance.

Office of Acquisition Policy

The Office of Acquisition Policy performs a number of key government-wide acquisition policy roles.

- Serves as one of the architects of the Federal Acquisition Regulation (FAR), the rule book that governs all Federal agency procurements, directs acquisition policy in areas related to small business participation, competition, sustainable acquisition, labor policy, cost control, risk management, integrity, and ethics.
- Coordinates with the Office of Federal Procurement Policy and other agencies, through its role as the Chair of the Civilian Acquisition Council, to implement laws, executive orders, agency regulations, and other initiatives to support the Federal Government's acquisition system.
- Hosts the Federal Acquisition Institute (FAI), which facilitates and promotes acquisition career development and strategic human capital management for the acquisition workforce.
- Manages the Regulatory Information Service Center (RISC) Division, which provides cost effective regulatory planning services for more than 65 Federal agencies and on behalf of OMB's Office of Information and Regulatory Affairs (OIRA); supports public transparency and participation in regulatory activities through the RISC/OIRA Consolidated Information System (ROCIS), Reginfo.gov, and publication of the Unified Agenda and the Regulatory Plans of all Federal agencies.

In addition to its government-wide role, this office is responsible for driving effective acquisition performance, workforce management, and development within GSA.

Office of Executive Councils

The Office of Executive Councils provides dedicated support to Federal interagency management councils, increasing their effectiveness in solving challenges across agencies, spurring innovation, and improving policy outcomes. The office provides analytical, management and administrative services to the following Federal management councils and advisory boards:

- Chief Acquisition Officers Council
- Chief Financial Officers Council
- Chief Information Officers Council
- Performance Improvement Council
- President's Management Council
- President's Management Advisory Board

Unified Shared Service Management Office

The Unified Shared Service Management Office is an integration body for the shared services environment, working across functions, providers, and consumers. The office enables the delivery of high quality, high value shared services that improve performance and efficiency throughout government.

This office is the first ever Government-wide management and oversight operating model for mission support functions including financial management, human resources, acquisitions, grants, and information technology. Stakeholders from across the government are working together to manage and oversee these shared services with the goal of making the Government more effective and efficient. The office continues to operate the Shared Services Governance Board, led by OMB, as the established decision-making body for the shared services environment.

U.S. General Services Administration

OPERATING EXPENSES

Fiscal Year 2018 Budget Request

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Appropriations Language

For expenses authorized by law, not otherwise provided for, for Government-wide activities associated with utilization and donation of surplus personal property; disposal of real property; agency-wide policy direction, management, and communications; [the Civilian Board of Contract Appeals;] and services as authorized by 5 U.S.C. 3109; \$[58,560,000]45,645,000, [of which \$25,979,000 is for Real and Personal Property Management and Disposal; \$23,397,000 is for the Office of the Administrator,] of which not to exceed \$7,500 is for official reception and representation expenses; and \$9,184,000 is for the Civilian Board of Contract Appeals: Provided, that not to exceed 5 percent of the appropriation made available under this heading for Office of the Administrator may be transferred to the appropriation for the Real and Personal Property Management and Disposal upon notification to the Committees on Appropriations of the House of Representatives and the Senate, but the appropriation for the Real and Personal Property Management and Disposal may not be increased by more than 5 percent by any such transfer].

Analysis of Language Provisions and Changes

GSA proposes creating a separate appropriation for the Civilian Board of Contract Appeals (CBCA). In previous years, funding for the CBCA was included in the Operating Expenses appropriation. This change reflects the independent nature of the CBCA and keeps only the GSA programmatic and administrative organizations within the Operating Expenses appropriation. This proposed change is discussed in greater detail in the separate CBCA section of the GSA Congressional Justification.

GSA proposes removing the language creating separate limitations for the Office of the Administrator and Real and Personal Property Management and Disposal. This change will provide GSA the flexibility it needs to allocate resources between the various programs in the most efficient manner. GSA will continue to look for opportunities to reduce administrative overhead costs but needs the ability to adapt to unforeseen circumstances.

Program Description

This appropriation supports a variety of operational activities which are not feasible or appropriate for a user fee arrangement. Major programs include the personal property utilization and donation activities of the Federal Acquisition Service; the real property utilization and disposal activities of the Public Buildings Service; and Executive Management and Administration activities, including support of government-mission assurance activities; and top-level, agency-wide strategic communications activities.

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
<i>Unobligated balance, start of year</i>	\$ 772	\$ 772	\$ 772
Discretionary authority:			
Annual appropriation	\$ 49,376	\$ 49,282	\$ 45,645
Reimbursable authority:			
New authority.....	\$ 2,275	\$ 17,685	\$ 14,740
Change in uncollected payments.....	\$ 1,066	\$ -	
Subtotal, reimbursable authority.....	\$ 3,341	\$ 17,685	\$ 14,740
Reimbursable authority, expiring.....	\$ (98)		
Appropriations authority, expiring.....	\$ (2,692)		
Recovery of prior-year obligations.....	\$ -	\$ -	
Unobligated balance, lapsing.....	\$ -	\$ -	
Unobligated balance, reimbursable.....	\$ -	\$ -	
Unobligated balance, rescinded.....	\$ -	\$ -	
Unobligated balance, sequestered.....	\$ -	\$ -	
Unobligated balance, end of year.....	\$ (772)	\$ (772)	\$ (772)
Total, obligations.....	\$ 52,717	\$ 66,967	\$ 60,385
Obligations, appropriated (annual)	\$ 46,837	\$ 49,282	\$ 45,645
Obligations, reimbursable.....	\$ 3,242	\$ 17,685	\$ 14,740
Net Outlays	\$ 44,133	\$ 44,347	\$ 47,564

Note: \$772 thousand in funding is associated with the Governors Island and Lorton Correctional Complex disposal projects. The FY 2018 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2016 appropriation and FY 2017 Full Year CR are not included in the totals shown here.

U.S. General Services Administration
 Operating Expenses

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2016 Actual	FTE	FY 2017 Full Year CR	FTE	FY 2018 Passback
	236.0	\$ 46,837	255.0	\$ 49,282	208.0	\$ 45,645

Maintaining Current Levels:

FY 2018 Pay Increase (1.9%), Effective January 2018 \$ 447

Program Increases

Contractual Services						
Real Property Disposal					\$	352
Management and Administration					\$	15
Subtotal, Program Increases.....	-				\$	814

Program Decreases:

Personnel Compensation and Benefits						
Personal Property Management				(9.0)	\$	(726)
Real Property Disposal				(10.0)	\$	(166)
Office of Strategic Communication				(11.0)	\$	(901)
Management and Administration				(17.0)	\$	(924)
Contractual Services						
Personal Property Management					\$	(1,270)
Office of Strategic Communication					\$	(374)
Travel and Administrative Costs						
Personal Property Management					\$	(8)
Real Property Disposal					\$	(19)
Office of Strategic Communication					\$	(2)
Management and Administration					\$	(61)
Subtotal, Program Decreases.....	(47.0)				\$	(4,451)

Total Adjustments..... (47.0) \$ (3,637)

Note: The FY 2018 President’s Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2016 appropriation and FY 2017 Full Year CR are not included in the totals shown here.

Explanation of Changes by Program, Appropriated Dollars and FTE

(Dollars in Thousands)

	PPM		RPD		OSC		M&A		TOTAL	
	FTE	Authority (\$000)	FTE	Authority (\$000)	FTE	Authority (\$000)	FTE	Authority (\$000)	FTE	Authority (\$000)
FY 2017 Full Year CR	61.0	\$ 10,641	90.0	\$ 15,289	15.0	\$ 3,229	89.0	\$ 20,123	255.0	\$ 49,282
Maintaining Current Service Levels:										
FY 2018 Pay Increase (1.9%), Effective January 2018		\$ 98		\$ 166		\$ 10		\$ 173		\$ 447
Program Increases										
Rent		\$ -		\$ -		\$ -		\$ -		\$ -
Communications, Printing, and Reproduction		\$ -		\$ -		\$ -		\$ -		\$ -
Contractual Services		\$ -		\$ 352		\$ -		\$ 15		\$ 367
Supplies, Materials, and Equipment		\$ -		\$ -		\$ -		\$ -		\$ -
Subtotal, Program Increases:		\$ 98		\$ 518		\$ 10		\$ 188		\$ 814
Program Decreases										
Personnel Compensation and Benefits	(9.0)	\$ (726)	(10.0)	\$ (166)	(11.0)	\$ (901)	(17.0)	\$ (924)		\$ (2,718)
Travel and Transportation		\$ -		\$ (6)		\$ -		\$ (32)		\$ (38)
Communications, Printing, and Reproduction		\$ -		\$ (10)		\$ -		\$ (9)		\$ (19)
Contractual Services		\$ (1,270)		\$ -		\$ (374)		\$ -		\$ (1,644)
Supplies, Materials, and Equipment		\$ (8)		\$ (3)		\$ (2)		\$ (20)		\$ (33)
Subtotal, Program Decreases:	(9.0)	\$ (2,004)	(10.0)	\$ (185)	(11.0)	\$ (1,277)	(17.0)	\$ (985)	(47.0)	\$ (4,451)
FY 2018 Request	52.0	\$ 8,735	80.0	\$ 15,622	4.0	\$ 1,962	72.0	\$ 19,326	208.0	\$ 45,645

Note: The FY 2018 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2016 appropriation and FY 2017 Full Year CR are not included in the totals shown here.

Summary of the Request

The FY 2018 proposed budget provides a total of \$45,645 thousand and 208 FTE for the base program for Operating Expenses (OE). The request is a net decrease of \$3,637 thousand and a decrease of 47 FTE from the FY 2017 Full Year CR level.

U.S. General Services Administration
Operating Expenses

Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
11.1 Full-time, permanent.....	\$ 22,941	\$ 23,514	\$ 22,236
11.3 Other than full-time permanent.....	\$ 2,386	\$ 2,330	\$ 1,759
11.5 Other personnel compensation.....	\$ 204	\$ 292	\$ 227
11.8 Special personnel services payments.....	\$ 17	\$ -	\$ -
12.1 Civilian personnel benefits.....	\$ 7,787	\$ 7,927	\$ 7,570
13.0 Benefits for former personnel.....	\$ -	\$ -	\$ -
21.0 Travel and transportation of persons.....	\$ 707	\$ 662	\$ 624
22.0 Transportation of things.....	\$ -	\$ -	\$ -
23.1 Rental payments to GSA.....	\$ -	\$ -	\$ -
23.2 Rental payments to others.....	\$ -	\$ -	\$ -
23.3 Communications and utilities.....	\$ 140	\$ 145	\$ 131
24.0 Printing and reproduction.....	\$ -	\$ 5	\$ -
25.1 Advisory and assistance services.....	\$ 674	\$ 1,425	\$ 787
25.2 Other services from non-Federal sources.....	\$ 40	\$ 84	\$ 36
25.3 Other goods & services from Federal sources	\$ 11,722	\$ 12,735	\$ 12,162
25.4 Operation and maintenance of facilities.....	\$ -	\$ -	\$ -
25.6 Medical care.....	\$ -	\$ -	\$ -
25.7 Operation and maintenance of equipment.....	\$ 20	\$ 18	\$ -
26.0 Supplies and materials.....	\$ 136	\$ 126	\$ 95
31.0 Equipment.....	\$ 8	\$ 19	\$ 17
41.0 Grants, subsidies, and contributions.....	\$ -	\$ -	\$ -
42.0 Insurance claims and indemnities.....	\$ 55	\$ -	\$ -
99.0 Obligations, Appropriated (Annual).....	\$ 46,837	\$ 49,282	\$ 45,645
<i>Subtotal, PC&B.....</i>	<i>\$ 33,335</i>	<i>\$ 34,063</i>	<i>\$ 31,793</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ 13,502</i>	<i>\$ 15,219</i>	<i>\$ 13,852</i>
99.2 Obligations, reimbursable.....	\$ 3,242	\$ 17,685	\$ 14,740
99.9 Total obligations.....	\$ 50,079	\$ 66,967	\$ 60,385

Note: The FY 2018 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2016 appropriation and FY 2017 Full Year CR are not included in the totals shown here.

U.S. General Services Administration
Operating Expenses

Obligations by Program

(Dollars in Thousands)

	FY 2016		FY 2017		FY 2018	
	FTE	Actual Authority	FTE	Full Year CR Authority	FTE	Request Authority
1. Personal Property Management						
Annual appropriation	59.0	\$ 8,687	61.0	\$ 10,641	52.0	\$ 8,735
Reimbursable authority	<u>8.0</u>	<u>\$ 1,626</u>	<u>9.0</u>	<u>\$ 3,165</u>	<u>9.0</u>	<u>\$ 3,165</u>
Subtotal, PPM	67.0	\$ 10,313	70.0	\$ 13,806	61.0	\$ 11,900
2. Real Property Disposal						
Annual appropriation	80.0	\$ 15,023	90.0	\$ 15,289	80.0	\$ 15,622
Reimbursable authority	<u>4.0</u>	<u>\$ 1,567</u>	<u>7.0</u>	<u>\$ 11,500</u>	<u>7.0</u>	<u>\$ 11,500</u>
Subtotal, RPD	84.0	\$ 16,590	97.0	\$ 26,789	87.0	\$ 27,122
3. Office of Strategic Communication						
Annual appropriation	<u>11.0</u>	<u>\$ 3,205</u>	<u>15.0</u>	<u>\$ 3,229</u>	<u>4.0</u>	<u>\$ 1,962</u>
Subtotal, OCM	11.0	\$ 3,205	15.0	\$ 3,229	4.0	\$ 1,962
4. Management & Administration						
Annual appropriation	86.0	\$ 19,922	89.0	\$ 20,123	72.0	\$ 19,326
Reimbursable authority	<u>0.0</u>	<u>\$ 49</u>	<u>5.0</u>	<u>\$ 3,020</u>	<u>0.0</u>	<u>\$ 75</u>
Subtotal, M&A	86.0	\$ 19,971	89.0	\$ 23,143	72.0	\$ 19,401
Total, Annual appropriated	236.0	\$ 46,837	255.0	\$ 49,282	208.0	\$ 45,645
Total, Reimbursable	12.0	\$ 3,242	21.0	\$ 17,685	16.0	\$ 14,740
Total, Budget Authority	248.0	\$ 50,079	276.0	\$ 66,967	224.0	\$ 60,385

Note: The FY 2018 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2016 appropriation and FY 2017 Full Year CR are not included in the totals shown here.

Appropriated Program: The Operating Expenses appropriation supports the following programs:

- The Personal Property Utilization and Donation program, which transfers personal property no longer needed by a Federal agency to other Federal agencies, State and local governments, and nonprofit organizations;
- The Office of Real Property Utilization and Disposal, which transfers or sells unneeded real property assets to benefit the Federal government and surrounding communities;
- The Office of Strategic Communication (previously named the Office of Communications), which provides a full array of marketing products and services and represents GSA externally via the national and international media;
- Management and Administration, which provides top-level, agency-wide direction and support activities, government-wide mission assurance activities; and

Reimbursable Program: In FY 2018, the programs of the Operating Expenses appropriation anticipate to provide reimbursable services to other Federal agencies in the amount of \$14,740 thousand and 16 FTE. This amount includes:

- (1) \$3,165 thousand and 9 FTE to store excess personal property during the required disposal screening process, when requested by the donating agency;
- (2) \$11,500 thousand and 7 FTE for real estate disposal services for: (a) specialized properties outside the purview of the Federal Property and Administrative Services Act of 1949; and (b) real property seized, forfeited, or foreclosed on by other agencies; and
- (4) \$75 thousand for emergency support function #7 (ESF-7) under the national response framework. Office of Mission Assurance personnel are responsible for coordinating ESF-7 activities on behalf of GSA. This support is provided pursuant to 44 C.F.R. §206.208(d), and all personnel hours (overtime), travel, and other costs for activities in support of the response and recovery efforts are reimbursable under a Mission Assignment issued by the Federal Emergency Management Agency.

Federal Acquisition Service, Personal Property Utilization and Donation

FY 2018 Budget Request

The FY 2018 budget request provides \$8,735 thousand for the Personal Property Utilization and Donation program, a decrease of \$1,906 thousand from the FY 2017 Full Year CR level.

Program Description

The Federal Acquisition Service (FAS) Personal Property program facilitates the transfer and reutilization of excess Federal personal property. Personal property no longer needed by a Federal agency may be offered at no cost to other Federal agencies, state and local governments, and eligible nonprofit organizations. These functions are managed and operated by the Utilization and Donation program, which is funded through the Operating Expenses appropriation.

Utilization and Donation: All Federal agencies must use excess personal property as the first source of supply. When an item is determined to be “excess,” it is first offered to other Federal agencies and will be transferred at no cost, if it can be used. If the property is not needed by any Federal agency, it is declared “surplus” and is offered to non-Federal government organizations on an “as is, where is” basis, with no warranty. Agencies are encouraged to report excess personal property to GSA through the use of GSAXcess®, to expedite the disposal process.

The Utilization and Donation program saves money for recipient organizations and promotes the efficient use of government resources. The program includes the Computers for Learning (CFL) program, which transfers excess Federal computer equipment to eligible schools and non-profit educational organizations, giving special consideration to those with the greatest financial need.

Sales: When excess personal property cannot be disposed of through re-utilization or donation, the FAS Personal Property Sales Program provides sales services to Federal agencies for sale of property directly to the public. This part of the program is not funded through OE, and is instead funded through the Acquisition Services Fund (ASF). More information on this program can be found in the Acquisition Services Fund section of the FY 2018 Congressional Justification.

Public Buildings Service, Office of Real Property Utilization and Disposal

FY 2018 Budget Request

The FY 2018 Budget request provides \$15,622 thousand for the Office of Real Property Utilization and Disposal (RPUD), an increase of \$333 thousand from the FY 2017 Full Year CR level. This program's activities are necessary in order to comply with the Presidential memorandum on "Disposing of Unneeded Federal Real Estate", Executive Order 13327, and the Federal Real Property Council's efforts requiring further reductions to the federal footprint.

Program Description

The Office of Real Property Utilization and Disposal (RPUD) works with all Federal landholding agencies to develop real estate strategies (conveyances, exchanges, relocations, and sales) to identify and better manage under-utilized assets. The RPUD program offers Federal clients a wide range of realty services, expert guidance and analytical tools. Services include: transaction support, due diligence analysis, targeted asset reviews, highest and best use studies, appraisals, marketing strategies, environmental assessments and historic evaluations. This program leverages its services, tools and expertise to drive optimal real estate outcomes that are tailored to an agency's unique mission requirements. These outcomes result in more efficient operation of the Federal real property portfolio. To complement its expertise and to enhance service offerings, RPUD provides a variety of contractual vehicles that offer Federal clients access to realty and environmental firms. RPUD services are available to all Federal landholding agencies.

Office of Strategic Communication

FY 2018 Proposed Budget

The FY 2018 request provides \$1,962 thousand, a decrease of \$1,267 thousand from the FY 2017 Full Year CR level to fully fund the required staffing level and Working Capital Fund (WCF) bill for this office. In continuation of the nationwide consolidation and reorganization of OSC, the FY 2018 request reflects the elimination of 5 vacant FTE and the realignment of 5 FTE to the WCF.

Program Description

The Office of Strategic Communication provides information on the activities of the agency, its products, and initiatives to GSA's stakeholders: customers, employees, and the American public.

The Office of Administrator Client Team is the agency's official point of contact and coordination portal for all media interactions with GSA's Office of the Administrator. The Office of Administrator Client Team fields all media inquiries regarding the Office of the Administrator's initiatives, people, policies, and success stories.

Management and Administration

FY 2018 Proposed Budget

The FY 2018 request for Management and Administration (M&A) provides \$19,326 thousand, a decrease of \$797 thousand from the FY 2017 Full Year CR level.

Program Description

This program area supports a variety of general management and administrative activities associated with GSA internal operations. These activities include: (1) the Offices of the Administrator and the Regional Administrators, (2) the Office of Congressional and Intergovernmental Affairs, (3) the Office of Mission Assurance, and (4) the Management and Administration Corporate Account.

The Offices of the Administrator and Regional Administrators are responsible for the execution of all functions assigned to GSA by law and regulation.

Office of Congressional and Intergovernmental Affairs (OCIA) is the GSA liaison with Congress, state and local governments, foreign governments and partner Federal agencies. OCIA coordinates meetings and testimony before Congressional Committees, helps Congressional offices resolve issues related to GSA programs and services, supports the GSA legislative program with the Congress, and coordinates reimbursable services through the GSA Working Capital Fund (WCF) to over 1,400 House-district and Senate-state offices for the Congress.

The Office of Mission Assurance (OMA) executes GSA responsibilities during domestic and national security emergencies to aid Federal agencies and state and local governments, support client agency needs, and restore GSA operations. OMA ensures the continuation of the agency's critical business processes by integrating and coordinating activities across all domains of security (physical, cyber, personnel, and industrial), HSPD-12 credentialing, emergency management, contingency and continuity planning, and disaster response. The OMA continuity mission is authorized by the National Continuity Policy (NSPD-51/HSPD-20) and directly supports GSA responsibilities to recover and perform primary mission essential functions during a continuity event. Certain OMA activities are funded from the WCF to assure the safety, privacy, and security of GSA facilities, people, and IT assets nationwide.

The Office of Management and Administration Corporate Account funds WCF payments and regional security for the organizations under M&A. The FY 2018 request includes a decrease of \$202 thousand for WCF payments.

U.S. General Services Administration
CIVILIAN BOARD OF CONTRACT APPEALS

Fiscal Year 2018 Budget Request

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Appropriations Language

For expenses authorized by law, not otherwise provided for, for the activities associated with the Civilian Board of Contract Appeals, \$8,795,000.

Analysis of Language Provisions and Changes

GSA proposes creating a separate appropriation for the Civilian Board of Contract Appeals (CBCA). In prior year appropriations, funding for the CBCA was included in the Operating Expenses appropriation. This change better reflects the independent nature of the CBCA and keeps the GSA programmatic and administrative organizations within the Operating Expenses appropriation. This change will standardize this practice across GSA's independent offices. In addition, this change will increase transparency to Congress and stakeholders by providing additional detail within GSA's budget documents. This change is supported by both the CBCA and GSA in order to more appropriately reflect the independent nature of the board throughout all phases of budget formulation, execution, and reporting.

Program Description

The Civilian Board of Contract Appeals (CBCA) is an independent tribunal with worldwide jurisdiction housed within the General Services Administration. The CBCA presides over various disputes involving Federal executive branch agencies. Its primary responsibility is to resolve contract disputes between Government contractors and agencies under the Contract Disputes Act.

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
Discretionary authority:			
Annual appropriation, estimated	\$ 9,184	\$ 9,167	\$ 8,795
Reimbursable authority:			
New authority.....	\$ -	\$ 500	\$ 150
Change in uncollected payments.....	\$ -	\$ -	\$ -
Subtotal, reimbursable authority.....	\$ -	\$ 500	\$ 150
Appropriations authority, expiring.....	\$ (152)	\$ -	\$ -
 Total, obligations.....	 \$ 9,184	 \$ 9,667	 \$ 8,945
Obligations, appropriated (annual)	\$ 9,032	\$ 9,167	\$ 8,795
Obligations, reimbursable.....	\$ -	\$ 500	\$ 150
<i>Net Outlays</i>	\$ 9,000	\$ 9,200	\$ 8,707

Note: The FY 2016 and FY 2017 amounts reflected in this table were included in the enacted appropriations for GSA's Operating Expenses (OE) account but are instead reflected here for ease of comparison pursuant to the proposed separation of CBCA from the OE appropriation.

*U.S. General Services Administration
Civilian Board of Contract Appeals*

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2016 Actual	FTE	FY 2017 Full Year CR	FTE	FY 2018 Request
	35.0	\$ 9,032	41.0	\$ 9,167	41.0	\$ 8,795

Maintaining Current Levels:

FY 2017 Pay Increase (1.9%), Effective January 2017	\$ 112
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Program Changes:

Personnel Compensation and Benefits	\$ (434)
Contractual Services	\$ (85)
Travel and Transportation	\$ (5)
Rent	\$ 11
Operation and maintenance of facilities	\$ (3)
Operation and maintenance of equipment	\$ 2
Supplies and materials	\$ 35
Equipment	\$ (10)
Communications, Printing, and Reproduction	\$ 5
Subtotal, Program Changes.....	\$ (484)

Total Adjustments.....	\$ (372)
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Note: The FY 2016 and FY 2017 amounts reflected in this table were included in the enacted appropriations for GSA's Operating Expenses (OE) account but are instead reflected here for ease of comparison pursuant to the proposed separation of CBCA from the OE appropriation.

Summary of the Request

The FY 2018 budget provides \$8,795 thousand and 41 FTE for the CBCA, a decrease of \$372 thousand from the FY 2017 full year continuing resolution level of \$9,167 thousand. In addition, the budget includes \$150 thousand for reimbursable services to external customers, and mediation and arbitration services provided by CBCA in accordance with 5 U.S.C. 573.

The CBCA adjudicates contract disputes between Government contractors and all civilian executive agencies other than the National Aeronautics and Space Administration, the United States Postal Service, the Postal Rate Commission, and the Tennessee Valley Authority. The CBCA also hears and decides other types of cases, including: cases arising under the Indian Self-Determination Act; disputes between insurance companies and the Department of Agriculture's Risk Management Agency involving actions of the Federal Crop Insurance Corporation; claims by Federal civilian employees from all executive branch agencies (including Department of Defense agencies) for reimbursement of expenses incurred while on official

temporary duty travel or in connection with relocation to a new duty station; claims by carriers or freight forwarders involving actions of the General Services Administration regarding payment for transportation services; and applications by prevailing private parties for recovery of litigation costs under the Equal Access to Justice Act.

In keeping with Congress' charge to the CBCA upon its creation, the CBCA encourages the prompt, efficient and inexpensive resolution of disputes through the use of alternative dispute resolution (ADR). It uses a variety of techniques intended to shorten and simplify the formal proceedings normally used to resolve cases. The CBCA also provides alternative dispute resolution services to executive agencies on matters not covered by the Contract Disputes Act. Additionally, the CBCA provides, on a reimbursable basis, dispute resolution services to entities not covered by the CBCA's organic Contract Disputes Act authority. These include: Department of Energy National Laboratories, the Smithsonian Institution, the Millennium Challenge Corporation, and disputes over public assistance grants involving the Federal Emergency Management Agency for certain national disaster declarations.

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Civilian Board of Contract Appeals

Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
11.1 Full-time, permanent.....	\$ 3,938	\$ 4,410	\$ 4,254
11.3 Other than full-time permanent.....	\$ 375	\$ 312	\$ 160
11.5 Other personnel compensation.....	\$ 16	\$ 30	\$ 26
11.8 Special personnel services payments.....	\$ -	\$ -	\$ -
12.1 Civilian personnel benefits.....	\$ 1,146	\$ 1,151	\$ 1,141
13.0 Benefits for former personnel.....	\$ -	\$ -	\$ -
21.0 Travel and transportation of persons.....	\$ 38	\$ 30	\$ 25
22.0 Transportation of things.....	\$ 1	\$ -	\$ -
23.1 Rental payments to GSA.....	\$ 2,125	\$ 2,337	\$ 2,348
23.2 Rental payments to others.....	\$ -	\$ -	\$ -
23.3 Communications and utilities.....	\$ 269	\$ 42	\$ 47
24.0 Printing and reproduction.....	\$ -	\$ -	\$ -
25.1 Advisory and assistance services.....	\$ 164	\$ 55	\$ 40
25.2 Other services from non-Federal sources.....	\$ 18	\$ 20	\$ 20
25.3 Other goods & services from Federal sources.....	\$ 557	\$ 630	\$ 560
25.4 Operation and maintenance of facilities.....	\$ 1	\$ 20	\$ 17
25.6 Medical care.....	\$ 1	\$ -	\$ -
25.7 Operation and maintenance of equipment.....	\$ 13	\$ 35	\$ 37
26.0 Supplies and materials.....	\$ 134	\$ 45	\$ 80
31.0 Equipment.....	\$ 236	\$ 50	\$ 40
32.0 Land and structures.....	\$ -	\$ -	\$ -
33.0 Investments and loans.....	\$ -	\$ -	\$ -
41.0 Grants, subsidies, and contributions.....	\$ -	\$ -	\$ -
42.0 Insurance claims and indemnities.....	\$ -	\$ -	\$ -
43.0 Interest and dividends.....	\$ -	\$ -	\$ -
44.0 Refunds.....	\$ -	\$ -	\$ -
99.0 Obligations, Appropriated (Annual).....	\$ 9,032	\$ 9,167	\$ 8,795
<i>Subtotal, PC&B.....</i>	<i>\$ 5,475</i>	<i>\$ 5,903</i>	<i>\$ 5,581</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ 3,557</i>	<i>\$ 3,264</i>	<i>\$ 3,214</i>
99.2 Obligations, Reimbursable.....	\$ -	\$ 500	\$ 150
99.9 Total obligations.....	\$ 9,032	\$ 9,667	\$ 8,945

Note: The FY 2016 and FY 2017 amounts reflected in this table were included in the enacted appropriations for GSA's Operating Expenses (OE) account but are instead reflected here for ease of comparison pursuant to the proposed separation of CBCA from the OE appropriation.

Fiscal Year 2018 Budget Request

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Appropriations Language

For necessary expenses of the Office of Inspector General and service authorized by 5 U.S.C. 3109, **\$65,000,000**: *Provided*, that not to exceed **\$50,000** shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, that not to exceed **\$2,500** shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

Program Description

This appropriation provides agency-wide audit, investigative, and inspection functions to identify and correct management and administrative deficiencies within the General Services Administration (GSA), including conditions for existing or potential instances of fraud, waste, and mismanagement. This audit function provides internal audit and contract audit services. Contract audits provide professional advice to GSA contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of GSA operations and programs, test internal control systems, and develop information to improve operating efficiencies and enhance customer services. The investigative function provides for the detection and investigation of improper and illegal activities involving GSA programs, personnel, and operations. The inspection function supplements traditional audits and investigations by providing systematic and independent assessments of the design, implementation, and/or results of GSA's operations, programs, or policies.

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5-Year Appropriation History Table

	FY 2014 Enacted	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Full Yr CR	FY 2018 Request
Estimate to Congress:	\$62,908,000	\$66,978,000	\$67,803,000	\$66,000,000	\$65,000,000
Appropriated:					
Annual Funds	\$63,000,000	\$63,000,000	\$63,000,000	\$63,000,000	
Rescissions				(119,763)	
Sequestration					
No-Year Funds	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
Rescissions				(3,802)	
Total.....	\$65,000,000	\$65,000,000	\$65,000,000	\$64,876,435	

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Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 Full Yr CR	FY 2018 Request
Unobligated balance ¹ , start of year.....	\$4,000	\$6,000	\$5,000
<i>Discretionary authority:</i>			
Appropriation (annual).....	\$63,000	\$62,880	\$65,000
Appropriation (no-year).....	\$2,000	\$1,996	
<i>Reimbursable authority:</i>			
Offsetting collections.....	\$600	\$600	\$600
Subtotal amount available for obligation	\$69,600	\$71,476	\$70,600
<i>Discretionary authority:</i>			
Unobligated balance, expiring.....	(\$868)	\$0	\$0
Unobligated balance, end of year.....	(\$6,000)	(\$5,000)	\$(1,000)
<i>Reimbursable authority:</i>			
Unobligated balance, expiring.....	(\$218)	\$0	\$0
Total obligations	\$62,514	\$66,476	\$69,600
Obligations, appropriated (annual).....	\$62,132	\$62,880	\$65,000
Obligations, appropriated (no-year).....	\$0	\$2,996	\$4,000
Obligations, reimbursable.....	\$382	\$600	\$600
Net outlays, appropriated.....	\$61,959	\$65,689	\$67,984

¹ Unobligated balance reflects no-year funds appropriated in FY 2014 through FY 2017.

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Explanation of Changes, Appropriated Dollars, and FTE

(Dollars in Thousands)

	<u>FTE</u>	<u>Budget Authority</u>
2017 Full Year CR.....	326	\$64,876
2018 Request	<u>326</u>	<u>\$65,000</u>
Net Change.....	0	\$124

Maintaining Current Levels:	<u>FTE</u>	<u>Budget Authority</u>
Annualization of FY 2017 Pay Increase (2.1%), January 2017		\$ 29
FY 2018 Pay Increase (1.9%), effective January 2018		\$ 66
Inflation (1.8%)		<u>\$ 29</u>
Net Change.....	0	\$ 124

Reimbursable Resources	3	\$600
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Summary of Request

The FY 2018 budget requests a total of **\$65,000 thousand** for the Office of Inspector General. This represents a net increase of **\$124 thousand** from the FY 2017 full year CR level, including the following:

\$29 thousand for annualization of FY 2017 pay increase (2.1%), effective January 2017

\$66 thousand for cost of living allowance (1.9%), effective January 2018

\$29 thousand for inflation (1.8%)

Reimbursable Programs: The FY 2018 OIG reimbursable request includes **\$600 thousand** for the following reimbursable work: (1) \$350 thousand for the Fleet Card Program; and (2) \$250 thousand for on-going reimbursable work with other agencies and independent commissions.

FY 2018 Annual CIGIE Assessment	\$129,753
FY 2018 Annual Training Request: Certified by the Inspector General	\$515,000

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Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actuals	FY 2017 Full Yr CR	FY 2018 Request
11.1 Full-time permanent	\$32,085	\$34,096	\$35,032
11.3 Other than full-time permanent	\$184	\$183	\$191
11.5 Other personnel compensation	\$2,022	\$2,414	\$2,424
11.8 Special personal services payments	\$45	\$0	\$0
11.9 Total personnel compensation	\$34,336	\$36,693	\$37,647
12.1 Civilian personnel benefits	\$12,318	\$13,210	\$12,934
21.0 Travel and transportation of persons	\$1,381	\$1,327	\$1,400
22.0 Transportation of things	\$16	\$0	\$0
23.1 Rental payments to GSA	\$4,426	\$4,621	\$4,783
23.2 Rental payments to others	\$0	\$0	\$0
23.3 Communications, utilities and miscellaneous charges	\$435	\$550	\$500
24.0 Printing and reproduction	\$9	\$12	\$10
25.1 Advisory and assistance services	\$2,006	\$1,984	\$1,841
25.2 Other services	\$8	\$8	\$8
25.3 Purchases of goods and services from government accounts	\$4,761	\$3,949	\$4,020
25.4 Operation and maintenance of facilities	\$8	\$0	\$0
25.7 Operation and maintenance of equipment	\$1,045	\$1,237	\$1,259
26.0 Supplies and materials	\$173	\$185	\$185
31.0 Equipment	\$1,206	\$1,100	\$490
42.0 Insurance claims and indemnities	\$4	\$0	\$0
99.0 Subtotal	\$62,132	\$64,876	\$65,000
99.0 Reimbursable obligations	\$382	\$600	\$600
99.9 Total Obligations	\$62,514	\$65,476	\$65,600

FY 2018 OIG Request

For FY 2018, the General Services Administration (GSA) Office of Inspector General (OIG) requests \$65 million to execute our mission to detect and deter waste, fraud, abuse, and misconduct and to promote economy and efficiency in GSA's multibillion dollar programs and operations including contracts. This funding will provide a positive return to American taxpayers since our work routinely results in large financial recoveries each year that exceed our appropriation. For example, our recoveries totaled \$72 million in FY 2016 and \$243 million in FY 2015. Our recommended cost savings and funds put to better use yielded over a billion dollars in additional potential savings for those years.

The OIG's success in carrying out its mission is directly tied to the expertise of auditors, special agents, inspectors, and attorneys on staff. In FY 2016 and the first part of 2017, our successful hiring efforts produced notable progress toward reaching our full staffing level, thereby enhancing our ability to oversee GSA programs and operations. This is especially important as GSA implements new programs and initiatives. For FY 2018, sufficient funding and the ability to replenish departing staff are imperative to our continued productivity. That productivity was significant, as evidenced by our audit, inspection, and investigative work in FY 2016.

During FY 2016, our audit and inspection efforts produced 101 reports and identified more than \$506 million in potential savings. This work included preaward audits that examined 67 GSA contracts with an estimated value of \$2.4 billion and recommended that more than \$481 million of funds be put to better use. Our auditors and inspectors also reviewed the performance of several GSA programs. Notable examples include audits in which we found widely varying prices for identical IT products on GSA's schedule 70 and a breakdown in GSA's personally identifiable information breach response process; and evaluations that highlighted vulnerabilities in GSA's use and management of facility-specific building access badges and HSPD-12 Personal Identity Verification cards. We made recommendations in all these reports that should if implemented significantly improve the agency's performance in these programs.

In executing our law enforcement function, our special agents opened 153 new investigations, closed 255 investigative cases, had 109 subjects accepted for criminal prosecution, and produced 55 criminal indictments as well as 45 successful prosecutions on criminal matters previously referred. In addition, our investigative work yielded several large recoveries, including a construction fraud case in which Tishman Construction Corporation agreed to pay more than \$20 million in restitution and penalties for defrauding clients, including the United States, in a 10-year overbilling scheme. Several of our Service-Disabled Veteran-Owned Small Business fraud cases ensured that individuals were held accountable for taking advantage of set-aside contracting programs intended to support veterans. Additionally, our investigators successfully investigated numerous other cases involving false claims, bribery schemes, and GSA gas credit card misuse; and continued to respond to allegations of waste, fraud, abuse, and misconduct received through our hotline, which received 2,497 contacts in FY 2016.

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The appropriation requested for FY 2018 reflects the need to sustain the OIG's major audit, investigation, inspection, and other work critical to successful oversight of GSA programs and operations.

Business Component Justifications

Our major operational components—the Office of Audits, Office of Investigations, and Office of Inspections and Forensic Auditing—share primary responsibility for overseeing GSA programs and operations. Increasingly, coordinated and joint efforts by the OIG’s offices are producing results that lead to program correction, savings, and successful prosecutions, some of which are noted below. While each component’s own activities well justify its cost, we are finding that often the combined efforts of our professional staffs add an important dimension to the OIG’s arsenal against misconduct and inefficiency. The appropriations for the OIG reflect a prudent investment in oversight of GSA activities.

Office of Audits

Program Description

The Office of Audits is an organization charged with overseeing GSA’s use of taxpayer dollars as GSA administers its programs and operations. To that end, we balance our audit coverage between contract and internal audits to meet a number of needs and requirements as follows:

- Program audits provide GSA management with independent assessments and input on potential solutions to issues, when appropriate.
- Information technology and systems audits evaluate whether GSA’s information systems are designed to enable efficient and effective operations, contain adequate systems controls, are properly secured, and meet user requirements.
- Regulatory audits ensure compliance with applicable laws and regulations.
- Internal control audits test the controls built into GSA’s programs and systems to determine whether those controls are operating as intended and providing reasonable assurance of achieving effective and efficient operations, reliable financial and performance reporting, and compliance with applicable laws and regulations.
- Attestation engagements (contract audits) examine selected contractors’ records and develop the financial information necessary for GSA contracting officers to negotiate favorable pricing arrangements on contract awards and administer existing contracts. These engagements include preaward and postaward examinations of Multiple Award Schedule contracts, as well as audits of construction claims, requests for equitable adjustment, and close-outs.

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- Oversight of GSA's contracts for the annual financial statements audit required under the 1990 Chief Financial Officer's Act, and the independent evaluation of GSA's information security program and practices required under the Federal Information Security Modernization Act.

The goal of our audits is to support GSA's primary business lines—acquisition services and real property—while ensuring their integrity, economy, and efficiency. As we strive to monitor GSA, we maintain a keen awareness of both the value and necessity of our audit products for the taxpayer, elected representatives, the Office of Management and Budget (OMB), GSA management, and other key stakeholders.

To ensure the most effective and efficient use of resources, we solicit information from internal and external stakeholders, including GSA management and OMB, as part of our annual audit planning process. We then discuss this information at OIG regional and headquarter levels to assess the most significant challenges and risks which are developed into audit assignments for our internal and contract audit staff. We provide our audit results to GSA officials, Congress, and other stakeholders through audit reports, memorandums, and the Semiannual Report to the Congress.

Our auditors provide extensive oversight of billions of dollars in contracts awarded by GSA for products, services, and real property. During fiscal year 2016, our audits recommended over \$506 million in cost avoidances and recoveries; our construction contract audits resulted in avoidances and recoveries of more than \$30 million; and our evaluations of 29 contractor self-disclosures resulted in over \$7 million in recoveries to the government.²

Contract auditors also provide key assistance to the Department of Justice in settlements with contractors. For example, in June 2016 Deloitte Consulting, LLP (Deloitte) paid \$11.4 million to settle a False Claims Act investigation initiated by the Department of Justice based on our postaward audit of a Deloitte contract. Our audit revealed that Deloitte's commercial sales practice disclosures contained defective data and that Deloitte had not monitored for or reported price reductions over the life of the contract, resulting in government customers paying more for Deloitte's services than comparable commercial customers.

In addition to our contract audit workload, our internal audit work provides significant benefits to GSA and the federal taxpayer. For example, our audit of information technology (IT) reseller contracts on GSA's Multiple Award Schedules (Schedules) Program revealed that GSA offers many identical items on its IT schedule contracts at prices that vary significantly and that lower commercial prices are available for many of the schedule items. In addition, although we recommended in 2007 that FAS take action to reduce schedule contracts with low or no sales, expenses have exceeded revenue for underused IT reseller contracts by about \$25 million since our 2007 recommendation. By implementing our recommendations, FAS should be able to improve the pricing on its IT schedule contracts and lower the costs for the program.

² We monitor and process contractor self-disclosures as required by Federal Acquisition Regulation 3.1003(a)(2). The regulation requires government contractors to disclose credible evidence of violations of federal criminal law under Title 18 of the United States Code and the False Claims Act to agencies' OIGs.

In another significant internal audit, we reported that PBS's Energy Savings Performance Contract (ESPC) awards may not meet their energy savings goals. Under an ESPC, a federal agency uses a private energy company to finance and install energy efficiency improvements in a federal building and then uses the energy savings to fund the payments to the energy company until the improvements have been paid off. Our audit found several weaknesses in PBS's implementation of ESPC task orders, including that PBS risks paying for unrealized energy savings because it did not comply with guidelines for witnessing energy baseline measurements. We made several recommendations to improve PBS's oversight of ESPC task orders in order help ensure the agency achieves its energy saving goals.

Our internal audits also highlighted areas for GSA to improve its information and building security processes. For example, we reported in one audit that GSA failed to timely notify over 8,200 current and former GSA and GSA OIG employees affected by a breach of personally identifiable information (PII). GSA's failure to develop a well-defined action plan to respond to this incident, combined with management oversight failures, left affected individuals vulnerable to identity theft, substantial harm, embarrassment, and inconvenience. In another audit, we found that PBS is not enforcing requirements for contractor security clearances at a federal building. This failure to comply with GSA's policy for implementing Homeland Security Presidential Directive-12 poses increased security risks to building tenants and visitors. In these audits, we made recommendations to improve GSA's breach response and contractor security clearance processes, which GSA has committed to implement.

Office of Investigations

Program Description

The Office of Investigations is comprised of special agents with full statutory law enforcement authority; they make arrests, execute search warrants, serve subpoenas, and carry firearms. Allegations investigated by OIG special agents include bribery, kickbacks, extortion, public corruption, false claims, credit card fraud, theft, diversion of excess government property, counterfeit products, product substitution, false statements, and a variety of other fraud-related crimes and offenses.

The Office of Investigations has developed and implemented an investigative action plan which contains the following elements:

- Investigations of alleged criminal violations and civil fraud by contractors, employees, and others relating to GSA acquisition programs;
- Criminal investigations relating to the integrity of GSA programs, operations, and personnel;

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- The development and implementation of proactive investigations which address systemic investigative issues that cross GSA regional boundaries; and
- Investigations of allegations into serious misconduct by high-ranking GSA officials.

Highlights of the Office's work in FY 2016 include the following:

A GSA OIG investigation revealed that Tishman Construction Corporation (Tishman), one of the largest construction companies in New York City, engaged in a ten-year long fraudulent billing scheme in which Tishman billed clients, including government contracting and funding agencies, for hours that were not worked. On December 10, 2015, Tishman entered into a deferred prosecution agreement with the government in which Tishman agreed to pay \$14.58 million in penalties to the federal government and \$5.65 million in restitution to victims to resolve the GSA OIG criminal investigation into the company's past fraudulent billing practices. In addition, pursuant to the deferred prosecution agreement, Tishman will implement far reaching corporate reforms designed to eliminate future problems and enforce best industry practices.

A GSA OIG investigation revealed a scheme in which, Eric M. Shaffer, a Defense Logistics Agency (DLA) warehouse employee at the DLA San Joaquin Distribution Center in Tracy, California used an eBay account to initiate approximately 325 auctions involving more than 620 items of stolen government property. Shaffer also completed more than 40 private sales of stolen government property. Most of the stolen items were believed to have originated from GSA vendors participating in the GSA Advantage and GSA Global Supply programs. On January 12, 2016, Shaffer was sentenced to one year and one day in prison and an additional 36 months of supervised release. He was also ordered to pay restitution of \$316,000.

A GSA OIG joint investigation with DHS OIG, SBA OIG, and VA OIG into a scheme to obtain government contracts through fraud and misrepresentation led to substantial judicial and administrative actions, including six convictions and eight contractor suspensions or debarments. This investigation secured the conviction of Edwin "Keith" McMeans, General Manager of Thundercat Technology, for conspiring with others to control the procurement process through a network of deception. The scheme included one contractor identifying a contract and submitting a bid for it, and other contractors contemporaneously submitting higher priced, non-competitive bids for the same contract. The higher priced bid was not a true competing bid and was merely intended to provide the appearance of competition to the government so that the intended winning bid could win without facing actual competition. On December 18, 2015, McMeans was sentenced to eight months' imprisonment and one year supervised release, and ordered to pay a \$10,000 fine.

A joint GSA OIG and VA OIG investigation revealed that Sean C. Page used his father's identity, Dalton Page, to establish his company, I2G, as a Service Disabled Veteran Owned Small Business (SDVOSB). Information obtained from GSA databases disclosed numerous instances where Sean C. Page falsely certified the GSA Online Representations

and Certifications Application, the Central Contractor Registry, and the Systems for Award Management; misrepresenting I2G as an SDVOSB owned and operated by Dalton Page. Based on Sean C. Page's false certifications, I2G was awarded approximately \$2.7 million of set-aside contracts from the DoD and the VA that I2G was not eligible to receive. Sean C. Page was found guilty by a jury on February 12, 2016, of violating one count of Theft and two counts of Aggravated Identity Theft. On August 11, 2016, Page was sentenced to 69 months' incarceration, followed by three months' home confinement, and ordered to forfeit \$1.2 million.

The above examples illustrate the important work of the Office of Investigations, and the variety and complexity of the schemes that must be investigated to address fraud, waste and abuse in GSA's multi-billion dollar activities. Without the work of OIG special agents in all these areas, the integrity of GSA programs, operations, and staff would be undermined to the detriment of the Agency, the federal agencies who invest their taxpayer dollars in GSA's building and acquisition services, and the public interest in good governance and justice.

Office of Inspections and Forensic Auditing

Program Description

The Office of Inspections and Forensic Auditing is responsible for independently and objectively analyzing and evaluating GSA's programs and operations through management and programmatic inspections that are intended to provide insight into issues of concern to GSA, Congress, and the American public. The office also reviews and evaluates potentially fraudulent or otherwise criminal activities through the use of forensic auditing skills, tools, techniques, and methodologies, and formulates, directs, and coordinates quality assurance for the OIG. Cutting-edge forensic auditing technology, combined with a unique blend of staffing, allows this small office to engage in proactive and innovative methodologies that bolster traditional audit and investigative practices and procedures.

Inspections are systematic and independent assessments of the design, implementation, and/or results of GSA's operations, programs, and policies. Issues targeted in 2016 included GSA's facilities at risk due to vulnerabilities in GSA's use of building badges and inadequate management of contractor HSPD-12 Personal Identity Verification (PIV) cards.

- An evaluation found widespread use of facility specific building badges at GSA-managed facilities. The building badges are unsecure, unregulated, and weak internal controls over the building badge systems increase the risk of unauthorized access to GSA-managed facilities. Unauthorized access to a federal facility increases the risk of a security event, such as an active shooter, terrorist attack, or theft of government property, as well as exposure of sensitive and proprietary information.

- An evaluation of GSA's process for issuing, managing, and terminating PIV cards to contractor employees found that GSA does not consistently collect PIV cards from inactive contractor employees, and that some contractor employees use expired PIV cards to access GSA-managed facilities. Furthermore, GSA cannot determine the extent of these problems because it does not track data regarding the collection and destruction of expired PIV cards. In addition, GSA's system used to track contractor employee background investigation data is incomplete and inaccurate, resulting in unfit contractor employees being issued PIV cards, as well as contractor employees without any record of background investigation information being recorded.

In response to these evaluations, GSA committed to implement our recommendations in order to improve security for tenants and visitors in GSA-managed buildings.

The work of the Office of Inspections and Forensic Auditing encompasses the very broad range of GSA activities, providing information that is timely, credible, and useful for Agency managers, policymakers, and other stakeholders. As evidenced by the above examples, the office produces significant results by engaging in projects that have direct OIG, GSA, and Federal Government impact.

Executive Direction and Business Support Offices

Program Descriptions

Office of the Inspector General: The Inspector General (IG), Deputy Inspector General, Associate Inspector General and their support staff supervise, coordinate, and provide policy and programmatic direction for all activities within the OIG, including audit and investigation activities, Congressional affairs, and media relations. The IG recommends policies for and coordinates activities to promote economy and efficiency in the administration of and the prevention and detection of fraud and abuse in the programs and operations of GSA.

Office of Counsel: This office provides legal advice and assistance to all OIG components nationwide, represents the interests of the OIG in connection with audits and investigations and in litigation arising out of or affecting OIG operations, and advises on statutes and regulations and assists with legislative concerns. Counsel represents the OIG in personnel matters before administrative tribunals and provides support to U.S. Attorneys' Offices and the Department of Justice in False Claims Act and other litigation. The Office of Counsel also is responsible for the OIG's ethics and disclosure programs.

Office of Administration: This office consists of a multidisciplinary staff that provides budgetary, human resources, information technology, facilities, space, and other

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administrative support and services to all OIG offices. The Office of Administration is responsible for providing the technical, financial, and administrative infrastructure to the OIG.

The FY 2018 Performance Plan

The OIG's strategic plan aligns with our statutory reporting requirements in the Semiannual Report to the Congress (SAR). We provide our annual performance in the SAR that is published shortly after the end of each fiscal year.

Strategic Goal No. 1: Protect taxpayer dollars by promoting the economy, efficiency, and effectiveness of GSA programs and operations.

Discussion

Through its audits, inspections, and investigations, the OIG supports GSA operations by identifying control weaknesses; assisting contracting officers in achieving the best prices for goods and services; identifying non-compliance with statutes, regulations, and contract terms; suggesting ways to mitigate management control weaknesses and other systemic problems; and recommending or seeking recoveries of funds owed to the government. Audits and other reviews are performed both systematically and pursuant to indications of possible deficiencies, as well as in response to requests for assistance from GSA personnel and congressional officials. The OIG will advise GSA management of identified opportunities to increase the economy, efficiency, and effectiveness of GSA's programs and operations.

Performance Goals:

- *Identify potential savings in GSA contracts and programs.*
- *Seek recoveries of monies owed the United States.*
- *Provide audit, investigative, and other reports and memoranda that enable Agency management to make improvement in Agency operations.*

Performance Measures:

- *Dollar value of recommendations that funds be put to better use.*
- *Dollar value of questioned costs.*
- *Dollar value of civil, criminal, and administrative monetary accomplishments.*
- *Number of audit reports and memoranda issued.*
- *Number of other reports issued.*
- *Dollar value of management decisions that agree with recommendations.*

Strategic Goal No. 2: Prevent and detect fraud and abuse in GSA programs and operations.

Discussion

Based on audits, investigations, and inspections, as well as other information received, the OIG will suggest ways to mitigate problems that could allow fraud and or abuse to occur and will detect and refer potential fraud cases to the Department of Justice. The OIG will provide information to GSA relevant to administrative actions and potential debarments.

Performance Goals:

- *Investigate allegations and evidence indicating violations of statutes, regulations, and policies.*
- *Seek Department of Justice involvement in potential fraud cases.*
- *Refer contractors to GSA officials for potential suspension and debarment where their level of responsibility poses a risk to Federal Government customers.*
- *Provide Agency management with information necessary to take personnel and other administrative actions.*

Performance Measures:

- *Number of criminal referrals, acceptances, and convictions.*
- *Number of civil referrals, acceptances, and resolutions.*
- *Number of suspension and debarment referrals.*
- *Number of referrals for GSA employee management actions.*

OIG Strategic Goal No. 3: Focus on high-risk and high-impact areas.

Discussion

The OIG will focus its resources on issues with potentially significant impact on GSA programs and operations, in order to, for example, restore Federal funds lost through non-compliance or criminal activity; assist GSA management in ensuring the integrity of high-dollar and high-priority programs and procurements; and recommend to GSA any necessary programmatic changes to ensure process efficiency and achievement of the Agency's mission and goals. By focusing on high-risk areas, the OIG should achieve greater monetary savings for GSA.

Performance Goals:

- *Perform audits of GSA contracts, programs, and systems that present the most significant management challenges, high-risk areas, and opportunities for improvement.*
- *Devote investigative resources to potentially significant government losses and serious breaches of the integrity of Agency programs and operations.*

Performance Measures:

- *Percent of audit resources focused on high-priority areas, including management challenges and support of FCA litigation.*
- *Percent of investigative resources focused on high-priority cases.*

U.S. General Services Administration

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Fiscal Year 2018 Budget Request

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U.S. General Services Administration
Allowances and Office Staff for Former Presidents

Appropriations Language

For carrying out the provisions of the Act of August 25, 1958 (3 U.S.C. 102 note), and Public Law 95-138, [~~\$3,277,000~~]*\$4,754,000*.

Program Description

This appropriation provides pensions, office staffs, and related expenses for former Presidents Jimmy Carter, George H.W. Bush, William Clinton, George W. Bush, and Barack Obama.

Explanation of Changes

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
	\$ 3,134	\$ 3,630	\$ 4,754

Program Increases:

Full Year Operations for Former President Obama	\$ 794
Personnel Benefits	\$ 45
Benefits for Former Personnel	\$ 18
Supplies, Materials, and Equipment	\$ 122
Contractual Services	\$ 90
Rental Payments	\$ 33
Travel and Transportation of Persons	<u>\$ 38</u>
Subtotal, FY 2018 Program Increases.....	\$ 1,140

Program Decreases:

Printing and Communications	<u>\$ (16)</u>
Subtotal, Program Decreases	\$ (16)

Total Adjustments..... \$ 1,124

Note: FY 2017 CR Level includes an additional \$359 thousand above the CR rate to fund the pension and office of Former President Obama.

Summary of the Request

The FY 2018 proposed budget provides a total of \$4,754 thousand for the annual pensions of the former Presidents and compensation of their office staffs and related expenses. GSA has a statutory requirement to support these activities under the Former Presidents Act of 1958, as amended (3 U.S.C. 102 note).

In January 2017, the program began funding the pension for President Obama, and after July 21, 2017, the program will fund payroll and benefits of his staff, office space, office furnishings, and other related expenses. FY 2018 will therefore be the first fiscal year that the budget will need to cover a full year of operations for five, not four, former Presidents. The estimated increase to adjust the FY 2017 part year requirement to the full year requirement in FY 2018 increases the budget request by \$794 thousand from the FY 2017 CR level.

In addition, this budget request includes increases of \$330 thousand for rent, travel, supplies, and other operating expenses for Presidents G. W. Bush, Clinton, G. H. W. Bush and Carter to fulfill GSA's responsibilities under the statute.

- Net increase of \$1,124 thousand as follows:
 - o \$794 thousand in increases to provide for a full year of operations for President Obama's pension, payroll and benefits of his staff, office space, office furnishings and other related expenses.
 - o \$18 thousand increased cost in pensions for Presidents G. W. Bush, Clinton, G. H. W. Bush and Carter.
 - o \$38 thousand increased cost in Travel and Transportation of Persons for President G. H. W. Bush and President G. W. Bush.
 - o \$45 thousand increased cost in Civilian Personnel Benefits Compensation for Presidents Clinton and G. W. Bush.
 - o -\$16 thousand net decreased cost in Printing and Communication for Presidents Clinton, G. W. Bush, and G. H. W. Bush.
 - o \$33 thousand increased cost in Rental Payments to GSA for Presidents Carter and G. H.W. Bush.
 - o \$122 thousand for increased in supplies and equipment purchases for Presidents Clinton, G. H. W. Bush, and G. W. Bush.
 - o \$90 thousand for increased contractual services for Presidents Clinton, G. H. W. Bush, Carter, and G. W. Bush.

*U.S. General Services Administration
 Allowances and Office Staff for Former Presidents*

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
Discretionary authority:			
Annual appropriation	\$ 3,277	\$ 3,630	\$ 4,754
Unobligated balance, rescinded.....	\$ -	\$ -	\$ -
Unobligated balance, sequestered.....	\$ -	\$ -	\$ -
Unobligated balance, end of year.....	\$ 143	\$ -	\$ -
Total, obligations	\$ 3,134	\$ 3,630	\$ 4,754
Net Outlays	\$ 3,102	\$ 3,594	\$ 4,706

Note: FY 2017 CR Level includes an additional \$359 thousand above the CR rate to fund the pension and office of Former President Obama.

U.S. General Services Administration
Allowances and Office Staff for the Former Presidents

Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
11.1 Full-time, permanent.....	\$ -	\$ -	\$ -
11.3 Other than full-time permanent.....	\$ -	\$ -	\$ -
11.5 Other personnel compensation.....	\$ -	\$ -	\$ -
11.8 Special personnel services payments.....	\$ 287	\$ 317	\$ 438
12.1 Civilian personnel benefits.....	\$ 236	\$ 292	\$ 423
13.0 Benefits for former personnel.....	\$ 843	\$ 1,023	\$ 1,120
21.0 Travel and transportation of persons.....	\$ 57	\$ 40	\$ 85
22.0 Transportation of things.....	\$ -	\$ -	\$ -
23.1 Rental payments to GSA.....	\$ 1,263	\$ 1,462	\$ 1,952
23.2 Rental payments to others.....	\$ -	\$ -	\$ -
23.3 Communications and utilities.....	\$ 200	\$ 216	\$ 168
24.0 Printing and reproduction.....	\$ 31	\$ 30	\$ 76
25.1 Advisory and assistance services.....	\$ 106	\$ 105	\$ 210
25.2 Other services from non-Federal sources.....	\$ -	\$ -	\$ -
25.3 Other goods & services from Federal sources.....	\$ 39	\$ 55	\$ 53
25.4 Operation and maintenance of facilities.....	\$ 43	\$ 44	\$ 47
25.6 Medical care.....	\$ -	\$ -	\$ -
25.7 Operation and maintenance of equipment.....	\$ -	\$ -	\$ -
26.0 Supplies and materials.....	\$ 19	\$ 17	\$ 60
31.0 Equipment.....	\$ 10	\$ 29	\$ 122
99.0 Obligations, Appropriated (Annual).....	\$ 3,134	\$ 3,630	\$ 4,754
<i>Subtotal, PC&B.....</i>	<i>\$ 1,366</i>	<i>\$ 1,632</i>	<i>\$ 1,981</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ 1,768</i>	<i>\$ 1,998</i>	<i>\$ 2,773</i>

Note: FY 2017 CR Level includes an additional \$359 thousand above the CR rate to fund the pension and office of Former President Obama.

U.S. General Services Administration
 Allowances and Office Staff for Former Presidents

FY 2018 Budget Request by Former President

(Dollars in Thousands)

	CARTER	G H W BUSH	CLINTON	G W BUSH	OBAMA	TOTAL
Personnel Compensation.....	\$ -	\$ 96	\$ 96	\$ 96	\$ 150	\$ 438
Personnel Benefits.....	\$ -	\$ 74	\$ 119	\$ 108	\$ 122	\$ 423
Benefits for Former Presidents (pensions).....	\$ 214	\$ 214	\$ 231	\$ 225	\$ 236	\$ 1,120
Travel.....	\$ -	\$ 68	\$ -	\$ 7	\$ 10	\$ 85
Rental Payments to GSA.....	\$ 115	\$ 286	\$ 518	\$ 497	\$ 536	\$ 1,952
Communications, Utilities, and Misc.....	\$ 17	\$ 57	\$ 14	\$ 69	\$ 11	\$ 168
Printing.....	\$ 7	\$ 11	\$ 17	\$ 21	\$ 20	\$ 76
Other Services.....	\$ 102	\$ 83	\$ 35	\$ 54	\$ 36	\$ 310
Supplies.....	\$ 1	\$ 15	\$ 7	\$ 30	\$ 7	\$ 60
Equipment.....	\$ -	\$ 38	\$ 26	\$ 33	\$ 25	\$ 122
FY 2018 Request	\$ 456	\$ 942	\$ 1,063	\$ 1,140	\$ 1,153	\$ 4,754

*Personnel Compensation and Benefits for former President Carter are provided by contract support categorized under 'Other Services'.

** Personnel Compensation for staff are limited to a rate of \$150 thousand per annum for the first 30 months and a rate of \$96 thousand per annum thereafter.

U.S. General Services Administration

FEDERAL CITIZEN SERVICES FUND

Fiscal Year 2018 Budget Request

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Appropriations Language

For necessary expenses of the [Office of Citizen Services and Innovative Technologies] *Office of Products and Programs*, including services authorized by 40 U.S.C. 323 and 44 U.S.C. 3604; and for necessary expenses in support of interagency projects that enable the Federal Government to enhance its ability to conduct activities electronically, through the development and implementation of innovative uses of information technology; [\$55,894,000]\$53,741,000 to be deposited into the Federal Citizen Services Fund: Provided, That the previous amount may be transferred to Federal agencies to carry out the purpose of the Federal Citizen Services Fund: Provided further, That the appropriations, revenues, reimbursements, and collections deposited into the Fund shall be available until expended for necessary expenses of Federal Citizen Services and other activities that enable the Federal Government to enhance its ability to conduct activities electronically[in the aggregate amount not to exceed \$90,000,000; Provided further, That appropriations, revenues, reimbursements, and collections accruing to this Fund during fiscal year 2016 in excess of such amount shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts]: Provided further, That any appropriations provided to the Electronic Government Fund that remain unobligated may be transferred to the Federal Citizen Services Fund: Provided further, That the transfer authorities provided herein shall be in addition to any other transfer authority provided in this Act.

Program Description

The Federal Citizen Services Fund appropriation provides for the salaries and expenses of GSA's Office of Products and Programs (OPP). OPP develops and maintains user-centric shared services, solutions, platforms and practices to improve information and service delivery across government, enabling more efficient, effective, citizen-centered government.

The Federal Citizen Services Fund (FCSF) enables citizen access and engagement with government through an array of operational programs and direct citizen facing services. FCSF initiatives allow individuals, businesses, other governments, and the media to easily find and use federal information, services, benefits, and business opportunities via the internet, phone, email, and print. The Fund supports agency facing programs that drive government-wide transformation to secure, digital government through shared services, platforms and solutions, and by providing technical expertise to agencies on projects that leverage digital technologies. Extensive communities of practice in key areas including social media, mobile computing, user experience, prize and challenge competitions, and contact centers serve as a catalyst to drive adoption and improvement of digital services through development and sharing of best practices, training, and establishment of working groups to address tactical needs. Electronic Government (E-Gov) initiatives will continue to drive innovation in Government operations, using IT to improve the transparency, efficiency and effectiveness of Federal operations, and increase citizen participation in Government.

The FCSF is financed from annual appropriations to pay for the salaries and expenses of OPP staff and programs. Reimbursements from Federal agencies pay for the direct costs of

U.S. General Services Administration
Federal Citizen Services Fund

information services OPP provides on behalf of the agencies. The FCSF also allows for user fees for publications ordered by the public, payments from private entities for services rendered, and gifts from the public. All income is available without regard to fiscal year limitations. OPP is a part of GSA's Technology Transformation Service, which also includes the Office of 18F, a digital services development and delivery organization, and the Presidential Innovation Fellows Program (PIF). 18F and the PIF program are funded on a reimbursable basis outside the FCSF by the Acquisition Services Fund (ASF).

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
<i>Unobligated balance, start of year</i>	\$ 14,153	\$ 18,206	\$ 18,206
Discretionary authority:			
Annual appropriation	\$ 55,894	\$ 55,787	\$ 53,741
Total Collections:			
Reimbursable Services:			
From Federal Agencies.....	\$ 8,129	\$ 7,353	\$ 7,353
From the Private Sector.....	\$ -	\$ -	\$ -
User Fees.....	\$ 34	\$ 40	\$ -
Gifts from the Private Sector.....	\$ 151	\$ 15	\$ 11
Change in Unfilled Customer Orders.....	\$ -	\$ -	\$ -
Subtotal, reimbursable authority.....	\$ 8,314	\$ 7,408	\$ 7,364
Recovery of prior-year obligations.....	\$ 3,267		
Net transfer	\$ 706		
Unobligated balance, reimbursable.....	\$ (1,424)		
Unobligated balance, direct.....	\$ (16,782)	\$ (18,206)	\$ (18,206)
Total, obligations.....	\$ 64,128	\$ 63,195	\$ 61,105
Obligations, appropriated (no year)	\$ 56,336	\$ 55,787	\$ 53,741
Obligations, reimbursable.....	\$ 7,792	\$ 7,408	\$ 7,364
<i>Net Outlays</i>	<i>\$ 56,722</i>	<i>\$ 60,138</i>	<i>\$ 59,699</i>

*U.S. General Services Administration
Federal Citizen Services Fund*

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2016 Actual	FTE	FY 2017 Full Year CR	FTE	FY 2018 Request
	76	\$ 56,336	65	\$ 55,787	70	\$ 53,741

Maintaining Current Levels:

FY 2018 Pay Increase (1.9%), Effective January 2018	-	\$ 188
Communications, Printing, and Reproduction	-	\$ (15)
Contractual Services	-	\$ 132
Supplies, Materials, and Equipment	-	\$ (6)
Subtotal, FY 2018 Current Services.....	-	\$ 299

Program Changes:

Transfer of Federal .gov Registry Program From OGP	-	\$ 1,501
Digital Services	-	\$ (1,100)
Reduction in Hosting and Infrastructure Services	-	\$ (3,488)
Insourcing of Contractual Services	5	\$ 1,034
Contractual Services	-	\$ (870)
Travel and Transportation	-	\$ (8)
Working Capital Fund Bill	-	\$ 586
Subtotal, Program Changes.....	5	\$ (2,345)

Summary of the Request

The FY 2018 proposed budget provides a total of \$53,741 thousand for the Federal Citizen Services Fund. The program request includes \$47,841 thousand to support the activities of the Office of Products and Programs. In addition, the program requests \$5,900 thousand for non-reimbursable Digital Services initiatives.

The OPP activities funded through the Federal Citizen Services Fund (FCSF) enable citizen access and engagement with government through an array of operational programs and direct citizen facing services. These initiatives allow individuals, businesses, other governments, and the media to easily find and use Federal information, services, benefits, and business opportunities via the internet, phone, email, and print. The Fund supports agency-facing programs that drive government-wide transformation to secure, digital government through shared services, platforms and solutions, and by providing technical expertise to agencies on projects that leverage digital technologies. Extensive communities of practice in key areas including social media, mobile computing, user experience, prize and challenge competitions, and contact centers serve as a catalyst to drive adoption and improvement of digital services through development and sharing of best practices, training, and establishment of working groups to address tactical needs. Electronic Government (E-Gov) initiatives will continue to drive innovation in government operations, using IT to improve the transparency, security, and efficiency of Federal operations, and increase citizen participation in government.

Key Changes

The FY2018 request reflects a \$2.0million reduction from the FY 2017 CR level. These reductions will primarily be realized by changes to products' hosting and infrastructure services. OPP has moved multiple products from a commercial hosting provider to a lower cost commercial provider, at an estimated savings of \$2.4 million. Further, OPP will reduce the amount of Digital Services Funding available for new work by \$1.1 million in FY2018.

The FY 2018 request includes \$1.5 million to support full management and operations of the Federal .gov registry, a program which is transferring to OPP/TTS from GSA's Office of Government-wide Policy in FY 2018.

Program Financing

The Federal Citizens Services Fund is financed from annual appropriations, reimbursements from other Federal entities, and gifts.

All resources are retained in the fund without fiscal year limitation.

U.S. General Services Administration
Federal Citizen Services Fund

Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
11.1 Full-time, permanent.....	\$ 8,454	\$ 7,434	\$ 8,359
11.3 Other than full-time permanent.....	\$ 83	\$ -	\$ -
11.5 Other personnel compensation.....	\$ 72	\$ 100	\$ 104
11.8 Special personnel services payments.....	\$ -	\$ -	\$ -
12.1 Civilian personnel benefits.....	\$ 2,547	\$ 2,379	\$ 2,672
21.0 Travel and transportation of persons.....	\$ 74	\$ 65	\$ 65
22.0 Transportation of things.....	\$ 4	\$ -	\$ -
23.1 Rental payments to GSA.....	\$ -	\$ -	\$ -
23.3 Communications and utilities.....	\$ 130	\$ 152	\$ 146
24.0 Printing and reproduction.....	\$ 239	\$ 235	\$ 226
25.1 Advisory and assistance services.....	\$ 23,416	\$ 34,313	\$ 28,854
25.3 Goods & services from Gov't accounts.....	\$ 21,171	\$ 11,088	\$ 13,300
26.0 Supplies and materials.....	\$ 1	\$ 12	\$ 8
31.0 Equipment.....	\$ 145	\$ 9	\$ 7
42.0 Insurance claims and indemnities.....	\$ -	\$ -	\$ -
99.0 Obligations, appropriated.....	\$ 56,336	\$ 55,787	\$ 53,741
<i>Subtotal, PC&B.....</i>	<i>\$ 11,156</i>	<i>\$ 9,913</i>	<i>\$ 11,135</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ 45,180</i>	<i>\$ 45,874</i>	<i>\$ 42,606</i>
99.0 Obligations, reimbursable.....	\$ 7,792	\$ 7,408	\$ 7,364
99.9 Total obligations.....	\$ 64,128	\$ 63,195	\$ 61,105
<i>Full-Time Equivalent (FTE)</i>	<i>76.0</i>	<i>65.0</i>	<i>70.0</i>

Office of Products and Programs FCSF-Funded Activities

The Office of Products and Programs is part of the Technology Transformation Service (TTS), established in 2016. TTS' mission is to improve the public's experience with the government by helping agencies build, buy and share technology that allows them to make their services more accessible, efficient, and effective. OPP develops and maintains user-centric shared services, solutions, platforms and practices to improve information and service delivery across government, enabling citizen access and engagement with government. TTS also includes the Office of 18F, a digital services development and delivery organization and the Presidential Innovation Fellows Program (PIF), which are funded outside the FCSF by the Acquisition Services Fund (ASF) through reimbursable agreements with client agencies.

The FY 2018 Budget request will support OPP projects, programs, and/or initiatives in the following portfolios:

Secure Cloud Portfolio

The Secure Cloud Portfolio's mission is to make cloud computing the easy, secure, and default IT solution for Federal agencies. The Secure Cloud Portfolio does this through creating (1) a broad marketplace of approved government and private sector products and platforms, (2) guidance for best practices for using the cloud, and (3) promotion of collaboration through the creation of a strong cross-government cloud community.

Projects, program, or initiatives that support this portfolio include, but are not limited to, the following existing efforts:

FedRAMP

The Federal Risk and Authorization Management program (FedRAMP) is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services. In addition to continued growth of authorized cloud services, FedRAMP will work to improve cybersecurity performance and management in cloud environments through ongoing awareness of information security, vulnerabilities, and threats impacting the operating information environment, ensuring that only authorized users have access to resources and information.

Terms of Service Program

Almost all cloud solutions and all Social Media providers require end users to sign "Terms of Service" - conditions for using that service. The Terms of Service Program works with major providers like Google, Facebook, Snapchat, and others to create Federal friendly Terms of Service so that Federal agency employees may legally use these services in support of their agency's mission.

Apps.gov

Apps.gov is an online marketplace where Federal agencies can search and compare cloud technologies. Apps.gov features hundreds of cutting-edge products agencies can use to make their teams more productive. Apps.gov also provides information on each product regarding security authorizations, compliance with Federal mandates, and procurement options for agencies.

Public Experience Portfolio

The Public Experience Portfolio's mission is to improve the public's experience with the Federal government. The portfolio focuses on unifying, improving, and standardizing the public's experience with the Federal government.

Projects, programs, or initiatives that support this portfolio include, but are not limited to, the following existing efforts:

USA.Gov

USA.gov, Gobierno.usa.gov and Kids.gov make it easy for the public to find and consume U.S. government information and services on the web. In FY 2016, the USA.gov platform connected people hundreds of millions of times with government information through its websites, social media, publications, email, and phone calls through its USA.gov Contact Center.

BusinessUSA

The Public Experience Portfolio assumed responsibility for operation of the BusinessUSA program in FY 2016. BusinessUSA was initially a stand-alone website, but GSA plans to merge it into USA.gov. On the USA.gov platform, BusinessUSA will continue to provide a "no wrong door" approach to helping small businesses find and access services and information to help start and grow businesses.

USAGov Information Exchange

USAGov is partnering with several federal agencies to simplify and integrate services along life events. The program enables the public to authorize release of information between agencies when it is needed to adjudicate benefit or service applications.

Labs.USA.gov

OPP continues broad research to inform the future development of agency-agnostic citizen services content and services.

Data and Analytics Portfolio

The Data and Analytic Portfolio's mission is to empower both the public and agencies by making government information more open and leveraging data to enable more effective decision-making and develop creative solutions. The portfolio focuses on providing agencies with analytics and data management capabilities that help them better understand and serve the

needs of the public while giving the public better access to government resources.

Projects, programs, or initiatives that support this portfolio include, but are not limited to, the following existing efforts:

Data.gov

Data.gov is the hub to access and use open government data sets. Under the Open Data Policy, Federal agencies must maintain public listings of all of their datasets. Citizens, entrepreneurs, researchers and others can access the datasets through Data.gov.

Digital Analytics Program (DAP)

The Digital Analytics Program offers advanced Web analytics to Federal agencies. This allows the government to determine what content is most effective when communicating with the public on over 4,500 websites.

Smarter IT Delivery

The Smarter IT Delivery Portfolio's mission is to improve technology outcomes and customer satisfaction with Federal services through the efficient development and delivery of modern consumer services.

The projects, program, or initiatives that support this portfolio include, but are not limited to, the following existing efforts:

DigitalGov Search

DigitalGov Search powers the search box on 1,850 Federal government websites—at no cost to agencies—to deliver fast, relevant search results to the public. In FY 2017, Google discontinued both its Site Search and announced plans to fully discontinue the Search appliance in 2019. This has substantially increased demand for DigitalGov Search.

Sites.usa.gov (Sites)

Sites allows federal agencies to quickly stand up a website using a self-service content management system. Sites gives customers a mobile responsive site, with Digital Gov Search and the Digital Analytics Program built in. Customers include 53 live sites, such as the Department of Labor blog and several GSA websites (PresidentialTransition.U.S.A.gov, DigitalGov.gov, FedRamp.gov. Citizenscience.gov, and the Citizen Science and Crowdsourcing Toolkit).

Both of these products, and others in the portfolio, eliminate the need for Federal agencies to create redundant solutions to common IT challenges.

Open Innovation Portfolio

The Open Innovation Portfolio serves as a connection point between practitioners, change agents, innovation hubs and idea labs across government. Its mission is to convene and leverage their expertise to encourage others to learn and share alternative approaches to problem solving and the deployment of proven technology and innovation practices. The portfolio focuses on a series of internal and external government-wide initiatives, strategies, programs and outreach efforts that invite participation and fresh perspectives from a broad range of stakeholders to innovate and help solve problems across government.

Projects, programs, or initiatives that support this portfolio include, but are not limited to, the following existing efforts:

Challenge.gov

Challenge.gov is a technical platform and government wide repository of challenge and prize competitions across the Federal government. These include technical, scientific, ideation, and creative competitions where the U.S. government seeks innovative solutions from the public. The use of prizes and challenges, one type of open innovation tool, has accelerated since the program was established in 2010. Over 100 agencies have run over 730 challenges as of October 2016 which has made over \$250 million available to the public.

CitizenScience.gov

CitizenScience.gov is designed to accelerate the use of crowdsourcing and citizen science across government by providing a searchable catalog of federally supported citizen science projects, resources to assist with designing and maintaining projects, and a gateway to a federal community of practice to share best practices. Through citizen science and crowdsourcing, another type of open innovation approach, the Federal government engages the American public in addressing societal needs and accelerating science, technology, and innovation.

Innovation Lab

The Innovation Lab will drive the development of innovation assets, best practices and tools across government and centralize resources to facilitate the broader awareness and adoption of innovative approaches. It will foster networks and communities of contributors and change agents who share skills, collaborate on projects and resources that support agency missions, and identify new target areas for advancement. The lab will encourage and coordinate more ambitious applications of innovative approaches both within and outside the federal government.

Better Government Toolkit

The Better Government Toolkit consists of innovative approaches to core government functions that can help deliver significantly better government for the American people at lower cost, but have not yet achieved widespread adoption because too few Federal employees are aware that they exist and know how to use them. The toolkit provides

practical explanations of innovative approaches and techniques, policies, implementation strategies, and other relevant information to help agencies deploy new practices. It shares the evidence base for innovation with metrics-driven, impact-focused case studies. Examples of proven tools include agile IT contracting approaches to pay only for what works, incentive prizes and challenges to harness the efforts of outside innovators, open Federal data to catalyze marketplace innovation, fellowships and accelerated hiring approaches to tap outside talent, and tiered-evidence grant programs to test and scale what works.

Non-Reimbursable Digital Service Initiatives

Non-Reimbursable Digital Services funding is used to support low-cost exploratory activities to identify and prototype promising technology investments. This funding is also used to support additional product development activities for the most successful prototypes.

These investments are selected through a competitive process that evaluates proposals and selects the most promising investments for small-dollar funding. TTS/OPP recently launched the “TTS Incubator,” a revised version of the investment process developed in 2015 and 2016 that resulted in a number of successful technology investments, including the U.S. Web Design Standards, eRegulations Notice & Comment, and research and prototyping that formed the basis for Login.gov. In FY 2018, this funding will primarily be used to support ongoing investments in the Login.gov program.

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**U.S. General Services Administration
TECHNOLOGY MODERNIZATION FUND**

Fiscal Year 2018 Budget Request

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Appropriations Language

For the Technology Modernization Fund, \$228,000,000, to remain available until expended, for technology-related modernization activities.

Program Description

The Technology Modernization Fund (TMF) is designed to be a full cost recovery revolving fund that finances the transition of Federal agencies from antiquated legacy IT systems to more cost-effective and secure modern IT platforms. The fund serves as a long-term, self-sustaining mechanism for Federal agencies to regularly refresh outdated networks and systems with the newest technologies and security capabilities. As funding is allocated to priority agency projects across the Federal Government, it is subsequently replenished by agency repayments to the fund as well as fee-for-service receipts from the development and operation of shared IT platforms.

The fund is to be administered by GSA, in accordance with an inter-agency project review board chaired by the Federal Chief Information Officer and comprised of experts in IT acquisition, cybersecurity, and agile development. The board will review agency modernization proposals and select projects for funding to ensure prioritization of projects with the greatest government-wide impact and probability of success. The board will also perform continuous oversight of funded projects to ensure success, and funding will be provided in tranches based on incremental development practices. GSA will provide multi-disciplinary technical support for projects funded through the TMF to help agencies successfully transition to modern technology solutions.

This funding request aligns with Congressional efforts to pass authorizing legislation further directing the purposes and activities of the TMF, as outlined in the Modernizing Government Technology Act moving in parallel with the President's FY 2018 Budget.

Summary of the Request

Technology has transformed how the Federal government operates and has revolutionized the way in which the American people interact with their government. Technology is firmly interwoven into the mission of every Federal agency, supporting new ways of doing business and creating both opportunities and challenges. As a result, technology has the potential to enable agencies to accomplish their missions more securely, effectively, and economically, but in order to take advantage of these opportunities; agencies must continually modernize, upgrade, or retire existing IT systems.

Despite the benefits of modern technologies, the pervasive use of legacy information technology (IT) systems and infrastructure results in increased cybersecurity risks to Federal IT systems, inadequate services for the American people and businesses, and increased carrying costs to operate and maintain aging systems. Absent immediate action, the cost to operate and maintain

legacy systems will continue to increase, while security vulnerabilities and other risks will expand.

Agencies have spent significant sums attempting to modernize their IT portfolios, with a mixed track record of success. IT modernization can generate significant long-term cost savings and improvements in security, but agencies are not always able to fund the investments up front. To address these issues, the President's FY 2018 Budget places a portion of the Federal government's \$80+ billion in annual IT spending under a central mechanism designed to improve management and oversight. The TMF will be dedicated to retiring and replacing antiquated legacy IT systems that are not cost-effective or pose security risks by transitioning to more secure and efficient modern IT platforms, such as cloud and shared services, while also establishing a self-sustaining mechanism for Federal agencies to regularly refresh their IT systems based on up-to-date technologies.

The centralized nature of the TMF will strengthen the ability of the Federal government to strategically prioritize investments across government, rather than on an agency-by-agency basis, ensuring that projects with the greatest government-wide impact are pursued. Through this initiative, the Administration will make it a priority to identify opportunities to move agencies away from owning and operating single-agency infrastructure and platforms and instead toward provisioned services widely available from the private sector, such as cloud services, as well as common solutions for needs shared by multiple agencies. Further, as a central fund that agencies apply to, the TMF will provide strong incentives for agencies to develop comprehensive, high quality modernization plans.

The predominant use of the TMF will be the direct allocation of upfront funding to agencies. This will enable agencies to amortize nonrecurring upfront costs and more appropriately plan for the retirement, replacement, and modernization of priority legacy systems. Since the TMF is a revolving fund that is self-sustaining, agencies will repay the fund over a period of time, typically not greater than five years, while generating out-year savings from modernization efficiencies. Funding for all projects will be incremental and tied to real-world delivery of products. This approach ensures that agencies employ agile development techniques and prevents sunk costs.

A centralized TMF project selection process will enable agencies to apply for funds by submitting modernization proposals for review by the Technology Modernization Board. The board will consider selection criteria including the risks of continuing to operate the legacy IT system, capacity for reuse of the modernized platform, improved user experience and service delivery, and potential savings. Building off its mission to help the government deliver modern digital services, GSA will offer subject matter experts in areas including design, development, product management, business process engineering, acquisition, and security architecture and configuration to aid agencies in transitioning off of legacy IT systems to the TMF-funded modern solution. This centralized project management, oversight, and technical expertise will enable agencies to rapidly transition from legacy IT systems to modern technologies that are more secure, reliable, and cost-effective.

*U.S. General Services Administration
Technology Modernization Fund*

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
Direct authority:			
Annual appropriation.....	\$ -	\$ -	\$ 228,000
Unobligated balance, end of year.....	\$ -	\$ -	\$ -
Total, obligations.....	\$ -	\$ -	\$ 228,000
<i>Net Outlays</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 114,000</i>

U.S. General Services Administration
Technology Modernization Fund

Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
11.1 Full-time, permanent.....	\$ -	\$ -	\$ 2,218
11.3 Other than full-time permanent.....	\$ -	\$ -	\$ 14
11.5 Other personnel compensation.....	\$ -	\$ -	\$ 1
12.1 Civilian personnel benefits.....	\$ -	\$ -	\$ 667
21.0 Travel and transportation of persons.....	\$ -	\$ -	\$ 12
23.1 Rental payments to GSA.....	\$ -	\$ -	\$ 135
23.3 Communications and utilities.....	\$ -	\$ -	\$ 18
24.0 Printing and reproduction.....	\$ -	\$ -	\$ 15
25.1 Advisory and assistance services.....	\$ -	\$ -	\$ 33,519
25.3 Other goods & services from Federal sources....	\$ -	\$ -	\$ 12,573
26.0 Supplies and materials.....	\$ -	\$ -	\$ 60
31.0 Equipment.....	\$ -	\$ -	\$ 178,768
99.0 Obligations, Appropriated (Annual).....	\$ -	\$ -	\$ 228,000
Subtotal, PC&B.....	\$ -	\$ -	\$ 2,900
Subtotal, Non-labor.....	\$ -	\$ -	\$ 225,100

FTE by Fiscal Year

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
Technology Modernization Fund	0	0	20

U.S. General Services Administration
ASSET PROCEEDS AND SPACE MANAGEMENT FUND
Fiscal Year 2018 Budget Request
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Appropriations Language

For carrying out the purposes of the Federal Assets Sale and Transfer Act of 2016 (Public Law 114–287) there is hereby appropriated \$40,000,000 to be available until expended to the Asset Proceeds and Space Management Fund.

Appropriation Language Explanation

This appropriation language aligns with the General Provision that creates a freestanding account for the Asset Proceeds and Space Management Fund and seeds the corpus of the Fund. The enacted legislation, PL 114-287, originally housed this Fund within the Federal Buildings Fund.

Program Description

This appropriation provides for the purposes of carrying out actions pursuant to the recommendations of the Public Buildings Reform Board focusing on civilian real property. In addition, amounts received from the sale of any civilian real property pursuant to a recommendation of the Board are available, as provided in appropriations Acts. Activities authorized include consolidation, co-location, exchange, redevelopment, reconfiguration of space, disposal, covering costs associated with sales transactions, acquiring land, construction, constructing replacement facilities, and conducting advance planning and design as may be required to transfer functions from a Federal asset or property to another Federal civilian property.

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 Full Year CR	FY 2018 Request
Resources:			
Available from prior year for reauthorization	\$ -	\$ -	\$ -
Appropriation	\$ -	\$ -	\$ 40,000
Retention of Proceeds (Sale of Real Property)	\$ -	\$ -	\$ -
Subtotal, Revenue	\$ -	\$ -	\$ -
Total Resources Available	\$ -	\$ -	\$ 40,000
New Obligational Authority:			
Sales and Disposals	\$ -	\$ -	TBD
Construction and Acquisition	\$ -	\$ -	TBD
Redevelopment and Reconfiguration	\$ -	\$ -	TBD
Total New Obligational Authority	\$ -	\$ -	\$ 40,000
Fund Balance:			
Total Resources Available	\$ -	\$ -	\$ 40,000
Total New Obligational Authority	\$ -	\$ -	\$ (40,000)
Fund Balance (Available for Reauthorization)	\$ -	\$ -	\$ -
Net Budget Authority	\$ -	\$ -	\$ 40,000

Summary of the Request

The FY 2018 appropriated budget request provides \$40,000 thousand for the Asset Proceeds and Space Management Fund.

The Asset Proceeds and Space Management Fund will fund the recommended actions of the Public Buildings Reform Board that have been approved by the Office of Management and Budget. The Board will identify opportunities for cost savings and deficit reduction by reducing the Federal government's inventory of civilian real property.

Since 2003, the Government Accountability Office has designated Federal real property management as a high-risk area, citing concerns about the deteriorating condition of facilities, the quantity of excess and underutilized properties, and an overreliance on leasing. To address these concerns, the Fund will execute action that will consolidate the footprint and maximize the utilization rate of Federal buildings and facilities, reduce the reliance on leased space, sell or redevelop high value assets that are under-utilized to obtain the highest and best value for the taxpayer, reduce operating and maintenance costs, reduce redundancy, and facilitate and expedite the sale or disposal of unneeded Federal civilian properties.

Program Financing

The corpus of the Asset Proceeds and Space Management Fund will be established with appropriations in FY 2018. The appropriated funds will be available to finance real property projects recommended by the Public Buildings Reform Board and approved by the Office of Management and Budget. The Fund is also authorized to collect amounts received from the sale of civilian real property pursuant to a recommendation of the Board. Those amounts may be used in future fiscal years as provided in appropriations acts. To complete these projects, the disposing agency may fund the project or the program management for the Asset Proceeds and Space Management Fund may fund the project. For projects funded by the Asset Proceeds and Space Management Fund, the program management for the Fund may enter into reimbursable agreements..

Explanation of Changes

(Dollars in Thousands)

	FTE	FY 2016 Actual	FTE	FY 2017 Full Year CR	FTE	FY 2018 Request
	-	\$ -	-	\$ -	-	\$ 40,000

Program Increases:

Sales and Disposals					-
Construction and Acquisition					-
Redevelopment and Reconfiguration					-
Subtotal, Program Increases.....					\$ 40,000

Total Adjustments..... - **\$ 40,000**

Obligations by Object Class

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Full Year CR	FY 2018 Request
24.0 Printing and reproduction.....	\$ -	\$ -	\$ 100
25.1 Advisory and assistance services.....	\$ -	\$ -	\$ 900
25.3 Other goods & services from Federal sources	\$ -	\$ -	\$ 4,000
32.0 Land and structures.....	\$ -	\$ -	\$ 35,000
99.0 Obligations, Appropriated (Annual).....	\$ -	\$ -	\$ 40,000
Subtotal, PC&B.....	\$ -	\$ -	\$ -
Subtotal, Non-labor.....	\$ -	\$ -	\$ 40,000

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U.S. General Services Administration

ENVIRONMENTAL REVIEW IMPROVEMENT FUND

Fiscal Year 2018 Budget Request

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Appropriations Language

For necessary expenses of the Environmental Review Improvement Fund established pursuant to 42 U.S.C. 4370m-8(d), \$10,000,000, to remain available until expended.

Analysis of Language Provisions

This provides appropriations for the Environmental Review Improvement Fund for the operations of the Federal Permitting Improvement Steering Council (Permitting Council or FPISC). This funding will allow FPISC to execute its statutory mission until fee revenues become available.

Program Description

This appropriation supports the authorized activities of the Environmental Review Improvement Fund and the Federal Permitting Improvement Steering Council (FPISC) established under Title XLI of the Fixing America's Surface Transportation Act of 2015 (Public Law 114–94). The Council will lead ongoing government-wide efforts to modernize the Federal permitting and review process for major infrastructure projects and work with Federal agency partners to implement and oversee adherence to the statutory requirements set forth in the FAST Act. The principal mission of the FPISC is to streamline the permitting process: provide efficient and effective coordination, transparency, management, direction, and support of the Federal permitting process relating to large infrastructure projects that require Federal authorization or environmental reviews.

Amounts Available for Obligation

Dollars in Thousands

	2016 Actual	2017 Full Year CR	2018 Request
Resources:			
Available from prior year	\$ -	\$ -	\$ -
Appropriation	\$ -	\$ -	\$ 10,000
Fee Income	\$ -	\$ -	\$ -
Subtotal, Revenue	\$ -	\$ -	\$ -
Total Resources Available	\$ -	\$ -	\$ 10,000
New Obligational Authority:			
FPISC Personnel	\$ -	\$ -	\$ 1,770
FPISC Contracts and Contract Support	\$ -	\$ -	\$ 6,923
Other Costs of Operations / Program Overhead	\$ -	\$ -	\$ 1,307
Total New Obligational Authority	\$ -	\$ -	\$ 10,000
Fund Balance			
Total Resources Available	\$ -	\$ -	\$ 10,000
Total New Obligational Authority	\$ -	\$ -	\$ 10,000
Fund Balance (Available in future Fiscal Years)	\$ -	\$ -	\$ -
Net Budget Authority	\$ -	\$ -	\$ 10,000

Explanation of Changes, Appropriated Dollars and FTE

Dollars in Thousands

	FY 2016 Actual		FY 2017 Full Year CR		FY 2018 Request	
	FTE	\$	FTE	\$	FTE	\$
	0.0	\$ -	0.0	\$ -	10.0	\$10,000

Program Increases:

FPISC Personnel		10.0	\$ 1,770
FPISC Contracts and Contract Support			\$ 6,923
Other Costs of Operations / Program Overhead			\$ 1,307
Subtotal, Program Increases.....			\$ 10,000

Total Adjustments.....		10.0	\$10,000
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Summary of the Request

The Permitting Council was established under Title 41 of the Fixing America’s Surface Transportation Act (FAST-41). FAST-41 outlines a new governance structure, set of procedures, and authorities designed to improve the efficiency and timeliness of the Federal permitting and environmental review process for major infrastructure projects. The Permitting Council is responsible for working with Federal agency partners to implement and oversee adherence to the statutory requirements set forth in FAST-41. The Permitting Council is led and chaired by an Executive Director, who is appointed by the President, and comprised of representatives of 13 Federal agencies¹, as well as the Director of the Office of Management and Budget (OMB) and the Chairman of the Council on Environmental Quality.

To help finance these new responsibilities and activities, and address barriers to timely completion of required reviews and authorizations to the extent they arise, Section 4370m-8 of FAST-41 creates a new authority for the heads of agencies, with the guidance of OMB, to issue

¹ The Secretary of Agriculture, The Secretary of the Army, The Secretary of Commerce, The Secretary of the Interior, The Secretary of Energy, The Secretary of Transportation, The Secretary of Defense, The Administrator of the Environmental Protection Agency, The Chairman of the Federal Energy Regulatory Commission, The Chairman of the Nuclear Regulatory Commission, The Secretary of Homeland Security, The Secretary of Housing and Urban Development, The Chairman of the Advisory Council on Historic Preservation

regulations to establish a fee structure to recover reasonable costs incurred in the conduct and coordination of environmental reviews and authorizations. Any fees collected are to be deposited into a separate fund known as the Environmental Review Improvement Fund (ERIF). The Executive Director of the Permitting Council may use the funds to administer, implement, and enforce FAST-41, including the expenses of the Council and agreements with other agencies for administrative support to the Council. In addition, the Executive Director, with the approval of the OMB, may transfer amounts in the ERIF to other agencies to facilitate timely and efficient environmental reviews and authorizations for proposed covered projects. The FAST-41 fee regulations are still under development.

Once established, the aim is for the fees to serve as one of the primary sources of long-term funding to execute FAST-41 requirements. In the interim, the FY 2018 budget provides \$10 million for the Environmental Review Improvement Fund in order to support the Permitting Council and facilitate more timely and efficient environmental reviews and permitting authorizations through implementing requirements of section 42 U.S.C. 4370m et seq. Specifically, the funding would provide FPISC with 10 FTE and a small team of contractors to:

- Track agencies' schedules and progress in completing environmental reviews and authorizations;
- Support interagency identification of bottlenecks in the environmental review and authorizations process;
- Support lead agencies on developing coordinated project plans and timelines to synchronize cross-agency permitting activities;
- Identify and share best administrative review practices; and
- Implement government-wide process improvements.

Funding would also be used to enhance the Permitting Dashboard, an online tool for Federal agencies, project developers, and interested members of the public to track the Federal government's environmental review and authorization processes for large or complex infrastructure projects.

Obligations by Object Class

Dollars in Thousands

	2016 Actual	2017 Full Year CR	2018 Request
11.1 Full-time permanent.....	\$ -	\$ -	\$ 1,331
12.1 Civilian personnel benefits.....	\$ -	\$ -	\$ 439
21.0 Travel and transportation of persons.....	\$ -	\$ -	\$ 185
23.1 Rental payments to GSA.....	\$ -	\$ -	\$ 128
23.3 Communications and utilities.....	\$ -	\$ -	\$ 20
24.0 Printing and reproduction.....	\$ -	\$ -	\$ 16
25.1 Advisory and assistance services.....	\$ -	\$ -	\$ 7,023
25.2 Other services from non-Federal sources.....	\$ -	\$ -	\$ -
25.3 Other goods & services from Federal sources.....	\$ -	\$ -	\$ 700
26.0 Supplies and materials.....	\$ -	\$ -	\$ 118
31.0 Equipment.....	\$ -	\$ -	\$ 40
99.0 Obligations, Appropriated (Annual).....	\$ -	\$ -	\$ 10,000
<i>Subtotal, PC&B.....</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 1,770</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 8,230</i>
99.9 TOTAL OBLIGATIONS	\$ -	\$ -	\$ 10,000

U.S. General Services Administration

WORKING CAPITAL FUND

Fiscal Year 2018 Budget Estimate

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Working Capital Fund Overview

The FY 2018 estimate for the Working Capital Fund (WCF) is \$673.9 million, which includes funding from all sources. This is a decrease of \$29.9 million or 4.3 percent from the adjusted FY 2017 planned level. GSA is continuing to find efficiencies and eliminate duplicative contracts in its ongoing effort to consolidate resources and operate more efficiently, with the intent of providing internal support services at a reduced cost to customers. This includes the ongoing CxO Consolidation efforts, which seeks to improve operational efficiency, strengthen management controls and improve performance by centralizing management and funding for enterprise-wide functions, insourcing contracts when Government employees can perform the work more cost effectively, and other initiatives.

WCF identified over \$40.5 million in reductions to offset \$8.9 million of transfers in from other GSA offices, \$4 million for GSA investments, and approximately \$13 million for cost escalations and inflation adjustments. This includes completing the consolidation of facilities operations and maintenance support for GSA-occupied space across the Agency's eleven regions under the Workplace Services (WPS) program, as well as consolidation of funding for fleet operations, which will enable GSA to reduce its total fleet over time by leveraging car sharing, consolidated oversight and policy management.

This estimate includes increases of \$6.7 million in funding for GSA contractor background investigations and \$1.8 million for GSA employee background investigations. This increase will fully fund background investigations for GSA employees and contractors and prevent delays in meeting mission requirements.

The WCF estimate also includes an increase of \$4.9 million to annualize funding for dedicated support to the Technology Transformation Service (TTS). Maintaining the progress made from previous investments, TTS transforms the way Government builds, buys, and shares technology. TTS requires a strong and dedicated CxO support structure in order for the GSA Administrator's vision to become a success and apply lessons learned from the Office of Products and Programs (OPP), 18F and Presidential Innovation Fellows (PIF) engagements, to which Federal agencies have been increasingly turning for assistance in identifying the best path to take and the best tools to use in implementing technological transformation.

To offset these increases, the WCF will absorb \$7.3 million in reductions to Personnel Compensation and Benefits (PC&B), eliminating an estimated 52 planned positions, as well as \$4 million in contract reductions realized as a result of insourcing efforts. Costs to support the Human Resources Line of Business (HRLOB) and Financial Management Line of Business (FMLOB) is also \$15.1 million lower in FY 2018, as a result of completing system development work and efficiencies from a the shared service model.

Program Description

The WCF is a full-cost recovery revolving fund that finances the administrative services for GSA. These administrative services include IT management, budget and financial management, payroll services, legal advice and services, human resources, equal employment opportunity services, procurement and contracting oversight, emergency planning and response, facilities management of GSA-occupied space, and other administrative services. This account funds the liaison activities with the U.S. Small Business Administration (SBA) to ensure that small and disadvantaged businesses receive a fair share of the agency's business. The WCF also finances administrative services such as human resource management and financial management for several small agencies and commissions on a reimbursable basis.

GSA's WCF operations are divided into four types of services: ***Shared Services, Selected Services, External Services, and Major Equipment Acquisition & Development.***

Shared Services: Shared services includes enterprise-wide management functions and costs shared by all components of GSA, including GSA rent, IT and telecommunications services, human resource services, procurement operations, facilities management for GSA-occupied space, legal services, and financial management services. In addition, shared services include acquisition policy development and transmittal, procurement management reviews, as well as coordination and oversight of warranting and certification programs for the nearly 9,000 members of GSA's acquisition workforce. This service performs the suspension and debarment services as well as other corrective actions for GSA contracts and ensures that GSA's contracting activities are compliant with acquisition regulations. By centralizing these services within the WCF, GSA is able to realize economies of scale. The WCF provides these necessary services to the customer business lines and bills for the services delivered to ensure full cost recovery. GSA offices may not cancel or opt out of paying for these services.

Selected Services: Internal GSA offices may choose to receive additional services from WCF offices. The WCF and the internal GSA office negotiate the level of service to be provided and establish their cost and performance requirements through Service Level Agreements (SLAs). Examples of selected services include The Office of Administrative Service's (OAS) storage, scanning, and file management of agency records at the National Archives and Records Administration (NARA), IT circuits to support locations that are solely dedicated to Public Building Service (PBS) and Federal Acquisition Service's (FAS) operations, and OCFO's financial and budget support for the PBS and FAS organizations.

External Services: The WCF provides or coordinates delivery of some administrative services to other Federal organizations, including small agencies and commissions. GSA provides Human Resource services, IT and telecommunications services, and financial management support to these customers. Using Interagency Agreements (IAA), GSA ensures full cost recovery by billing the customer organization based on the level of service provided. The WCF also provides administrative support to home state or district offices for members of Congress.

Major Equipment Acquisition & Development: In addition to the above activities, which are billed to customers, GSA also has the authority to fund activities using unobligated balances from its expired appropriated accounts, which can be transferred into the WCF. Operations in this activity must support the implementation of the Chief Financial Officers Act of 1990, such as the acquisition of capital equipment, automated data processing systems, and financial and management information systems. GSA must have prior Congressional approval to use these funds.

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Revised	FY 2018 Estimate	FY 2017/2018 Change
Unobligated Balances:				
Carry forward	\$ 97,510	\$ 106,655	\$ 75,695	\$ (30,959)
Recoveries from prior year balances	\$ 20,164	\$ 10,000	\$ 10,000	\$ -
Transfers In	\$ 14,500	\$ -	\$ -	\$ -
Revenue	\$ 679,853	\$ 662,938	\$ 652,950	\$ (9,988)
Obligations	\$ (705,372)	\$ (703,898)	\$ (673,951)	\$ 29,947
Major Equipment Acquisition and Development	[47,593]	[38,616]	[24,681]	[13,935]
Total, Unobligated Balances	\$ 106,655	\$ 75,695	\$ 64,695	\$ (11,000)
Revenue:				
<u>Operating Programs:</u>				
Shared Services	\$ 500,551	\$ 508,499	\$ 497,272	\$ (11,227)
Selected Services	\$ 151,916	\$ 139,011	\$ 139,802	\$ 791
External Services	\$ 27,387	\$ 15,428	\$ 15,877	\$ 449
Total, Revenue	\$ 679,853	\$ 662,938	\$ 652,950	\$ (9,988)
Obligations:				
<u>Operating Programs:</u>				
Major Equipment Acquisition and Development	\$ 2	\$ 13,935	\$ 1,000	\$ (12,935)
Shared Services	\$ 555,794	\$ 538,497	\$ 517,290	\$ (21,207)
Selected Services	\$ 127,143	\$ 136,038	\$ 139,784	\$ 3,746
External Services	\$ 22,433	\$ 15,428	\$ 15,877	\$ 449
Total, Obligations	\$ 705,372	\$ 703,898	\$ 673,951	\$ (29,947)
Net Outlays	\$ (2,475)	\$ 47,000	\$ 53,000	\$ 6,000
Total Employment (FTE)	1,932	2,124	2,019	(105)

U.S. General Services Administration
Working Capital Fund

Explanation of Changes
(Dollars in Thousands)

	Shared and Selected		External		Major Equipment Acquisition &		Total	
	FTE	\$0	FTE	\$0	FTE	\$0	FTE	\$0
FY 2017 Congressional Justification	2,030	658,360	32	14,874	0	200	2,062	673,434
FY 2018 Working Capital Fund Estimate	2,001	657,074	18	15,877	0	1,000	2,019	673,950
Net Change	(29)	(1,286)	(14)	1,003	0	800	(43)	516
FY 2017 Congressional Justification	2,030	658,360	32	14,874	0	200	2,062	673,434
Transfers (In / Out)								
Transfer to GSA IT from FAS & PBS for GSA IT Insourcing Initiative		4,485						4,485
Transfer from CFO to FAS for Telecom (FAS Reorganization)	(30)	(4,634)					(30)	(4,634)
Transfer to CFO from PBS for FTE Transferred in FY16		972						972
Transfer to OAS from FAS & PBS for Regional Workplace Services	33	5,200					33	5,200
Transfer from OAS to FAS for 1 FTE	(1)	(152)					(1)	(152)
Transfer to OMA from PBS for 1 FTE	1	97					1	97
Subtotal, Transfers (In / Out)	3	5,968	0	0	0	0	3	5,968
Increases - Investments								
GSA IT Data Center Consolidation		1,120						1,120
GSA IT Infrastructure Enhancements		3,000						3,000
Technology Transformation (TTS) Support as a 3rd Service	14	4,232					14	4,232
OAS Workplace Services		1,236						1,236
OMA Contractor Background Investigations		6,685						6,685
Subtotal, Investments	14	16,273	0	0	0	0	14	16,273
Increases - Base								
GSA IT Insourcing Initiative	43	2,566					43	2,566
GSA IT external program growth				311				311
CFO support for Assisted Acquisition Services	3	474					3	474
CFO PC&B Adjustment		1,000						1,000
CFO external growth for childcare program				279				279
FMLoB increase for Phase 2 transition		3,614						3,614
OHRM Increase for Health room MOU with FOH		538						538
HRLoB lapsed balance						13,735		13,735
OGC support for FAS & OCSIT/18F	3	411					3	411
OAS base increase for Rent and support contracts		749						749
OGP Base Adjustments for Contractor Support and benefits		915						915
OGP Base Adjustment Labor compliance MOU with DOL		1,200						1,200
Subtotal, Increases - Base	49	11,467	0	590	0	13,735	49	25,792
Decreases - Base								
GSA IT Contract Reductions		(5,344)						(5,344)
GSA IT Elimination of insourcing contracts		(4,485)						(4,485)
OAS PC&B Adjustment	(4)	(580)					(4)	(580)
OHRM Worker's Comp. to Account for FY17 DOL Est.		(533)						(533)
OHRM Training Budget Reductions		(3,583)						(3,583)
OMA PC&B Reduction		(500)						(500)
OSC PC&B Reduction		(2,509)						(2,509)
OCA External Program Decrease				(36)				(36)
Subtotal, Decreases - Base	(4)	(17,534)	0	(36)	0	0	(4)	(17,570)
Net Change	62	16,174	0	554	0	13,735	62	30,463
Revised FY 2017 Request	2,092	674,534	32	15,428	0	13,935	2,124	703,898
Transfers (In / Out)								
Transfer to GSA IT from FAS & PBS for GSA IT Insourcing Initiative		4,015						4,015
Transfer to CFO from PBS for BR Financial Support	15	1,786					15	1,786
Transfer from CFO to PBS for leasing	(8)	(1,013)					(8)	(1,013)
Transfer to OAS from FAS & PBS for Fleet Consolidation		4,150						4,150
Subtotal, Transfers (In / Out)	7	8,938					7	8,938
Increases - Investments								
Annualization of TTS Support as a 3rd Service		77						77
OAS Annualization for Workplace Services		1,762						1,762
OMA FTE Background Investigations		1,757						1,757
OGC Technology Transformation (TTS) Support as a 3rd Service	1	109					1	109
OGP Technology Transformation (TTS) Support as a 3rd Service	3	437					3	437
OHRM Non-Recur for HRLoB Transition						(13,735)		(13,735)
OIG Lapse balance increase						800		800
Subtotal, Investments	4	4,142				(12,935)	4	(8,793)
Increases - Base								
FY 2018 Pay Raise		4,936						4,936
GSA IT PC&B increase for insourced contracts		2,080						2,080
External program growth			1	2,008			1	2,008
OMA Base Adjustment for HSPD-12 MGMT Contracts		400						400
OSC Annualization for PC&B		887						887
Subtotal, Increases - Base	0	8,303	1	2,008	0	0	1	10,311
Decreases - Base								
Across the Board PC&B Reduction	(50)	(7,300)					(50)	(7,300)
Reduction of Unfilled Vacancies	(52)	0					(52)	0
PC&B Adjustment for OHRM/OAS/SBU to Fully Fund Current Staff		3,425						3,425
GSA IT Non-recur of Data center & Infrastructure enhancements		(4,120)						(4,120)
GSA IT Reduction of Contracts due to Insourcing		(4,015)						(4,015)
GSA IT Reduction of Various Contracts		(9,333)						(9,333)
OCFO Contract Adjustment		(300)						(300)
OHRM Intern Program Reduction		(225)						(225)
OHRM Non-recur HRLoB Divestiture completion		(3,804)						(3,804)
OHRM Base Reductions for Child Care subsidy and Enterprise-Wide Training		(518)						(518)
OHRM External program reduction				(229)				(229)
FMLoB Reduction for assumed efficiencies in services		(1,700)						(1,700)
FMLoB Non-recur for Pegasys upgrade and Transition Costs		(7,100)						(7,100)
OAS Fleet Consolidation Efficiencies		(1,000)						(1,000)
Other Program Decreases		(2,855)	(15)	(1,330)			(15)	(4,185)
Subtotal, Decreases - Base	(102)	(38,845)	(15)	(1,559)	0	0	(117)	(40,404)
Net Change	(91)	(17,462)	(14)	449	0	(12,935)	(105)	(29,948)
FY 2018 Estimate	2,001	657,074	18	15,877	0	1,000	2,019	673,950

Working Capital Fund by Staff Office
(Dollars in Thousands)

	FY 2016		FY 2017		FY 2018	
	FTE	Actual	FTE	Revised	FTE	Estimate
Office of GSA Information Technology	491	\$ 274,351	577	\$ 279,338	541	\$ 270,707
Office of Chief Financial Officer	579	\$ 93,960	554	\$ 89,987	564	\$ 89,620
Office of Human Resources Management	310	\$ 86,914	317	\$ 73,622	309	\$ 70,009
Office of General Counsel	148	\$ 25,713	161	\$ 27,693	156	\$ 27,732
Office of Government-wide Policy	30	\$ 6,616	33	\$ 8,461	34	\$ 8,052
Office of Strategic Communication	69	\$ 13,393	106	\$ 15,002	79	\$ 14,930
Office of Civil Rights	23	\$ 4,135	26	\$ 4,366	23	\$ 4,156
Office of Mission Assurance	110	\$ 42,171	125	\$ 38,038	123	\$ 40,258
Office of Small Business Utilization	37	\$ 5,259	38	\$ 5,030	37	\$ 5,714
Office of Administrative Services	112	\$ 65,580	149	\$ 63,892	130	\$ 68,258
Office of Customer Experience	1	\$ 1,951	6	\$ 2,031	5	\$ 1,942
Financial Management Line of Business (FMLoB)	0	\$ 62,894	0	\$ 67,074	0	\$ 55,696
Subtotal, Staff Office Internal Authority	1,910	\$ 682,937	2,092	\$ 674,535	2,001	\$ 657,074
Office of GSA Information Technology	0	\$ 2,718	0	\$ 3,288	0	\$ 4,752
Office of Chief Financial Officer	6	\$ 11,350	7	\$ 1,511	7	\$ 1,536
Office of Human Resources Management	6	\$ 1,530	7	\$ 1,803	7	\$ 1,573
Office of Mission Assurance	5	\$ 1,208	15	\$ 2,330	0	\$ 1,000
Office of Products and Programs (Formerly OCSIT)	5	\$ 5,324	3	\$ 5,249	4	\$ 5,727
Office of Congressional & Intergovernmental Affairs	0	\$ 302	0	\$ 1,248	0	\$ 1,248
Office of Civil Rights	0	\$ -	0	\$ -	0	\$ 40
Subtotal, Staff Office External Authority	22	\$ 22,433	32	\$ 15,428	18	\$ 15,877
GSA IT Financial Systems Acquisition & Development	0	\$ 1	0	\$ -	0	\$ -
OHRM Systems Acquisition & Development	0	\$ -	0	\$ 13,735	0	\$ -
OIG Equipment Acquisition & Development	0	\$ 1	0	\$ 200	0	\$ 1,000
Subtotal, Major Equipment Acquisition & Development	0	\$ 2	0	\$ 13,935	0	\$ 1,000
Total, Working Capital Fund	1,932	\$ 705,372	2,124	\$ 703,898	2,019	\$ 673,950

The FY 2016 actual Shared/Selected total is \$30.5 million higher than the FY 2016 WCF Bill because of the use of carryover that is non-billable.

The FY 2017 revised Shared/Selected total is \$27.0 million higher than the FY 2017 WCF Bill because of the proposed use of carryover that is non-billable.

The FY 2018 revised Shared/Selected total is \$20.0 million higher than the FY 2018 WCF Bill because of the proposed use of carryover that is non-billable.

Working Capital Fund Obligations by Object Class

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Revised	FY 2018 Estimate
11.1 Full-time, permanent.....	\$ 209,136	\$ 216,109	\$ 222,491
11.3 Other than full-time permanent.....	\$ 1,419	\$ 411	\$ 395
11.5 Other personnel compensation.....	\$ 2,330	\$ 2,351	\$ 2,273
12.1 Civilian personnel benefits.....	\$ 85,464	\$ 89,859	\$ 89,115
13.0 Benefits for former personnel.....	\$ 740	\$ 983	\$ (613)
21.0 Travel and transportation of persons.....	\$ 2,057	\$ 2,774	\$ 5,509
22.0 Transportation of things.....	\$ 373	\$ 1,195	\$ 1,181
23.1 Rental payments to GSA.....	\$ 34,353	\$ 33,406	\$ 35,222
23.2 Rental payments to others.....	\$ 9	\$ 13	\$ -
23.3 Communications and utilities.....	\$ 22,266	\$ 19,698	\$ 19,252
24.0 Printing and reproduction.....	\$ 74	\$ 98	\$ 74
25.1 Advisory and assistance services.....	\$ 218,103	\$ 254,026	\$ 236,356
25.2 Other services from non-Federal sources.....	\$ 3,975	\$ 133	\$ 43
25.3 Other goods & services from Federal sources	\$ 54,623	\$ 16,252	\$ 4,099
26.0 Supplies and materials.....	\$ 969	\$ 999	\$ 772
31.0 Equipment.....	\$ 63,614	\$ 65,435	\$ 57,782
42.0 Insurance claims and indemnities.....	\$ 380	\$ 156	\$ -
43.0 Interest and dividends.....	\$ -	\$ -	\$ -
99.0 Obligations, Appropriated (Annual).....	\$ 705,372	\$ 703,898	\$ 673,950
<i>Subtotal, PC&B.....</i>	<i>\$ 299,172</i>	<i>\$ 309,714</i>	<i>\$ 313,660</i>
<i>Subtotal, Non-labor.....</i>	<i>\$ 406,201</i>	<i>\$ 394,184</i>	<i>\$ 360,290</i>

Description of WCF Services by Office

Office of the Chief Financial Officer: FY 2018 Budget estimate - \$91,156 thousand

The Office of the Chief Financial Officer (OCFO) provides financial management services to GSA Service and Staff Offices, including: budget management, financial reporting and operations, internal controls, analytics, and performance management. As authorized by statute, OCFO provides payroll services to several small commissions and boards, including the Marine Mammal Commission, the National Council on Disability, U.S. Ability One, the U.S. Commission for the Preservation of America's Heritage Abroad, the U.S. Commission on International Religious Freedom, the U.S. Nuclear Waste Technical Review Board, and the World War One Centennial Commission. The FY 2018 estimate, less externally provided payroll services, is \$89,620 thousand.

The OCFO budget provides 564 FTE in FY 2018, which reflects 30 FTE transferring to FAS's Network Services Program and 7 FTE transferring from PBS to CFO PBS Regional Financial Services. This office supports PBS with reimbursable work agreement (RWA) processing, chargeback support, and other financial support functions. The Office of Regional Financial Services has consolidated eleven Regions into four Zones while standardizing and developing best practices for financial processes throughout the organization, resulting in more efficient and effective financial management across PBS. To support the stand-up of the Technology Transformation Service (TTS), the FY 2018 estimate provides 5 additional FTE and \$704 thousand to establish a support structure for the organization.

In FY 2018 the OCFO will continue to serve as a trusted strategic partner and financial advisor to GSA's Service and Staff Offices by optimizing financial business processes and providing insightful and actionable financial information. The CFO will also continually develop and implement improvements to the management of the annual financial statements audit and internal controls processes. Taking on a leadership role in the agency, the CFO will facilitate the successful implementation of the Data Act and Enterprise Risk Management framework.

Shared Services: FY 2018 Budget estimate – \$25,535 thousand

Shared Services are OCFO operating costs chargeable to service and staff offices based on level of support. The cost of financial services and financial policy are driven by workload statistics, and budget and financial oversight activities are billed based on funded FTE in each service and staff office.

Selected Services: FY 2018 Budget estimate – \$64,085 thousand

OCFO selected services consist of customer-focused financial support that is entirely dedicated to support PBS or FAS. The costs for these services are directly chargeable to the appropriate service, including the Financial Statements Audit support which is allocated evenly amongst the agency.

External Services: FY 2018 Budget estimate – \$1,536 thousand

The OCFO provides payroll support to 37 independent agencies, boards, and commissions on a fee-for-service basis.

Financial Management Line of Business (FMLoB): FY 2018 Budget estimate - \$55,696 thousand

In line with government-wide efforts to utilize financial shared services and as a result of GSA's Top to Bottom review, GSA has transitioned out of its Financial Shared Service Provider (FSSP) Line of Business to focus on its core mission. In March of 2015, GSA transferred its Financial Management Line of Business (FMLoB) to the United States Department of Agriculture (USDA). GSA transferred accounting functions to USDA including receipt, invoice, and expense report processing as well as reporting and reconciliation. USDA also assumed responsibility for development and operation and maintenance of GSA's primary financial management system, Pegasys.

Office of GSA Information Technology (GSA IT): FY 2018 Budget estimate - \$275,459 thousand

GSA IT provides information technology support to all GSA offices. The Office designs and delivers intuitive, innovative IT solutions that ensure integration between GSA systems and organizations. GSA IT directly supports GSA's management objectives to streamline IT, support cybersecurity, capture high quality data, and improve reporting. In its execution of IT services, GSA IT incorporates its business knowledge and technological expertise to identify the best solution available for its customers.

GSA IT is facing increased demand for services from GSA business lines while trying to modernize its IT infrastructure. To enhance GSA's IT infrastructure, GSA IT needs to have the right number of skilled staff to meet business line needs, stay abreast of current technological initiatives and remain innovative. GSA IT is working closely with OHRM to divest resources in skill areas that are no longer needed while acquiring specific skill sets through targeted hiring. GSA IT found early opportunities to streamline the IT environment and eliminate redundancy, and, through continued targeted investment, is pursuing innovation and optimization of the GSA IT infrastructure.

GSA IT continues to realize savings in management support contracts as a result of the insourcing initiative begun in 2015 GSA IT also reviewed contracts to identify any that could be reduced as a result of the new enterprise service contract, GSA Enterprise Operations (GEO). Efforts are ongoing to identify deprecated contracts and support in order to realize savings and operational improvements.

These reductions offset an increase of \$4.9 million to annualize funding for TTS dedicated support. There is an increased demand for services from GSA business lines to 1) move to an integrated cloud service environment which will eliminate duplication and reduce infrastructure

and application development/deployment needs; 2) secure GSA's cloud services and mobile capabilities through the information security program; 3) provide additional support to the FAS Integrated Award Environment (IAE); and 4) provide additional business analytics and data management capabilities, requiring a significant data and system integration capability. GSA will need to make dedicated investments within the WCF in order to achieve these demands.

Shared Services: FY 2018 Budget estimate - \$201,781 thousand

The GSA IT shared services budget consists of the management and oversight of IT investments and human capital systems. IT shared services support the operation and maintenance of systems as well as system enhancements. GSA IT provides an agency-wide, standardized approach to infrastructure management and operations designed to maximize resources and optimize the efficiency of enterprise systems and organizational staff. GSA IT manages internal IT assets, server resources, network resources, and end-user devices. These responsibilities include: planning and governance, systems access control, systems user training, IT security and integrity, local support, help desk functions, all circuits, wireless services, teleconferencing, and telephony. The costs of the GSA IT shared services are allocated to customers either by transaction counts, number of computer users, or number of FTE depending on which is most indicative of actual IT use.

Selected Services: FY 2018 Budget estimate - \$68,926 thousand

The selected services budget consists of IT services specific to individual GSA offices that support unique business requirements, e.g. FAS applications that support specific business lines. GSA IT provides application development, project management, infrastructure, and security and other services at the request of the customer who may cancel services if no longer needed. The costs for these services are directly charged to the appropriate service.

External Services: FY 2018 Budget estimate - \$4,752 thousand

The Office of GSA IT provides a cost-effective, secure platform to deliver administrative systems services to external clients. The Office of Corporate IT Services provides professional systems support for payroll/labor distribution, time and attendance, and leave and overtime request systems. This Office supports other applications such as: business requirements and change management; systems operations and maintenance; financial data management and reporting; systems access control, security and integrity; systems user training; and help desk support. GSA IT also provides services and supports the network back-end systems required by the Elections Assistance Commission Office, and provides GSA's Comprehensive Human Resources Integrated System (CHRIS) to other Government agencies, boards and commissions.

GSA IT external services also include the Performance Management Line of Business (PMLoB), an interagency effort to develop Government-wide performance management capabilities to help meet the transparency requirements of the Government Performance and Results Act Modernization Act of 2010 (GPRAMA), and support Government-wide performance management efforts including Performance.gov. OMB worked with GSA to establish the PMLoB in November of 2011 to deliver solutions that are both cost-effective and useful to

agencies and other end users. This office is supported through collections from 13 customer agencies for their use of Performance.gov.

Office of Administrative Services: FY 2018 Budget estimate – \$68,258 thousand

The Office of Administrative Services (OAS) is responsible for general administrative and management services for GSA. Specifically, OAS supports executive correspondence, forms, directives, audit responses, coordinating agency Freedom of Information Act (FOIA) requests, internal contracting, and travel and purchase card oversight.

OAS also provides workspace planning, facility design, facilities management, and workplace services on a national scale in addition to administering the rent and security expenditures for all of GSA's regional headquarters, including GSA's Washington, DC Headquarters Facility at 1800 F Street. In managing these facilities, OAS began working with PBS on the Reduce the Footprint initiative in FY 2012 with the goal of transforming GSA internal office spaces nationwide. This program provided the opportunity for GSA to reduce its internal real estate footprint by more than two million usable square feet through the end FY 2016. This equates to a GSA overall footprint decrease of 35 percent. During that timeframe, the reduction realized more than \$70 million in cumulative rent savings from a FY 2012 baseline.

Starting in FY 2016, OAS implemented Workplace Services (WPS) in GSA's regional office buildings to uniformly provide services such as mail, records, and supply management, cleaning services, and printer maintenance to tenants. This program is designed to create a support infrastructure to enable collaborative work in office space across GSA's 11 regions, while allowing service and staff offices to better focus on their core missions. In FY 2017 PBS transferred \$4.5 million and FAS transferred \$700 thousand into the WCF for WPS. The total \$5.2 million transfer to OAS includes funding for 33 FTE representing regional WPS teams. At the start of FY 2017, OAS stood up WPS support in Regions 1 through 6, including the National Capital Region. The FY 2018 budget authority for WPS increases to \$7.7 million for the first year that WPS will be fully operational in all 11 GSA regional office buildings.

The FY 2018 OAS request includes the consolidation of GSA's internal fleet comprised of approximately 859 vehicles and \$4.1 million worth of vehicle leases into OAS to facilitate car sharing, consolidated oversight and policy management, increased reporting capabilities, and ultimately a reduction in the number of vehicles needed at GSA's regional office buildings.

Shared Services: FY 2018 Budget estimate - \$67,898 thousand

Most OAS services, including rent for regional workspaces, are provided as shared services. OAS allocates its costs in ways that match service and staff office use of those services. For example:

- Travel and purchase card program management costs are allocated based on the number of travel and purchase card transactions
- FOIA costs are allocated based on a count of actions routed through the GSA correspondence system

- GAO and OIG audit management costs are allocated based on a count of audit action items reviewed and
- Other administrative and management services costs are allocated based on FTE.

Selected Services: FY 2018 Budget estimate - \$360 thousand

OAS's selected services include \$360 thousand to support the storage and file management of agency records and scanning from the National Archives and Records Administration (NARA). These costs are allocated based on the cubic feet of storage provided to each service and staff office.

Office of Human Resource Management: FY 2018 Budget estimate - \$71,582 thousand

The Office of Human Resource Management's (OHRM) primary focus is to help GSA attract, motivate, develop, retain, and reward agency employees. OHRM provides and maintains an evolving portfolio of effective and innovative end-to-end human resource and human capital solutions that meet partners' and external stakeholders' needs, including providing meaningful HR data and analysis to help customers make informed business decisions. Through improved service delivery models, OHRM is focused on hiring, developing, and retaining a talented and diverse GSA mission ready workforce.

The OHRM FY 2018 estimate for shared and selected services is \$70,009 thousand, which is 4.9% less than the adjusted FY 2017 planned level. This includes a \$1 million reduction to PC&B as a WCF across the board reduction to lower PC&B costs, and reductions to Worker's Compensation and Child Care Subsidy as the estimated costs for those programs are lower in FY 2018.

In FY 2018 OHRM will also complete the implementation of the Human Resource Line of Business (HRLoB), barring any program delays. Funding for decommissioning and optimization allows for a reduction of \$3.8 million compared to FY 2017. OHRM will also continue to focus on return-to-work programs and workers compensation case file reviews in an effort to reduce the overall workers compensation program costs.

Shared Services: FY 2018 Budget estimate – \$63,986 thousand

OHRM provides human resource services in a consolidated fashion in order to reduce redundancy and ensure a standard level of service. The costs of these programs are allocated based on workload data when available, such as transit subsidy and workers compensation. Other costs are based on FTE for each staff office. These services include, but are not limited to:

- Employee health room services - \$1,500,000
- Unemployment compensation - \$500,000
- Employee assistance program - \$455,000
- Health & Dependent Care Federal Flexible Spending - \$35,000
- Transit subsidy - \$6,767,000

- Worker's compensation - \$12,707,254
- Unemployment compensation - \$500,000
- GSA leadership programs - \$1,976,746

Selected Services: FY 2018 estimate - \$6,023 thousand

Selected services provided by OHRM include Childcare Subsidy, Emerging Leaders Program, Account Management and training contracted through OHRM's University for People.

External Services: FY 2018 estimate - \$1,573 thousand

The OHRM Commissions and Boards division provides HR support services to Presidential commissions, congressional boards, and small Government organizations. Services include financial management, human resource management, legal review, contract and acquisition support, and realty support for approximately 25 customer agencies. A reduction of \$229 thousand is based on a projected decrease in the number of Commission and Boards supported, therefore a commensurate reduction in workload.

Office of General Counsel: FY 2018 Budget estimate - \$27,732 thousand

The Office of General Counsel (OGC) provides legal support to GSA offices and programs. OGC legal support includes counsel with respect to contracting, acquisition policy, management of real and personal property, bankruptcy, historic preservation, environmental compliance, litigation, personnel and labor relations, appropriations law, the Freedom of Information Act, the Privacy Act, the Federal Advisory Committee Act, and regulations implementing GSA authorities.

OGC also advises on responses to Congressional inquiries, develops and manages the GSA ethics program, and supports alternative dispute resolution efforts and social media initiatives. The OGC is working towards an improved staffing mix that will allow it to operate more efficiently while providing increased legal support for existing programs.

The FY 2018 estimate of \$27,732 thousands and 156 FTE includes an increase of 1 FTE and \$109 thousand to bolster TTS, which will provide support by advising on challenging legal issues involving various subject matters, such as inter- and intra-agency agreements, fiscal law, ethics, intellectual property, information technology and contracting issues, among others. The FY 2018 estimate includes reductions of \$640 thousand and 6 FTE as a WCF across the board reduction to lower PC&B costs but does include \$400 thousand increase to support an estimated pay raise in FY 2018.

Shared Services: FY 2018 Budget estimate - \$27,732 thousand

All services provided by OGC are considered shared services and are allocated based on labor hours spent in support of each service and staff office.

Office of Small Business Utilization: FY 2018 Budget estimate - \$5,714 thousand

The Office of Small Business Utilization (OSBU) works with GSA service and staff offices to help direct GSA contracts to various categories of small businesses. These include businesses that are small and disadvantaged, veteran-owned and service-disabled veteran-owned, located in Historically Underutilized Business Zones, and women-owned. The OSBU mission is to promote increased access by small and disadvantaged businesses to GSA's nationwide procurement opportunities.

OSBU monitors and implements small business policies and manages a range of programs within the scope of the Small Business Act of 1953, as amended by Public law 95-507. This includes, but is not limited to:

- Meeting with contracting officers and procurement personnel to encourage small business participation for all acquisitions;
- Working with the procurement officials to perform market research;
- Assisting in the development of non-bundling strategies and non-consolidation strategies for contracting, inclusive of reviewing and approving rationale;
- Reviewing the Small Business Analysis Record (GSA Form 2689), Acquisition Plans and Subcontracting Plans for completeness and determining if market research is sufficient and all justifications are properly documented and compliant with FAR Part 19;
- Attending all meetings regarding major procurements;
- Conducting training for the GSA acquisition workforce and creating an online knowledge research;
- Serves as the liaison between GSA acquisition workforce and the SBA's Procurement Center Representatives, ensuring collaboration and appropriate approvals are obtained; and
- Regularly providing counseling and assistance to small business on "Doing Business with GSA."

GSA's small business programs nurture entrepreneurial opportunities, open doors to new business horizons, and enhance technological capabilities. Its work is critical to the achievement of GSA's small business goals. The FY 2018 estimate supports an increase of \$91 thousand for anticipated salary increases.

Shared Services: FY 2018 estimate - \$5,714 thousand

All services provided by OSBU are considered shared services. The cost allocation for these services is driven by a combination of a program's percent of total contract dollars eligible for small business compliance review.

Office of Civil Rights: FY 2018 Budget estimate - \$4,196 thousand

The FY 2018 Office of Civil Rights (OCR) Shared Services budget of \$4,156 thousand represents a decrease of \$210 thousand from the adjusted FY 2017 planned level. The FY 2018 estimate includes an increase to accommodate an anticipated salary increase for Federal workers, an increase of \$40 thousand for external services, and a transfer of \$30 thousand to

OAS for security costs. This funding level supports continued efforts to improve mission achievement through a reorganization effort, which was implemented in FY 2015 and included the transfer of the GSA Affirmative Employment Program (and attendant FTE) from the Office of Human Resources Management to OCR. This reorganization transformed equal employment opportunity complaint processing from a regionally-based to functionally-based process to eliminate fragmentation, standardize and optimize processes, and improved the level of service provided to our customers.

The OCR Equal Employment Opportunity Program protects GSA employees and applicants for employment from being subjected to actual or perceived discrimination and/or harassment in the workplace on the basis of age, color, disability, race, national origin, religion, sex, genetic information, and retaliation for protected equal employment opportunity activity. OCR promotes the prevention of discrimination through policy, training, outreach and affirmative employment planning and enforces nondiscrimination by processing equal employment opportunity complaints of discrimination pursuant to 29 C.F.R. Part 1614.

OCR also administers multiple Federal civil rights laws, regulations and executive orders that apply to GSA's public-facing programs, which include: (1) the Nondiscrimination in Federally Assisted Programs and Activities Program, which administers Federal civil rights laws that prohibit discrimination on the basis of race, color, and national origin, sex, age and disability in thousands of programs or activities that receive Federal financial assistance through one of GSA's Federal financial assistance programs; (2) the Nondiscrimination in Federally Conducted Programs and Activities Program, which administers Federal non-employment civil rights laws, regulations and executive orders that require meaningful access to the GSA public-facing programs for individuals with disabilities and individuals who are limited English proficient; and (3) the GSA Environmental Justice program, which promotes fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. OCR promotes compliance with these external civil rights programs through education and training, compliance reviews, outreach, technical assistance and the adjudication of civil rights complaints filed by members of the public.

Shared Services: FY 2018 Budget estimate - \$4,156 thousand

Services provided to GSA staff and services offices by OCR are considered shared services that offices cannot opt out of receiving. The WCF pays for equal employment opportunity services and the non-discrimination programs for the GSA. Both of these services are allocated based on FTE of each service and staff office.

External Services: FY 2018 Budget estimate - \$40 thousand

OCR provides equal employment opportunity services to Federal agencies on a cost reimbursable basis. These services include equal employment opportunity counseling, mediation, investigation and complaint adjudication.

Office of Mission Assurance: FY 2018 estimate – \$41,258 thousand

The Office of Mission Assurance (OMA) ensures resilience and continuity of the agency's critical business processes by integrating and coordinating activities across all domains of security (physical, cyber, personnel, and industrial). OMA also oversees HSPD-12 credentialing, emergency management, and contingency and continuity planning. OMA provides an enterprise-wide approach to mission assurance planning while ensuring the safety, privacy, and security of GSA facilities, people, and IT assets nationwide.

The FY 2018 estimate is \$41,258 thousand and 123 FTE. This includes increases of \$6,700 thousand for GSA contractor background investigations and \$1,800 thousand for GSA employee background investigations. This increase will fully fund background investigations for GSA employees and contractors and prevent delays in meeting mission requirements. Without this funding, GSA SSOs would have limited ability to provide new employees or contractors the clearances necessary to access Federal facilities and GSA IT systems.

Shared Services: FY 2018 Budget estimate - \$40,258 thousand

All services provided to GSA staff and services offices by OMA are shared services. Where possible, billing for these services is based on actual usage, as is the case with employee and contractor background investigations and clearances, which are allocated based on the number of clearances requested by each service and staff office. Other costs are allocated based on FTE in each region, service and staff office.

External Services: FY 2018 Budget estimate - \$1,000 thousand

OMA is also responsible for coordinating GSA's response to national emergencies and disasters as outlined in the National Response Framework (NRF) - Emergency Support Function #7 *Logistics*. The costs of logistical services provided in response and recovery efforts are recovered through mission assignments issued by Federal Emergency Management Agency (FEMA).

Office of Strategic Communication: FY 2018 Budget estimate - \$14,930 thousand

The Office of Strategic Communication (OSC) provides strategic guidance to GSA's business lines and divisions in support of the agency's highest priorities. OSC accomplishes its mission with a coordinated, integrated program of messaging and strategic communication initiatives. A separate budget is provided by the Operating Expense appropriation in support of communicating timely and accurate information to the public.

The program's budget estimate for FY 2018 is \$14,930 thousand, which represents a reduction of \$72 thousand from the adjusted FY 2017 planned level.

Shared Services: FY 2018 Budget estimate - \$14,930 thousand

The OSC Working Capital Fund budget is shared and services are allocated based on FTE of each service and staff office. These funds provide enterprise web management services and

other communication support to GSA, and include, but are not limited to, multiple forms of visual digital media communications, such as: videography, photography; and large-scale printing services.

Office of Government-wide Policy's Senior Procurement Executive FY 2018 Budget estimate - \$8,052 thousand

The Office of Government-wide Policy's (OGP) FY 2018 budget estimate is \$8,052 thousand and 34 FTE, which is \$409 thousand lower than the FY 2017 Revised Plan. This net adjustment includes an increase for pay raise and \$437 thousand 3 FTE for TTS support of the acquisition policy, integrity and workforce development needs. The FY 2018 estimate also includes a decrease of \$139 thousand for an across the board reduction to lower PC&B costs, and a decrease of \$600 thousand in management support contracts.

The Chief Acquisition Officer (CAO) and the Senior Procurement Executive (SPE) in the Office of Government-wide Policy (OGP) use WCF funding to provide services and support for acquisition professionals throughout GSA, including the Federal Acquisition Service, the Public Buildings Service, the Technology Transformation Service, and GSA's internal acquisition functions. Responsibilities include:

- Updating and maintaining the General Service Acquisition Regulations along with the development of procurement policies and guidance for GSA's contracting activities;
- Supporting professional development of GSA's acquisition workforce, including coordinating and overseeing warranting and certification programs for more than 9,000 members of GSA's acquisition workforce;
- Performing suspension and debarment services as well as other corrective actions for troubled GSA contracts;
- Ensuring compliance and integrity in GSA's contract activities through procurement management reviews; and
- Conducting performance measurement and data analytics to use the results to promote transparency and drive improvements into the acquisition function.

Shared Services: FY 2018 Budget estimate - \$8,052 thousand

All costs for this program are considered shared services and are allocated based on the number of FPDS-NG transactions by FAS, PBS, and OAS/IAD and proportionally allocated.

Office of Customer Experience: FY 2018 Budget estimate - \$1,942 thousand

The Office of Customer Experience (OCE) has been created to transform GSA into a customer-centric powerhouse of service, effectiveness, and efficiency to ensure program offices deliver an outstanding experience to GSA employees, partners, and customers. The FY 2018 estimate of \$1,942 thousand represents a \$89 thousand decrease from the adjusted FY 2017 planned level.

Shared Services: FY 2018 Budget estimate - \$1,942 thousand

All services provided to GSA staff and services offices by OCE are shared services that are allocated based on the percentage of time supporting the customer. OCE will work to:

- Improve the way customers interact with GSA programs.
- Establish a GSA-wide voice of the customer program.
- Implement a GSA-wide customer experience management (CEM) system.
- Implement a GSA-wide customer relationship management (CRM) strategy.
- Help GSA organizations develop and implement Customer Experience Strategies.
- Improve GSA's digital presence.
- Develop a robust account management strategy.

Office of Congressional and Intergovernmental Affairs: FY 2018 estimate - \$1,248 thousand

The Office of Congressional and Intergovernmental Affairs (OCIA) is funded out of the Operating Expenses appropriation; however the office uses the WCF for the reimbursable services it provides to Congressional members across the country.

External Services: FY 2018 Budget estimate - \$1,248 thousand

The Office of Congressional and Intergovernmental Affairs (OCIA) coordinates services to over 1,400 House-district and Senate-state offices nationwide. OCIA supports the acquisition of office space, furniture and furnishings, property disposal, equipment and supplies, and storage and relocation services.

Technology Transformation Services / Office of Products and Programs: FY 2018 Budget estimate - \$5,727 thousand

The GSA Technology Transformation Services (TTS) Office of Products and Programs (OPP) uses the WCF to provide reimbursable support through the use of IAAs to other Federal agencies for the Government-wide Electronic Capital Planning and Investment Control (eCPIC) program. The eCPIC application is a web-based, Government-owned technology solution that Federal agencies use to support their internal IT Portfolio Management, IT Capital Planning, and IT Governance processes as well as a tool to meet their external reporting requirements to the Office of Management and Budget (OMB).

External Services: FY 2018 estimate - \$5,727 thousand

OPP provides the eCPIC federal shared service solution to Federal agencies. Included in the annual fee to use the eCPIC tool itself, the eCPIC PMO also supports its member agencies by providing dedicated program management, centralized hosting services, tier 2 and tier 3 help desk support, eCPIC related user/admin training, and application related technical support. GSA owns the eCPIC tool and manages the eCPIC program, but all functionality is defined and prioritized by the community of member Agencies that use the tool. This community also shares

best practices and lessons learned, as well as collaborates on the latest trends in IT portfolio management and IT Governance best practices.

Working Capital Fund Bill by Staff and Service Office

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Revised	FY 2018 Estimate
Public Buildings Service	\$ 352,189	\$ 352,223	\$ 346,574
Federal Acquisition Services	\$ 266,823	\$ 248,322	\$ 245,038
Office of Governmentwide Policy	\$ 10,622	\$ 11,324	\$ 11,433
Governmentwide Policy	\$ 9,916	\$ 10,902	\$ 11,142
OGP Councils	\$ 706	\$ 422	\$ 291
Office of Inspector General	\$ 2,500	\$ 2,500	\$ 1,660
Former Presidents	\$ 11	\$ 9	\$ 50
Operating Expenses	\$ 10,728	\$ 10,975	\$ 10,773
Real Property Disposal	\$ 2,840	\$ 3,433	\$ 2,995
Office of Communications & Marketing	\$ 1,572	\$ 1,780	\$ 1,209
Management & Administration	\$ 6,049	\$ 5,553	\$ 6,378
Civilian Board of Contract Appeals	\$ 267	\$ 210	\$ 191
Working Capital Fund	\$ 1,152	\$ 522	\$ 642
Finance External Services - Internal Agreements	\$ 752	\$ 260	\$ 408
Human Resources Mgmt - Commissions & Boards	\$ 343	\$ 222	\$ 135
Electronic Capital Planning & Investment Control (eCPIC) System	\$ 57	\$ 40	\$ 99
Technology Transformation Service	\$ 8,441	\$ 21,634	\$ 20,903
FCSF Funded	\$ 8,441	\$ 9,574	\$ 10,160
ASF Funded ¹	\$ -	\$ 12,060	\$ 10,743
Adjusted Working Capital Fund Bill	\$ 652,467	\$ 647,510	\$ 637,074

¹FY 2016 payment was included in the total for the Federal Acquisition Service

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U.S. General Services Administration

ACQUISITION SERVICES FUND

Fiscal Year 2018 Budget Estimate

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Program Financing

The Acquisition Services Fund (ASF) is a full cost recovery revolving fund that primarily finances operations of the Federal Acquisition Service (FAS) and some operations of the Technology Transformation Service (TTS). The ASF provides for the acquisition of information technology solutions, telecommunications, motor vehicles, supplies and a wide range of goods and services for Federal agencies. This fund recovers costs through fees charged to Federal agencies for services rendered and commodities provided.

The ASF is authorized by section 321 of title 40, United States Code, which requires the Administrator to establish rates to be charged to agencies receiving services that: (1) recover costs and (2) provide for the cost and capital requirements of the ASF. The ASF is authorized to retain earnings to cover the cost of replacing fleet vehicles (Replacement Cost Pricing), maintain supply inventories adequate for customer needs, and fund anticipated operating needs specified by the Cost and Capital Plan.

In FY 2016, FAS completed an organizational assessment and, in the beginning of FY 2017, implemented the organizational structure changes to better align to the principles of Category Management. In addition, the creation of the Technology Transformation Service was initiated in FY 2016 and several of its programs, including 18F, are funded through the ASF.

The ASF is organized around six major business portfolios in FAS and one portfolio of services in TTS:

Assisted Acquisition Services (AAS) — assists agencies in making informed procurement decisions and serves as a center of acquisition excellence for the Federal community. AAS provides acquisition, technical and project management services related to information technology and professional services at best value.

General Supplies and Services (GS&S) — provides partner agencies with general products such as furniture, office supplies and hardware products. GS&S centralizes acquisitions on behalf of the Government to strategically procure goods and services at reduced costs, while ensuring regulatory compliance for partner agency procurements. The portfolio also provides personal property disposal services to partner agencies, which are partially funded by the Operating Expenses appropriation.

Information Technology Category (ITC) — provides partner agencies with information technology (IT) and telecommunications products and services. ITC provides access to IT services, hardware, software, telecommunications and IT security services through multiple channels including the Network Services Program, IT Schedule 70 and Government-wide Acquisition Contracts (GWACs). In addition, ITC manages the Federal Public Key Infrastructure.

Professional Services & Human Capital Categories (PSHC) — provides Federal agencies with professional and human capital services contract solutions, including payment solutions through the GSA SmartPay® program.

Travel, Transportation and Logistics Categories (TTL) — provides partner agencies with a broad scope of services which includes travel, transportation and relocation services; motor vehicle acquisition; and motor vehicle fleet leasing services.

Office of Systems Management (OSM) — standardizes, integrates and streamlines the Federal awarding process through electronic means, while increasing transparency and ensuring compliance with all applicable Federal acquisition regulations. The portfolio also repurposes existing IT systems and develops new systems in support of Government-wide acquisition shared services. The newly developed systems provide Federal agencies with access to acquisition support data (e.g., prices paid) that allows for informed purchases.

Technology Transformation Service (TTS) —applies modern methodologies and technologies to improve the public's experience with Government by helping agencies make their services more accessible, efficient and effective, and by itself providing services that exemplify these values. The Service builds, provides, and shares technology applications, platforms, processes, personnel and software solutions to Federal agencies in an effort to help them better serve the public.

Summary of Budget Estimate

The FY 2018 budget estimate provides a total of \$12,023,607 thousand and 3,351 FTE. This is an increase of \$522,783 thousand and increase of 43 FTE from the FY 2017 plan. The FY 2017 operating plan and FY 2018 budget reflect FAS's concerted effort to increase savings Government-wide by increasing the utilization of current offerings and achieving internal operation efficiencies.

The FY 2018 estimate includes an additional \$522,783 thousand from the FY 2017 Plan:

- \$172,024 thousand for pay raise and inflation on goods and services sold.
- \$429,744 thousand in additional business volume through FAS Offerings.
- \$4,272 thousand in Fleet maintenance costs.
- -\$54,926 thousand in reductions to Reserve Investments and contractual services.
- -\$14,969 thousand in reductions to FTE and personnel costs.
- -\$8,760 thousand in reductions to travel, supplies, equipment, and other misc. costs.
- -\$4,601 thousand in reductions to the ASF's Working Capital Fund Bill.

Explanation of Changes

(Dollars in Thousands)

	FTE	Obligations
2017 Plan.....	3,308	\$ 11,500,824
2018 Request.....	3,351	\$ 12,023,607
Net Change	43	522,783

	FTE	Obligations
Maintaining Current Levels:		
FY 2018 Pay Increase (1.9%), Effective January 2018		\$ 8,773
Inflation on Goods and Services Sold		\$ 163,251
Subtotal, Maintaining Current Levels	-	\$ 172,024

Program Changes

Increased Business Volume through FAS Offerings		\$ 429,744
Increased Operations & Maintenance on Vehicles		\$ 4,272
Reduced Contractual Services & Reserve Investments		\$ (54,926)
Net Effects of Staffing Review	43	\$ (14,969)
Reduced Travel, Supplies, Equipment, & Other Misc Costs		\$ (8,760)
Reduced WCF Bill		\$ (4,601)
Subtotal, Program Changes	43	\$ 350,759
Net Change	43	\$ 522,783

Summary of Results of Operations

The ASF's authorizing legislation requires the Administrator to establish rates to be charged to agencies receiving services that: (1) recover costs and (2) provide for the cost and capital requirements of the ASF. In order to fulfill this requirement, GSA projects estimated income and expenses as part of the budget process. Below are highlights of this process as they relate to growth in revenue and utilization of reserves.

In FY 2017 and FY 2018, total ASF revenue is projected to be \$10,909 million and \$11,609 million respectively. This revenue is generated across FAS's six business portfolios and the ASF activities of TTS. Revenue for all programs is projected to increase in FY 2018 plans from FY 2017 due to increased utilization of current offerings as well as several new offerings. Below is a breakdown of the \$700 million in anticipated revenue increases from FY 2017 to FY 2018.

- \$463 million is associated with expected growth of customer orders in the Assisted Acquisition Services Portfolio. Most of this growth is associated with increased business volume related to Department of Defense and GinnieMae orders.
- \$90 million associated with increased adoption of IT schedule offerings and Network Services through the Information Technology Category Portfolio.
- \$95 million associated with volume increases associated with the expansion and growth of store operations within the General Supplies and Services Portfolio.
- \$9 million associated with volume increases from the growth of the Human Capital and Training Solutions (HCaTS) and the continued implementation of OASIS within the Professional Services and Human Capital Categories Portfolio.
- \$23 million associated with increases to the Travel, Transportation, and Logistics portfolio. Agency motor vehicle consolidations are planned to increase growth in FY 2018.
- \$20 million is associated with anticipated increases to business activity for the Integrated Award Environment (IAE), Common Acquisition Platform (CAP) and TTS initiatives.

In FY 2017 and FY 2018, reserves will support business system and offering modernization, enhancements to IAE, contract transition for the Network Services Program and support of the Presidential Transition. Encompassed within these categories are investments in critical agency and Government-wide initiatives, including development of the CAP and the Acquisition Gateway, login.gov and cloud.gov, as well as the institutionalization of Category Management within FAS's business operations.

Results of Operations by Program

(Dollars in Thousands)

Income and Expense Statement	FY 2016 Actual	FY 2017 Plan	FY 2018 Estimate
1. Assisted Acquisition Services (AAS)			
Revenue	\$ 4,770,582	\$ 5,180,732	\$ 5,643,843
Acquisition Training Fund	\$ -	\$ -	\$ -
Cost of Goods Sold	\$ 4,617,731	\$ 5,016,599	\$ 5,472,550
Gross Margin	\$ 152,850	\$ 164,133	\$ 171,293
<i>Cost of Operations</i>			
Program Expenses	\$ 101,501	\$ 109,293	\$ 112,751
Corporate Overhead	\$ 37,548	\$ 37,046	\$ 36,341
Other Cost of Operations	\$ 1,125	\$ 4,207	\$ 5,066
Total Cost of Operations	\$ 140,174	\$ 150,547	\$ 154,158
Operating Results Before Reserves	\$ 12,676	\$ 13,586	\$ 17,134
Reserve Expenses	\$ 4,526	\$ 20,990	\$ 15,034
Net Operating Results	\$ 8,150	\$ (7,403)	\$ 2,101
2. General Supplies and Services (GSS)			
Revenue	\$ 1,012,532	\$ 949,129	\$ 1,044,169
Acquisition Training Fund	\$ (6,678)	\$ (2,557)	\$ (2,630)
Cost of Goods Sold	\$ 750,834	\$ 765,863	\$ 845,121
Gross Margin	\$ 255,019	\$ 180,708	\$ 196,418
<i>Cost of Operations</i>			
Program Expenses	\$ 200,290	\$ 160,331	\$ 153,971
Corporate Overhead	\$ 72,481	\$ 51,415	\$ 50,437
Other Cost of Operations	\$ 7,968	\$ 7,611	\$ 14,433
Total Cost of Operations	\$ 280,738	\$ 219,357	\$ 218,841
Operating Results Before Reserves	\$ (25,719)	\$ (38,649)	\$ (22,423)
Reserve Expenses	\$ 2,454	\$ 20,929	\$ 15,926
Net Operating Results	\$ (28,173)	\$ (59,578)	\$ (38,349)
3. Integrated Technology Category (ITC)			
Revenue	\$ 1,788,885	\$ 1,879,166	\$ 1,969,273
Acquisition Training Fund	\$ (7,060)	\$ (7,358)	\$ (7,267)
Cost of Goods Sold	\$ 1,484,040	\$ 1,536,649	\$ 1,609,282
Gross Margin	\$ 297,785	\$ 335,159	\$ 352,724
<i>Cost of Operations</i>			
Program Expenses	\$ 208,877	\$ 232,393	\$ 214,388
Corporate Overhead	\$ 73,227	\$ 68,472	\$ 67,170
Other Cost of Operations	\$ 3,726	\$ 7,540	\$ 13,203
Total Cost of Operations	\$ 285,831	\$ 308,405	\$ 294,762
Operating Results Before Reserves	\$ 11,954	\$ 26,754	\$ 57,963
Reserve Expenses	\$ 42,255	\$ 77,458	\$ 67,077
Net Operating Results	\$ (30,302)	\$ (50,704)	\$ (9,114)

U.S. General Services Administration
Acquisition Services Fund

Income and Expense Statement	FY 2016 Actual	FY 2017 Plan	FY 2018 Estimate
4. Professional Services & Human Capital (PSHC)			
Revenue	\$ -	\$ 99,320	\$ 108,491
Acquisition Training Fund	\$ -	\$ (4,738)	\$ (4,838)
Cost of Goods Sold	\$ -	\$ -	\$ -
Gross Margin	\$ -	\$ 94,582	\$ 103,653
<i>Cost of Operations</i>			
Program Expenses	\$ -	\$ 62,495	\$ 60,866
Corporate Overhead	\$ -	\$ 20,176	\$ 19,792
Other Cost of Operations	\$ -	\$ 1,233	\$ 1,270
Total Cost of Operations	\$ -	\$ 83,904	\$ 81,928
Operating Results Before Reserves	\$ -	\$ 10,678	\$ 21,725
Reserve Expenses	\$ -	\$ 12,625	\$ 10,795
Net Operating Results	\$ -	\$ (1,947)	\$ 10,931
5. Travel, Transportation, and Logistics (TTL)			
Revenue ¹	\$ 2,741,448	\$ 2,679,627	\$ 2,702,975
Acquisition Training Fund	\$ (949)	\$ (561)	\$ (338)
Cost of Goods Sold ¹	\$ 1,537,071	\$ 1,471,388	\$ 1,475,791
Gross Margin	\$ 1,203,427	\$ 1,207,679	\$ 1,226,846
<i>Cost of Operations</i>			
Program Expenses	\$ 385,606	\$ 477,300	\$ 508,381
Corporate Overhead	\$ 54,898	\$ 49,542	\$ 48,600
Other Cost of Operations	\$ 525,710	\$ 545,268	\$ 576,029
Total Cost of Operations	\$ 966,214	\$ 1,072,110	\$ 1,133,010
Operating Results Before Reserves	\$ 237,213	\$ 135,569	\$ 93,836
Replacement Cost Pricing	\$ 172,800	\$ 140,354	\$ 90,022
Reserve Expenses	\$ 2,068	\$ 13,168	\$ 5,532
Net Operating Results	\$ 62,345	\$ (17,953)	\$ (1,718)
6. Integrated Award Environment (IAE)			
Revenue	\$ 62,281	\$ 63,800	\$ 65,000
Acquisition Training Fund	\$ -	\$ -	\$ -
Cost of Goods Sold	\$ 63,574	\$ 63,000	\$ 64,300
Gross Margin	\$ (1,293)	\$ 800	\$ 700
<i>Cost of Operations</i>			
Program Expenses	\$ 10,807	\$ 13,288	\$ 13,601
Corporate Overhead	\$ 6,462	\$ 7,512	\$ 7,369
Other Cost of Operations	\$ 1,937	\$ 1,473	\$ 1,518
Total Cost of Operations	\$ 19,206	\$ 22,273	\$ 22,488
Operating Results Before Reserves	\$ (20,499)	\$ (21,473)	\$ (21,788)
Reserve Expenses	\$ 35,551	\$ 49,830	\$ 37,553
Net Operating Results	\$ (56,050)	\$ (71,304)	\$ (59,341)

U.S. General Services Administration
Acquisition Services Fund

Income and Expense Statement	FY 2016 Actual	FY 2017 Plan	FY 2018 Estimate
7. Common Acquisition Platform (CAP)			
Revenue	\$ 21	\$ 965	\$ 1,657
Acquisition Training Fund	\$ -	\$ -	\$ -
Cost of Goods Sold	\$ -	\$ 908	\$ 1,557
Gross Margin	\$ 21	\$ 57	\$ 100
<i>Cost of Operations</i>			
Program Expenses	\$ 6,091	\$ 1,791	\$ 1,632
Corporate Overhead	\$ 2,568	\$ 1,476	\$ 1,448
Other Cost of Operations	\$ 217	\$ 384	\$ 396
Total Cost of Operations	\$ 8,877	\$ 3,652	\$ 3,475
Operating Results Before Reserves	\$ (8,856)	\$ (3,594)	\$ (3,375)
Reserve Expenses	\$ 52,350	\$ 12,264	\$ 7,465
Net Operating Results	\$ (61,206)	\$ (15,859)	\$ (10,840)
8. Total Federal Acquisition Service			
Revenue	\$ 10,375,748	\$ 10,852,739	\$ 11,535,408
Acquisition Training Fund	\$ (14,688)	\$ (15,214)	\$ (15,073)
Cost of Goods Sold	\$ 8,453,252	\$ 8,854,407	\$ 9,468,600
Gross Margin	\$ 1,907,808	\$ 1,983,119	\$ 2,051,735
<i>Cost of Operations</i>			
Direct Operating Expenses	\$ 659,082	\$ 697,755	\$ 663,829
Indirect Operating Expenses	\$ 1,041,958	\$ 1,162,493	\$ 1,244,833
Total Cost of Operations	\$ 1,701,039	\$ 1,860,247	\$ 1,908,662
Operating Results Before Reserves	\$ 206,769	\$ 122,871	\$ 143,073
Replacement Cost Pricing	\$ 172,800	\$ 140,354	\$ 90,022
Reserve Expenses	\$ 139,205	\$ 207,265	\$ 159,383
Net Operating Results	\$ (105,236)	\$ (224,747)	\$ (106,331)
Operating Efficiency Metric ³	34.5%	35.2%	32.4%
9. Technology Transformation Service (TTS)			
Revenue	\$ 37,650	\$ 55,775	\$ 73,367
Acquisition Training Fund	\$ -	\$ -	\$ -
Cost of Goods Sold	\$ 9,414	\$ 11,707	\$ 19,232
Gross Margin	\$ 28,236	\$ 44,068	\$ 54,135
<i>Cost of Operations</i>			
Program Expenses	\$ 35,694	\$ 44,172	\$ 55,907
Corporate Overhead	\$ 8,942	\$ 11,533	\$ 10,160
Other Cost of Operations	\$ 1,016	\$ 754	\$ 619
Total Cost of Operations	\$ 45,652	\$ 56,459	\$ 66,686
Operating Results Before Reserves	\$ (17,416)	\$ (12,391)	\$ (12,551)
Reserve Expenses	\$ 1,856	\$ 9,793	\$ 11,514
Extraordinary Adjustment	\$ -	\$ -	\$ -
Net Operating Results	\$ (19,272)	\$ (22,184)	\$ (24,065)

*U.S. General Services Administration
Acquisition Services Fund*

Income and Expense Statement	FY 2016 Actual	FY 2017 Plan	FY 2018 Estimate
10. Total Acquisition Services Fund (ASF)			
Revenue	\$ 10,413,398	\$ 10,908,514	\$ 11,608,775
Acquisition Training Fund	\$ (14,688)	\$ (15,214)	\$ (15,073)
Cost of Goods Sold	\$ 8,462,666	\$ 8,866,114	\$ 9,487,832
Gross Margin	\$ 1,936,044	\$ 2,027,187	\$ 2,105,870
<i>Cost of Operations</i>			
Program Expenses	\$ 948,866	\$ 1,101,064	\$ 1,121,498
Corporate Overhead	\$ 256,127	\$ 247,172	\$ 241,317
Other Cost of Operations	\$ 541,698	\$ 568,471	\$ 612,533
Total Cost of Operations	\$ 1,746,691	\$ 1,916,706	\$ 1,975,348
Operating Results Before Reserves	\$ 189,353	\$ 110,480	\$ 130,522
Replacement Cost Pricing	\$ 172,800	\$ 140,354	\$ 90,022
Reserve Expenses	\$ 141,062	\$ 217,058	\$ 170,896
Extraordinary Adjustment	\$ -	\$ -	\$ -
Net Operating Results	\$ (124,508)	\$ (246,931)	\$ (130,396)

1 - TTL Portfolio Revenue and Cost of Goods Sold include \$739.8 million, \$901.4 million, and \$926.0 million in intra-GSA sales of vehicles that GSA Fleet plans to purchase from GSA Automotive in FY 2015, FY 2016, and FY 2017, respectively, for its leasing program for Federal agencies.

2 - TTL reserve expenses include Replacement Cost Pricing (RCP), which is a component of current year fees and is used to cover the cost of inflation on vehicles purchased by GSA Fleet.

3 - FAS Operating Efficiency Metric = Direct Operating Expenses / Gross Margin

Operating Efficiency Metric

FAS has begun using an operating efficiency metric to manage its direct operating expense budget. That metric is equal to FAS's direct operating expenses divided by the total gross margin earned by FAS's different business lines. FAS's direct operating expenses are defined as the costs that FAS has direct control over, i.e., those costs that are not related to customer orders or controlled by a part of GSA other than FAS. Examples of costs excluded from FAS's direct operating expenses include maintenance costs of vehicles leased to customers and payments to GSA's Working Capital Fund.

The metric's initial target is 32.4% for FY 2018. Individual portfolios within FAS provide services on profit and loss statements that have different fixed and variable direct cost models, and therefore different operational efficiency ratios. Each year, management will evaluate benchmark efficiency at detailed portfolio levels to ensure FAS's ability to serve changing levels of Government demand at optimal levels of efficiency.

U.S. General Services Administration
Acquisition Services Fund

Obligations by Object Classification
(Dollars in Thousands)

		FY 2016	FY 2017	FY 2018
		Actual	Plan	Estimate
11.1	Full-time permanent.....	\$ 317,172	\$ 346,108	\$ 341,180
11.3	Other than permanent.....	\$ 616	\$ 87	\$ 90
11.5	Other personnel compensation.....	\$ 2,862	\$ 3,468	\$ 3,589
11.9	Total personnel compensation.....	\$ 320,650	\$ 349,663	\$ 344,858
12.1	Civilian personnel benefits.....	\$ 99,741	\$ 106,069	\$ 104,677
13.0	Benefits for Former Personnel.....	\$ 10	\$ -	\$ -
21.0	Travel and transportation of persons.....	\$ 6,447	\$ 10,673	\$ 8,235
22.0	Transportation of things.....	\$ 8,947	\$ 4,665	\$ 4,820
	Direct.....	\$ 146	\$ 6	\$ 1
	Flow-Thru.....	\$ 8,800	\$ 4,659	\$ 4,819
23.1	Rental payments to GSA.....	\$ 25,388	\$ 14,091	\$ 13,825
23.3	Communications, utilities, and miscellaneous charges.....	\$ 1,485,102	\$ 1,394,856	\$ 1,451,353
	Direct.....	\$ 1,062	\$ 1,126	\$ 1,095
	Flow-Thru.....	\$ 1,484,040	\$ 1,393,729	\$ 1,450,257
24.0	Printing and reproduction.....	\$ 1,773	\$ 2,138	\$ 1,894
25.1	Advisory and Assistant Service.....	\$ 5,444,680	\$ 5,504,582	\$ 5,914,557
	Direct.....	\$ 402,949	\$ 412,368	\$ 357,442
	Flow-Thru.....	\$ 5,041,731	\$ 5,092,214	\$ 5,557,115
25.2	Other good and services from non-Federal sources.....	\$ 2,619	\$ 5,724	\$ 5,921
25.3	Other purchases of goods and services from Federal sources.....	\$ 267,535	\$ 262,669	\$ 258,134
25.7	Operations and maintenance of equipment.....	\$ 106,172	\$ 113,691	\$ 117,963
26.0	Supplies and materials.....	\$ 859,456	\$ 953,998	\$ 1,044,148
	Direct.....	\$ 593	\$ 446	\$ 229
	Flow-Thru.....	\$ 858,864	\$ 953,552	\$ 1,043,919
31.0	Equipment.....	\$ 3,004,802	\$ 2,778,005	\$ 2,753,223
	Direct.....	\$ 11,076	\$ 18,966	\$ 13,145
	Flow-Thru.....	\$ 2,993,727	\$ 2,759,039	\$ 2,740,078
32.0	Land and structures.....	\$ -	\$ -	\$ -
42.0	Insurance claims and indemnities.....	\$ 359	\$ -	\$ -
	Total new obligations.....	\$ 11,633,323	\$ 11,500,824	\$ 12,023,607
	Subtotal, PC&B.....	\$ 420,401	\$ 455,732	\$ 449,536
	Subtotal, Non-labor.....	\$ 11,212,922	\$ 11,045,092	\$ 11,574,071
	Civilian full-time equivalent employment.....	3,061	3,308	3,351
	Net Outlays.....	210,371	232,429	204,876

FTE by Portfolio, Initiative, and Integrator Office

	FY 2016 Actual	FY 2017 Plan	FY 2018 Request
FAS Portfolios & Initiatives	2,273	2,515	2,553
Assisted Acquisition Services	313	335	382
General Supplies Services	641	570	540
Integrated Technology Category	608	670	708
Professional Services & Human Capital	-	216	212
Travel, Transportation, & Logistics	649	650	648
Common Acquisition Platform	31	38	30
Integrated Award Environment	31	36	34
FAS Integrator	597	487	526
Office of the Commissioner	8	6	22
Regional Commissioners	90	90	90
Office of Enterprise Strategy Management	32	39	46
Office of Stakeholder Engagement	219	223	260
Office of Policy & Compliance	166	39	39
Regional Acquisition Operations	82	90	69
Total FAS FTE *	2,870	3,002	3,078
Technology Transformation Service	191	306	273
Total ASF FTE *	3,061	3,308	3,351

* The sum of individual office's FTE may not add up to total FAS FTE levels due to rounding.

Significant New Investments (Incremental to the FY 2017 Congressional Justification)

The formulation of the ASF budget includes multi-level governance review of all executive business cases. This review evaluates the executive business cases to ensure that funded projects align to strategic goals, align with systems architecture (as applicable), are executable, are based on financially sound estimates and do not represent duplication of efforts, among other factors considered.

IAE Reserves - Additional funding will be used to accelerate development timelines of four operational systems within IAE. Additionally, funding is required to maintain operations of the Federal Procurement Data System - Next Generation (FPDS-NG) while functionality is deployed to the new platform. Finally, funding for a replacement Federal procurement reporting tool is required as the existing tool is out of date and has no technical support.

Login.gov - Funding will be used to establish, administer, and offer a Government-wide Consumer Identity Service as a cloud-based shared service thereby enabling all Government agencies to provide online services to consumers using digital consumer identities with greater security, usability, privacy and efficiency. GSA will:

- Create the Consumer Identity Service, which will enable GSA to be a credential services provider and offer Government provided consumer identities.
- Develop and manage the technical hub, which will consist of the Consumer Identity Service platform, infrastructure and components/services.
- Build some Consumer Identity Service components, such as interfaces and account maintenance, and will acquire other Consumer Identity Service components, such as identity proofing, multifactor authentication and fraud detection.
- Establish and manage interagency agreements with customer agencies and contracts with vendors.

ASSIST - The ASSIST investment will consolidate two legacy applications into a single application for handling assisted acquisitions across FAS. As a client agency- and contractor-facing application, optimizing and consolidating these applications will reduce the cost in time and effort for all external users. Additionally, it will improve the efficient execution of contract/task order award/administration/closeout for our GSA users. The consolidation of business data into a single application will allow for better managerial decision-making and business outcomes to ensure positive financial results, compliant acquisitions, transparent and collaborative processes, and satisfied client agencies. ASSIST will deliver systemic channel provider support to maximize category management expansion.

Transition to EIS - One of the Government's top priorities for telecommunications is the transition of services from the expiring Networx, WITS 3, and the Local Telecommunications Services contracts to the upcoming Enterprise Infrastructure Solutions (EIS) contracts. This transition will provide a flexible platform to support agency migrations to modern

telecommunications and IT service offerings. As these contracts expire, GSA will assist agencies with transitioning their existing services to the replacement EIS contracts to ensure continuity of services.

Acquisition Gateway Additional Investment - Additional funding will be used to continue development of the Acquisition Gateway which will improve collaboration through new community and project features and will address additional elements of the acquisition journey. This includes building statements of work, tracking and managing acquisitions, supporting category team campaign business management, and facilitating interaction between Federal workers and vendors.

Professional Services Transformation - Additional funding will enable hiring of staff to expand the market reach of the Assisted Acquisition Services (AAS) portfolio, implement the Professional Services Schedule and Human Capital Category (PSHC), improve professional services contract and program management, expand skill sets of its acquisition professionals and improve internal controls. Contracting Officers and Specialists will be fully managing PSS contracts (moving from a focus on pre- and post-award work to “cradle to grave” or full scope management). Additionally, contracting professionals within the organization will also support competitive contracting work in support of AAS customers. The PSHC Category Management Division and team members have broader requirements for Hallway content and digital tool development and management, customer data analytics and facilitation and development of customer requirements that serve Federal acquisition community. In addition, funding will support development of the PSHC Hallway including development of a pricing tool and content related to the Seven Steps to Performance Based Acquisitions (7SBPA). The pricing tool will assist contracting officers and contracting specialists with market research and price analysis for labor categories on Federal Government contracts. The 7SBPA content will support the stated goal of FAS’s customers to better manage requirements development and the quality of services contracts

eBusiness - The eBusiness program funds the technology improvements needed to support GSA’s new “direct vendor delivery” business model. The new business model and technology improvements will standardize order management for GSA Global Supply and Retail Operations in one solution, resulting in lower operating cost for GSA, lower product cost for GSA customers and increased consistency and order visibility for a more consistent and transparent customer experience.

Two significant systems initiatives are funded through the eBusiness. Modern order processing capabilities have been acquired through the Order Management Services (OMS) initiative. The largest module of this service was rolled out in August 2016, and support is already being provided for transformational Supply programs such as Federal Strategic Sourcing Initiatives (FSSI). The second system initiative is implementation of a robust Point of Sale and Retail Management Solution. This solution has been deployed to over 20 retail locations globally and has transformed the support delivered to major customers such as the U.S. Marine Corps. Final

technology module rollouts will occur in FY 2018, and additional benefits associated with legacy system shutdowns will be realized going forward.

Federal Acquisition Service

The mission of the Federal Acquisition Service (FAS) is:

Support our Customers with Government-wide contract vehicles and sources of supply, eProcurement tools and assisted services.

The FAS mission reflects a commitment to delivering service, innovation and value through efficient operations, market expertise and proactive partnerships with both customer agencies and private sector vendors. FAS accomplishes this mission by providing solutions to partner agencies through six business portfolios that help agencies buy smarter and lead to administrative cost savings throughout the Government.

In order to better carry out this mission, FAS has introduced category management principles and has also launched CAP to improve its level of service through innovative tools that enhance agency acquisitions. FAS is also investing in the development of the Acquisition Gateway, a platform and set of digital services to bring information, data and category management knowledge to the Government acquisition workforce. These investments are aligned with the FAS and the Government-wide implementation of category management principles and will save the Government money through reduced contract duplication, improved engagement with industry and the incorporation of strategic sourcing principles into the category acquisitions.

FAS tailors its current offerings to help partner agencies minimize the administrative costs associated with acquisitions so that agencies can focus on mission critical activities. Descriptions of each portfolio and their shared mission of promoting buying smarter, strategic sourcing, and increased administrative savings across the Government are included below.

Assisted Acquisition Services Portfolio

The Assisted Acquisition Services (AAS) portfolio offers customized acquisition, project management and financial management services for large and complex projects at best value to the Government. AAS's highly trained contracting, project and financial management professionals provide direct assistance to partner agencies on the Government's complex information technology, professional services, facilities maintenance, and cyber security challenges. This commitment to mission ensures that agency requirements are met on time and within budget while reducing contracting risk. AAS provides best value in acquisition, so that partner agencies can focus on their mission critical activities instead of overseeing acquisition and project management personnel.

The AAS portfolio includes the Center for Federal Systems Integration and Management (FEDSIM), which provides support on a national and global basis, and regionally reporting Client Support Centers (CSCs). AAS will be adding two new CSCs in FY 2017 - in the Heartland and Northwest-Arctic Regions. With the addition of these two new CSCs, AAS will have eleven CSCs, each based in GSA regional locations and primarily serving customers located in those geographic footprints. Based on their operating tempo and business capacity, each CSC has the ability to support clients in other geographic areas to support the overall needs of the AAS portfolio and best serve its customers' mission requirements.

In FY 2017 and FY 2018, AAS will continually promote transparent, sustainable and superior quality acquisitions across the Government. To meet demand, AAS is increasing agency partner support through higher staffing levels in FEDSIM and the CSCs. AAS continues to use a business model that channels demand to acquisition professionals who have the expertise to meet agency requirements. Key investments in business systems will continue in FY 2017 in close coordination with the GSA IT, eliminating duplicative processes and streamlining redundant systems functionality.

The primary areas of AAS expertise have historically included IT and IT services, professional services, and facilities maintenance spending categories. AAS is expanding its focus to include the cyber security fields and other spending categories. This enlarged scope of activity includes providing contracting support for the entire acquisition lifecycle, from developing requirements through awarding and administering contracts and task orders.

In FY 2016, AAS continued efforts to stand up expanded support and has begun building relationships with potential agency partners. For example, AAS's expertise in acquisition has drawn the attention of Ginnie Mae in recent years. After the completion of a round of pilot procurements with AAS, Ginnie Mae and AAS have built a strategic alliance to reduce Ginnie Mae's cost of acquisition while increasing compliance with the Federal Acquisition Regulation. In FY 2016, AAS awarded 11 contracts on behalf of Ginnie Mae with a total value of more than \$125 million. The FY 2017 acquisition forecast has AAS awarding over \$300 million in contracts for Ginnie Mae. AAS is now serving as the service provider for acquisition functions on all new Ginnie Mae requirements. The strategic relationship with Ginnie Mae continues to strengthen and grow.

In FY 2017, AAS will continue working with agency partners to identify and execute on an expanded range of acquisition shared service opportunities that will serve as the foundation for future growth in FY 2018 and beyond.

General Supplies and Services

The Office of General Supplies and Services (GS&S) leverages the Federal Government's economies of scale to procure/requisition non-IT products and services at reduced prices, with fast delivery times and in compliance with the Federal Acquisition Regulation. By establishing

acquisition solutions that can be used Government-wide, GS&S allows Federal agencies to avoid contract duplication and eliminates the need for other agencies to develop their own contract vehicles for commercially available items and related services. GS&S also provides personal property disposal and offers sales services to partner agencies.

Office of Supply Chain Management (SCM) — provides Federal agencies access to competitively priced products as part of the National Supply System. These activities were historically supported through GSA-owned distribution facilities and, to a lesser extent, direct vendor distribution channels. The Western Distribution Center closed on September 30, 2014, and the Eastern Distribution Center closed on December 31, 2014. The distribution centers' closures and accompanying reductions in FTE, contractual services and transportation costs resulted in cost savings of approximately \$77 million in FY 2015 as compared to FY 2013. As part of the transformation of the supply program, in FY 2015 GSA also transitioned supply responsibility associated with the Wildland Fire Program and Federal Supply Group 80 (brushes, paints, sealants and adhesives) to the Defense Logistics Agency, allowing GSA to embrace a modern, streamlined business model for supply chain management.

SCM's new business model now fully utilizes the Federal Strategic Sourcing Initiative (FSSI) Direct Vendor Delivery (DVD) model for commercially available items and provides assisted acquisitions for products without a pre-existing contract. In FY 2017 and into FY 2018, and in conjunction with the Office of Acquisition Operations, SCM's new business model will continue to implement FSSI requisition channel contracts for Janitorial and Sanitation products (JanSan) and Maintenance, Repair and Operations Supplies (MRO). The FSSI requisition channel contract or Office Products (OS3) was implemented in October 2015. FSSIs are leveraged, strategic sourcing vehicles consistent with OMB policy guidance. The DVD and assisted acquisition models allow the program to efficiently meet agency demands for competitively priced products, faster delivery, and reduced inventory costs to the Government.

Office of Retail Operations (RO) - The Retail Operations business model offers a range of solutions customized to fit each unique customer's requirements. Solutions range from Virtual Stores offering desktop delivery, referral ordering and issue point service to Hybrid Stores offering latch key store solutions, satellite store models and product integrator models. The Full 4th-Party Logistics Store solution alleviates operations responsibilities from the customer and assigns GSA full responsibility for management of the complete end-to-end supply chain, including Industry Partner management, retail operations store activities, and delivery management. RO currently operates and manages 28 retail locations around the world on behalf of its Department of Defense customers. Beginning in FY 2017, Retail Operations continued to expand business offerings through an Industrial Dispensing Machine solution to the Air Force Sustainment Centers. Point-of-use dispensing machines are located in the work center serving as a material integrator and are linked through an IT architecture, supplying common use items to artisans and skilled laborers. This innovative offering allows RO to continue to meet customer needs in an ever-changing market through a tailored supply chain solution that reduces cost and gains efficiencies for the end users.

Office of Acquisition Management (AM) — provides Federal agencies with direct access to vendor goods and services through Multiple Award Schedule contracts, assisted acquisitions for furniture through the Integrated Workplace Acquisition Center (IWAC) and emergency preparedness and response recovery contracting through the Center for Innovative Acquisition Development (CIAD) program.

In FY 2017, AM Centers has begun to incorporate the Transactional Data Reporting (TDR) Rule to capture transactional data on procurements across all of its Multiple Award Schedule (MAS) contracts. The TDR Rule requires vendors to electronically report, among other useful data, the prices the Federal Government pays for an item or service purchased through GSA acquisition vehicles. They will also incorporate the Formatted Product Tool (FPT), which will compare prices of the same model numbers under different MAS contracts, allowing GSA and the contractors to identify and reduce the “spread” in pricing for those model numbers.

In FY 2017 and FY 2018, AO will continue to expand on FSSI solutions. The solutions include Janitorial and Sanitation products (JanSan), Maintenance, Repair and Operations Supplies (MRO), Building Maintenance and Operations (BMO) and Office Supplies 3 (OS3). In FY 2016, GSS FSSI offerings generated \$280 million in business volume, resulting in \$77 million in savings for the Government. The offerings continue to leverage the growing FSSI infrastructure by streamlining the acquisition and management of these commodities, driving competition and economies of scale for agencies and industry partners.

Additionally, IWAC will continue efforts to maximize contract coverage and to ensure that all product descriptions reflect current commercial standards. The IWAC program will also continue to partner with the GSA Public Buildings Service (PBS) to provide furniture to Federal agencies through GSA’s Total Workplace solution. GSA is helping agencies transition into modern, mobile and more cost efficient work environments, and IWAC is helping agencies furnish their new space with mobile-work friendly office furniture by minimizing the upfront capital needed.

Under the National Response Framework, CIAD co-leads Emergency Support Function #7 (ESF-7), Logistics Management and Resource Support, with the Federal Emergency Management Agency (FEMA). CIAD establishes contingency acquisition solutions to assist FEMA in procuring the commodities and services needed to support their mission utilizing GSA Schedules and open market procurements. Examples of commodities and services procured by CIAD in support of FEMA include: the leasing of generators, the purchase of blankets, cots, tarps, plastic sheeting, water, hygiene kit supplies, office furniture for FEMA field offices, leasing of buses with drivers and armed guard services.

Office of Personal Property Management (PPM) — provides sales services to Federal agencies through the Property Sales Program. Personal property sales staff work with agencies to conduct sales on behalf of agencies that have surplus, forfeited, or outdated personal property under the Exchange/Sale authority with the majority of the sales proceeds reimbursed to the partner agency. In FY 2016, PPM sold over 138,000 items of surplus federal personal property. One of PPM’s current initiatives is to increase the use of Exchange/Sale authority, whereby

remaining proceeds, after cost of sale, are reimbursed to the partner agency. In FY 2016, over \$111 million was returned to partner agencies.

Information Technology Category

Information Technology Category's (ITC) goal is to be at the forefront of innovation and change and to become a trusted business advisor to customer agencies through a deep understanding of acquisition and IT. In order to deliver the best value to stakeholders and align with Government-wide IT category management, ITC has been organized around the major IT subcategories of Telecommunications, IT Hardware, IT Software, IT Services, and IT Security.

Telecommunications - the Telecommunications subcategory helps Federal agencies get the network and telecommunications services needed to accomplish their missions efficiently and at the best possible price. This subcategory consists of network infrastructure, satellite communications, wireless and mobility and network support and integration.

The Telecommunications subcategory vision seeks to maximize internal efficiency through the refinement of internal procurement processes. As part of this vision, over the next three years, ITC seeks to reduce the number of GSA telecom contracts by 70 percent and expects a total reduction of telecom contracts of 80 percent in five years. Beginning in FY 2017, customer agencies will transition from the Network contract and over 80 Local Services Agreements (LSAs) to Enterprise Infrastructure Solutions (EIS), which will result in more than \$2 billion in business volume annually. Additionally, EIS will be rolling out new technologies and establishing new internal processes that are more FAR compliant.

Initiatives in the Telecommunications Category for FY 2017 and FY 2018 are primarily focused on the creation and launch of the Enterprise Infrastructure Solutions (EIS) contract and the transitioning of services to that contract. For example, the EIS Acquisition initiative funds the creation of the contract that will replace Network and the Local Service Agreements (LSAs) that are currently being used by customer agencies. EIS is projected to be awarded in FY 2017. The Transition to EIS initiative will assist customer agencies to complete the movement of services to the new contract. Based on lessons learned from the previous transition to Network, this initiative allows GSA and agency customers to cooperate on transition planning, preparation and inventory management.

The Telecommunications subcategory also has significant goals tied to satellite and mobility. In FY 2017, the Complex Commercial Satellite Communications contract will be awarded. The Telecommunications subcategory will also work with the Government-wide Mobile Services Category Team to finalize and publish a Mobility Roadmap.

IT Hardware - the IT Hardware subcategory is comprised of purchase, lease and maintenance options for:

- Communications equipment, such as landline phones (including VoIP), modems, routers, switches, land mobile radio (LMR) and wireless broadband (WiFi) devices;
- Computing equipment, such as data center equipment, servers, storage, laptops, desktops and peripherals;
- Electronic equipment, such as Audio/Visual (A/V equipment for conference rooms and operation centers) test equipment, printers, scanners and copiers;
- Fiber optic equipment, such as active and passive optical network equipment, cables, connectors and media converters;
- Hardware services, such as maintenance (e.g., SmartNet for Cisco products).

In FY 2017 and FY 2018, the IT Hardware subcategory will strengthen its offerings for desktops and laptops that are compliant with the Workstation Category Team's standard configurations by streamlining the process of adding new products to MAS contracts. In addition, the IT Hardware subcategory will ensure that those products are represented in GSA Advantage! and Advantage Select with full technical descriptions and that all available options are built into an online configurator to ease the identification of desired products and to streamline the ordering process.

IT Hardware's goal is to establish GSA Advantage! as an eCommerce ordering platform for desktops and laptops for GSA customers to increase acquisition efficiency and automate transactional data collection for prices paid reporting.

The IT Hardware subcategory is using best practices established for the Government-wide Strategic Solutions for Desktops and Laptops as a basis to support expansion into other Government-wide IT Hardware commodity segments such as servers, storage, LMR, WiFi and A/V.

IT Software - The Software subcategory is comprised of Infrastructure Software, Enterprise Application Software and Licensing and Maintenance.

The SmartBUY program (now the Software Center of Excellence (SCoE)) originally partnered with DoD's Enterprise Software Initiative to develop blanket purchase agreements (BPAs) for Federal agency software purchases to aggregate requirements, drive down prices and establish more consistent licensing agreements. ITC has recently expanded its focus to include the broader software market; new ways to acquire and license; new tools to improve asset management, data and information sharing across the Government; and the implementation of provisions found in the Federal Information Technology Acquisition Reform Act (FITARA).

Two initiatives provide examples of how the ITC Software subcategory will continue to improve the ability of Federal agencies to fulfill their core missions by enabling software spend to be cost efficient and effective. The creation of the Software Center of Excellence will, in response to FITARA and OMB directives, set up Government-wide purchasing vehicles, provide knowledge to agencies on best practices in software acquisition and ultimately enable more efficient spending on commercial software. In addition, the continued development of the Software License Management Service aims to work with agencies to develop policies, procedures and

business processes that shift from uncoordinated, decentralized purchasing to centralized software management.

IT Services - IT Services is comprised of IT Outsourcing and IT Consulting. Together, these subcategories accounted for over \$30 billion in Federal spending in FY 2015.

IT Outsourcing is considered a managed service that takes the place of a client's internal business function. Because customer agencies do not want to incur the business risks of performing the service, apply the resources required to deliver the service, or invest in the resources to manage the service, they are willing to pay for the result or output.

IT Consulting is defined as services provided in order to improve business operations and foster innovation. This program is similar to IT Outsourcing, but the key difference is the execution within a project.

The IT services subcategory is working to encourage adoption of the Acquisition Gateway by posting compelling content from key stakeholders in the Federal acquisition community and by developing a process for virtually-conducted topical discussions.

IT Security – products and services associated with this subcategory are those that provide protection of information and information systems from unauthorized access, use, disclosure, disruption, modification or destruction in order to provide confidentiality, integrity and availability. As such, these products/services are vital to national security, protection of privacy and health data, and they are key requirements to many Federal, state, and local Government customers.

The IT Security subcategory provides support across categories by either responding to requests from other subcategories on applying security policies to their solutions, designing new solutions based on GSA Executive direction or implementing processes that provide acquisition assurance in general.

The IT Security subcategory serves as the ITC advisor in the procurement of cybersecurity products and services. IT Security also conducts analysis of cybersecurity legislation, directives, policies and procedures and assists in strategic planning support. The subcategory also manages development of Supply Chain Risk Management, Highly Adaptive Cybersecurity Services and the Cybersecurity Shared Services Program.

The IT Security subcategory also serves as the technical advisor for all categories regarding compliance with Federal IT security regulations, directives, cybersecurity best practices and future initiatives. For ITC, the IT Security subcategory ensures that the 15 ITC systems are continuously monitored to discover and mitigate all potential security risks and take corrective actions when necessary. Additionally, the team develops documents and implements an ITC-wide program to provide information security for the systems that support the ITC mission.

A major initiative in the IT Security subcategory is the Supply Chain Risk Management (SCRM) program, which aims to increase agency confidence in GSA-offered IT products and services. The initiative will support various cross-Category and Government-wide cybersecurity support efforts that implement these recommendations in practical ways by providing standard methodologies, procedures, tools and templates for use by category managers applied to all ITS contracts to enable agencies to make better risk-based purchasing decisions.

Professional Services and Human Capital Categories

As a result of FAS's reorganization around category management, the Professional Services and Human Capital Categories (PSHC) portfolio has been established as a new portfolio within the Federal Acquisition Service beginning in FY 2017. The new organization unites all current and future professional services and human capital contract-related offerings under one organization in order to better manage the category of spend and increase the ability to offer customers the best possible value for these services. There are four primary offerings within the portfolio: the Professional Services Schedule, One Acquisition Solution for Integrated Services (OASIS) multiple award contracts, the SmartPay Program supporting the professional services category and the new Human Capital and Training Solutions (HCaTS) multiple award contracts. The new PSHC portfolio better supports Federal Government requirements and management of non-IT professional and human capital services.

Professional Services and Human Capital Schedules — amid today's shrinking agency budgets and increasing demands on acquisition professionals, GSA is making the MAS program easier to use. As part of this effort in FY 2016, the Professional Services Category consolidated eight professional-services schedules into a single Professional Services Schedule (PSS) contract. The new PSS contract supports approximately \$10.5 billion in agencies' annual contracting spend and affords easier access to 3,500 companies that provide a full range of management and consulting services, professional engineering services, financial and business solutions, advertising and integrated marketing solutions, logistics, environmental services and language services (including translation, interpretation, transcription, sign language and training).

In FY 2017 and FY 2018 work will continue to improve the PSS by streamlining new offer documentation requirements, reducing administrative costs and the burden on industry in applying for PSS contracts and reducing the overall review and contract award cycle times currently experienced by industry partners applying for PSS contracts. PSS will implement several initiatives related to MAS by including plain language contract enhancements and streamlining the offer review processes. PSS will also be restructured to better align its offerings to the North American Industry Classification System which will improve ordering for task order procurements set aside for small business participation. The TDR will also be implemented for certain PSS contractors.

PSHC Schedules also include Human Capital Services contracts that provide temporary administrative and professional staffing as well as human resources and equal employment

opportunity services. These contracts support approximately \$405 million in agencies' annual contracting spend and afford access to 1,100 vendors that provide a range of commercial services. This includes a full array of Human Resources, Equal Employment Opportunity requirements and Social Services. Recently, expansion of services to this Schedule included the addition of social services, including Behavioral Health Services for individuals, and professional counseling for veterans' readjustment. This service is available to warfighters and their families on a pre- and post-deployment basis. When the need arises, counseling services are available for critical vocational and occupational rehabilitation assistance, Post-traumatic Stress Disorder, mental health, wellness, substance abuse and benefits counseling.

In FY 2017, GSA will work with the Government-wide Human Capital (HC) category manager to ensure these Schedules fully support implementation of the federal human capital framework and goals for the HC category.

One Acquisition Solution for Integrated Services (OASIS) - The OASIS and OASIS Small Business contracts are multiple award, indefinite delivery indefinite quantity contracts that provide flexible and innovative solutions for complex commercial and noncommercial professional services. Since their award in FY 2014, the OASIS contracts have supported over \$2 billion in agencies' contracting spend with approximately \$1.4 billion awarded in FY 2016, over half of which has been awarded to small businesses. The contracts afford easier access to 205 companies that provide program management, management consulting, logistics, engineering, scientific and financial services.

Several agencies have established OASIS as preferred use contracts including the Department of the Air Force, Department of Army, Department of Navy, Department of Defense "Fourth Estate" and the Department of Homeland Security as they reduce the administrative burden for Government and industry by avoiding the award of duplicative contracts.

In FY 2017 and FY 2018, two 'on-ramps' to the OASIS contracts will be conducted. The first, in FY 2017, will add new contractors to OASIS SB to expand the small business industrial base available to support Federal agencies' financial services requirements. Once completed, a second on-ramp will be conducted for OASIS adding to the number of large businesses available to provide these services.

Center of Charge Card Management (CCCM) — manages the Government charge card program known as GSA SmartPay, which serves more than 350 Federal agencies, organizations and Native American Governments by providing commercial payment solutions, including purchase, travel, integrated and fleet charge cards.

Participating agencies and organizations spent over \$28.5 billion through nearly 92 million transactions in FY 2016 using GSA SmartPay charge cards and related payment tools. Leveraging this large volume of spending, the program is able to earn substantial refunds from contractor banks based on that spend volume and the speed of bank invoice payment. In FY 2016, the GSA SmartPay program generated \$290 million in net refunds for partner agencies to

reinvest in mission delivery. CCCM has substantially increased contractor bank's issuance of higher security chip & PIN charge cards. CCCM is also increasing the use of data analytics to help improve the management of agency implementations of the GSA SmartPay program.

In FY 2017, GSA will compete and award the next generation of charge card and related payment services contracts, known as GSA SmartPay® 3 (SP3), which will give agencies access to new technologies in the payment industry through cardless payment tools. CCCM will support partner agencies in selecting a new GSA SmartPay® card services provider among the awardees of SP3 and obtaining new charge cards and other transition activities leading up to the beginning of the SP3 transactional period of performance in FY 2018.

Human Capital and Training Solutions (HCaTS) — The HCaTS and HCaTS Small Business contracts are multiple award, indefinite delivery indefinite quantity contracts that provide flexible and innovative solutions for complex commercial and noncommercial human capital services. The contracts are the result of a unique and collaborative partnership between the U.S. Office of Personnel Management (OPM) and GSA's FAS designed to provide all Federal agencies the ability to procure customized human capital management and training services through a streamlined, strategically sourced contract vehicle. The HCaTS contracts are part of a strategic Government-wide initiative to "buy as one" through Category Management and, as the Government-wide category executive agent, are an important first step in OPM's work to optimize spending in the human capital category.

Currently, the contracts afford easier access to 79 companies that provide human capital services in three Key Service Areas:

- Customized training and development services
- Customized human capital strategy services
- Customized organizational performance improvement

Use of the HCaTS contracts is expected to begin in late FY 2017.

Travel, Transportation, and Logistics Categories

The Travel, Transportation, and Logistics (TTL) portfolio provides agencies with a broad scope of innovative and cost-effective services that include travel, transportation and relocation services, motor vehicle acquisition and fleet management services. Operations within this portfolio include the following business lines:

Vehicle Purchasing (formerly Automotive) — is a mandatory source for executive agencies purchasing non-tactical vehicles. TTL provides services that allow the Government to avoid additional overhead costs associated with multiple vehicle acquisition programs and to purchase vehicles substantially lower than dealer invoice through consolidated purchasing. Each year, the

Federal Government procures over 40,000 vehicles through GSA's Vehicle Purchasing program.

Vehicle Leasing (Fleet Program) — provides full service leases for approximately 210,000 non-tactical vehicles to Federal agencies each year. The program provides agencies with end-to-end fleet management services including: vehicle acquisition and disposal, maintenance control and accident management, fuel and loss prevention services and a fleet management system that provides data and analytics on fleet operations. These services relieve agency partners of administrative, management and functional responsibilities of fleet management and allow agencies to maintain focus on their core mission. The National Maintenance Control Center and the National Accident Management Center support all leased vehicles by offering agencies preventive maintenance, repair and accident management services at best value. The use of these centers prevents the Federal Government from incurring higher maintenance costs in the future. The program also provides a fleet card with each vehicle for the purchase of fuel and minor maintenance, helping the program control costs and monitor waste, fraud and abuse.

The program is committed to improving fuel efficiency across the leased fleet. Each year, GSA replaces eligible vehicles in the GSA leased fleet with new, more fuel efficient vehicles. Through the third quarter of FY 2016, the new vehicle additions to the fleet had an average miles per gallon rating that was 14.2 percent higher than the vehicles they replaced.

GSA Fleet continues to work with Federal agencies to consolidate both agency-owned vehicles as well as replace costly commercial leasing arrangements. In FY 2016, GSA Fleet successfully transitioned over 900 USDA vehicles, along with 179 other agency-owned vehicles to GSA's leased fleet. This strategy will increase agency cost savings, while allowing agencies to focus resources on their mission instead of fleet management services. Furthermore, the Fleet Program has developed a streamlined process for upfitting law enforcement equipment through offering a series of uniform packages. This process creates a cross-governmental standardization solution for law enforcement vehicles which will result in significant Government-wide cost savings, as well as improved installation quality and increased industry participation.

Travel and Transportation — manages two centers of excellence offering a variety of services related to the travel of Federal employees and the transportation of Federal property: the Center for Travel Management and the Center for Transportation Management. In FY 2017 and FY 2018, both centers will focus on their category management strategies, specifically improving data collection and analytics for better performance management, increasing Government-wide spend under management and improving program alignment with the right Category offering.

Center for Travel Management — manages the E-Gov Travel Service (ETS), City Pair Program, FedRooms® lodging, travel agency services, and the GSA Travel Management Information Service. The Center's E-Gov Travel Service provides web-based, end-to-end travel management services that include: travel planning, authorization, online booking, travel agency support and reimbursement to partner agencies. In FY 2016, E-Gov Travel Service deployed 49

agencies on the second generation E-Gov Travel Service Solution (ETS2). Also in FY 2016, the Center for Travel Management developed a roadmap to the next generation ETS contract aimed at creating operational efficiencies and additional savings Government-wide. The City Pair Program leverages the Government's buying power and negotiates discounted airfares with commercial airlines. In FY 2016, partner agencies used the City Pair Program to purchase approximately 7.2 million flight segments and saved an estimated \$2.4 billion Government-wide when compared to comparable market-rate airfares. The FedRooms® lodging program is the first ever Government-wide transient lodging program that offers Federal employees over 6,200 properties globally. Despite the Government-wide reduction in travel, in FY 2016 FedRooms maintained 8 percent market share that resulted in an estimated savings of \$8 million Government-wide.

Center for Transportation Management — provides three major services: multimodal freight, the Employee Relocation Resource Center and transportation schedule services. The program's third generation Domestic Delivery Services (DDS) program. DDS is a FSSI solution that provides significant discounts to the already low prices on GSA schedules for express and ground delivery services and will be transferred to the Department of Defense at the beginning of FY 2018. In FY 2016, the Domestic Delivery Services program saved the Government approximately \$60 million through strategic sourcing of a Government-wide contract. This FSSI offering also enables agencies to meet sustainability requirements by providing fuel-efficient transportation services.

Office of Systems Management

The Office of Systems Management standardizes, integrates and streamlines the Federal awarding process through electronic means, while increasing transparency and ensuring compliance with all applicable Federal acquisition regulations. The portfolio also repurposes existing IT systems and develops new systems in support of Government-wide acquisition shared services. The newly developed systems provide Federal agencies with access to acquisition support data (e.g., prices paid) that allows for informed purchases.

The Integrated Award Environment (IAE) - is an E-Government initiative managed by GSA to facilitate each phase of the acquisition lifecycle, spanning from market research to contract administration. The goal of the IAE program is to integrate and unify the Federal acquisition process for Government buyers and sellers. With IAE's agile approach, and based on the work the program has completed so far, this initiative will achieve the goal of providing a centralized portal for Federal contracting information. With the agile project management approach for the delivery of new functions and features, the program is able to identify and resolve technical or user issues quickly. IAE continues to work closely with cross-government governance councils and sponsors, providing regular updates and input.

GSA will continue to develop an evolving set of functional capabilities to replace all ten legacy systems currently used to administer Federal awards. The legacy systems will be converted into

a common, cloud-based, secure business environment that facilitates and supports the cost-effective acquisition for products and services as well as fosters the transparent and effective management of Federal acquisition and assistance awards.

One of IAE's FY 2016 accomplishments was GSA's first-ever Limited Authority to Operate for a cloud-based Platform-as-a-Service product. It also began the transition of various functions to the new environment for the first time. The IAE IT development team was able to successfully test the integration between the Common Services Platform (CSP) and Connect.Gov as well as improve the developer experience of using the CSP for developing applications. Furthermore, IAE made enhancements to the future state Catalog of Federal Domestic Assistance (CFDA), Federal Business Opportunities (FBO), Federal Hierarchy, Identity and Access Management (IAM) and the Common Landing Page.

During the first quarter of FY 2016, IAE experienced the proposed debarment of a key vendor. In response to this challenge, IAE's workload and priorities shifted in order to develop a Minimal Viable Product for CFDA and FBO that was completed in December 2015. The proposed debarment was lifted January 2016. With each software release, IAE worked to improve the System for Award Management (SAM) user experience, improve the quality of information available from SAM and reduce the burden on Government contractors.

In FY 2016, GSA successfully modified a contract to grant perpetual data usage, including non-acquisition and commercial use, and data retention rights past the life of the contract. With this modification, the Government will be granted the right to use the data elements not previously owned by the Government, to generate aggregated Federal Awards based on Dun & Bradstreet D-U-N-S® number linkage information specifically for the purposes of identifying Registrants/Awardees that have received Federal Awards on FPDS.gov and USAspending.gov.

In both FY 2017 and 2018, IAE will see annual 2 percent inflation increases in its collections from the 24 CFO Act agencies. In these fiscal years, IAE will continue merging the legacy systems into the streamlined environment. Over the next couple of years IAE will be working towards the established Product Vision of the (new) SAM.gov, which is to be the trusted, essential place to seamlessly connect to the business of Government. Key initiatives include developing the feature to search and view publicly available data in the new platform as well as developing a tool for expanded reporting. SAM and FPDS modernization will begin in early FY 2017 and continue into FY 2018. Training materials, development, and support for users will begin in FY 2017 with the implementation of the new acquisition for communications, user analysis and training support. IAE will re-commence focus groups for input into the modernization effort and create groups for user testing as new functionalities become available.

The Common Acquisition Platform (CAP) - is an initiative to enable "best in class" Federal-wide shared services by dramatically increasing insight into Government-wide transactional data for better buying through category management, reducing costs to maintain redundant acquisition systems and enhancing the usefulness of those systems.

CAP provides overhead support services and tools that will enable GSA to save money in streamlining its offerings and improve customer satisfaction through easier, simpler methods to access GSA services. CAP will manage internal acquisition systems for compliance and to incorporate requirements from FAS's largest customers.

In FY 2015, CAP launched eBuy Open, a web application that displays information on open, closed, and canceled eBuy Requests for Quotes and also launched a new Prices Paid Portal platform which provides enhanced visualization of data from multiple platforms to enable greater analytics and decision-making in contract negotiations and awards. In FY 2016, CAP continued development of a consolidated technology Business Services Platform for data and tools. A sales reporting system was completed to support the implementation of a regulatory change to the General Services Acquisition Regulation requiring FAS contract holders to report transactional data. Improved governance and change control processes were put in place for GSA Advantage!. Two pilots were initiated with internal GSA customers as part of the Analytics as a Service offering. More data sets have been added to the Prices Paid Portal launched in FY 2015. Additionally, CAP created an inventory of existing applications aligned to generic business functions to identify duplication and support development of a future business architecture.

In FY 2017, a one-year pilot is being conducted to modernize GSA Advantage!. In FY 2017 and FY 2018, CAP is planning to expand a comprehensive acquisition solution that will allow agencies to acquire complex data analytic solutions and launch a contracting writing system as a service offering. Additionally, CAP will establish data governance for the Business Services Platform data lake, also known as the Logical Data Environment to promote data standardization.

FAS Integrators

The FAS integrator offices support the business portfolios while providing strategic, organizational and policy guidance to the business units. Integrator offices maintain FAS business processes and information technology systems; provide contracting support; build strategic partner relationships; and support the FAS workforce.

Executive Direction — is composed of the Office of the Commissioner and the Regional Commissioners' offices. The Office of the Commissioner provides leadership and overall executive and program direction to ensure the mission and responsibilities of FAS are effectively carried out. Each of GSA's eleven regions contains a Regional Commissioner's Office, which oversee regional FAS operations while ensuring that the acquisition needs of Federal agencies are met.

Office of Stakeholder Engagement (OSE) — plans to improve service to FAS suppliers and customers by establishing a Voice of the Customer program and a Stakeholder Relationship Management Program Management Office (PMO), while improving data management and

expanding analytical support. The analytical support will also provide agencies with a better understanding of agency spending and expiring contracts to make better buying decisions and reduce overall costs to the Government. OSE will provide additional data analysts to support the expanded National Account Manager (NAM) program, which will enhance FAS's efforts to respond to changing customer needs in a dynamic and changing marketplace. OSE plans to further increase visibility and adoption of key FAS initiatives across Government such as Category Management, Acquisition Gateway and MAS Transformation. In FY 2017, the organization is leading the FAS-wide implementation of CRM Standard Operating Processes, policies and procedures. OSE will manage the opportunity pipeline, FAS enterprise account plans and Voice of the Customer processes. OSE will also sustain and increase FAS vendor engagement and customer relationships through communications, training, corporate events, and the GSA Interact social media platform. Finally, OSE will oversee expanded support for Federal agencies through Account Executives.

Office of Enterprise Strategy Management (ESM) — has four core programs in its portfolio.

- *Planning and Performance* - oversees all aspects of FAS strategic planning. This office's comprehensive approach ensures FAS continually achieves business excellence by connecting people, ideas and strategies.
- *FAS Strategy Execution* - helps the FAS business portfolios and units develop and execute business plans to meet their goals.
- *Category Management Intelligence (CMI) Program Management Office (PMO)* - leads the efforts to support Government-wide category managers, develop data analysis and insight into the categories, and relay that intelligence back to FAS to assist with execution.
- *Acquisition Gateway* - builds tools and digital services that promote excellent acquisition in the Federal Government, including the support of category management.

These core program areas are deeply aligned with both developing and driving the FAS strategy to better carry out its mission and meet its performance goals. FAS is investing in both category management and the Acquisition Gateway as ways to build Government-wide strategies around categories of spend. These investments emphasize the importance of Government-wide contracts and best practices and position FAS solutions and services to meet common agency needs.

In FY 2015, ESM created FAS's Category Management Intelligence Program Management Office to implement category management as a consistent operating structure focused around product categories, which enables FAS to better serve customer agencies. Additionally, to support the use of best-in-class solutions across Government for each category of spend, GSA will share and coordinate intelligence and PMO products through Government-wide forums such as the Category Management Leadership Council.

FAS is investing in the development of the Acquisition Gateway, a platform and set of digital services to bring information, data and category management knowledge to the Government

acquisition workforce. These investments, led by ESM, align with the implementation of category management principles across FAS and Government-wide and will save the Government money through reduced contract duplication, improved engagement with industry and the incorporation of strategic sourcing and other improved acquisition principles.

These investments show promising returns in FY 2016. The CMI PMO is now supporting 10 Government-wide categories. Together, the PMO and the Government-wide category management executives (CMXs) developed and executed initial category plans for FY 2016. These plans are expected to achieve savings and cost avoidance of \$610 million and bring FAS \$36 billion in spend under management (SUM) in FY 2017. The PMO and CMXs are currently working on developing plans for FY 2017 and beyond that will increase SUM and savings significantly.

FAS continues to invest in improving the maturity of its programs through continued emphasis on business planning and tying FAS business plans to discrete, desired business outcomes. These activities led to increased revenue in FY 2016. In addition, the FAS Strategy Execution Division revamped the FAS business planning process in FY 2016, enabling FAS business units to achieve even better alignment in their business plans between FAS business goals and the implementation of category management principles. Initial feedback from FAS business units and category teams is that the revised process has led to smoother operations and more coherent plans than in previous years. In FY 2017, FAS Strategy Execution will work to ensure that strategic business planning is more tightly integrated with FAS's investment and executive performance planning processes, which will result in further improvements in FAS's ability to execute business strategies and achieve business goals.

The Acquisition Gateway gained new users and features in FY 2016, surpassing 10,000 users from 83 agencies. The public can now access the site, with the ability to access information available to the public. The Acquisition Gateway adopted the 10 Category structure and provides access to Government-wide category plans and expert information to assist acquisition professionals in buying smarter. A user-centered design approach based on user research and direct observations are the guiding principles for adding relevant features to the site. The Gateway team and Stakeholder Management executed four Gateway adoption campaigns, provided over 169 training demonstrations, and developed communications material that FAS employees can utilize in promoting the Acquisition Gateway.

Office of Policy and Compliance - is responsible for establishing the standards and framework for managing FAS's acquisition workforce to best align with policy established by the GSA Chief Acquisition Officer. The Office of Policy and Compliance ensures that operating practices are consistent across business lines and that FAS activities are fully compliant with all laws, regulations and policies. This office is dedicated to contract integrity and facilitating a consistently positive agency partner experience. In FY 2016, FAS realigned the Administrative Contracting Officer (ACO) function to the acquisition centers in the portfolios to better leverage the 1102 workforce and to provide significant developmental opportunities to the ACOs. FAS has realigned the Supplier Management Industrial Operations Analyst (IOA) functions to the

acquisition centers to better leverage contractual compliance and provide significant developmental opportunities to the IOAs. Additionally, the functions of the MAS Program Management Office have been realigned to the FAS Commissioner's Office to allow the Office of Policy and Compliance to focus on its core mission. MAS Systems Support Staff have been realigned to facilitate more coordinated systems support across the acquisition centers. Throughout FY 2017 and FY 2018, the Office of Policy and Compliance will continue to support the FAS acquisition workforce by ensuring that it is fully compliant with all laws, regulations and policies through activities including:

- Implementation of policy and procedures in support of Transactional Data and Formatted Pricing Tool MAS transformation initiatives.
- Development of acquisition policy and guidance for FAS specifically as it relates to Category Management.
- Provision of expert analytical support to the acquisition workforce through report automation, offer & modification level price analysis and market research data visualizations.
- Serve as a catalyst for the integration of (TDR) transaction data into existing business processes through the creation of models and tools which enhance procurement outcomes for contracting officers and category managers.

Contracting Division — is FASs' contracting arm that supports the acquisition needs of client agencies that do business with the Assisted Acquisition Services and Information Technology Category portfolios. By providing full contracting support, this office is able to maximize competition, lessen lead times, and reduce procurement costs for both Government and industry.

FAS IT Systems — the Office of GSA Information Technology (GSA IT) provides information technology support to FAS programs. GSA IT designs and delivers intuitive, innovative IT to meet FAS's business requirements. GSA IT incorporates its business knowledge and technological expertise to choose the best solution available for FAS programs.

Technology Transformation Service

The Technology Transformation Service (TTS) is a new Service in GSA created in FY 2016 that is organizationally separate from FAS but which draws funding, in part, from the Acquisition Services Fund. TTS applies modern methodologies and technologies to improve the public's experience with Government by helping agencies make their services more accessible, efficient, and effective, and by itself providing services that exemplify these values. The Service builds, provides and shares technology applications, platforms, processes, personnel and software solutions to federal agencies in an effort to help them better serve the public. In FY 2017 and FY 2018, TTS will continue to build the foundation for the Government's digital transformation with a focus on putting users first, building, sharing and using open source code and improving shared platforms and security.

Office of Acquisitions (18F Acquisitions) - drives smarter technology procurement through technical procurement consultations, new procurement vehicle creation and the development of innovative procurement platforms and methodologies.

Office of Investment (10X) - invests and oversees funds entrusted to TTS through a monthly seed/A/B/C funding process and regular program reviews.

Presidential Innovation Fellowship (PIF) - pairs talented, diverse technologists and innovators with top civil-servants and change-makers in the Federal Government to tackle some of the nation's biggest challenges.

Login.gov - Login.gov creates an authentication platform to make online interactions with the U.S. Government simple, efficient and intuitive. This platform will be a service shared by agencies to streamline the login processes and to allow the public to securely access personal information and Federal Government services.

Cloud.gov - Cloud.gov is a shared service that makes Federal Government software development teams more efficient and effective by providing a strong, digital foundation with the information security and compliance to enable cloud development.

Services company and product incubator (18F) - provides digital development and consulting services for any Government agency or program.

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U.S. General Services Administration
PERMANENT BUDGET AUTHORITY
Fiscal Year FY 2018 Budget Request

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Transportation Audit Contracts and Contract Administration

Program Description

This permanent, indefinite appropriation provides for the detection and recovery of overpayments to carriers for government moves under rate and service agreements established by GSA or other Federal agency transportation managers. Program expenses are financed from overcharges collected from transportation service providers (TSPs) as a result of post-payment audits that examine the validity, propriety, and conformity of charges with the proper rate authority. Funds recovered in excess of expenses are returned to the U.S. Treasury. In FY 2016, the program returned \$1 million to the U.S. Treasury after covering operating costs of \$11.5 million.

Authorizing Legislation

The Expenses of Transportation Audit Contracts and Contract Administration appropriation is permanently authorized by 31 U.S.C. § 3726(e): “Sec. 3726. Payment for transportation (e) Expenses of transportation audit post payment contracts and contract administration, and the expenses of all other transportation audit and audit-related functions conferred upon the Administrator of General Services, shall be financed from overpayments collected from carriers on transportation bills paid by the Government and other similar type refunds, not to exceed collections. Payment to any contractor for audit services shall not exceed 50 percent of the overpayment identified by contract audit.”

FY 2017 Operating Plan and FY 2018 Budget Request

The Transportation Audits program is managed by the Federal Acquisition Service (FAS) in the Travel, Transportation, and Logistics (TTL) portfolio..

The FY 2018 budget request provides \$13,338 thousand for the Transportation Audits program. In FY 2017 and FY 2018, the Transportation Audits program will continue to focus on its pre-payment oversight and post-payment audits of government-wide transportation bills and recoveries of overcharges, in support of 31 U.S.C. 3726. The program office will oversee the implementation and performance of prepayment audits for transportation services procured around the world by Federal agencies; conduct post-payment audits of transportation bills; execute the collection of overcharges; validate overcharges via evidence, regulation, and background; adjudicate claims brought on by TSPs and Federal agencies as needed; handle bankruptcies and litigation related to TSPs for Federal agencies; and act as an expert in court cases brought on in litigation, as needed.

*U.S. General Services Administration
Permanent Budget Authority*

Obligations by Object Classification
(Dollars in Thousands)

		FY 2016 Actual	FY 2017 Plan	FY 2018 Request
11.1	Full-time, permanent.....	\$ 2,633	\$ 3,107	\$ 3,138
11.3	Other than full-time permanent.....	\$ -	\$ -	\$ -
11.5	Other personnel compensation.....	\$ 18	\$ 31	\$ 31
12.1	Civilian personnel benefits.....	\$ 668	\$ 762	\$ 770
21.0	Travel and transportation of persons.....	\$ 23	\$ 40	\$ 39
22.0	Transportation of things.....	\$ -	\$ -	\$ -
23.1	Rental payments to GSA.....	\$ -	\$ -	\$ -
23.3	Communications and utilities.....	\$ 2	\$ -	\$ -
24.0	Printing and reproduction.....	\$ -	\$ -	\$ -
25.1	Advisory and assistance services	\$ 5,906	\$ 6,557	\$ 7,321
25.2	Other services from non-Federal sources	\$ 46	\$ 46	\$ 47
25.3	Other goods and services from Federal sources....	\$ 2,270	\$ 1,914	\$ 1,977
26.0	Supplies and materials.....	\$ 5	\$ 12	\$ 12
31.0	Equipment.....	\$ 0	\$ 4	\$ 3
99.0	Obligations, appropriated (annual).....	\$ 11,571	\$ 12,473	\$ 13,338
	Subtotal, PC&B.....	\$ 3,319	\$ 3,900	\$ 3,939
	Subtotal, Non-labor.....	\$ 8,252	\$ 8,573	\$ 9,399
FTE		29.5	37.0	37.0

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Amounts Available for Obligation

(Dollars in Thousands)

Special Fund Receipts:

	FY 2016 Actual	FY 2017 Plan	FY 2018 Request
Balance, start of year.....	\$ 31,014	\$ 32,315	\$ 33,139
Receipts.....	\$ 11,872	\$ 11,982	\$ 11,982
Sequestration.....	\$ 911	\$ 924	
Excess collections returned to Treasury	\$ (1,000)	\$ (500)	\$ (500)
Appropriation to the warranted fund.....	\$ (13,397)	\$ (13,397)	\$ (13,338)
Unobligated balance expired from expenditure fund...	\$ 2,915	\$ 1,815	\$ 1,859
Balance, end of year.....	\$ 32,315	\$ 33,139	\$ 33,142

Special Fund Expenditures:

	FY 2016 Actual	FY 2017 Plan	FY 2018 Request
Mandatory authority:			
Appropriation.....	\$ 13,397	\$ 13,397	\$ 13,338
Sequestration	\$ (911)	\$ (924)	\$ -
Unobligated balance, end of year.....	\$ (915)	\$ -	\$ -
Total obligations.....	\$ 11,571	\$ 12,473	\$ 13,338
<i>Net Outlays</i>	\$ 10,122	\$ 9,355	\$ 10,004

Acquisition Workforce Training Fund

Program Description

The Acquisition Workforce Training Fund (AWTF) is a permanent, indefinite appropriation providing a stable source of funds to train the Federal civilian acquisition workforce. The AWTF is financed through a credit of five percent of the fees collected from non-Department of Defense activities by the General Services Administration (GSA) and other civilian agencies that manage Government-wide Acquisition Contracts (GWACs), Multiple Award Schedules (MAS) contracts, and other multi-agency contracts. Receipts are available for expenditure in the fiscal year collected, as well as the two following fiscal years. The AWTF is managed by the Federal Acquisition Institute (FAI) at GSA, in consultation with the White House Office of Federal Procurement Policy and the FAI Board of Directors.

Authorizing Legislation

The fund is authorized by 41 U.S.C. § 1703(i), as amended by Section 854 of Title VII of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181, January 28, 2008). The establishment and operation of FAI is authorized by 41 U.S.C. § 1201, as amended by Section 864 of Title VIII of the National Defense Authorization Act for Fiscal Year 2011 (Public Law 112-81, December 31, 2011).

FY 2017 Operating Plan and FY 2018 Budget Estimate

The FY 2018 budget request provides \$10,680 thousand in new collections for FAI programs. The Board of Directors has reviewed the FAI programs to identify where continued AWTF funding is most needed to effectively support FAI's mission and goals. The funds from the AWTF will be used to support FAITAS, FAI.gov, and all of FAI's twelve statutory responsibilities.

FAI works closely with its Board of Directors, the Chief Acquisition Officers' Council, and various agencies and stakeholders to identify activities to fund from the AWTF. FAI supports professional development of the civilian agency acquisition workforce by ensuring availability of exceptional training, providing compelling research, promoting professionalism, and improving acquisition workforce management. The funds collected by the AWTF support FAI activities that fall into the following five categories:

- **Human Capital Initiatives**

Human Capital Initiative funding provides for government-wide human capital resource planning and management initiatives, supporting FAI in the collection, analysis, and reporting of acquisition workforce human capital data. Funds also support the development and execution of the FAI.gov website, which is used as the primary portal for outreach and communications to the acquisition workforce. The program collects data through human capital plan templates and other venues to enable agencies to make strategic data-driven decisions about their acquisition workforce and program operations. Specific examples of FAI Human Capital Initiatives include continued maturation of agency acquisition human capital, the Acquisition Workforce Competency Survey, as well as continual improvement of FAI.gov.

- **Operations and Logistics Support**

Operations and Logistics Support funding provides for the design, execution, and control of the business-planning and operations framework in executing the FAI mission and infrastructure. It includes all activities related to planning, organizing, or optimizing business operations. This includes costs associated with the annual memorandum of understanding (MOU) between the AWTF and the Office of Government-wide Policy (OGP) for the support of 12 reimbursable FTE, FAI Training Application System (FAITAS) Customer Support Help Desk, and the FAI.gov Help Desk.

- **Curriculum Development**

Curriculum Development funding provides for development of instructional content, materials, and related assets to execute Federal Acquisition Certification programs. This funding has supported program and project management programs, Contracting Officer's Representatives activities, continuous learning curricula, and training courses such as Federal Contracting (FCN)101 – Contracting Basics.

- **Training Delivery**

Training Delivery funding provides for the execution of online and classroom training and learning programs and related delivery and development activities. To continue to meet the needs of the Federal acquisition workforce community, the Training Delivery program provides Acquisition Learning Seminars (ALS), FAITAS operations and maintenance, FAITAS enhancements, as well as online and classroom training courses.

- **Information Technology**

Information Technology funding provides for overarching IT operations, maintenance, and advancement activities. FAI.gov website hosting and the Disaster Recovery site are examples of the work supported by Information Technology funds.

Obligations by Object Classification

(Dollars in Thousands)

	FY 2016 Actuals	FY 2017 Plan	FY 2018 Request
25.1 Advisory and assistance services.....	\$ 1,000	\$ 2,020	\$ 2,040
25.3 Other goods & services from Federal sources	\$ 7,191	\$ 8,521	\$ 8,640
99.0 Total obligations.....	\$ 8,191	\$ 10,541	\$ 10,680

*U.S. General Services Administration
Permanent Budget Authority*

Amounts Available for Obligation

(Dollars in Thousands)

Special Fund Receipt

	FY 2016 Actuals	FY 2017 Plan	FY 2018 Request
Balance, start of year.....	\$ 2,346	\$ 1,320	\$ 1,260
Receipts.....	\$ 8,791	\$ 10,481	\$ 9,138
Appropriation to the expenditure fund.....	\$ (9,817)	\$ (10,541)	\$ (9,138)
Balance, end of year.....	\$ 1,320	\$ 1,260	\$ 1,260

Special Fund Expenditure

	FY 2016 Actuals	FY 2017 Plan	FY 2018 Request
Unobligated balance, start of year.....	\$ 15,428	\$ 16,651	\$ 16,651
Recovery of prior-year obligations.....	\$ -	\$ -	\$ -
Mandatory authority:			
Appropriation.....	\$ 9,817	\$ 10,541	\$ 9,138
Unobligated balance, expiring.....	\$ (403)	\$ -	\$ -
Total Obligations.....	\$ (8,191)	\$ (10,541)	\$ (10,680)
Unobligated balance, end of year.....	\$ 16,651	\$ 16,651	\$ 15,109
<i>Net Outlays</i>	\$ 10,556	\$ 10,014	\$ 8,681

Expenses, Disposal of Surplus Real and Related Personal Property

Program Description

This mandatory appropriation provides for the efficient disposal of real property assets that no longer meet the needs of landholding Federal agencies. Fees of auctioneers, brokers, appraisers, and environmental consultants; surveying costs; costs of advertising; costs of environmental and historical preservation services; highest and best use of property studies; property utilization studies; deed compliance inspections; and other disposal costs are paid out of receipts from disposals in each year. GSA leverages the expertise of auctioneers and brokers familiar with local markets to accelerate the disposal of surplus real property.

Authorizing Legislation

The Expenses, Disposal of Surplus Real and Related Personal Property appropriation is permanently authorized by 40 U.S.C. § 572(a). The appropriation is authorized to pay expenses directly, or to reimburse another account for expenses already paid. The total amount paid and reimbursed in a fiscal year may not exceed 12 percent of the receipts available in GSA receipt account 5254.2. Proceeds from disposal of Federal real property are deposited into account 5254.2, and funds deemed in excess of the Real Property Disposal program's long-term requirements must be transferred to the Land and Water Conservation Fund.

The types of expenses that may be paid or reimbursed are limited to specific, enumerated expenditures:

- (i) Fees of appraisers, auctioneers, and realty brokers, in accordance with the scale customarily paid in similar commercial transactions.
- (ii) Costs of environmental and historic preservation services, highest and best use of property studies, utilization of property studies, deed compliance inspections, targeted asset reviews, and the expenses incurred in approved relocations.
- (iii) Advertising and surveying.

FY 2017 Operating Plan and FY 2018 Budget Estimate

The FY 2018 budget request provides \$9,056 thousand for the Real Property Disposal program. Obligations are based on properties planned for disposal in each year. Financing is provided through receipts from sales of surplus property and out-leasing of government-owned space.

Obligations by Object Classification

(Dollars in Thousands)

		FY 2016	FY 2017	FY 2018
		Actual	Plan	Request
21.0	Travel and transportation.....	\$ -	\$ -	\$ 122
24.0	Printing and reproduction.....	\$ 20	\$ 175	\$ 57
25.1	Advisory and assistance services.....	\$ 2,480	\$ 2,625	\$ 8,201
25.2	Other services from non-Federal sources.....	\$ 93	\$ 270	\$ 119
25.3	Other goods & services from Federal sources.....	\$ -	\$ 80	\$ 547
25.7	Operation and maintenance of equipment.....	\$ 15	\$ -	\$ 10
99.9	Total obligations.....	\$ 2,608	\$ 3,150	\$ 9,056

Amounts Available for Obligation
(Dollars in Thousands)

Special Fund Receipts

	FY 2016 Actual	FY 2017 Plan	FY 2018 Request
Balance, start of year.....	\$ 73,063	\$ 69,326	\$ 76,801
Receipts, real property disposal.....	\$ 13,301	\$ 12,000	\$ 15,000
Receipts, outleasing.....	\$ 1,403	\$ 3,000	\$ 3,000
Net receipts.....	\$ 14,704	\$ 15,000	\$ 18,000
Appropriation to the expenditure fund.....	\$ (4,038)	\$ (3,775)	\$ (9,056)
Sequestration.....	\$ 615	\$ 625	
Total budgetary resources.....	\$ (3,423)	\$ (3,150)	\$ (9,056)
Transfer to Land and Water Fund, DOI.....	\$ (15,647)	\$ (5,000)	\$ (5,944)
Unobligated balance, transferred in from Expenditure Fund.....	\$ 629	\$ 625	\$ -
Balance, end of year.....	\$ 69,326	\$ 76,801	\$ 79,801

Special Fund Expenditures

	FY 2016 Actual	FY 2017 Plan	FY 2018 Request
Mandatory authority			
Appropriation.....	\$ 4,038	\$ 3,775	\$ 9,056
Unobligated balance, sequestered	\$ (615)	\$ (625)	
Unobligated balance.....	\$ 815	\$ -	\$ -
Total obligations.....	\$ 2,608	\$ 3,150	\$ 9,056
<i>Net Outlays</i>	\$ 2,358	\$ 3,150	\$ 9,056

Note: By statute, any receipts in excess of the long-term requirements of the Fund must be transferred out of the Fund and deposited into the Land and Water Conservation Fund of the Department of the Interior (DOI).

U.S. General Services Administration
Permanent Budget Authority

Obligations by Program Activity

(Dollars in Thousands)

	FY 2016 Actual	FY 2017 Plan	FY 2018 Request
1. Utilization and Disposal - Real Property			
a. Appraisers, auctioneers, brokers fees, surveying	\$ 1,827	\$ 1,325	\$ 2,169
b. Advertising	\$ 551	\$ 615	\$ 1,186
c. Environmental Services	\$ 74	\$ 305	\$ 1,143
d. Historical Preservation Services		\$ 20	\$ 884
e. Highest and best use of property studies, utilization of property studies, Targeted Asset Reviews (TARS), deed compliance inspections	\$ 156	\$ 370	\$ 1,932
f. Expenses incurred in a Relocation	\$ -	\$ -	\$ 800
g. Personnel compensation			
h. Personnel benefits			
i. Administrative support			\$ 305
j. Travel expenses	\$ -	\$ -	\$ 122
Subtotal, Utilization and Disposal of Real Property.....	\$ 2,608	\$ 2,635	\$ 8,541
2. Outleasing of Government-owned Space			
a. Appraisers, auctioneers, brokers fees, surveying	\$ -	\$ 500	\$ 500
b. Advertising	\$ -	\$ 15	\$ 15
Subtotal, Outleasing.....	\$ -	\$ 515	\$ 515
 Total obligations.....	 \$ 2,608	 \$ 3,150	 \$ 9,056

Administrative Provisions]delete] insert	Explanation
<p>Sec. 510. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.</p>	<p>This provision authorizes GSA to use funds for the hire of passenger motor vehicles. GSA requests that this provision be retained.</p>
<p>Sec. 511. Funds in the Federal Buildings Fund made available for fiscal year]2016] 2018 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: Provided, That any proposed transfers shall be]approved] submitted in advance]by] to the Committees on Appropriations of the House of Representatives and the Senate.</p>	<p>This provision authorizes GSA to transfer funds within the Federal Buildings Fund to meet program requirements. GSA requests to retain this provision with modification. The first requested change would update the GSA reprogramming authority for the fiscal year of the request. GSA also requests authority to make necessary reprogrammings, subject to the notification of the Committees on Appropriations rather than seeking their advance approval. This change will allow GSA to adjust for changes in requirements in a more timely and responsive manner.</p>
<p>SEC. 512. Except as otherwise provided in this title,]funds made available by this Act shall be used to transmit a fiscal year 2017] any request for United States Courthouse construction]only if the request] transmitted using funds made available by this Act should: (1)]meets] meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; (2)]reflects] reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan; and (3)]includes] include a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.</p>	<p>This provision requires that the budget request meet certain standards. GSA requests to retain this provision with modification. This provision has been modified to remove the reference to the fiscal year of the request.</p>

*U.S. General Services Administration
General and Administrative Provisions*

<p>Sec. 513. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in consideration of the Public Buildings Amendments Act of 1972 (Public Law 92-313).</p>	<p>This provision provides that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate. GSA requests that this provision be retained.</p>
<p>Sec. 514. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations of the House of Representatives and the Senate.</p>	<p>This provision continues the provision that permits GSA to pay small claims less than \$250,000 made against the Government. GSA requests that this provision be retained.</p>
<p>[Sec. 515. In any case in which the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate adopt a resolution granting lease authority pursuant to a prospectus transmitted to Congress by the Administrator of the General Services Administration under 40 U.S.C. 3307, the Administrator shall ensure that the delineated area of procurement is identical to the delineated area included in the prospectus for all lease agreements, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to</p>	<p>This provision grants GSA lease authority pursuant to a prospectus transmitted to Congress by the Administrator of the General Services Administration under 40 U.S.C. 3307. GSA requests that this provision be removed.</p>

<p>each of such committees and the Committees on Appropriations of the House of Representatives and the Senate prior to exercising any lease authority provided in the resolution.]</p>	
<p>Sec. [516]515. With respect to [each project funded under the heading "Major Repairs and Alterations" or "Judiciary Capital Security Program"] <i>the Federal Buildings Fund construction and acquisition and major repair and alteration programs</i>, and with respect to E-Government projects funded under the heading "Federal Citizen Services Fund", the Administrator of General Services shall submit a spending plan and explanation for each project to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after the date of enactment of this Act.</p>	<p>This provision requires GSA to submit spend plans for certain programs. GSA requests to retain this provision with modification.</p> <p>The modification requires a spend plan for all construction and acquisition and major repair and alterations projects. As the FY 2018 appropriation request does not provide any line item projects, this spend plan requirement will ensure that GSA properly notifies Congress of the intended uses of the capital portion of the FY 2018 appropriation.</p> <p>The requirement to provide a spend plan for E-Government projects funded under the heading "Federal Citizen Services Fund" remains unchanged.</p>
<p>[Sec. 517 With respect to each project funded under the heading of "new construction projects of the Federal Judiciary", the General Services Administration, in consultation with the Administrative Office of the United States Courts, shall submit a spending plan and description for each project to be undertaken to the Committees on Appropriation of the House of Representatives and the Senate not later than 120 days after the date of enactment of this Act.]</p>	<p>This provision requires a spend plan for projects funded in FY 2016 for the Federal Judiciary. GSA is not requesting lump sum funding for construction projects of the Federal Judiciary in FY 2018 so this provision is not necessary. GSA requests that this provision be removed.</p>

*U.S. General Services Administration
General and Administrative Provisions*

<p>[Sec. 518 With respect to each project funded under the heading of “joint United States courthouse and Federal buildings, including U.S. Post Offices”, the General Services Administration shall submit a spending plan and explanation for the projects to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after the date of enactment of this Act.]</p>	<p>This provision requires a spend plan for projects funded in FY 2016 for the joint U.S. Courthouses and Federal Buildings. GSA is not requesting lump sum funding for construction of joint U.S. Courthouses and Federal Buildings in FY 2018 so this provision is not necessary. GSA requests that this provision be removed.</p>
<p><i>SEC. 516. Section 16 of the Federal Assets Sale and Transfer Act of 2016 (Pub. L. 114–287) is hereafter amended (a) by inserting the following at the end of subparagraph(a)(1): "The Account shall be under the custody and control of the Chairperson of the Board and deposits in the Account shall remain available until expended."; (b) by striking subparagraph (b)(1) and inserting in lieu thereof the following: "(1) ESTABLISHMENT. — There is established in the Treasury of the United States an account to be known as the "Asset Proceeds and Space Management Fund" (in this subsection referred to as the "Fund"). The Fund shall be under the custody and control of the Administrator of General Services and deposits in the Fund shall remain available until expended."; and (c) by striking in subparagraph (b)(3) the following: "(subject to section 3307 of title 40, United States Code, to the extent an appropriation normally covered by that section exceeds to \$20,000,000)".</i></p>	<p>GSA requests that this provision be added to clarify the custody and control and availability of the amounts authorized for the Public Buildings Reform Board account and Asset Proceeds and Space Management Fund established in Section 16 of the Federal Asset Sale and Transfer Act of 2016 (Pub. L. 114-287).</p> <p>The insertion at the end of subparagraph (a)(1) expands the language establishing the Public Buildings Reform Board Salaries and Expenses Account to clarify that the account is under the custody and control of the Chairperson of the Board and that deposits in the account are available until expended.</p> <p>The insertion of new language for subparagraph (b)(1) establishes the Asset Proceeds Space Management Fund as a fund separate within the General Services Administration and separate from the Federal Buildings Fund. This technical correction will aid GSA in the proper administration of current Federal Buildings Fund activities and the new activities authorized in the Asset Proceeds Space Management Fund. The new language also clarifies that the fund is under the custody and control of the Administrator of General Services and that deposits in the account are available until</p>

	<p>expended.</p> <p>The change to subparagraph (b)(3) removes an unconstitutional limitation on the availability of appropriated funds. Section 3307 of Title 40 is a limitation on the Appropriations Committee, not on the availability of appropriated funds. Any limitation based on approval of the Authorizing Committees is an unconstitutional limitation on the availability of appropriated funds.</p>
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MANAGEMENT CHALLENGES and GSA ACTIONS
Fiscal Year 2018 Budget Request
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Management Challenges and GSA Actions

This table summarizes the management challenges listed by the GSA Inspector General and initially reported in GSA’s FY 2016 Annual Financial Report on November 8, 2016. In all cases, GSA’s budget addresses each management challenge by providing the necessary funding for the office charged with addressing the challenge.

Acquisition Programs	
Management Challenge	GSA Actions
<p>GSA continues to face challenges within the GSA Schedules Program.</p>	<p><u>Contractor Compliance</u> GSA’s Contractor Assessment Program exists to ensure that Multiple Award Schedules (MAS) contractors understand and comply with the Terms and Conditions of their Schedule contracts. While GSA continues to improve in identifying and addressing contract compliance issues, we are taking a number of steps to bolster the program this year. The Industrial Operations Analyst Training Manual is being updated to include a risk-based sampling methodology to improve the consistency of report results. Narratives to accompany any labor qualifications findings will be incorporated into reports to ensure that Contracting Officers have the necessary information to take contractual action. Finally, a formal, national training curriculum for experienced Industrial Operations Analysts is being established.</p> <p><u>Challenges Facing the Acquisition Workforce Workload Management</u> GSA is continuing to respond to the challenge of contract workload by providing our acquisition workforce with improved tools and streamlined business processes to help them award and administer contracts with greater efficiency and higher quality. In addition, GSA is looking across the Program for opportunities to combine solicitations, as evidenced by the creation of the single Professional Services Schedule, and reduce the number of low volume Special Item Numbers (SINs).</p> <p><u>Hiring, Retaining, and Developing Qualified Acquisition Personnel</u> The FAS Human Capital Strategic Plan was finalized in February of 2017. The plan pays special attention to the acquisition workforce since they are a Mission Critical Occupation for FAS and constitute a majority of the total workforce. A comprehensive human capital plan for GSA’s acquisition workforce extends beyond FAS to the entire GSA acquisition workforce, and as such, FAS will work closely with the Office of Government-wide Policy and the Office of Human Resource Management to finalize its plan.</p>
<p>GSA faces challenges as it moves toward transactional data reporting.</p>	<p>GSA already collects transactional data through some of its contracts and has found it instrumental</p>

	<p>in improving pricing and increasing transparency. Accordingly, GSA will now test these principles on a broader base of its contracting programs. This move supports the shift toward category management by allowing the Government to centrally analyze what the government buys and how much it pays, and thereby identify the most efficient solutions, channels, and sources to meet its mission critical needs.</p> <p>GSA acknowledges that transactional data (also known as prices paid data) will be reported over time and that these data will be exponentially more valuable to government buyers as the dataset grows. GSA recognizes that circumstances at the order-level (including orders placed under blanket purchase agreements (BPAs)), such as materially different terms, volume, and market and economic factors, may result in a Schedule vendor providing a discount from its Schedule contract pricing. As such, GSA understands a distinction must be made between Schedule contract-level prices and prices paid at the order-level. To aid its Schedule COs, GSA has created internal policy that differentiates between the two, and is thoroughly training its acquisition workforce on the distinctions. GSA created specific training on evaluating and managing Schedule contracts under the Transactional Data Reporting (TDR) pilot. Further, GSA will conduct quality reviews to ensure that contracts and their incorporated pricing are in accordance with all applicable regulations.</p> <p>As with all procurement sensitive data collected and stored by GSA, GSA IT will store, manage and share TDR elements in accordance with prevailing Federal Information Security Management Act (FISMA) regulations and requirements. GSA already collects and manages sets of reported data elements on contract vehicles including but not limited to, office supplies under Strategic Sourcing, Commercial Satellite Services and complex professional Services under the One Acquisition Solution for Integrated Services (OASIS) vehicle. GSA is committed to building on the best practices for storing and sharing data already successfully in place.</p>
<p>GSA continues to face challenges with the government's evolving needs for telecommunication and integrated technology infrastructure solutions.</p>	<p>GSA acknowledges the risks and challenges associated with transitioning customers from legacy contracts to the new Enterprise Infrastructure Solutions contract. GSA is taking several steps to proactively manage these risks. The agency is implementing a transition strategy that capitalizes on lessons learned from the previous transition, as outlined in the December 2013 Government Accountability Office (GAO) audit report. The key elements of the strategy include (1) involvement of the customer Agency's senior employees and key functional areas, (2) involvement of the Federal CIO, Office of Management and Budget (OMB) desk officers and budget leads; (3) development of Agency Transition Plans, (4) early and effective support from GSA to Agencies, and (5) implementation of a phased, orderly approach.</p> <p>After the October 16, 2015, issuance of the EIS Request for Proposals (RFP), GSA established a</p>

	<p>Transition Coordination Center, which is a full-time dedicated team for planning and managing the government-wide transition. Initial EIS proposals were received February 22, 2016. GSA negotiated contract extensions for Networx, WITS3, and 65 regional Local Support Contracts to ensure expiration dates (March and May of 2020) coincide with the transition timeline. GSA worked with existing suppliers to validate the inventory of services to transition, thereby relieving customers of this labor-intensive activity. GSA developed training tools and resources to assist with transition and ordering on the EIS contracts, including (1) EIS and Transition websites, (2) transition inventory database, (3) EIS Fundamentals training, (4) Solicitation/SOW Assist Tool, (5) Transition Handbook, and (6) Transition Inventory Training and User Guide. All but two agencies have identified their transition leadership team consisting of an Agency Transition Sponsor to serve as project champion for the transition, a Lead Transition Manager to develop the agency's transition project plan, and a Transition Ordering Contracting Officer.</p> <p>Finally, in FY 2016, GSA leadership continued its executive-level customer outreach by meeting with Agency Chief Information Officers and convening quarterly meetings of the interagency Infrastructure Advisory Group (IAG). In FY 2017, GSA will provide tailored support to each agency appropriate to its transition approach, especially for the supplier selection, or "Fair Opportunity" process (see FAR Subpart 16.505). While GSA will support customers as they transition, agencies are ultimately responsible for moving their services to the new solution. To that end, GSA's Network Services, their consultants, and Acquisition Operations have worked with multiple large and medium-size agencies individually and in groups to address questions, identify best practices, and share lessons learned. In FY 2017 GSA will continue to coordinate planning and implementation and discuss transition initiatives with the interagency IAG and OMB. To ensure transparency and measure progress, GSA has proposed major transition milestones which will be reported to OMB. Critical milestones include (1) Validate transition inventory, (2) Deliver Agency Transition Plans, (3) Award EIS Contracts, (4) Complete all Fair Opportunity Decisions and Issue Task Orders for Transitioning Services, and (4) Transition Services off Expiring Contracts. GSA is also moving to a common platform to replace the regional support system (TOPS) and the Networx support system (EMORRIS) with a single common platform to provide the government – including both GSA and customer agencies – modern telecommunications expense management capabilities in order to lower the cost of ordering, managing inventory, and billing. The planned system architecture is an essential component of the success of the transition to EIS. Through systems consolidation, standardization, and improved automation, the Network Services Future Systems (NSFS) effort will be designed to reduce the cost and complexity of these telecommunications programs. Development of the two major NSFS components, GSA Conexus and the Network Hosting Center (NHC) is on track. GSA</p>
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	<p>Conexus is currently in Beta testing and planned to “go live” prior to EIS award early next calendar year. The NHC is undergoing FISMA security evaluation and move to a cloud environment, which was completed in the second quarter of FY 2017.</p>
Real Property Program	
Management Challenge	GSA Action
<p>GSA’s new construction program is a complex undertaking.</p>	<p><u>Developing Project Requirements</u> Public Buildings Service (PBS) held 10 individual meetings with key stakeholders for each project between February and April 2016. In attendance were the Administrative Office of the U.S. Courts, U.S. Marshals Service, and U.S. Attorney to confirm project requirements for scope, schedule and budget. Based on those meetings the budget and scope were set and prospectuses developed and submitted to Congress for approval.</p> <p>The Program Risk Management plan included four actions: 1) The National Project Resources Board matched team qualifications to each project. 2) A Courthouse Program Dashboard was developed as a communication tool to manage scope/schedule/budget. 3) The Courthouse Program Partnering session resulted in a collective agreement to institute an industry recognized risk management tool. 4) A national program management team provides program oversight and ensures that agreed-upon actions are completed.</p> <p><u>Managing Complex Delivery Methods</u> Since 1994, PBS has utilized a variety of delivery methods for this program. Our analysis of the use of these has consistently shown that delivery methods such as Construction Manager as Constructor and Design Build provide taxpayer savings over Design-Bid-Build in both total project cost and in litigation. Our analysis covers approximately 125 projects with a total cost of \$7 billion. The Office of Design and Construction, the Office of Acquisition Management, and the Office of General Counsel jointly developed policy for Construction Manager as Constructor that was issued on February 8, 2011. This policy addressed items that resulted from the American Recovery and Reinvestment Act audit findings such as those cited for the McCoy, Vance, and Young Recovery Act projects. The PBS Procurement Instructional Bulletin 11-03, PBS Internal Controls for Construction Manager as Constructor Acquisitions, was also issued in 2011. All project managers and contracting officers for capital projects were trained or retrained on the policy, including employees working on the new courthouse program. PBS also issued a new chapter for the Design Excellence Policies and Procedures to address the use of the Design Build delivery method. The new chapter incorporates private sector best practices. A memorandum was issued on February 8, 2016 announcing the new chapter. Training was provided on the use of the chapter. PBS is currently updating templates for standard scopes of work for Architect Engineer, Construction Manager as Agents, Construction Manager as Constructor, Design Build, and</p>

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	<p>Commissioning firms to support the ongoing delivery of the capital program.</p>
<p>GSA faces significant challenges from the risks related to large-scale exchanges of real property.</p>	<p>GSA acknowledges the inherent risks associated with large-scale real property exchanges, and has taken steps to reduce the impact of these risks. GSA will only pursue exchange projects that are financially viable, meet the needs of agency customers and stakeholders, and provide best value to the taxpayer.</p> <p>PBS Policy 4065.1, Procedural Guidance for Section 412 Exchanges for In-Kind Consideration, requires that potential exchange projects are supported by a business case analysis that is approved by the GSA Administrator and PBS Commissioner.</p> <p>This guidance strengthened internal controls associated with exchanges, added more structure to the process, and enabled PBS to learn from its recent experiences with exchange projects. The business case includes both net present value and highest and best use analyses, which are used to determine if the proposed exchange provides the most economically-viable housing solution for the Government. GSA has also extended the scope of this guidance to exchanges contemplated using other authorities available to the Administrator. Given GSA's recent experiences with proposed exchanges such as Federal Triangle South and FBI Headquarters, GSA developed a discounted cash flow analysis to refine value expectations for the property to be exchanged beyond what would typically be provided from a market value appraisal. GSA uses this discounted cash flow analysis to determine the value of the exchange parcel in the context of the proposed transaction, rather than in the context of a sale for cash. GSA develops the requirements for the in-kind consideration to be as close in value as practical to the value derived via the discounted cash flow analysis.</p> <p>As part of the procurement process for exchange projects, GSA negotiates the specific details of the proposed transaction, including the value of the exchange parcel and the estimated cost of providing the in-kind consideration. GSA will not enter into any contractual agreements that expose the agency to an Anti-deficiency Act violation, and GSA will ensure that all funds expended on exchange projects are obligated in full compliance with the agency's policies and Federal law.</p>
<p>Challenges persist to safeguard Federal infrastructure and provide a secure work environment for Federal employees and contractors.</p>	<p>Over the past year GSA has made improvements to securing Federal facilities by issuing new credentialing, escorting and access control guidance. GSA maintains the integrity of authorized access to its facilities by issuing policy with agency-wide roles and responsibilities and ensuring the effective tracking and collection of Personal Identity Verification (PIV) Cards from contractors. GSA validates and certifies all active contractor data and monitors contractor data, validation and information internally. Further, GSA collects inactive contractor data to protect facilities from unlawful contractor entry. When an unfit/unfavorable contractor determination is identified, GSA removes the contractor from the contract and the PIV Card is returned and</p>

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	<p>destroyed. GSA tracks the collection and destruction of PIV Cards and provides card collection and destruction of PIV data agency-wide on a quarterly basis. GSA is issuing a directive that addresses the oversight and termination process of GSA issued Facility Access Cards (FAC) in GSA-controlled space. This outlines a phased approach to eliminate the use of FACs while providing alternate access controls and processes. The Office of Mission Assurance also created a contractor report for those that are in 'active' status but still waiting on a final fitness determination, as some final background investigations may take more than a year to be completed by OPM.</p>
Technology Transformation Service	
Management Challenge	GSA Actions
<p>GSA faces major challenges in establishing and operating the Technology Transformation Service.</p>	<p>The Technology Transformation Service (TTS) was established in 2016 to help agencies build, buy, and share technology that allows them to better serve the public. The challenges involved with establishing and operating the new service for GSA are similar to issues other agencies and businesses face when expanding and diversifying their services. To ensure smart, sustainable growth, GSA continues to refine TTS business operations. The agency has taken steps to strengthen efforts towards full cost recovery in the TTS programs funded through the Acquisition Services Fund. GSA instituted an escalated review for new hires and also created dashboards that allow for greater real-time management of financial performance and staff utilization. The Administrator reviews performance at least quarterly. The program and the Office of the Chief Financial Officer (OCFO) are also putting in place greater controls over internal work and improving the allocation of staff to projects. Finally, as part of the annual budget process, the program worked with OCFO to develop a detailed financial plan to achieve full cost recovery by FY 2019. To meet the service's mission and ensure TTS is current with the latest technology trends, the Office of 18F continues to rely heavily on term appointments. Short, two to four year appointments benefit the culture and operations of 18F in two ways: first, by allowing a constant, iterative approach to staffing needs based on customer demand; and second, by helping ensure that skills and methodologies do not get stale in an industry where change is constant. In addition, the program has reorganized operations to create an Office of Operations within TTS to standardize and centralize shared functions throughout the organization. The program has created performance metrics and commitments that are tracked quarterly, shared widely, and drive toward long-term goals for the organization. TTS is working with the Federal Acquisition Service (FAS) to strengthen and refine a governance structure when the Acquisition Services Fund is being used. The program has developed a customer engagement strategy with FAS to ensure GSA can deliver on technology efforts regardless of the client entry point. The program has also answered the call from industry and other external stakeholders to improve our communication and transparency. Finally, in the past year, GSA has taken significant steps to strengthen</p>

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	<p>internal controls in the Technology Transformation Service. GSA brought in an independent third-party to review the Office of 18F's financial processes and controls, which has led to many operational improvements and efficiencies. The program has instituted procedural and technical controls around interagency agreements, including not only review of agreements by the OCFO and General Counsel but also amending the program's internal tracking system to detect any work being done outside the period of performance or without signed agreements. The program has conducted a reconciliation of past interagency agreements to ensure accurate billing, and has transitioned to monthly customer billing and expense accruals to identify any errors in a more timely fashion. The program has also standardized the relationship between TTS and the Office of the Chief Information Officer (CIO) to ensure compliance with the Federal Information Technology Acquisition Reform Act (FITARA).</p>
Financial Operations	
Management Challenge	GSA Actions
<p>GSA continues to face challenges in the transition of its Financial Management Line of Business to the U.S. Department of Agriculture.</p>	<p>GSA recognizes that there are short-term challenges and complexities in realizing the benefits of moving its Financial Management Line of Business (FMLoB) to the U.S. Department of Agriculture (USDA). GSA transferred the core financial system by October 1, 2015 and planned the transfer of ancillary applications to USDA in Phase II. Due to USDA's plan to move their infrastructure to the cloud midway through FY 2016, GSA and USDA decided to change the approach in order to avoid duplicative movement of GSA's supporting applications - once to USDA and then again to the USDA cloud. GSA has instead undertaken a system rationalization program that will identify functionality to be included in future release of the Momentum solution, allowing retirement of certain ancillary systems. The security posture of applications will be upgraded as needed as part of this effort. USDA has been marketing its shared services offerings to other agencies in conjunction with the government-wide shared services initiatives. In October 2016, USDA announced an agreement with the U.S. Department of Veterans Affairs (VA) to identify whether USDA's shared services offering based on the Momentum solution will meet VA's requirements. USDA expects a decision on whether to proceed in fourth quarter of FY 2017. GSA will continue our focus on successful implementation of an IT strategy that reduces operational costs and improves performance. Should this plan and USDA's customer base expansion not be successful, then GSA may consider migration to a new financial shared services provider.</p>
<p>GSA's internal controls over financial management and reporting continue to need improvement.</p>	<p><u>Controls over Leases and Occupancy Agreements</u> GSA implemented corrective actions to improve internal controls over financial management and reporting, including strengthened controls over leases and occupancy agreements (OAs). While further improvements are expected, during FY 2016 GSA improved the methodology to identify leases requiring further classification analysis and implemented monitoring activities to ensure proper budgetary</p>

	<p>treatment of capital and operating leases.</p> <p>Additionally, GSA implemented procedures to ensure adherence to pricing policy, strengthened efforts to identify and properly record lease accruals and improved controls over rent adjustments and to ensure consistent national procedures for data entry of lease step rents in Real Estate Across the United States (REXUS). GSA continues to reduce long-term real estate costs, and has made a significant effort to improve upfront planning as well as minimize holdovers and lease extensions. PBS rolled out the Automated Advanced Acquisition Program (AAAP), a nationwide program that allows building owners the opportunity to electronically offer building space for lease. Finally, PBS created a national lease center that will examine national leasing business practices and move toward standardization and process improvement.</p> <p><u>Controls over Budgetary Accounts and Transactions</u> The Public Buildings Service implemented a new contract writing system, Electronic Acquisition System Integration (EASi) in November 2015. EASi interfaces directly with GSA's accounting system and represents substantial progress by allowing real time recording of contractual actions in the accounting system for the majority of these actions. As a result of the EASi implementation, GSA has successfully interfaced over 80,000 transactions. As with any new system and process, the migration of data between the two systems has proved challenging. In response, GSA implemented a robust set of internal controls to monitor contract activity awarded in EASi and established procedures for vendors to resolve billing issues.</p> <p><u>General Controls over Financial Management Systems</u> GSA agrees that there are issues related to access and configuration management controls for the Server, OS and Database environments for some of our Financial Management applications. GSA and USDA will continue to work together to improve and streamline these processes, which must be carefully facilitated across multiple responsible groups. The application, infrastructure, and security teams supporting these systems have already implemented new processes to address these issues including an improved process to recertify standard privileged users' accounts and an approved change workflow process for patching.</p> <p><u>Entity-Level Controls (ELC)</u> GSA made significant strides in documenting our ELC in FY 2016 by mapping the activities related to multiple components of our internal control system to align with GAO requirements. As a result, GSA eliminated parts of prior audit findings. In February 2016 GSA consolidated staff into zones to streamline financial services, standardize and improve processes, and enhance staff specialization. GSA has targeted specific policies in FY 2017 to reduce ELC deficiencies by correcting the root causes in corrective action plans for remaining audit findings.</p>
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	<p>With respect to manually intensive and redundant procedures, please see the previous response on EASi. In FY 2016, GSA conducted extensive research to document the inventory of reconciliation activities being performed on internal financial information as well as by our shared service provider, USDA. GSA reviewed and updated standard operating procedures, roles and responsibilities for the transferred financial management activities, as well as identifying key internal controls and testing financial transactions. As a result, OCFO has developed a testing plan in FY 2017 to ensure reconciliations are timely, accurate and reliable. GSA uses manual compensating controls when automation is not available. While not as effective or efficient as automation, they provide a level of assurance over financial management activities while other options, including enhancing automation, are researched and developed.</p>
Information Technology	
Management Challenge	GSA Actions
<p>Continued improvements are needed to protect sensitive information.</p>	<p>GSA IT has implemented a robust Google drive monitoring system using CloudLock. It monitors, alerts, and blocks personally identifiable information being shared depending on the rule that has been triggered. This has greatly improved GSA's ability to control the release of sensitive information in the cloud.</p> <p>In addition, safeguarding sensitive information is a critical element in the credentialing management program. GSA has enhanced agency-wide roles and responsibilities regarding the issuance, management, and termination of HSPD-12 PIV cards. This process is supported by the GSA Credential and Identity Management System (GCiMS), a robust data system used to track and maintain contractor background investigation data. The data system has been expanded to validate and certify all contractor data. The system delivers that active contractor information to internal organizations for contractor monitoring. Additionally the data system incorporates functions to identify inactive contractors and track the collection and destruction of returned PIV Cards, as well as creating a monthly report highlighting inactive contractors that have not returned the PIV credential to GSA.</p>
<p>Improved planning and development is needed to properly offer GSA's IT shared services to other agencies.</p>	<p>GSA is working to improve the planning, management and offering of shared services to other agencies. A consolidated IT inventory has been developed to manage all current IT shared service engagements, as well as to track potential engagements with other agencies. A cross-agency team made up of members from GSA IT, FAS, TTS, OGP, and other stakeholders in GSA, has begun establishing policies and procedures that will promote a single intake process and help define a clear decision-making approach to entering new shared services engagements that best leverages the full range of GSA capabilities.</p>

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<p>GSA is challenged with minimizing the risk of cyberattacks to federal building management and control systems.</p>	<p>GSA is working on a number of mitigation strategies and solutions for possible cyberattacks on Federal buildings. GSA IT has partnered with PBS to develop guidance, policy, and an assessment process to review building system hardware and software solutions. GSA is working to implement more secure systems while also updating legacy systems. GSA is also implementing specific disaster recovery solutions while conducting constant testing with the building operation staff in preparation of any network outage and/or cybersecurity incidents. In the last year, GSA IT has developed an authorization and assessment (A&A) framework and partnered with the Department of Homeland Security to perform building assessments that will encompass over 100 GSA building systems. GSA IT and PBS are working to continue this effort, with specific emphasis on our legacy systems, which in some cases have 10-20 year life expectancy. Securing these legacy systems can be a time consuming and expensive process, but GSA has dedicated teams in place prioritizing this work to continue improvement in securing our building systems.</p>
GSA's Enterprise Risk Management Program	
Management Challenge	GSA Actions
<p>Implementing GSA's Enterprise Risk Management is a significant undertaking.</p>	<p>Like many federal government-wide initiatives, implementation of Enterprise Risk Management (ERM) is a significant undertaking. Properly executed, it will enable GSA to identify and manage risks that threaten our ability to implement the agency's mission, programs and operations. GSA has established milestones to meet the OMB requirements, and has received direction from senior leadership on preferred ERM governance and has created a working group. This will allow us to develop a process for considering risk appetite and risk tolerance levels, a methodology for developing a risk profile, an initial risk profile, and integration with management evaluation of internal controls as appropriate.</p>
GSA's Greening Initiative – Sustainable Environmental Stewardship	
Management Challenge	GSA Actions
<p>GSA faces challenges achieving sustainability and environmental goals.</p>	<p>GSA concurs that witnessing for on-site baseline measurements for Energy Savings Performance Contracts (ESPCs) should be better documented to ensure that energy savings can be accurately measured. The Department of Energy (DOE), Federal Energy Management Program (FEMP) issued guidance in November 2015 on measurement and verification, (M&V Guidelines: and Verification for Performance-Based Contracts Version 4.0), which allows agencies to define requirements for witnessing of measurements during baseline development. The ESPC Project Management Office (PMO) will provide guidance in the future on the witnessing requirements for baseline development to all appropriate GSA teams. GSA requested the Energy Services Companies (ESCO) include witnessing verification in the investment grade audit (IGA). The IGA is the document that contains the scope and process information of the project. ESCOs complied with various levels of specificity. However, GSA did review the baseline data with the assistance of the DOE project facilitators and modeling experts. GSA relied on the DOE project facilitators as the experts on the program requirements. The project facilitators focused on</p>

	<p>verifying the key performance parameters. The baseline was also verified with a fully calibrated energy model through eQuest or other modeling software. Baseline review meetings provided the Government an opportunity to review the information and process used by the ESCOs to establish the baseline and calibrate the energy models. During these meetings the ESCOs demonstrated to the GSA teams their modeling process in detail, including the data that was used, and the modeling assumptions.</p> <p><u>Collecting Data to Support Goals and Evaluate Results</u></p> <p>GSA has robust systems of record in place to verify and track performance against portfolio-level mandated sustainability targets outlined in EO 13693: energy use intensity reduction, water use intensity reduction, renewable energy, diversion of non-hazardous municipal solid waste, diversion of non-hazardous construction and demolition waste, buildings in conformance with the Guiding Principles for Federal Sustainable Buildings (Owned inventory), buildings in conformance with the Guiding Principles for Federal Sustainable Buildings (leased inventory), sustainable acquisition (Public Buildings Service Operations with region by region performance calculated).</p> <p>GSA OIG's Recovery Act Sustainability Data Audit (report A130128, dated March 31, 2015) focused on how GSA tracks its Recovery projects' goals, scope details, and compliance with the Guiding Principles for Federal High-Performance and Sustainable Buildings. That audit focused on GSA's gBUILD (Green Building Upgrade Information Lifecycle Database) system, among other building sustainability target systems and data sources. OIG's report recommended actions to promote gBUILD data completion, currency, and reliability. GSA agreed, and has completed several actions to strengthen its project delivery program and collect quality data. Specifically: (1) gBUILD policy now requires sustainability data updates to be completed within 60 days after the start of each data call, and a new Regional Approval Process for gBUILD Data complements ongoing Quality Reviews. (2) gBUILD has a new "Challenge/ not on track" minimum performance criteria (MPC) status option, and displays all historical MPC statuses and comments. (MPCs track conformance with the Guiding Principles.) And (3) a new Sustainability Exemption Oversight Process validates MPC statuses of N/A or Waiver.</p> <p><u>Diminishing Returns on Sustainability Investments</u></p> <p>GSA utilizes several strategies to drive cost effective energy efficiency improvements and to engage building occupants on minimizing energy usage.</p> <p><i>Energy and Water Conservation Measures Program and Energy Savings Performance Contracts</i></p> <p>GSA's Energy and Water Conservation Measures Program is designed to reduce on-site energy and water consumption through building alteration projects or retrofits of existing buildings systems. These projects are</p>
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	<p>an important part of GSA's approach to reach mandated percentage reduction goals through 2025. Through surveys and studies, GSA is identifying projects in Federal buildings across the country with positive savings-to-investment ratios and with reasonable payback periods. GSA pursues opportunities to invest in certain technologies that may generate rebates and savings from utility companies and incentives from grid operators. Also, GSA's Energy Savings Performance Contracts (ESPC) National Deep Energy Retrofit program bundles short- and long-term payback projects using blended Energy Conservation Measure calculations. Both the ESPC and Energy and Water Conservation Measures programs have successfully funded technologies by identifying optimum mechanical system modernization and rewarding utility cost market conditions that allow for sufficient returns on investments. This strategy mitigates diminishing returns on investments as we continue to improve energy efficiency throughout our building portfolio.</p> <p><i>New Construction and Major Alteration Projects</i> For new construction and major alterations, GSA selects projects based on wide-ranging criteria, including agency mission requirements, facility condition, reducing the Government's environmental footprint, return on investment, the extent to which each building needs improved energy performance, fire/life safety concerns, occupant well-being, lease cost avoidance, and historic significance. Investments to increase energy efficiency do not always include payback as a performance criteria but even when they do, it is not the only consideration. Performance is a larger area of emphasis and includes reductions in fossil fuel use and greenhouse gas emissions, among other results that are tracked against design targets. GSA selects and delivers projects that balance cost-effectiveness against future energy and water reduction targets. Some investments combine different types of work to yield sound long-term value, and GSA recognizes that energy cost savings are just one type of return.</p> <p><i>Leveraging Innovative Technology</i> Annually, GSA and DOE issue a joint Request for Information (RFI) for next-generation building technologies in support of their respective Green Proving Ground (GPG) and High Impact Technology (HIT) Catalyst programs. The RFI seeks information from industry on emerging and underutilized technologies that have the potential to improve economic and environmental performance in Federal and commercial buildings. The RFI invites technology manufacturers and industry stakeholders to submit information on emerging technologies. Submissions are scored by third parties according to six factors (innovation, potential portfolio performance improvement, deployment potential, payback, demonstration project value, technical risk). Top scoring candidates are evaluated by end user subject matter experts, and a program of technologies are selected and matched with federally owned buildings and/or commercial buildings for measurement and verification (M&V) of their real world performance by third</p>
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*U.S. General Services Administration
Management Challenges and GSA Actions*

	<p>party evaluators. M&V results are used to help accelerate deployment of high impact technologies by informing public and private sector investment decisions. Following favorable evaluation results, nine GPG evaluated technologies to date have been deployed across over 200 facilities in GSA's portfolio, delivering more than 286,500 MMBtu/yr and \$6 million in annual savings.</p> <p><i>Occupant Behavior</i> Occupant behavior has a significant impact on the overall energy performance in buildings. The use of plug load devices such as computers, printers, copiers, task lighting, and other electronics can account for up to one third of a building's electricity consumption. GSA engages building occupants on energy use reduction using a variety of strategies.</p>
Implementing GSA's Mobile Workforce Strategy	
Management Challenge	GSA Actions
<p>GSA continues to face challenges with its Mobile Workforce Strategy</p>	<p>GSA's model workplace initiative is designed to improve its ability to manage an increasingly mobile workforce by creating activity-based workplaces that leverage the latest technologies, support collaboration, and improve employee well-being and performance. GSA's initiative to improve its internal workplace through the creation of equitable, sustainable and highly utilized workplaces has resulted in significant reductions in both office and warehouse space since the establishment of the FY 2012 Freeze the Footprint (FTF) baseline. Since the establishment of FTF, GSA has actually reduced our footprint in each following fiscal year. During FY 2015, GSA reduced square footage by 21percent, and during FY 2016 GSA further reduced by an additional 1 million square feet. This has led to an overall reduction of more than 35 percent since the FY 2012 baseline (based on preliminary FY 2016 Federal Real Property Profile data). For the FY 2017 Reduce the Footprint (RTF), the Office of Administrative Services has partnered with PBS to develop a portfolio-based approach to space reduction projects, ensuring that portfolio strategies such as backfill risk and projected return on investment are taken into account when identifying model workplace projects. GSA continues to leverage mobile workplace strategies such as telework, hoteling, and desk sharing to support model workplace projects that support new ways of working. To better understand the costs and benefits of telework, GSA has implemented a tool to accurately identify and track virtual (fulltime telework) agreements in "real time". GSA has also verified and corrected official worksite/duty station designations and corresponding locality pay for virtual and satellite workers. In November of 2016, a total of 9,817 employees (85 percent of total employees) at GSA had approved telework agreements in place and GSA had 596 employees on "full-time telework" agreements. Telework training is also required for all employees and managers. The GSA time and attendance system has been updated to include a code for virtual workers that captures all full-time telework employee hours. GSA implemented the corrective action plan to ensure all full-time telework employees are paid based on their correct duty station, and processes are in</p>

	<p>place to ensure locality pay is processed appropriately.</p> <p>For the last four years, GSA IT has provided a virtual environment using VMWare's Virtual Desktop tool, Horizon, formerly called MyView. Horizon gives users access to a GSA desktop from virtually any device with an internet connection, including home and office computers, smartphones, and tablets. All GSA employees and contractors may use Horizon as it provides access to about 90 percent of the tools used by GSA to conduct mission critical business. GSA's plan is to further train employees through a re-branding of the virtual desktop while adding additional training sessions on Horizon. GSA IT is also expanding the range of capabilities to our mobile users by ensuring GSA employees and contractors will be able to access GSA applications from almost any mobile device, while enhancing security.</p>
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U.S. GENERAL SERVICES ADMINISTRATION



FY 2016 ANNUAL PERFORMANCE REPORT FY 2018 ANNUAL PERFORMANCE PLAN

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EXECUTIVE SUMMARY

PURPOSE

The Annual Performance Report provides information on the Agency's status in meeting the goals and objectives described in the Agency's FY 2016 Performance Plan, including progress on strategic objectives, and performance goals.

The Annual Performance Plan presents the level of performance to be achieved during the year in which the plan is submitted and in the next fiscal year. The plan describes strategies the agency will follow and identifies performance targets and key milestones to be accomplished in FY 2017 and FY 2018.

The General Services Administration (GSA) FY 2016 Annual Performance Report and FY 2018 Annual Performance Plan in this document relate prior year performance with plans for the current year and budget. This report was prepared in compliance with the GPRM Modernization Act of 2010, P.L. 111-352 under guidance from the Office of Management and Budget (OMB) Circular No. A-11, *Preparation, Submission, and Execution of the Budget*.

ABOUT GSA

GSA was established in 1949, as a result of the Hoover Commission's recommendation that consolidating administrative functions across government into one organization would be more effective and economical for the government and would avoid "senseless duplication, excess cost, and confusion in handling supplies, and providing space." GSA provides the workspace, services, and goods required to operate the Federal Government. We provide workplaces by constructing, managing, and preserving Government buildings and by leasing and managing commercial real estate. Our acquisition solutions offer private sector professional services, equipment, supplies, telecommunications, and information technology to Federal agencies and departments. We help Federal agencies build and share technology solutions. Our policies promote management best practices, efficient government operations, and achievement of government-wide priorities.

GSA has an annual business volume of over \$60 billion, manages over 205,000 fleet vehicles, and manages a building portfolio, which includes 8,700 owned or leased assets, more than 371 million rentable square feet of workspace, and 564 historic properties. We have a continuing commitment to our customers and the American public to provide services in the most cost-effective manner possible, and we deliver on this promise by steadily improving organizational performance. GSA provides the value our partner agencies need to focus their resources on fulfilling their important missions to the American people.

MISSION, VISION, VALUES, and GOALS

GSA's mission, vision, values, and goals focus on making government more effective and economical by providing savings to departments and agencies, improving the efficiency of operations and service delivery, and delivering excellent customer service.

Mission	Deliver the best value in real estate, acquisition, and technology services to government and the American people
Vision	Providing government with the services and resources it needs to accomplish its work as effectively and efficiently as possible
Values	Integrity • Transparency • Teamwork

Goals	<p>The scope of the work at GSA is vast and varied, and through implementing our mission, we aspire to achieve three strategic goals:</p> <p>(1) SAVINGS – Provide savings to federal departments and agencies.</p> <p>We will use our purchasing power and expertise to deliver cost-effective real estate, acquisition and technology solutions to federal departments and agencies.</p> <p>(2) EFFICIENCY – Improve the efficiency of operations and service delivery.</p> <p>We will streamline our operations to offer high quality real estate, acquisition, and technology services at a good value to federal departments and agencies.</p> <p>(3) SERVICE – Deliver excellent customer service.</p> <p>We will deliver excellent customer service to federal agencies and departments by making it easier to reliably meet their real estate, acquisition, and technology needs.</p>
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ORGANIZATIONAL STRUCTURE

GSA provides the workspace, services, and goods required to operate the Federal Government. Our policies promote data-driven management best practices and efficient government operations. Comprised of three service organizations, 12 staff offices, and two independent offices, GSA services more than 60 Federal departments and agencies.

GSA LEADERSHIP

Office of the Administrator



Timothy O. Horne
Acting
Administrator



Anthony Costa
Acting Deputy
Administrator



Jack St. John
Chief of Staff

National Service Commissioners



Thomas A. Sharpe, Jr.
Federal Acquisition
Service



Michael Gelber
(Acting)
Public Buildings Service



Rob Cook
Technology
Transformation
Service

Regional Services



Glenn Rotondo
(Acting) New England
Region 1
Boston, MA



Frank Santella
(Acting) Northeast &
Caribbean Region 2
New York, NY



Bob McCall
(Acting) Mid-Atlantic
Region 3
Philadelphia, PA



Erville Koehler
(Acting) Southeast
Sunbelt Region 4
Atlanta, GA



John Cooke
(Acting) Great Lakes
Region 5
Chicago, IL



Dennis O'Connell
(Acting) The Heartland
Region 6
Kansas City, MO



Jim Weller
(Acting) Greater
Southwest Region 7
Ft. Worth, TX



Leigh Ann Bunetta
(Acting) Rocky
Mountain Region 8
Denver, CO



Dan Brown
(Acting) Pacific Rim
Region 9 San
Francisco, CA



Tiffany Hixson
(Acting) Northwest/
Arctic Region 10
Auburn, WA



Paula Demuth
(Acting) National
Capital Region 11
Washington, DC

Staff Offices



Donna Garland
(Acting)
Office of Strategic
Communication



Giancarlo Brizzi
(Acting) Office of
Government-wide
Policy



Madeline Caliendo
Office of Civil Rights



Robert J. Carter
Office of Mission
Assurance



Antonia T. Harris
Office of Human
Resources
Management



David A. Shive
Office of the Chief
Information Officer



Lennard (Lenny)
Loewentritt (Acting)
Office of General
Counsel



Gerard Badorrek
Office of the Chief
Financial Officer



Cynthia A. Metzler
Office of
Administrative
Services



Saul Japson (Acting)
Office of Congressional
and Intergovernmental
Affairs



Karen Poole (Acting)
Office of Small
Business Utilization



Anahita Reilly
Office of Customer
Experience

Independent Offices



Carol F. Ochoa
Office of the
Inspector General



Stephen M. Daniels
Civilian Board of
Contract Appeals

SERVICE ORGANIZATIONS

Federal Acquisition Service (FAS)

FAS delivers comprehensive products and services across government at the best value possible. FAS leverages the buying power of the federal government by negotiating fair and reasonable prices on many products and services for daily operations through a network of service providers. FAS is able to meet the operating and mission requirements of a vast array of federal agencies and state, local, and tribal governments.

FAS provides federal agencies over 11 million different products and services, and annually delivers over \$53 billion in information technology solutions and telecommunications services, assisted acquisition services, travel and transportation management solutions, motor vehicles and fleet services, and charge cards. FAS manages over 205,000 leased vehicles, more than 3.3 million charge cards, and provides personal property disposal services facilitating the reuse of \$1 billion in excess/surplus property annually.

Public Buildings Service (PBS)

PBS activities fall into two broad areas: workspace acquisition and property management. PBS acquires space on behalf of the Federal Government through new construction and leasing, and acts as a caretaker of Federal properties across the country. As the largest public real estate organization in the United States, PBS owns or leases 8,700 assets and maintains an inventory of more than 371 million square feet of rentable workspace for nearly 1 million Federal employees. Within this inventory, PBS has 564 owned and leased historic properties. PBS provides high quality facility and workspace solutions to more than 55 Federal agencies, disposes of excess or unneeded Federal properties, and promotes the adoption of innovative workplace solutions and technologies. Through lease and purchase transactions, PBS delivers the workspace necessary to meet the respective missions of its customers.

Technology Transformation Service (TTS)

GSA is building a suite of secure, scalable tools and platforms that any agency can use to solve problems. As a staff office, the Office of Citizen Services and Innovative Technology (OCSIT) had been empowering online transformation with programs and community-building over the last decade. Over the last two years, the GSA 18F office had been delivering on a mission to transform how government builds, buys, and shares technology. In FY 2016, these two organizations came together, with the Presidential Innovation Fellows Program (PIF), to form TTS and became GSA's newest service organization. TTS builds, buys, provides, and shares technology applications, platforms, processes, personnel, and software solutions to federal agencies in an effort to help them better serve the public.

TTS is helping agencies transform their digital services to the public, businesses, and organizations across the United States by applying modern methodologies and technologies to improve the public's experiences with government. TTS specializes in emerging technology, adding a skillset rare within the civilian sector of the federal government.

INDEPENDENT and STAFF OFFICES

GSA has 2 independent offices and 12 enterprise staff offices. The enterprise staff offices ensure GSA is prepared to meet the needs of customers on a day-to-day basis and in crisis situations.

Independent Offices	
Civilian Board of Contract Appeals	Office of the Inspector General
Enterprise Staff Offices	
Office of Administrative Services (OAS)	Office of General Counsel (OGC)
Office of the Chief Financial Officer (OCFO)	Office of Human Resource Management (OHRM)
Office of the Chief Information Officer (OCIO)	Office of Mission Assurance (OMA)
Office of Civil Rights (OCR)	Office of Small Business Utilization (OSBU)
Office of Congressional and Intergovernmental Affairs (OCIA)	Office of Strategic Communication (OSC)
Office of Government-wide Policy (OGP)	Office of Customer Experience (OCE)

FY 2016 ANNUAL PERFORMANCE REPORT

STRATEGIC FRAMEWORK

The strategic framework is defined in the GSA FY 2014-2018 Strategic Plan and is presented below:

FY 2016-2017 GSA Strategic Framework					
<i>The GSA Mission is to deliver the best value in real estate, acquisition, and technology services to government and the American people.</i>					
STRATEGIC GOALS					
(1) SAVINGS Provide savings to federal departments and agencies		(2) EFFICIENCY Improve the efficiency of operations and service delivery		(3) SERVICE Deliver excellent customer service	
PRIORITIES					
Delivering Better Value and Savings	Making a More Sustainable Government	Building a Stronger GSA	Leading with Innovation	Serving Our Partners	Expanding Opportunities for Small Businesses
STRATEGIC OBJECTIVES AND PERFORMANCE GOALS					
<p>1.1 Deliver contracting solutions to generate customer savings</p> <ul style="list-style-type: none"> Reduce the Global Supply blended markup Generate savings by negotiating leases at or below industry market rates Generate savings through acquisition programs Increase use of the Acquisition Gateway to improve federal purchasing decisions Increase federal agencies accessing the Acquisition Gateway <p>1.2 Improve the federal utilization of space</p> <ul style="list-style-type: none"> Reduce the Federal footprint Reduce vacant space in the government-owned and leased inventory <p>1.3 Reduce resource use and environmental impact</p> <ul style="list-style-type: none"> Green the federal supply chain Reduce total energy intensity Reduce use of petroleum-based fuel Purchase alternative fuel vehicles 		<p>2.1 Increase the efficiency of GSA operations</p> <ul style="list-style-type: none"> Improve the efficiency of GSA operations Reduce indirect costs Generate sufficient Funds from Operations to effectively operate GSA leased buildings Complete capital projects on schedule Deploy civilian acquisition workforce training courses efficiently Timely award of public sale properties and non-competitive sales and donations <p>2.2 Enhance asset management</p> <ul style="list-style-type: none"> Provide building cleaning and maintenance at competitive costs 		<p>3.1 Enhance relationships with our customers, suppliers, and stakeholders</p> <ul style="list-style-type: none"> Improve customer satisfaction with government-owned and leased space Achieve customer loyalty and supplier satisfaction for acquisition services Implement effective policy initiatives Help agencies deliver, manage, and share digital services and solutions <p>3.2 Support small and disadvantaged business</p> <ul style="list-style-type: none"> Meet small business prime and subcontracting goals Meet small business targets on Multiple Award Schedules (MAS) 	
MANAGEMENT OBJECTIVES AND PERFORMANCE GOALS					
<p>(M.1) Deliver a mission ready workforce</p> <ul style="list-style-type: none"> Reduce the time to hire Increase employee engagement 			<p>(M.2) Streamline information technology and improve data quality and reporting</p> <ul style="list-style-type: none"> Migrate legacy data systems to Data-to-Decisions (D2D) platform Reduce Information Technology cost 		

FY 2016 PERFORMANCE OVERVIEW

Strategic Objectives and Performance Indicators	Lead Office	FY14 Actual	FY15 Actual	FY16 Actual	FY16 Plan
Strategic Objective 1.1: Deliver contracting solutions to generate customer savings					
Global Supply blended markup ↓ (new methodology FY 2015)	FAS	27.1%	15.0%	13.6%	15.0%
Leases negotiated at or below market rates ↑	PBS	43%	59%	49%	55%
Acquisition Program Savings (\$b) ↑	FAS	\$4.75	\$5.17	\$6.02	\$5.19
Federal users of the Acquisition Gateway ↑	FAS	n/a	1,934	10,225	10,000
Federal agencies accessing the Acquisition Gateway ↑	FAS	n/a	39	83	45
Strategic Objective 1.2: Improve the federal utilization of space					
Implemented consolidation opportunities identified from client portfolio plans ↑	PBS	12	16	16	16
Vacant space in inventory ↓	PBS	3.6%	3.4%	3.0%	3.2%
Strategic Objective 1.3: Reduce resource use and environmental impact					
Green business volume ↑	FAS	10.5%	8.8%	9.5%	9.0%
Energy intensity reduction ↑ (new baseline set from FY 2015 for subsequent years)	PBS	26.5%	30%	3.78%	1.75%
Annual use of petroleum-based fuel in millions of gallons ↓	OGP	365.51	380.93	388.92	357.85
Alternative fuel vehicles purchased (%) ↔	FAS	80.9%	82.8%	82.6%	80.0%
Strategic Objective 2.1: Increase the efficiency of GSA operations					
Total operating costs as a percent of goods and services provided ↓	OCFO	9.91%	9.70%	9.44%	9.65%
Reduction in total GSA indirect costs from the FY 2010 baseline (\$m) ↑	OCFO	\$190	\$407	\$400	\$304
Leased revenue available after administering program (%) ↔	PBS	-1.0%	-0.47%	-1.16%	0 to 2%
Capital projects on schedule (%) ↑	PBS	97%	98%	98%	90%
Public sale properties awarded within 135 days ↑	PBS	94%	97%	97.5%	90%
Non-competitive sales and donations awarded within 220 days ↑	PBS	93%	98%	98%	90%
Attendance levels for Federal Acquisition Institute training courses (%) ↑	OGP	92%	88%	92%	90%

Strategic Objectives and Performance Indicators	Lead Office	FY14 Actual	FY15 Actual	FY16 Actual	FY16 Plan
Strategic Objective 2.2: Enhance asset management					
Cleaning and maintenance costs within market range ↑	PBS	70%	81%	80.3%	80%
Strategic Objective 3.1: Enhance relationships with our customers, suppliers, and stakeholders					
Tenant satisfaction with government-owned and leased space (percent favorable responses) ↑	PBS	61%	63%	65%	65%
Customer loyalty with acquisition services (10-point survey scale; new methodology applied in FY 2015) ↑	FAS	7.4	7.1	7.5	7.2
New digital government-wide shared services	TTS	5	8	7	5
Key policy stakeholders who rate policy initiatives effective ↑	OGP	92%	93%	81%	85%
Strategic Objective 3.2: Support small and disadvantaged business					
Percent of dollars awarded to small business prime contracting ↑	OSBU	39.00%	44.16%	39.22%*	36.50%**
Percent of dollars awarded to small business through subcontracting ↑	OSBU	28.70%	26.30%	30.90%*	29.00%**
Multiple Award Schedule (MAS) business volume from small businesses (%) ↔	FAS	37.2%	38.3%	37.4%	33.0%
Management Objective (M.1): Deliver a mission ready workforce					
Time to hire in days ↓	OHRM	88	87	83	80
Employee Engagement Score ↑	OHRM	69%	69%	72%	72%
Management Objective (M.2): Streamline information technology and improve data quality and reporting					
Cumulative data warehouses migrated to D2D platform ↑	OCIO	0	0	0	1
Commodity information technology savings from prior year (%) ↑	OCIO	8.3%	9.3%	4.6%	4.7%
GSA information technology cost reduction from FY 2014 baseline (%) ↑	OCIO	n/a	8.6%	4.3%	13.6%

Desired direction: ↑ = increasing ↓ = decreasing ↔ = within range

* Preliminary results shown; final FY 2016 results to be reported in May 2017 by the Small Business Administration (SBA)

** Target will be set by SBA.

STRATEGIC GOAL 1: Provide savings to Federal departments and agencies.

Strategic Objective 1.1: Deliver contracting solutions to generate customer savings.

Progress Update

GSA met four of five goals for this objective. GSA lowered Global Supply blended markup to 13.6%, increased Acquisition Program Savings to \$6.09 billion, and increased the number of users and agencies accessing the Acquisition Gateway. The Acquisition Gateway provides agencies a website where they can easily review and compare acquisition solutions to make cost-effective purchasing decisions. GSA did not meet the performance target for percent of new real property leases negotiated at or below market rates.

Goal Leaders	Tom Sharpe, Commissioner, FAS (Lead Office) Michael Gelber, Acting Commissioner, PBS
Contributing Programs	<ul style="list-style-type: none"> ● Assisted Acquisition ● Electronic Government ● General Supplies and Services Categories ● Information Technology Category ● Rental of Space ● Travel, Transportation, and Logistics Categories

Performance Goal 1.1.1 - Reduce Global Supply blended markup.	
Benefit to the Public	Lowering the overall cost of the program allows for reduced rates and costs for customers, which translates into savings to the federal government and the public.
Performance and Contextual Indicator:	<p><u>Global Supply blended markup:</u></p> <p>Global Supply blended markup is an aggregate combination of markups (fees) for the methods of supply for Special Order Programs, Direct Delivery, Expanded Direct Delivery and Stock. This indicator tracks the reduction in fees charged to the customer. Lowering the overall cost of the program allows for reduced rates and costs for customers, which translates to savings to the federal government and the American public.</p> <p>GSA updated the calculation methodology for this measure in FY 2013 to remove pass-through transportation costs, which are not included in cost of goods sold (COGS). In FY 2015, GSA refined this measure to only include general revenue and general costs of goods sold. This excludes the export surcharge, and other surcharges from the Revenue side, and Inbound Freight, Inventory Adjustments, and Credit Card Fees on the</p>

	<p>COGS side. This methodology is preferred as these items are flow through that are not assessed a markup. The focus of the markup measure is the amount of fee assessed to the COGS over and above the acquisition cost of a given product.</p> <p>In previous years, an adjusted gross margin was used to calculate the blended markup to account for revenue and expense line items that are outside of general revenue and general costs of goods sold.</p>
Progress Update	<p>GSA achieved its Global Supply blended markup target in FY 2016. The direct vendor delivery model has significantly reduced GSA's operating costs, allowing for a lower markup on goods, and increased savings for customers. Federal Strategic Sourcing Initiative (FSSI) savings and Global Supply blended markup are expected to improve even more in FY 2017.</p>

Global Supply Blended Markup (%)		
Fiscal Year	Target	Actual
2011	Baseline	27.2%
2012	Baseline	26.3%
2013	Baseline	22.2%
2014	Baseline	23.0%
2015	17.0%	15.0%
2016	15.0%	13.6%
Lead Office: Federal Acquisition Service		

Performance Goal 1.1.2 - Generate savings by negotiating 55% of leases at or below industry market rates.	
Benefit to the Public	<p>Negotiating lease costs at or below comparable market costs ensures GSA acquires Federal office space at the best value for the taxpayer.</p>
Performance and Contextual Indicator:	<p>Percent of leased transactions for leased office space at or below market rates:</p> <p>This performance indicator compares GSA leasing costs to private sector benchmarks for equivalent office space in major markets. Negotiating lease rates below market rates for comparable space generates cost savings for the American people. The market lease rate is based on GSA's Bullseye report, which combines rates from respected nationwide commercial real estate sources. The Net Present Value of the life-cycle cost of lease transactions are used in comparing negotiated leases with market value leases. This metric accounts for 47 percent of GSA's current lease inventory which accounts for 74 percent of the total annual lease rent and 67 percent of total square feet.</p>
Progress Update	<p>GSA completed 49% (260 of 529) of lease transactions at or below market costs. PBS will continue to focus on negotiating lower rates to provide the best value to the American taxpayer.</p>

Cost of Lease Space Relative to Market (%) (at or below NPV)		
Fiscal Year	Target	Actual
2013	Baseline	55%
2014	Baseline	43%
2015	Baseline	59%
2016	55%	49%
Lead Office: Public Buildings Service		

Performance Goal 1.1.3 - Generate savings through acquisition programs.	
Benefit to the Public	Achieving this goal will result in savings that enable customer agencies to meet mission critical needs at a lower cost.
Performance and Contextual Indicator:	<p><u>Acquisition Program Savings:</u></p> <p>This performance indicator incorporates savings realized through acquisition programs across FAS. Whether buying office supplies, electric vehicles, or complex information technology solutions, FAS obtains them at a discounted price and delivers the savings back to our customer agencies. FAS developed defined methodologies for quantifying savings for the myriad of products and services offered to customer agencies. The methodologies can generally be grouped into the following categories:</p> <ul style="list-style-type: none"> ● Savings realized by utilizing FAS procurement vehicles compared to what is available commercially ● Savings realized by using FAS offerings compared to other government offerings ● Savings returned to customers via bank refunds given for using FAS purchase, travel, and fleet cards
Progress Update	In FY 2016, FAS Savings totaled \$6.02 billion. The \$5.19 billion goal was greatly exceeded because of an unexpected and significant discount offered by a major software provider (SmartBUY program) to DoD customers, exclusive to FY 2016 purchases.

FAS Programs Included in the Acquisition Programs Savings Performance Indicator			
\$	Measure	FY 15 Result	FY 16 Result
FAS TOTAL	Total FAS-wide Savings	\$5,174,354,582	\$6,019,519,440
Travel, Transportation, and Logistics	FedRooms	\$7,714,256	\$14,652,469
	Automotive Selling Price Discount Below Invoice	\$306,000,000	\$363,658,598
	Fleet Savings	\$184,906,287	\$282,896,702
	SmartPay Refunds	\$282,195,974	\$291,941,672
	ETS2	\$20,964,275	\$25,531,749
	City Pair	\$2,388,100,000	\$2,470,262,816
	Subtotal	\$3,189,880,792	\$3,448,944,007
Information Technology Categories	WAN	\$670,600,000	\$665,000,000
	GSA SmartBUY	\$580,000,000	\$1,122,997,427
	COMSATCOM	\$211,700,000	\$160,013,987
	Reverse Auctions	\$6,695,059	\$3,001,044
	Subtotal	\$1,468,995,059	\$1,951,012,458
Assisted Acquisition Services	Total Estimated Costs (initial or revised) as compared with total award ceiling amount	\$386,290,302	\$461,773,143
	Subtotal	\$386,290,302	\$461,773,143
Strategic Sourcing Cost Savings	Office Supplies	\$37,549,482	\$40,486,165
	Domestic Delivery Services	\$54,321,308	\$60,610,014
	Print Management	\$13,519,894	\$16,520,231
	Wireless	\$9,212,998	\$19,848,102
	JanSan	\$3,363,436	\$3,558,791
	MRO	\$11,221,311	\$16,766,529
	Subtotal	\$129,188,429	\$157,789,833
Lead Office: Federal Acquisition Service			

Acquisition Program Savings (\$ Billions)		
Fiscal Year	Target	Actual
2014	Baseline	\$4.68
2015	Baseline	\$5.17
2016	\$5.19	\$6.02
Lead Office: Federal Acquisition Service		

Performance Goal 1.1.4 – Increase use of the Acquisition Gateway to improve federal purchasing decisions.	
Benefit to the Public	The Acquisition Gateway provides users a website where they can review and compare available acquisition solutions to efficiently make cost-effective purchasing decisions. The Gateway offers expert advice, resources, data, and decision-support tools to help federal acquisition professionals find assistance through each step of the acquisition lifecycle, leading to successful procurement outcomes. Increased usage of the Gateway will lead to decreased cost of doing business with the government. Fewer duplicative contracts will lower bid, proposal, and contract administration costs.
Performance and Contextual Indicators:	<p><u>Number of Federal Users of the Acquisition Gateway:</u></p> <p>The initial target users included the government acquisition community (i.e., Contracting Officers, Project Managers, Contract Specialists, Contracting Officer Representatives, etc.).</p>
Progress Update	For FY 2016, there were 10,225 registered users on the Acquisition Gateway, exceeding the goal of 10,000.

Number of Federal Users of the Acquisition Gateway		
Fiscal Year	Target	Actual
2014	n/a	0
2015	n/a	1,934
2016	10,000	10,225
Lead Office: Federal Acquisition Service		

Performance Goal 1.1.5 – Increase federal agencies accessing the Acquisition Gateway.	
Benefit to the Public	The Acquisition Gateway provides agencies a website where they can review and compare available acquisition solutions to efficiently make cost-effective purchasing decisions. The Gateway offers expert advice, resources, data, and decision-support tools to help federal acquisition professionals find assistance through each step of the acquisition lifecycle, leading to successful procurement outcomes. Increased usage of the Gateway will lead to decreased cost of doing business with the government. Fewer duplicative contracts will lower bid, proposal, and contract administration costs.
Performance and Contextual Indicators:	<p><u>Number of Federal Agencies accessing the Acquisition Gateway:</u></p> <p>The target audience went beyond the 24 CFO Act agencies and extended to any agency that performed acquisitions on behalf of the Federal Government.</p>
Progress Update	By the end of FY 2016, 83 different agencies had accessed the Acquisition Gateway.

Number of Federal Agencies Accessing the Acquisition Gateway		
Fiscal Year	Target	Actual
2014	n/a	0
2015	n/a	39
2016	45	83
Lead Office: Federal Acquisition Service		

Strategic Objective 1.2: Improve the Federal utilization of space.

Progress Update

GSA met both performance goals for this objective with a 3.0 % vacant space reduction and 16 consolidation opportunities identified from customer portfolio plans (CPPs). The 16 consolidation projects spanned 12 agencies with a cumulative cost savings of \$25 million and an 819,000 reduction in usable square feet. In addition to consolidation projects included in GSA’s FY 2016 major and minor repairs and alterations programs, GSA also received \$75 million in FY 2016 to support agency consolidation activities within the GSA portfolio. GSA is implementing workplace projects for more than 47 agencies and departments. Under the Total Workplace Program, GSA worked closely with 11 customers in FY 2016 to implement agency-wide space standards in their offices, using each Agency’s benchmark utilization rate for future projects and space actions.

Goal Leaders	Michael Gelber, Acting Commissioner, PBS (Lead Office) Giancarlo Brizzi, Acting Associate Administrator, OGP
Contributing Programs	<ul style="list-style-type: none"> ● Assisted Acquisition ● Building Operations ● Construction and Acquisition of Facilities ● Government-wide Policy ● Operating Expense ● Real Property Disposal ● Real Property Relocation ● Rental of Space ● Repairs and Alterations

Performance Goal 1.2.1 – Reduce the Federal Footprint.	
Benefit to the Public	Improved real property planning will reduce cost, and help customer agencies focus their planning and management resources on mission-related operations and programs. Better utilization of Federal workspace lowers the Government’s operational cost. GSA’s efforts will assist the Federal Government in reducing its real estate footprint and generating savings for the American people.
Performance and	Implemented consolidation opportunities identified through customer

<p>Contextual Indicators:</p>	<p><u>portfolio plans (CPP):</u></p> <p>This performance indicator measures the number of opportunities identified through completed CPPs that have been implemented to save agencies' and taxpayers' money through space consolidation and lease space savings.</p>
<p>Progress Update</p>	<p>GSA met the target for implementing consolidation opportunities identified through CPPs in FY 2016 with a cost savings of \$25 million and a space reduction of 819,000 usable square feet. Teams worked with agencies to validate high-impact opportunities supported by business cases and aligned with the agencies' missions, priorities, and goals.</p> <p>GSA worked with client agencies to implement projects and dispose or repurpose underutilized real property to achieve savings and space reductions. The projects aimed to consolidate higher cost lease space into lower cost and underutilized federally-owned space, manage space better through workplace strategies and improved office standards, and optimize rents in depressed markets to capture favorable tenant lease rates.</p>

Implemented Consolidation Opportunities Identified through CPPs		
Fiscal Year	Target	Actual
2013	n/a	4
2014	n/a	12
2015	n/a	16
2016	16	16
<p style="text-align: center;">Lead Office: Public Buildings Service</p>		

Performance Goal 1.2.2 – Reduce vacant space in the government-owned and leased inventory.	
<p>Benefit to the Public</p>	<p>Better utilization of Federal workspace lowers the Government's operational cost.</p>
<p>Performance and Contextual Indicator:</p>	<p><u>Percent of vacant space in the government-owned and leased inventory:</u></p> <p>This performance indicator reports the total unoccupied assignable square feet as a percentage of total assignable square feet in the owned and leased workspace inventory. Space undergoing on-time, prospectus level renovation is excluded.</p>
<p>Progress Update</p>	<p>GSA lowered vacant space from 3.4% to 3.0% in FY 2016, meeting the goal for the first time in four years. Some vacant space is needed to meet the space needs of new customers and customers with changing space requirements.</p>

Vacant Space in Government-Owned and Leased Inventory (%)		
Fiscal Year	Target	Actual
2011	3.2%	3.4%
2012	3.2%	3.0%
2013	3.2%	3.8%
2014	3.2%	3.6%
2015	3.2%	3.4%
2016	3.2%	3.0%
Lead Office: Public Buildings Service		

Strategic Objective 1.3: Reduce resource use and environmental impact.

Progress Update

GSA met the three performance goals that it actively manages for this objective. A fourth goal - *reduce annual use of petroleum-based fuel* - is tracked and reported by GSA, but not managed by GSA. In FY 2016, GSA improved and met its targets for green business volume in GSA schedules, energy intensity in GSA managed facilities, and percent of alternative fuel vehicles purchased.

GSA achieved the target towards improving the sustainability of the federal supply chain by reporting the sales of green products and service offerings at 9.5% of total business volume in FY 2016 from the baseline of 2.4% in FY 2010.

Over 80% of light-duty vehicles purchased by GSA in FY 2016 are classified as Alternative Fuel Vehicles (AFVs). AFV acquisition supports the FY 2016 performance goal to reduce the environmental impact of the federal fleet.

Goal Leaders	Kevin Kampschroer, Chief Sustainability Officer (Lead) Michael Gelber, Acting Commissioner, PBS Tom Sharpe, Commissioner, FAS Giancarlo Brizzi, Acting Associate Administrator, OGP
Contributing Programs	<ul style="list-style-type: none"> ● Assisted Acquisition ● Building Operations ● Construction and Acquisition of Facilities ● General Supplies and Services ● Government-wide Policy ● Information Technology Category ● Repairs and Alterations ● Travel, Transportation, and Logistics Categories

Performance Goal 1.3.1 – Green the federal supply chain.	
Benefit to the Public	By raising awareness about tools such as the Green Products Compilation, GSA will help departments and agencies meet their statutory procurement sustainability goals and ultimately increase the sustainability of the federal supply chain.
Performance and Contextual Indicator:	<u>Green purchasing as a percent of business volume:</u> This performance indicator is calculated by dividing the summation of the dollars attributable to green purchases in the reported fiscal year by the summation of total dollars of business volume (purchases) in the reported fiscal year tracked through the GSA Federal Acquisition Service systems.
Progress Update	The sale of green products relative to FAS total business volume was 9.5% in FY 2016, exceeding the GSA goal of 9.0%.

Green Purchasing as a Percent of Business Volume		
Fiscal Year	Target	Actual
2011	Baseline	2.2%
2012	Baseline	6.9%
2013	5.0%	4.7%
2014	6.0%	10.5%
2015	8.0%	8.8%
2016	9.0%	9.5%
Lead Office: Federal Acquisition Service		

Performance Goal 1.3.2 – Reduce total energy intensity.	
Benefit to the Public	Responsible management of energy usage in the Federal workspace lowers cost to the American people, provides greater availability of domestic energy resources for other purposes, and contributes to better air quality, energy independence, and mission assurance.
Performance and Contextual Indicator:	<u>Energy Intensity:</u> This measure assesses reduction in energy use intensity as originally mandated in the Energy Policy Act, and updated by EO 13693 -- GSA to reduce energy intensity as measured in British Thermal Units (BTU) per gross square foot (gsf) by 25% by 2025 over the 2015 baseline established by EO 13693.
Progress Update	GSA met the performance target in FY 2016, lowering energy use intensity in its real property portfolio by 3.78% from the FY 2015 baseline. GSA will apply weather normalization credits to future reporting achievements that reflect fluctuations in weather as permitted by guidance issued by the Department of Energy.

Energy Intensity (BTU per gross square foot % reduction)		
Fiscal Year	Target	Actual
2011	18%	18.9%
2012	21%	24.5%
2013	24%	24.8%
2014	27%	26.5%
2015	30%	30%
2016	1.7%*	3.78%
Lead Office: Public Buildings Service		

* from baseline of FY 2015 actual performance

Performance Goal 1.3.3 – Reduce use of petroleum-based fuel.	
Benefit to the Public	This performance indicator assists with reducing federal agency petroleum fuel costs and increasing the environmental sustainability of federal government fleet operations for the public.
Performance and Contextual Indicator:	<p><u>Annual use of petroleum-based fuel:</u></p> <p>This measure reports government-wide data on petroleum-based fuel use. This performance indicator computes the total annual use of petroleum-based fuel in the federal motor vehicle fleet in millions of gallons, to assist with reducing petroleum-based fuel consumption in the federal fleet. Usage is obtained directly from agencies via GSA FAST.</p>
Progress Update	Petroleum-based fuel use was 388.92 million gallons in FY 2016. This amount is 2.1% above the 357.85 million gallon target. The increase is consistent with an increase of miles traveled -- which was a 1.8% increase over FY 2015.

Annual Use of Petroleum-Based Fuel (millions of gallons)		
Fiscal Year	Target	Actual
2011	395.88	405.47
2012	387.96	380.40
2013	380.20	366.90
2014	372.60	365.51
2015	365.15	380.93
2016	357.85	388.92
Lead Office: Office of Government-wide Policy		

Performance Goal 1.3.4 – Purchase alternative fuel vehicles.	
Benefit to the Public	Transitioning to a fleet composed primarily of AFVs will lower petroleum consumption, greenhouse gas emissions, and annual fuel costs for customer agencies.

<p>Performance and Contextual Indicator:</p>	<p><u>AFVs purchased as percent of total motor vehicles purchased:</u></p> <p>This performance indicator reports the AFV purchases in a given fiscal year as a percentage of the total number of vehicles purchased. AFVs are vehicles that run on non-petroleum fuels – such as electricity, natural gas, or biofuels – or meet the EPA’s low greenhouse gas emitting vehicle requirements. Total motor vehicles purchased includes orders made by GSA for fleet customers and motor vehicles orders made by other federal agencies.</p>
<p>Progress Update</p>	<p>GSA met the performance target for the fourth consecutive year with 82.6% of vehicles purchased in FY 2016 as AFVs.</p>

Alternative Fuel Vehicles Purchased [as a Percent of Total Motor Vehicles Purchased (%)		
Fiscal Year	Target	Actual
2011	53.6%	80.3%
2012	80.0%	75.4%
2013	80.0%	82.1%
2014	80.0%	80.9%
2015	80.0%	82.8%
2016	80.0%	82.6%
<p style="text-align: center;">Lead Office: Federal Acquisition Service</p>		

STRATEGIC GOAL 2: Improve the efficiency of operations and service delivery.

Strategic Objective 2.1: Increase the efficiency of GSA operations.

Progress Update

GSA met six of seven performance goals for this objective. Both financial performance goals associated with streamlining GSA support functions were met. Total operating costs as a percent of goods and services provided was lowered from 9.70% to 9.44%. For FY 2016, total GSA indirect costs is \$400 million lower than the baseline year of FY 2010. The Federal Acquisition Institute (FAI) successfully achieved 92% attendance for its training courses.

GSA met on-time performance targets for completing capital projects (construction/repairs & alterations), awarding public sale properties, and non-competitive sales and donations. PBS did not fully recover administrative costs with revenue for leased real property portfolio.

<p>Goal Leaders</p>	<p>Gerard Badorrek, Chief Financial Officer (Lead Office) Tom Sharpe, Commissioner, FAS Cynthia Metzler, Chief Administrative Services Officer Michael Gelber, Acting Commissioner, PBS Giancarlo Brizzi, Acting Associate Administrator, OGP</p>
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Contributing Programs	<ul style="list-style-type: none"> ● Acquisition Workforce Training ● Assisted Acquisition ● Building Operations ● Citizen Services and Innovative Technologies ● Construction and Acquisition of Facilities ● Federal Acquisition Service - Integrators ● General Management and Support Services ● General Supplies and Services ● Government-wide Policy ● Information Technology Category ● Operating Expense ● Real Property Disposal ● Real Property Relocation ● Rental of Space ● Repairs and Alterations ● Travel, Transportation, and Logistics Categories
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Performance Goal 2.1.1 – Increase the efficiency of GSA operations.	
Benefit to the Public	Improving operational efficiency means GSA will be able to deliver goods and services to our customers at a lower cost. This improved efficiency can translate to reduced costs to operate GSA and lead to customer agency savings, primarily through reduced fees and surcharges.
Performance and Contextual Indicator:	<p><u>Total operating costs as a percent of total goods and services provided:</u> This performance indicator measures the overall efficiency of GSA operations by dividing the total operating costs by the total value of goods and services provided to track GSA efficiency improvements while accounting for changes in customer demand for GSA goods and services.</p> <p>The indicator is calculated by taking operating expenses, inclusive of allocated corporate indirect expenses in FAS and PBS, as a percentage of the total goods and services provided by FAS and PBS.</p> <p>The FAS operating expenses include all FAS expenses except flow-through and customer direct benefit activities -- which include fleet related expenses and outbound transportation costs. PBS operating costs include all total PBS building operations costs less activities that provide direct benefit to the customer. Direct benefit activities include building utilities, maintenance, cleaning, security, fire, and other building services.</p>
Progress Update	GSA met its efficiency goal for total operating costs as a percent of total goods and services by achieving 9.44% in FY 2016.

Total Operating Costs as a Percent of Total Goods and Services Provided (%)		
Fiscal Year	Target	Actual
2011	Baseline	9.99%
2012	Baseline	10.03%
2013	Baseline	9.60%
2014	9.40%	9.91%
2015	9.20%	9.70%
2016	9.65%	9.44%
Lead Office: Office of the Chief Financial Officer		

Performance Goal 2.1.2 – Control indirect costs.	
Benefit to the Public	Controlling indirect costs will improve GSA operational efficiency and can translate to savings to customer agencies in the form of reduced fees and surcharges.
Performance and Contextual Indicator:	<p><u>Reduction in total GSA indirect costs from the FY 2010 baseline:</u> This performance indicator measures GSA indirect operating costs as compared to the FY 2010 baseline. Indirect costs include corporate management, business executive direction, and business support.</p> <p>This indicator is calculated as the total cost of corporate indirect costs plus FAS indirect costs plus PBS indirect costs.</p> <ul style="list-style-type: none"> • Corporate indirect includes headquarter management costs and business support which is comprised of indirect costs that are variable to the business activity they support and includes finance centers, and Chief Information Officer (CIO) direct business systems costs, and related personnel compensation and benefits. • FAS indirect includes Business Executive Direction (i.e., national business management, FAS Commissioner and Deputies, Assistant Commissioners and Regional Commissioners, and immediate offices), FAS integrators and regional/business line management -- including administrative liaisons for program, human resources, and financial management. • PBS indirect includes PBS IT Service, personnel compensation and benefit costs, management support costs, and other PBS administrative expenses including transportation, telephones, printing, training, supplies, equipment, and travel.
Progress Update	GSA exceeded the FY 2016 target of \$304 million for reducing indirect costs from the FY 2010 baseline. GSA continues to realize savings through the realignment of key support functions (finance, information technology and human capital) and by improving and standardizing internal processes, and controls.

Reduction in Total GSA Indirect Costs (\$ Millions)		
Fiscal Year	Target	Actual
2011	n/a	\$136
2012	n/a	\$115
2013	\$130	\$130
2014	\$155	\$190
2015	\$210	\$407
2016	\$304	\$400
Lead Office: Office of the Chief Financial Officer		

Performance Goal 2.1.3 – Generate sufficient funds from operations to effectively operate GSA leased buildings.	
Benefit to the Public	Maintaining lease revenue available after program administration costs at between 0 and 2% of revenues demonstrates the leasing program can efficiently operate within the fees collected from customer agencies. Efficient delivery of leased workspace provides agencies greater flexibility in housing their workforce and operations and managing their resources.
Performance and Contextual Indicator:	Percent of leased revenue available after administering the leasing program: This performance indicator measures the leasing program’s revenue available after program administration costs and is calculated by taking the leased inventory revenue minus all expenses (excluding depreciation) associated with the inventory.
Progress Update	GSA missed the target of lease revenue available between 0 – 2% in FY 2016. The end of year performance for FY 2016 of -1.16% is the result of various issues, including timely and accurate customer billing and lessor payment, vacant space and related security expenses, lease formulation and buyout costs, and general and administrative expenses in excess of PBS fee revenue for small-dollar value leases. GSA continues to work across the organization to focus on this metric.

Leased Revenue after Administration of Leasing Program (%)		
Fiscal Year	Target	Actual
2011	0-2%	-0.3%
2012	0-2%	-0.3%
2013	0-2%	0.1%
2014	0-2%	-1.0%
2015	0-2%	-0.5%
2016	0-2%	-1.16%
Lead Office: Public Buildings Service		

Performance Goal 2.1.4 – Complete capital projects on schedule.	
Benefit to the Public	Delivering space when the customer needs it enables customers to most effectively carry out their missions. GSA’s efficient delivery of new and renovated facilities reduces the resource demands of customer agencies that may translate to higher operational effectiveness and/or lower operational costs.
Performance and Contextual Indicator:	<u>Capital construction projects on schedule:</u> This measure reports the percentage of prospectus level construction and repair and alterations projects completed on schedule, weighted by the contract value. Using an earned value technique, this measure assesses project performance on all prospectus level projects. Delivering space when the customer needs the space enables our customers to carry out their missions with minimal distractions.
Progress Update	GSA exceeded its 90% target in FY 2016 by delivering 98% of new construction projects on schedule. This improvement is attributed to the increased adoption of improved project and performance management processes. GSA used project management processes to improve the accuracy and quality of project reporting. GSA used key performance indicators to track project team compliance for construction schedules, invoice payments, and issues that could cause project delays.

Capital Projects on Schedule (%)		
Fiscal Year	Target	Actual
2012	Baseline	85%
2013	Baseline	89%
2014	Baseline	97%
2015	90%	98%
2016	90%	98%
Lead Office: Public Buildings Service		

Performance Goal 2.1.5 – Timely award of public sale properties.	
Benefit to the Public	Decreasing the cycle time for public sales increases the speed for surplus Federal properties to be disposed of and supports the management of a financially self-sustaining portfolio of Federal real property assets. Maintaining a viable, self-sustaining inventory of real properties ensures Federal agencies have appropriate facilities at the best possible cost.
Performance and Contextual Indicator:	<u>Percentage of public sale properties awarded within 135 days:</u> This indicator reports the number of public sales awarded within 135 days (minus hold times) as a percentage of total public sales. Hold time occurs when the disposal experiences an unavoidable delay because of pending legislation, historical building reviews, or litigation. Awarded

	refers to the date the offer to purchase is completed by GSA and the purchaser.
Progress Update	GSA exceeded the target of awarding 90% of competitive public sales within 135 days. The percent of projects awarded within the measurable period at the end of FY 2016 was 97.5%, with 78 of 80 sales awarded within 135 days. The streamlined bidding process of the <i>Invitation for Bids</i> , which GSA uses to market properties for disposal, plus aggressive marketing and online auctions, continues to attract buyers. These factors were key in GSA’s success in achieving the target and in saving taxpayers money.

Public Sale Properties Awarded within 135 days (%)		
Fiscal Year	Target	Actual
2011	90%	100%
2012	90%	100%
2013	90%	98%
2014	90%	94%
2015	90%	97%
2016	90%	97.5%
Lead Office: Public Buildings Service		

Performance Goal 2.1.6 – Timely award of non-competitive sales and donations.	
Benefit to the Public	Decreasing the cycle time for non-competitive sales and donations increases the speed with which surplus Federal properties can be disposed.
Performance and Contextual Indicator:	<u>Percentage of non-competitive sales and donations awarded within 220 days:</u> This indicator reports the number of non-competitive sales and donations awarded within 220 days (minus hold times) as a percentage of total public sales. Hold time occurs when the disposal experiences an unavoidable delay because of pending legislation, environmental concerns, title problems, historical building reviews, or litigation. Non-competitive sales and donations include negotiated sales, public benefit conveyances, and federal transfers. Awarded refers to the date the property is transferred to another agency, assigned to a sponsoring agency, or deeded to a public body.
Progress Update	For FY 2016, 49 of 50 projects (98%) were awarded within 220 days, exceeding the 90% target.

Non-Competitive Sales and Donations Awarded within 220 days (%)		
Fiscal Year	Target	Actual
2011	90%	95%
2012	90%	91%
2013	90%	88%
2014	90%	93%
2015	90%	98%
2016	90%	98%
Lead Office: Public Buildings Service		

Performance Goal 2.1.7 – Deploy civilian acquisition workforce training courses efficiently.	
Benefit to the Public	Maintaining high attendance levels ensures GSA efficiently delivers acquisition workforce training to the federal acquisition workforce.
Performance and Contextual Indicator:	Attendance levels for FAI training courses: This performance indicator assesses the percentage of available classroom training seats filled in FAI sponsored classes. Computation is the attendance divided by seats offered for the training courses. FAI, managed on behalf of the federal government by GSA, is charged with fostering and promoting the development of a federal acquisition workforce—which includes the provision of essential acquisition training. Measuring class fill rates is a key indicator for ensuring FAI provides training courses in an efficient manner. Consolidating the provision of acquisition training across government eliminates duplication and reduces costs by providing a shared training program for the federal government.
Progress Update	GSA exceeded the target of 90% attendance levels in FY 2016 by filling 92% (1,269 of 1,383) seats.

Attendance Levels for FAI Training Courses (%)		
Fiscal Year	Target	Actual
2010	Baseline	59.9%
2011	Baseline	75.0%
2012	80%	86.0%
2013	80%	88.8%
2014	80%	91.7%
2015	85%	87.9%
2016	90%	92%
Lead Office: Office of Government-wide Policy		

Strategic Objective 2.2: Enhance asset management.

Progress Update

GSA met the performance goal to keep 80% of its cleaning and maintenance costs with market range. During FY 2016, GSA improved asset management and building operations, and saved taxpayers money by improving operations and leveraging buying power.

Goal Leaders	Michael Gelber, Acting Commissioner, PBS (Lead Office) Giancarlo Brizzi, Acting Associate Administrator, OGP
Contributing Programs	<ul style="list-style-type: none"> ● Building Operations ● Government-wide Policy ● Repairs and Alterations

Performance Goal 2.2.1 – Provide building cleaning and maintenance at competitive costs.	
Benefit to the Public	This goal ensures customer agencies are paying competitive market rates for building services.
Performance and Contextual Indicator:	<p><u>Cleaning and maintenance costs within market range:</u></p> <p>GSA will utilize methodologies for determining the private sector benchmark to ensure 80% of buildings are within market range for cleaning and maintenance.</p>
Progress Update	GSA was successful in meeting the FY 2016 operating cost goal with 80 % of measured buildings’ operations, maintenance, and cleaning costs within or below the private sector counterparts. A total of 123 assessed buildings had costs above the market range.

Operating Costs within Market Range (%)		
Fiscal Year	Target	Actual
2013	N/A	72%
2014	N/A	70%
2015	80%	81%
2016	80%	80%
Lead Office: Public Buildings Service		

STRATEGIC GOAL 3: Deliver Excellent Customer Service

Strategic Objective 3.1: Enhance relationships with customers, suppliers, and stakeholders.

Progress Update

GSA met three of four performance goals for this objective. Customer survey goals for building management and acquisition services were met and goals for new digital government-wide services were exceeded. GSA continues to develop five or more new digital government-wide shared services per year. However, stakeholder satisfaction with policy initiatives declined from 93% to 81% in FY 2016.

GSA continues to leverage its Office of Customer Experience to enhance the experiences of customers and partners through the use of innovative analyses and practices such as customer experience mapping, usability testing for GSA systems, and Feedback USA - a program piloted at five Federal organizations to improve customer service through real-time customer feedback.

The Federal Acquisition Service’s National Account Managers produced storyboard presentations for its larger federal clients (i.e., the 24 CFO Act Agencies and branches of the military) to provide a comprehensive analysis of their procurement trends. These presentations provided clients the opportunity to identify areas for targeted improvement, often with GSA’s assistance.

GSA automated the action planning process and conducted in depth analysis of the results to ensure tenant feedback is used effectively to improve tenant satisfaction. For the 2017 survey, additional drop down questions have been added to provide more detailed tenant feedback. GSA is ensuring consistency with building services through its Smart Building Program to improve operations, track performance on key metrics, enhance efficiency and sustainability and meet customer expectations.

Goal Leaders	Tom Sharpe, Commissioner, FAS (Lead Office) Michael Gelber, Acting Commissioner, PBS Giancarlo Brizzi, Acting Associate Administrator, OGP Rob Cook, Commissioner TTS
Contributing Programs	<ul style="list-style-type: none"> ● Acquisition Workforce Training ● Assisted Acquisition ● Building Operations ● Office of Products and Programs ● Construction and Acquisition of Facilities ● General Supplies and Services ● Government-wide Policy ● Integrated Award Environment ● Information Technology Category ● Rental of Space ● Repairs and Alterations ● Travel, Transportation, and Logistics Categories

Performance Goal 3.1.1 – Improve tenant satisfaction with government-owned and leased space.	
Benefit to the Public	This measure assesses how well facility managers are meeting Federal workforce expectations concerning facility management services. It is also intended to show that Federal employees occupy well-managed workspaces that support their work productivity and missions of their agencies.
Performance and Contextual Indicator:	Tenant satisfaction with government-owned and leased space: This performance indicator calculates the percentage of survey respondents who rate their overall satisfaction level with GSA service delivery as “4” or “5” on a 5-point scale.
Progress Update	GSA met the FY 2016 target for overall tenant satisfaction. Sixty-five percent of tenants reported satisfaction with buildings services, meeting the target of 65%. Satisfaction levels for tenants in GSA-owned buildings and GSA-leased buildings were 65% and 66%, respectively.

Customer Satisfaction with Government-Owned and Leased Space (%)		
Fiscal Year	Target	Actual
2011	Baseline	76%
2012	Baseline	73%
2013	83%	63%
2014	75%	61%
2015	63%	63%
2016	65%	65%
Lead Office: Public Buildings Service		

Performance Goal 3.1.2 – Achieve customer loyalty and supplier satisfaction with acquisition services.	
Benefit to the Public	Achieving customer loyalty allows GSA to take action to improve program operations. The network of suppliers and vendors GSA leverages to provide customer agencies with goods and services are essential to service delivery. Through positive working relationships that are mutually beneficial for the supplier and customer, GSA is able to provide better service to customers.
Performance and Contextual Indicator:	<u>Customer loyalty:</u> This performance indicator tracks customer loyalty and ensures GSA’s Federal Acquisition Service is effective at meeting customer requirements. GSA customers are identified and a questionnaire is developed to ensure program offices have actionable recommendations for areas of improvement. This measure is the average score across three loyalty intentions items for each respondent. Responses are rated on a 10-point scale where 1 equals “not at all likely” and 10 equals “very likely.” The three questions

	<p>include:</p> <ul style="list-style-type: none"> • How likely are you to recommend [Program Office] to others? • How likely are you to continue to use [Program Office] in the future? • How likely are you to consider [Program Office] as your first choice for [product/service]?
Progress Update	GSA met the FY 2016 performance target with a respondent average rating of 7.5 on a 10-point scale.

Customer Loyalty (10-point scale)		
Fiscal Year	Target	Actual
2011	Baseline	8.0
2012	8.2	7.6
2013	8.3	7.6
2014	7.8	7.4
2015	8.0	7.1
2016	7.2	7.5
Lead Office: Federal Acquisition Service		

Performance Goal 3.1.3 – Help agencies deliver, manage, and share digital services and solutions.	
Benefit to the Public	These user-centric shared services, solutions, and platforms improve information and service delivery across government, enabling more efficient, effective, citizen-centered government.
Performance and Contextual Indicator:	<p>Number of free government-wide digital shared services:</p> <p>Digital shared services are cost-effective information technology solutions that increase government openness, including solutions to serve businesses with one-stop access to federal services:</p> <ul style="list-style-type: none"> • provide the public information about federal performance, • engage the public in providing expertise on specific problems to federal agencies, • provide effective registration and management of government web sites, and • streamline and leverage security assessments of innovative cloud computing products and solutions.
Progress Update	<p>GSA delivered seven new digital government-wide shared services in FY 2016 as follows:</p> <ol style="list-style-type: none"> 1. <i>cloud.gov</i>: cloud.gov offers a developer-friendly, secure hosting platform, with tools that agencies can use to accelerate assessment of information security controls and getting the clearance to operate. 2. <i>U.S. Web Design Standards</i>: The Draft Web Design Standards are now on government websites registering millions of pageviews every month. They guarantee readability and accessibility while saving

- duplicative design and development costs.
3. *eRegs*: 18F’s eRegulations team is expanding the platform adding *Notice & Comment* functionality that allows the American public to more granularly comment on proposed rules -- down to the paragraph level -- and allows agencies to more easily manage and contextually organize, analyze, and respond to comments coming in.
 4. *Apps.gov*: Apps.gov is an open-sourced platform, which allows government buyers to easily access more information about software products and enables private sector companies to submit their own software products to be listed. The end goal of Apps.gov is to create a fully transactional marketplace between the private and public sectors.
 5. *Micro-purchase Platform*: The micro-purchase auction platform is designed to connect government teams to small businesses ready to solve small technical problems using open source code. The marketplace held 36 auctions with 46 different vendors with the average winning bid at \$930 dollars.
 6. *Federalist*: 18F’s Federalist is a suite of tools designed by 18F to make it faster and cheaper for government agencies to build websites that are secure, responsive, and accessible.
 7. *API.data.gov*: 18F’s API.data.gov provides a suite of API management tools that any federal agency can use to responsibly manage their APIs. The aim is to make it easier for agencies to release and manage their APIs.

Number of New Digital Government-wide Shared Services		
Fiscal Year	Target	Actual
2014	5	5
2015	5	8
2016	5	7
Lead Office: Technology Transformation Service		

Performance Goal 3.1.4 – Implement effective policy initiatives.	
Benefit to the Public	This measure supports OGP’s mission to drive evidence-based policy to enable the delivery of effective and efficient government. OGP will continue to assess customer ratings of priority policy initiatives.
Performance and Contextual Indicator:	<u>Percentage of key policy stakeholders and agency users who rate policy initiatives effective:</u> This performance indicator calculates the percentage of survey respondents who rate specific OGP initiatives as effective. Each year, OGP surveys key stakeholders and agency users on policy initiatives in the annual portfolio. Portfolio policy initiatives change from year to year. This indicator helps GSA drive evidence-based policy to enable the delivery of effective and efficient government.
Progress Update	In FY 2016, OGP continued to develop policies and conduct analysis across a wide portfolio — including acquisition, real property, travel & relocation, transportation, and high-performance green buildings. In

surveying nearly 300 federal agency partners, 81% of respondents responded “strongly agree” or “agree” on the usefulness of OGP’s policy resources.

Key Users that Rate Policy Initiatives Effective (%)		
Fiscal Year	Target	Actual
2011	78%	84%
2012	80%	86%
2013	80%	93%
2014	85%	92%
2015	85%	93%
2016	85%	81%
Lead Office: Office of Government-wide Policy		

Strategic Objective 3.2: Support small and disadvantaged businesses.

Progress Update

Delivering the best value for government and the American people requires taking advantage of all resources. Central to that approach is expanding opportunities for small businesses throughout the country. In FY 2015, GSA received its sixth consecutive A rating from the Small Business Administration (SBA). Based on preliminary results released from the SBA, GSA anticipates meeting or exceeding all three performance goals for this objective. Final results are expected to be released by the SBA in May 2017.

GSA participates in small business events at the regional and national levels for all socio-economic categories to include Small Disadvantaged Business (SDB), Women-Owned Small Business (WOSB), Historically Underutilized Business Zone (HUBZone) Business and Service Disabled Veterans-Owned Small Business (SDVOSB) and 8(a) Businesses. GSA’s Office of Small Business Utilization (OSBU) conducts internal training sessions with buyers and project managers to educate them about market research resources and to clarify the use of small business socio-economic set-asides. GSA collaborates with SBA and other federal agencies to host small business events and contracting webinars to provide facts and resources to the acquisition workforce. These webinars provide education on contracting with all small business socio-economic categories to assist with meeting the agency small business goals.

GSA cascaded its national small business contracting priorities into actionable plans at the buying activity level, and worked closely with SBA Procurement Center Representatives. Each regional GSA small business utilization center developed an engagement plan focused on influencing small business goal achievement for the regional buying activity under their responsibility.

Goal Leader	Karen Poole, Acting Associate Administrator, OSBU (Lead Office)
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Contributing Programs	<ul style="list-style-type: none"> ● Acquisition Workforce Training ● Assisted Acquisition ● Building Operations ● Office of Products and Programs ● Construction and Acquisition of Facilities ● Electronic Government ● Public Buildings Service ● Federal Acquisition Service ● General Management and Support Services ● General Supplies and Services ● Government-wide Policy ● Integrated Award Environment ● Office of Strategic Communication ● Information Technology Category ● Operating Expense ● Rental of Space ● Transportation Audits ● Travel, Transportation, and Logistics Categories
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Performance Goal 3.2.1 – Meet small business prime goals.	
Benefit to the Public	This goal helps increase small business access to the GSA nationwide procurement opportunities. Meeting this goal will provide opportunities for small businesses to create jobs and drive the economy forward.
Performance and Contextual Indicator:	<p><u>Percent of dollars awarded to small business prime contracting:</u> This performance indicator measures the overall percentage of eligible procurement dollars awarded to:</p> <ol style="list-style-type: none"> (1) small business, (2) women-owned business (WOSB), (3) service-disabled veteran-owned small business (SDVOSB), (4) veteran-owned small business (VOSB), and (5) Historically Underutilized Business Zone business (HUBZones). <p>This indicator excludes mandatory sources, contracts not governed by the FAR, and product service codes for leasing. Targets for the goal categories are negotiated annually between the SBA and GSA OSBU based on analysis of historic and projected trends in procurement spend. Performance data for this indicator is generated from a snapshot of the Federal Procurement Data System.</p> <p>For more information about the data, data sources, and data timeliness, refer to: http://smallbusiness.data.gov/learn?tab=Sources%20of%20Data.</p>
Progress Update	GSA preliminarily received an “A” on its FY 2016 Small Business Procurement Scorecard. Final FY 2016 performance results will be reported by SBA in May 2017. Preliminary results suggest that GSA has met this performance target for FY 2016.

Dollars Awarded to Small Business Prime Contracting (%)		
Fiscal Year	Target*	Actual
2011	Baseline	38.83%
2012	Baseline	39.98%
2013	30.00%	36.91%
2014	39.00%	38.97%
2015	32.00%	44.16%
2016	36.5%	39.22%*
Lead Office: Office of Small Business Utilization		

**Final FY 2016 results to be reported in May 2017 by SBA*

Performance Goal 3.2.2 – Meet small business subcontracting goals.	
Benefit to the Public	This goal helps increase small business access to GSA nationwide procurement opportunities. Meeting this goal will provide opportunities for small businesses to create jobs and drive the economy forward.
Performance and Contextual Indicator:	<p><u>Percentage of dollars awarded to small business through subcontracting:</u> This performance indicator measures the overall percentage of eligible subcontracting procurement dollars award to: (1) small business, (2) WOSBs, (3) SDBs, (4) SDVOSBs, and (5) HUBZones.</p> <p>This indicator excludes mandatory sources, contracts not governed by the Federal Acquisition Regulation (FAR), and product service codes for leasing. Targets for the goal categories are negotiated annually between SBA and GSA OSBU based on analysis of historic and projected trends in procurement spend. Performance data for this indicator is generated from a snapshot of the Electronic Subcontracting Reporting System (eSRS).</p>
Progress Update	Final FY 2016 performance results will be reported by SBA in May 2017. Preliminary results suggest GSA has met this performance target.

Dollars Awarded to Small Business through Subcontracting (%)		
Fiscal Year	Target	Actual
2011	Baseline	32.10%
2012	Baseline	26.00%
2013	25.00%	30.00%
2014	25.00%	28.70%
2015	29.00%	26.30%
2016	29.00%	30.89%*
Lead Office: Office of Small Business Utilization		

** Final FY 2016 results to be reported in May 2017 by SBA*

Performance Goal 3.2.3 – Achieve small business targets on the Multiple Award Schedules.	
Benefit to the Public	Meeting this goal will provide opportunities for small businesses to create jobs and drive the economy forward.
Performance and Contextual Indicator:	<u>Percent of Multiple Award Schedules (MAS) business volume from small businesses:</u> This performance indicator reports the percentage of MAS business volume attributed to small businesses each year by calculating the GSA Multiple Award Schedules total business volume attributed to small businesses and dividing by the total business volume.
Progress Update	The GSA Multiple Award Schedules is one of many methods GSA provides small and disadvantaged businesses access to the federal marketplace. In FY 2016, 37.4% of the business conducted through MAS was awarded to small and disadvantaged businesses, exceeding the target of 33%.

MAS Business Volume from Small Business (%)		
Fiscal Year	Target	Actual
2011	Baseline	33.5%
2012	Baseline	34.0%
2013	33%	34.7%
2014	33%	37.2%
2015	33%	38.3%
2016	33%	37.4%
Lead Office: Federal Acquisition Service		

MANAGEMENT OBJECTIVES

GSA is committed to building capabilities to deliver its mission at the best possible value to customers and the American people. To meet this challenge, we are building a stronger GSA by making sure our own employees are receiving the same high quality support that we provide to partner agencies. This includes delivering a mission-ready workforce, streamlining our information technology, and improving data quality and reporting.

Management Objective M.1: Deliver a mission ready workforce.

Progress Update

GSA continues to make progress in delivering a mission ready workforce. GSA successfully increased employee engagement from 69% to 72% in FY 2016 and reduced time to hire from 87 days to 83 days, but did not meet the 80-day goal. FY 2016 accomplishments include:

- Development and implementation of workforce action plans for the seven largest GSA organizations.
- Continued to leverage the enterprise-wide Entry Level Hire program to bring quality new talent into GSA with the 300 entry-level hires in FY 2016, offering rotational and training opportunities that allow participants to gain the technical and professional expertise needed to lead GSA in the future.
- Increased opportunities for employees to gain cross-functional experience across the organization through the development and launch of an enterprise-wide rotational program open to all employees (55 detail positions filled in FY 2016), and selection of 111 employees for the enterprise-wide Competitive Development Program (CDP).
- Implementation of leadership 360 reviews and resume-based hiring, to strengthen existing leadership and to ensure quality leadership hiring.

GSA also made significant progress toward enhancing OHRM service delivery for customers. A significant component of the new HR operating model is the move to “self-service” for GSA employees and managers. In support of this effort, GSA continued the divestiture of our current Human Resource Line of Business (HRLOB), conducted and completed market research analysis, completed HR and Time and Attendance functional and technical system requirements, and selected IBM as the vendor to implement our Next Gen Human Resources Information Technology (HRIT). These organizational improvements will position OHRM to further deliver a mission-ready workforce by providing managers and employees with the tools and resources needed to effectively recruit and retain the best talent in federal government.

Goal Leader	Antonia T. Harris, Chief Human Capital Officer, OHRM
Contributing Programs	<ul style="list-style-type: none"> • Acquisition Workforce Training • Assisted Acquisition • Building Operations • Office of Products and Programs • Construction and Acquisition of Facilities • Electronic Government • Federal Acquisition Service – Integrators • General Management and Support Services • General Supplies and Services • Government-wide Policy • Integrated Award Environment • Information Technology Category • Operating Expense • Rental of Space • Transportation Audits • Travel, Transportation, and Logistics Categories

Performance Goal M.1.1 – Reduce time to hire.	
Benefit to the Public	Reducing the time to hire will improve staffing efficiency and enable GSA to fill staffing vacancies in a timely manner.
Performance and	Reduce the time to hire:

<p>Contextual Indicator:</p>	<p>This performance indicator broadly reflects the total elapsed time required to staff an open position. For each vacancy, the following is calculated: the total calendar days between the date the initial request for personnel action was received in human resources and the actual date that the selectee entered on duty into the position. After the “time to hire” data is calculated for each vacancy, the hire days are summed and then divided by the total number of employees, to arrive at the average time to hire in days.</p>
<p>Progress Update</p>	<p>In FY 2016, GSA made significant improvements in time to hire, improving from an average of 87 days in FY 2015 to 82.7 days in FY 2016. This is sustained improvement from FY 2014 which averaged 88 days. Although the target of 80 days was not met, the hiring timeline improved from FY 2015 by 4.3 days overall.</p> <p>OHRM Service Level Agreements and tracking mechanisms established in FY 2015 allowed for greater insight into the hiring process in FY 2016, and helped GSA identify areas for improvement in the hiring timeline. Remaining issues to meeting this goal include some factors outside of GSA’s control, including the time involved in obtaining security clearances for new hires and the time between an employee’s chosen start date and the date the offer was made.</p>

Time to Hire (days)		
Fiscal Year	Target	Actual
2011	Baseline	89
2012	Baseline	96
2013	80	86
2014	80	88
2015	80	87
2016	80	83
Lead Office: Office of Human Resource Management		

Performance Goal M.1.2 – Increase EVS employee engagement score.	
<p>Benefit to the Public</p>	<p>Engaged employees show greater concern for customers, productivity, performance, and quality. Engaged workers are more productive, provide higher customer service, have lower absenteeism, and turnover than unengaged employees. Creating an engaged workforce supports improved operational efficiency, effectiveness, and enhanced service delivery.</p>
<p>Performance and Contextual Indicator:</p>	<p><u>EVS employee engagement score:</u> All agencies are accountable for ensuring the federal government recruits, retains, and honors a world-class workforce. An engaged employee is seen as one who is immersed in the content of the job and energized to spend extra effort in job performance.</p>

	<p>The Federal Employee Viewpoint Survey does not contain direct measurements of employee engagement such as passion, commitment, and involvement. However, it does include questions that cover most if not all the conditions likely to lead to employee engagement (e.g., leadership, opportunity to use skills). OPM created an index using these items and excluded any items measuring satisfaction in order to differentiate this index from a job satisfaction index.</p> <p>An agency can review the various items that comprise each index to obtain a richer understanding of the areas where they are doing well and areas that need improvement. The Employee Engagement Index consists of three sub-factors: Leaders Lead, Supervisors, and Intrinsic Work Experiences.</p>
<p>Progress Update</p>	<p>GSA's EVS Engagement Index for FY 2016 was 72.1%, an increase of 3.5% from FY 2015 and meeting the EVS Engagement Index target of 72% for the first time in 5 years.</p> <p>In FY 2016, the National Engagement Team, chaired by OHRM, led GSA in a continued employee engagement initiative in coordination with the Office of the Administrator and leaders within each GSA organization. The collaboration across the agency and externally with OPM, OMB, and the CHCO Council, allowed GSA to capitalize on best practices for employee engagement in government.</p> <p>GSA executed an overarching strategy for employee engagement including delivering action plans for GSA's largest organizations and additional training and support for all other organizations. Senior leaders across GSA now consistently discuss engagement as a leadership team and incorporate engagement principles into their strategic plans.</p>

Employee Engagement Score (%)		
Fiscal Year	Target	Actual
2011	Baseline	71%
2012	Baseline	71%
2013	Baseline	69%
2014	71%	69%
2015	71%	69%
2016	72%	72%
<p>Lead Office: Office of Human Resource Management</p>		

Management Objective M.2: Streamline information technology and improve data quality and reporting.

Progress Update

GSA did not meet the performance goals for this objective. Instead of migrating a data warehouse to the data-to-decisions (D2D) platform, GSA reprioritized D2D to move 17 major data sets to D2D. This decision was made in order to gain more practical value and employee usage with D2D in FY 2016 and in the near future. GSA continued to increase commodity information technology savings, but fell slightly short of its 4.7 % reduction goal for FY 2016. Due to Agency decisions to invest more into IT, IT costs increased from FY 2015.

Goal Leader	David Shive Chief Information Officer/Associate Administrator, OCIO
Contributing Programs	<ul style="list-style-type: none"> ● Assisted Acquisition ● Building Operations ● Office of Products and Programs ● Construction and Acquisition of Facilities ● Federal Acquisition Service – Integrators ● General Management and Support Services ● General Supplies and Services ● Government-wide Policy ● Information Technology Category ● Rental of Space ● Travel, Transportation, and Logistics Categories

Performance Goal M.2.1 – Increase data warehouses migrated to D2D.	
Benefit to the Public	This approach would allow GSA IT to realize cost savings and increase operational efficiency in delivering IT services to both internal and external customers.
Performance and Contextual Indicators:	<u>Number of data warehouses migrated to D2D:</u> This performance indicator tracks the cumulative number of consolidated EDW environments to D2D platform.
Progress Update	<ul style="list-style-type: none"> ● No data warehouses were migrated to D2D in FY 2016. ● GSA IT optimized the data warehouse environments and progressed in developing a long-term strategy for consolidation. GSA IT determined the best course of action for centralizing data management capabilities was to focus on migrating GSA's enterprise data sets to a common platform. ● Data warehouses evolve and mature over the years, often allowing outdated data handling rules and assets to accumulate resulting in a considerable number of obsolete, legacy data. This presents the challenge of storing obsolete data when data

warehouses are migrated. Focusing efforts on the data in data sets, rather than the data warehouse infrastructure, GSA will be positioned to start at the root of what is necessary and needed.

Data Warehouses Migrated to D2D		
Fiscal Year	Target	Actual
2014	n/a	n/a
2015	Baseline	n/a
2016	1	0
Lead Office: GSA IT		

Performance Goal M.2.2 – Increase commodity information technology savings from prior year.	
Benefit to the Public	This approach would allow GSA IT to realize cost savings and increase operational efficiency in delivering IT services to both internal and external customers.
Performance and Contextual Indicators:	<p><u>Commodity Information Technology savings:</u> This performance indicator is defined as the reduction in commodity information technology purchases from previous year spend.</p> <p>Cost reduction to commodity IT includes costs for items such as laptops, servers, and integrated support services. Proposed savings are estimated using all IT costs other than personnel, travel, rent, and non-IT management contracts.</p>
Progress Update	<ul style="list-style-type: none"> GSA achieved 4.6% for commodity IT savings for an FY 2016 goal of 4.7%. There is constant change and evolution of technology in the IT arena. The focus shifts based on business needs and new requirements as new technology is released and pricing on the leading edge technology decreases, making it more consumable to end users. The metrics within this area are not as static or routine as they were previously. Demand for IT and new requirements will continue to change each year however, GSA’s interest in ensuring IT operational efficiency remains a priority.

Commodity IT Savings (%) *		
Fiscal Year	Target	Actual
2014	Baseline	8.3%
2015	7.9%	9.3%
2016	4.7%	4.6%
Lead Office: GSA IT		

* reduction purchases from prior year

Performance Goal M.2.3 – Increase GSA information technology cost reduction from 2014 baseline prior year.	
Benefit to the Public	This approach would allow GSA IT to realize cost savings and increase operational efficiency in delivering IT services to both internal and external customers.
Performance and Contextual Indicators:	GSA information technology cost reduction from FY 2014 baseline: This performance indicator measures total IT spend against an FY 2014 baseline.
Progress Update	<ul style="list-style-type: none"> ● GSA IT achieved 4.3% for cost reduction for an FY 2016 goal of 13.6%. ● GSA IT started consolidation in 2013. Many efficiencies were streamlined as duplicative technologies and contracts were brought together.

GSA IT Cost Reduction (%) (from FY 2014 baseline)		
Fiscal Year	Target	Actual
2014	Baseline	n/a
2015	8%	8.6%
2016	13.6%	4.3%
Lead Office: GSA IT		

FY 2018 ANNUAL PERFORMANCE PLAN

FY 2018 OVERVIEW

Performance Indicators	Lead Office	FY16 Actual	FY16 Plan	FY17 Plan	Tentative FY18 Plan
Deliver contracting solutions to generate customer savings					
Global Supply blended markup ↓	FAS	13.6%	15.0%	14.0%	TBD
Leases negotiated at or below market rates ↓	PBS	49%	55%	55%	55%
Acquisition Program Savings (\$b) ↑	FAS	\$6.09	\$5.19	\$5.24	\$5.30
Federal users of the Acquisition Gateway ↑ (APG)	FAS	10,225	10,000	15,000	19,000
Improve the Federal utilization of space					
Vacant space in inventory ↓	PBS	3.0%	3.2%	3.2%	3.2%
Reduce resource use and environmental impact					
Green business volume ↑	FAS	9.5%	9.0%	10%	10%
Energy intensity reduction ↑	PBS	3.78%	1.75%	2.50%	2.50%
Annual use of petroleum-based fuel (millions of gallons) ↓	OGP	388.92	357.85	350.69	343.67
Alternative fuel vehicles purchased (%) ↔	FAS	82.6%	80.0%	80.0%	80.0%
Increase the efficiency of GSA operations					
Total operating costs as a percent of goods and services provided ↓	OCFO	9.44%	9.65%	9.61%	9.44%
Reduction in total GSA indirect costs from the FY 2010 baseline (\$m) ↑	OCFO	\$400	\$304	\$342	\$410
Leased revenue available after administering program (%) ↔	PBS	-1.16%	0 to 2%	0 to 2%	0
Capital projects on schedule (%) ↑	PBS	98%	90%	90%	90%
Public sale properties awarded within 135 days ↑	PBS	97.5%	90%	90%	90%
Non-competitive sales and donations awarded within 220 days ↑	PBS	98%	90%	90%	90%
Attendance levels for Federal Acquisition Institute training courses (%) ↑	OGP	92%	90%	90%	90%

Performance Indicators	Lead Office	FY16 Actual	FY16 Plan	FY17 Plan	Tentative FY18 Plan
Enhance asset management					
Cleaning and maintenance costs within market range ↑	PBS	80.3%	80%	80%	80%
Enhance relationships with our customers, suppliers and stakeholders					
Tenant satisfaction with government-owned and leased space (percent favorable responses) ↑	PBS	65%	65%	67%	69%
Customer loyalty with acquisition services (10-point survey scale; new methodology applied in FY 2015) ↑	FAS	7.5	7.2	7.3	7.6
New digital government-wide shared services	TTS	7	5	5	5
Key policy stakeholders who rate policy initiatives effective ↑	OGP	81%	85%	90%	90%
Support small and disadvantaged business					
Percent of dollars awarded to small business prime contracting ↑	OSBU	39.22%*	36.50%	36.50%**	TBD**
Percent of dollars awarded to small business through subcontracting ↑	OSBU	30.89%*	29.00%	29.00%**	TBD**
Multiple Award Schedules (MAS) business volume from small businesses (%) ↔	FAS	37.4%	33.0%	33.0%	33.0%
Deliver a mission ready workforce					
Time to hire in days ↓	OHRM	83	80	80	80
Employee Engagement Score ↑	OHRM	72%	72%	72%	72%
Streamline information technology and improve data quality and reporting					
Cumulative enterprise data sets migrated to D2D platform ↑	OCIO	17	n/a	n/a	16
Commodity information technology savings from prior year (%) ↑	OCIO	4.6%	4.7%	2.9%	TBD
GSA information technology cost reduction from FY 2014 baseline (%) ↑	OCIO	4.3%	13.6%	16.2%	TBD

Desired direction: ↑ = increasing ↓ = decreasing ↔ = within range

* Preliminary results shown; final FY 2016 results from Small Business Administration (SBA) in May 2017

** Target set by SBA

MAJOR MANAGEMENT PRIORITIES & CHALLENGES

GSA identified three major management challenges for FY 2017 in addition to priorities shown in our strategic framework. Current major management challenges include:

1. Consistent implementation of new pricing initiatives and ensuring contractor compliance within the GSA Schedules Program.
2. Minimizing the risk of cyber-attacks to Federal building management and control systems.
3. Establishing and operating the Technology Transformation Service (TTS) to ensure full cost recovery.

Planned actions, performance indicators, milestones, and timelines for the management challenges follow:

CHALLENGE (1) Consistent implementation of new pricing initiatives and ensuring contractor compliance within the GSA Schedules Program.	
Agency Official: Tom Sharpe, Commissioner, Federal Acquisition Service	
Planned Action	GSA is supporting the ability of the Federal Government to buy like a business by producing market intelligence that GSA and partner agencies can use to make smarter acquisition decisions and save even more taxpayer dollars. The Pilot is being updated to allow vendors the choice whether to opt into the reporting requirements or continue with the historical Commercial Sales Practices/Price Reduction Clause requirements. A performance element with milestones around the Transactional Data Rule (TDR) and Formatted Product Tool (FPT) has been incorporated into the Commissioner’s performance plan for completion and reporting by EOFY 2017.
Performance Indicators/ Milestones and Timeline	Performance requirement for a level 3 rating must include: <ul style="list-style-type: none"> ● Execute TDR rollout schedule <ul style="list-style-type: none"> ○ completed 1/13/17 ● Issue policy on proper use of TDR data to negotiate fair & reasonable pricing at contract level <ul style="list-style-type: none"> ○ issued ● Develop plan for when/how COs will leverage transactional data -- plan vetted to Commissioner and OMB <ul style="list-style-type: none"> ○ due 9/30/17 ● Deliver requirements for data linkages/visualizations similar to Prices Paid Portal on Gateway, D2D and/or similar resources (Creating new data team with Category Managers to create visualizations and access to TDR Data <ul style="list-style-type: none"> ○ due 9/30/17

<p>CHALLENGE (2) Minimizing the risk of cyber attacks to Federal building management and control systems.</p> <p>Agency Officials: David Shive, CIO, Office of Chief Information Officer (GSA IT) Michael Gelber, Acting Commissioner, Public Buildings Service</p>	
<p>Planned Action</p>	<p>GSA IT is working with PBS to develop a Risk Management Framework (RMF) where a scorecard is used to assign risk to building systems. Risk scores will be used to prioritize funding for the remediation of at-risk buildings. Risk factors include: size of building, number of users, location, type of building system, and security posture.</p> <p>GSA IT in partnership with PBS identified 10 initial building systems to be funded for upgrades to address End of Life (EOL) issues.</p>
<p>Performance Indicators/ Milestones and Timeline</p>	<ul style="list-style-type: none"> ● Develop RMF Scorecard by 9/30/17 ● Apply RMF to identify at-risk buildings by 9/30/17 ● Secure 10 building systems by December 2017* <p><i>*Secure - Cybersecurity mitigation strategies such as upgrading from an End of Life (EOL) solution, and/or applying fixes/upgrades to systems with security vulnerabilities</i></p>
<p>CHALLENGE (3) Establishing and operating the Technology Transformation Service to ensure full cost recovery.</p> <p>Agency Official: Rob Cook, Commissioner, Technology Transformation Service</p>	
<p>Planned Action</p>	<p>TTS established milestones that reflect 18F's financial sustainability. The financial projections include 18F, Acquisition Services, and Presidential Innovation Fellows (PIF), which were all part of 18F in FY 2016. These projections reflect operating results and exclude investments in capital projects.</p>
<p>Performance Indicators/ Milestones and Timeline</p>	<p>Accelerate efforts to achieve full cost recovery for FY 2018.</p>

EVIDENCE BUILDING

GSA will strengthen initiatives to improve effectiveness (mission delivery) and efficiency (cost savings) of Federal Government operations, while increasing information sharing, accountability, and transparency. GSA has established and will continue to build the capacity for utilizing evaluation techniques to drive improved policy efficacy and performance.

DATA VALIDATION and VERIFICATION

The GSA Chief Financial Officer certified the FY 2016 performance data contained in this report as complete and reliable, as required by the GPRA Modernization Act of 2010. GSA has verification and validation techniques in place which provide reasonable assurance over the completeness and reliability of all performance data contained in this report. These techniques included:

- (1) maintaining a data dictionary of performance data which includes data sources, computation methodology, and reliability assessment for each performance measure;
- (2) verifying, at least annually, the accuracy and completeness of the information contained in the data dictionary; and
- (3) validating, at least annually, the measures reported by collecting measure source data and calculation files and applying the calculation methodology defined in the data dictionary.

LOWER-PRIORITY PROGRAM ACTIVITIES

The President's Budget identifies the lower-priority program activities, where applicable, as required under the GPRA Modernization Act, 31 U.S.C. 1115(b)(10). The public can access the volume at: <http://www.whitehouse.gov/omb/budget>.