

**U.S. GENERAL SERVICES  
ADMINISTRATION**



**FY 2016  
Congressional Justification**

**February 2, 2015**

## INTRODUCTION

The U.S. General Services Administration's mission is to provide the best value in real estate, acquisition, and technology services to the government and the American people. The President's Fiscal Year (FY) 2016 Budget will allow GSA to dramatically improve its execution of this important mission.

Most critically, the President's FY 2016 Budget supports GSA's long-term plan for Federal real estate. The President's Budget proposes investments in modern, secure land ports of entry keeping our country safe and promoting economic growth; public buildings that lead the way in energy and water efficiency, driving down operating costs through both consolidation and smart investment in critical buildings; courthouses that are secure and efficient; a reduced Federal footprint with a lower overall cost; and historic assets that are properly maintained for generations to come. GSA's FY 2016 capital program supports this effort by funding critical priorities, including the Department of Homeland Security (DHS) headquarters consolidation at St. Elizabeths; the construction of a new courthouse in Nashville, TN, the Courts' highest priority project; and consolidation of agencies out of costly leased space into the Jacob K. Javits Federal Building in New York, NY. To better and more consistently fund these critical investments, the Budget Request also seeks advanced appropriations for the Federal Buildings Fund (FBF) program in FY 2017, year three of our five-year capital plan. Advanced appropriations for FY 2017 will enable GSA to repair essential Federal buildings, undertake key upgrades at vital land ports of entry, and continue with phased construction of critical assets such as the DHS consolidation at St. Elizabeths.

GSA maintains the nation's public buildings through dedicated, market-driven rent collections from partner Federal agencies. Maintaining the connection between the rent appropriated to GSA tenant agencies and the investments in our publicly-owned buildings is critical to ensuring these facilities can serve the American people in future generations. The President's Budget illustrates the importance of investing in our critical Federal portfolio by dedicating \$564 million of rent collections from previous fiscal years to the FBF capital program using the balance of the fund. Through long-term planning, full access to rent collections plus additional funding for priority projects, and advanced funding in FY 2017, the President's FY 2016 Budget will ensure that the Federal government makes continued progress in delivering a more secure, cost-effective, and efficient real estate portfolio for the American people.

This Budget also allocates more than \$250 million in much needed funds for our appropriated accounts as well as \$13 million to begin preparing for the next Presidential transition. This funding supports activities that increase the efficiency and effectiveness of our partner agencies. The Budget Request includes \$62 million for the Office of Government-wide Policy to develop policies and tools to drive savings and effectiveness in a number of areas, including procurement and travel. The Budget also provides \$61 million for the Operating Expenses account, which includes the Office of Real Property Utilization and Disposal, a critical resource for government agencies looking to reduce holding and operating costs by disposing of unneeded real estate. In addition, this request includes \$58 million for the Office of Citizen

Services and Innovative Technologies (OCSIT) through the Federal Citizen Services Fund. OCSIT is focused on facilitating easy access for citizens, businesses, and the media to information from the government through services such as cloud technology, USA.gov, Data.gov, and Challenge.gov. Additionally, OCSIT is delivering technology services to partner Federal agencies in cutting-edge and more efficient ways.

As we seek to make these vital investments, GSA also continues to improve the efficiency of our internal operations. Utilizing the data from the President's Management Agenda Benchmarking initiative, the President's FY 2016 Budget continues our efforts to drive efficiencies in GSA's administrative functions. Our consolidation of information technology, financial management, and human resources functions will allow us to save an estimated \$95.5 million (17 percent), \$29.2 million (21 percent) and \$11.5 million (12 percent), respectively, as compared to the estimated FY 2013 funding levels for these activities. Stringent spending controls, along with the planned transfer of 293 financial operations and information technology staff to the U.S. Department of Agriculture, will result in 5.4 percent fewer full-time equivalents (FTEs) in FY 2016 than in FY 2012, saving millions in personnel compensation and benefits, as well as a cumulative \$143 million savings in travel expenses since FY 2012 (compared to a FY 2010 baseline). In addition, we have reduced leased square footage by 4.1 million square feet from FY 2013 to FY 2016, which will save more than \$300 million in cumulative lease payments from FY 2013 through FY 2016. In acquisition, we are closing distribution centers in favor of directly connecting vendors to customers, which is estimated to save over \$100 million annually. Finally, the early redemption of our Federal Financing Bank debt has freed up approximately \$2.4 billion over the next 22 years.

We look forward to continuing to work with Congress to provide partner agencies the services and facilities they need to fulfill their important missions. Funding for our public infrastructure and government-wide policies and services will enable us to provide agencies with the services they need at the best value for the American people.

**U.S. General Services Administration**

**SUMMARY of the FY 2016 REQUEST**

**Fiscal Year 2016 Budget Request**

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## Summary of the Request

The General Services Administration's (GSA) FY 2016 budget reflects the agency's focus on the core mission of delivering best value in real estate, acquisition, and technology services while finding efficiencies and putting savings to work for the government and the American people.

The FY 2016 budget of the GSA requests \$253,090 thousand in discretionary budget authority for GSA's regular annual appropriations, and for the Federal Buildings Fund authority to invest using the available fund balance, requiring \$564,473 thousand in net budget authority (NBA). This positive net budget authority is necessary to address critical infrastructure investments that have languished due to GSA not being allowed to reinvest the rent collected from partner Federal agencies back into the nation's public buildings. GSA is also requesting \$13,278 thousand for Pre-Election Activities, including office space and IT services for major party candidates as required by the Pre-Election Act of 2010.

## Summary of Discretionary Budget Authority

(Dollars in Thousands)

|   | <b>FY 2014<br/>Enacted</b> | <b>FY 2015<br/>Enacted</b> | <b>FY 2016<br/>Request</b> |
|---|----------------------------|----------------------------|----------------------------|
| <b>Discretionary Budget Authority</b>   |                            |                            |                            |
| FBF Net Budget Authority  | \$1,593,834                | (\$679,357)                | \$564,473                  |
| Annual Appropriations   | \$238,820                  | \$240,593                  | \$253,090                  |
| <b>GSA Discretionary Budget Authority</b>   | <b>\$1,832,654</b>         | <b>(\$438,764)</b>         | <b>\$817,563</b>           |
| Presidential Transition, Pre-Election Activities                                    | \$0                        | \$0                        | \$13,278                   |
| <b>GSA Discretionary Budget Authority</b><br><i>Including Pre-Election Services</i> | <b>\$1,832,654</b>         | <b>(\$438,764)</b>         | <b>\$830,841</b>           |

## **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.

## Federal Buildings Fund

### Positive Net Budget Authority

GSA requests \$10,372,195 thousand in New Obligational Authority (NOA) for the Federal Buildings Fund, \$564,473 thousand above the anticipated level of collections from tenant agencies. This budget request will fund a robust capital program and allow GSA to address necessary repairs to our existing inventory. GSA will use this funding to provide quality facilities that match the market level rents we charge, complete prudent acquisition of assets that will meet the long-term needs of our customer agencies, and improve the efficiency of space utilization.

The FY 2016 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.

### Federal Buildings Fund, Request for New Obligational Authority

(Dollars in Thousands)

| <b>Summary of Requested Appropriations Action</b> |                            |                            |                            |
|---|----------------------------|----------------------------|----------------------------|
| (Dollars in Thousands)                            |                            |                            |                            |
|   | <b>FY 2014<br/>Enacted</b> | <b>FY 2015<br/>Enacted</b> | <b>FY 2016<br/>Request</b> |
| <b>Total, Revenue</b>                             | <b>\$9,764,895</b>         | <b>\$9,917,667</b>         | <b>\$9,807,722</b>         |
| <b>New Obligational Authority:</b>                |                            |                            |                            |
| Construction and Acquisition                      | \$684,106                  | \$509,670                  | \$1,257,997                |
| Major Repairs and Alterations                     | \$760,664                  | \$427,894                  | \$932,696                  |
| Basic Repairs and Alterations                     | \$378,535                  | \$390,266                  | \$314,371                  |
| Installment Acquisition Payments <sup>1</sup>     | \$109,000                  | \$0                        | \$0                        |
| Rental of Space                                   | \$5,387,109                | \$5,666,348                | \$5,579,055                |
| Building Operations                               | \$2,221,432                | \$2,244,132                | \$2,288,076                |
| <b>Total, New Obligation Authority</b>            | <b>\$9,540,846</b>         | <b>\$9,238,310</b>         | <b>\$10,372,195</b>        |
| FBF Net Budget Authority                          | \$1,788,778                | (\$679,357)                | \$564,473                  |

<sup>1</sup> PBS has made full repayment of principal balances, and the payment of necessary costs associated with principal repayment, to the Federal Financing Bank in FY 2014. Full repayment of principal balances is authorized by P.L. 101-136.

### Advance Appropriations

In addition to the FY 2016 program plan, the FY 2016 Budget Request also includes an advance appropriations request for the full FY 2017 FBF plan. Advance appropriations for the full PBS program will reduce uncertainty regarding the funding for the Construction and Acquisition and Major Repairs and Alterations programs, reducing costs and project delays associated with funding uncertainty and allowing planned projects to begin or continue on

schedule. Advance appropriations ensures that agency rental payments are dedicated to the purpose for which they are collected – maintaining and executing the GSA FBF portfolio and making necessary payments to private sector landlords and supporting building operations.

**FY 2016 Capital Investment Program**

(Dollars in Thousands)

**CONSTRUCTION AND ACQUISITION Program** (in priority order):

|   |                    |
|---|--------------------|
| <b>Subtotal, Executive Agencies.....</b>                              | <b>\$885,282</b>   |
| <b>Subtotal, Land Ports of Entry.....</b>                             | <b>\$191,215</b>   |
| <b>Subtotal, Courthouses.....</b>                                     | <b>\$181,500</b>   |
| <b>New Obligation Authority, CONSTRUCTION AND ACQUISITION Program</b> | <b>\$1,257,997</b> |

**REPAIRS AND ALTERATIONS Program** (in priority order):

|  |                    |
|--|--------------------|
| <b>Non-Prospectus (Basic) Repairs and Alterations Program.....</b> | <b>\$314,371</b>   |
| <b>Special Emphasis Programs:</b>                                  |                    |
| Energy and Water Retrofit and Conservation Measures Program.....   | \$20,000           |
| Judicial Security Program  | \$20,000           |
| Consolidation Activities.....                                      | \$200,000          |
| Fire Prevention & Life Safety Program.....                         | \$20,000           |
| <b>Subtotal, Special Emphasis Program.....</b>                     | <b>\$260,000</b>   |
| <b>Major Repairs &amp; Alterations.....</b>                        | <b>\$656,896</b>   |
| <b>Major Repairs &amp; Alterations Design Program.....</b>         | <b>\$15,800</b>    |
| <b>New Obligational Authority, REPAIRS AND ALTERATIONS Program</b> | <b>\$1,247,067</b> |

|   |                    |
|---|--------------------|
| <b>Total New Obligational Authority, Capital Investment Program</b> | <b>\$2,505,064</b> |
|---|--------------------|



**GSA Annual Appropriations**

**Annual Appropriations, Request for New Budget Authority**

(Dollars in Thousands)

|   | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Enacted</b> | <b>FY 2016<br/>Request</b> |
|---|---------------------------|----------------------------|----------------------------|
| Government-wide Policy  | \$58,000                  | \$58,000                   | \$62,022                   |
| Operating Expenses  | \$63,466                  | \$61,049                   | \$61,560                   |
| Former Presidents   | \$3,550                   | \$3,250                    | \$3,277                    |
| Federal Citizen Services Fund <sup>1</sup>                        | \$50,804                  | \$53,294                   | \$58,428                   |
| Office of the Inspector General                                   | \$63,000                  | \$65,000                   | \$67,803                   |
| <b>Total Budget Authority</b>                                     | <b>\$238,820</b>          | <b>\$240,593</b>           | <b>\$253,090</b>           |
| Presidential Transition, Pre-Election Activities                  | \$0                       | \$0                        | \$13,278                   |
| <b>Total Budget Authority<br/>Including Pre-Election Services</b> | <b>\$238,820</b>          | <b>\$240,593</b>           | <b>\$266,368</b>           |

<sup>1</sup>As a matter of parity, the above table reflects combined figures for the E-Gov Fund and the Federal Citizen Services Fund for FY 2014

GSA requests \$253,090 thousand for its five regular appropriations, which is a net increase of \$12,497 thousand or 5.19 percent from the FY 2015 enacted level.

GSA requests a separate appropriation of \$13,278 thousand for Pre-Election Activities, including office space and IT services, for major party candidates for president as required by the Pre-Election Act of 2010. This request is separate from the usual appropriation GSA requests for Presidential Transition in the year of the transition, which for this election cycle will be submitted with the FY 2017 Congressional Justification as required by law. GSA's total request for all appropriations, including Pre-Election Services, is \$266,368 thousand.

## Summary of Requested Appropriations Action

(Dollars in Thousands)

|  | FY 2014<br>Actual  | FY 2015<br>Enacted | FY 2016<br>Request  |
|--|--------------------|--------------------|---------------------|
| <i>Federal Buildings Fund (FBF) New Obligational Authority</i> |                    |                    |                     |
| <b>Total, Revenue</b>  | <b>\$9,764,895</b> | <b>\$9,917,667</b> | <b>\$9,807,722</b>  |
| <b>New Obligational Authority</b>                              |                    |                    |                     |
| Construction and Acquisition                                   | \$684,106          | \$509,670          | \$1,257,997         |
| Major Repairs and Alterations                                  | \$760,664          | \$427,894          | \$932,696           |
| Basic Repairs and Alterations                                  | \$378,535          | \$390,266          | \$314,371           |
| Installment Acquisition Payments <sup>1</sup>                  | \$109,000          | \$0                | \$0                 |
| Rental of Space  | \$5,387,109        | \$5,666,348        | \$5,579,055         |
| Building Operations  | \$2,221,432        | \$2,244,132        | \$2,288,076         |
| <b>Total, New Obligational Authority</b>                       | <b>\$9,540,846</b> | <b>\$9,238,310</b> | <b>\$10,372,195</b> |
| FBF Net Budget Authority                                       | \$1,788,778        | (\$679,357)        | \$564,473           |
| <i>FBF Net Budget Authority without Full Repayment of Debt</i> | (\$302,346)        |                    |                     |
| <i>Annual Appropriations, Budget Authority</i>                 |                    |                    |                     |
| Government-wide Policy   | \$58,000           | \$58,000           | \$62,022            |
| Operating Expenses   | \$63,466           | \$61,049           | \$61,560            |
| Former Presidents  | \$3,550            | \$3,250            | \$3,277             |
| Federal Citizen Services Fund <sup>2</sup>                     | \$50,804           | \$53,294           | \$58,428            |
| Office of the Inspector General                                | \$63,000           | \$65,000           | \$67,803            |
| <b>Total, Annual Appropriations</b>                            | <b>\$238,820</b>   | <b>\$240,593</b>   | <b>\$253,090</b>    |
| <b>TOTAL, BA and NOA</b>                                       | <b>\$9,779,666</b> | <b>\$9,478,903</b> | <b>\$10,625,285</b> |
| Presidential Transition, Pre-Election Services                 | \$0                | \$0                | \$13,278            |
| <b>TOTAL, BA and NOA</b>                                       | <b>\$9,779,666</b> | <b>\$9,478,903</b> | <b>\$10,638,563</b> |
| <i>Including Pre-Election Services</i>                         |                    |                    |                     |

<sup>1</sup> PBS has made full repayment of principal balances, and the payment of necessary costs associated with principal repayment, to the Federal Financing Bank in FY 2014. Full repayment of principal balances is authorized by P.L. 101-136.

<sup>2</sup> As a matter of parity, the above table reflects combined figures for the E-Gov Fund and the Federal Citizen Services Fund for FY 2014

U.S. General Services Administration  
Summary of the FY 2016 Request

**Total Obligations by Object Classification**

(Dollars in Thousands)

|   | FY 2014<br>Actual   | FY 2015<br>Enacted  | FY 2016<br>Request  |
|---|---------------------|---------------------|---------------------|
| 11.1 Full-time permanent.....                             | \$1,091,759         | \$1,159,248         | \$1,165,020         |
| 11.3 Other than full-time permanent.....                  | \$10,314            | \$10,526            | \$10,474            |
| 11.5 Other personnel compensation.....                    | \$18,815            | \$17,799            | \$16,703            |
| 11.8 Special personnel service payments.....              | \$1,001             | \$2,164             | \$1,561             |
| 12.1 Civilian personnel benefits.....                     | \$341,865           | \$354,259           | \$357,780           |
| 13.0 Benefits for former personnel.....                   | \$3,008             | \$5,993             | \$3,317             |
| 21.0 Travel and transportation of persons.....            | \$14,843            | \$21,401            | \$18,400            |
| 22.0 Transportation of things.....                        | \$43,638            | \$12,400            | \$9,363             |
| 23.1 Rental payments to GSA.....                          | \$68,614            | \$63,935            | \$60,343            |
| 23.2 Rental payments to others.....                       | \$5,770,492         | \$5,631,639         | \$5,727,023         |
| 23.3 Communications, utilities, and misc. charges.....    | \$1,748,792         | \$1,717,525         | \$1,708,418         |
| 24.0 Printing and reproduction.....                       | \$2,616             | \$3,983             | \$1,883             |
| 25.1 Advisory and assistance services.....                | \$6,057,022         | \$6,985,499         | \$6,807,950         |
| 25.2 Other services from non federal sources.....         | \$39,528            | \$55,755            | \$57,354            |
| 25.3 Other goods and services from federal sources.....   | \$822,599           | \$771,660           | \$907,289           |
| 25.4 Operation and maintenance of facilities.....         | \$1,383,680         | \$1,441,301         | \$1,300,530         |
| 25.6 Medical Care.....                                    | \$107               | \$120               | \$124               |
| 25.7 Operation and maintenance of equipment.....          | \$259,200           | \$223,468           | \$229,906           |
| 25.8 Subsistence and Support of Persons.....              | \$0                 | \$0                 | \$0                 |
| 26.0 Supplies and materials.....                          | \$1,158,545         | \$967,538           | \$1,023,037         |
| 31.0 Equipment.....                                       | \$2,618,788         | \$2,842,815         | \$2,596,023         |
| 32.0 Land and structures.....                             | \$865,682           | \$1,555,637         | \$1,448,152         |
| 33.0 Investment and Loans.....                            | \$0                 | \$0                 | \$0                 |
| 41.0 Grants, subsidies, and contributions.....            | \$9                 | \$0                 | \$0                 |
| 42.0 Insurance claims and indemnities.....                | \$2,966             | \$578               | \$606               |
| 43.0 Interest and dividends.....                          | \$129,864           | \$12,567            | \$13,183            |
| 44.0 Refunds.....   | (\$1.00)            | \$0                 | \$0                 |
| <b>99.0 Total Obligations.....</b>                        | <b>\$22,453,745</b> | <b>\$23,857,809</b> | <b>\$23,464,437</b> |
| <i>Subtotal, PC&amp;B.....</i>                            | \$1,466,761         | \$1,549,989         | \$1,554,854         |
| <i>Subtotal, Non-labor.....</i>                           | \$20,986,984        | \$22,307,820        | \$21,909,583        |
| Presidential Transition, Pre-Election Services            | \$0                 | \$0                 | \$13,278            |
| <b>Total Obligations, Including Pre-Election Services</b> | <b>\$22,630,904</b> | <b>\$23,957,556</b> | <b>\$24,198,788</b> |

**GSA Total FTE**

|  | FY 2014 Actual |              |               | FY 2015 Enacted |              |               | FY 2016 Request |              |               |
|--|----------------|--------------|---------------|-----------------|--------------|---------------|-----------------|--------------|---------------|
|  | Direct         | Reimbursable | Total         | Direct          | Reimbursable | Total         | Direct          | Reimbursable | Total         |
| <b>Annual Appropriations</b>             |                |              |               |                 |              |               |                 |              |               |
| Office of Government-wide Policy         | 117            | 21           | 138           | 135             | 32           | 167           | 139             | 32           | 171           |
| Operating Expenses                       | 293            | 15           | 308           | 341             | 16           | 357           | 313             | 16           | 329           |
| Federal Citizen Services Fund            | 80             | 0            | 80            | 97              | 0            | 97            | 97              | 0            | 97            |
| Former Presidents                        | 0              | 0            | 0             | 0               | 0            | 0             | 0               | 0            | 0             |
| Office of Inspector General <sup>1</sup> | 264            | 2            | 266           | 326             | 3            | 329           | 333             | 3            | 336           |
| <b>Subtotal, Annual Appropriations</b>   | <b>754</b>     | <b>38</b>    | <b>792</b>    | <b>899</b>      | <b>51</b>    | <b>950</b>    | <b>882</b>      | <b>51</b>    | <b>933</b>    |
| <b>Revolving Funds</b>                   |                |              |               |                 |              |               |                 |              |               |
| Federal Buildings Fund                   | 5,152          | 350          | 5,502         | 5,125           | 350          | 5,475         | 5,155           | 350          | 5,505         |
| Acquisition Services Fund <sup>2</sup>   | 0              | 3,087        | 3,087         | 0               | 3,231        | 3,231         | 0               | 3,295        | 3,295         |
| Working Capital Fund <sup>2</sup>        | 2,054          | 39           | 2,093         | 2,281           | 46           | 2,327         | 1,991           | 25           | 2,016         |
| <b>Subtotal, Revolving Funds</b>         | <b>7,206</b>   | <b>3,476</b> | <b>10,682</b> | <b>7,406</b>    | <b>3,627</b> | <b>11,033</b> | <b>7,146</b>    | <b>3,670</b> | <b>10,816</b> |
| <b>Permanent Budget Authority</b>        | <b>28</b>      | <b>0</b>     | <b>28</b>     | <b>37</b>       | <b>0</b>     | <b>37</b>     | <b>37</b>       | <b>0</b>     | <b>37</b>     |
| <b>GSA TOTAL</b>                         | <b>7,988</b>   | <b>3,514</b> | <b>11,502</b> | <b>8,342</b>    | <b>3,678</b> | <b>12,020</b> | <b>8,065</b>    | <b>3,721</b> | <b>11,786</b> |

<sup>1</sup> Amounts do not reflect American Recovery and Reinvestment Act FTE

<sup>2</sup> FY 2015 FTE adjusted from FY 2015 CJ to reflect planned program changes

U.S. General Services Administration  
 Summary of the FY 2016 Request

**Explanation of Changes, Federal Buildings Fund**

(New Obligational Authority, Dollars in Thousands)

|   | Construction and Acquisition | Repairs and Alterations | Rental of Space    | Building Operations | TOTAL               |
|---|------------------------------|-------------------------|--------------------|---------------------|---------------------|
| <b>FY 2015 Enacted</b>  | <b>\$509,670</b>             | <b>\$818,160</b>        | <b>\$5,666,348</b> | <b>\$2,244,132</b>  | <b>\$9,917,667</b>  |
| Change in Construction for Executive Agencies                 | \$690,502                    |                         |                    |                     | \$690,502           |
| Change in Construction of Courts                              | \$181,500                    |                         |                    |                     | \$181,500           |
| Change in Construction of LPOE                                | (\$123,675)                  |                         |                    |                     | (\$123,675)         |
| Change in Basic R&A program                                   |                              | (\$75,895)              |                    |                     | (\$75,895)          |
| Change in Line-Item R&A program                               |                              | \$350,002               |                    |                     | \$350,002           |
| Change in Design  |                              | \$15,800                |                    |                     | \$15,800            |
| Change in Special Emphasis programs                           |                              | \$139,000               |                    |                     | \$139,000           |
| FY 2015 Program Changes                                       |                              |                         | (\$35,928)         |                     | (\$35,928)          |
| FY 2015 Unobligated Balance Used to Fund FY 2016 Requirements |                              |                         | (\$96,749)         |                     | (\$96,749)          |
| Anticipated Prior Year Recoveries                             |                              |                         | (\$50,000)         |                     | (\$50,000)          |
| Annualization of remaining FY 2015 Program Changes            |                              |                         | \$28,851           |                     | \$28,851            |
| Rental Rate Increases   |                              |                         | \$39,682           |                     | \$39,682            |
| Lump Sum Payments for real estate taxes and lease buyouts     |                              |                         | \$98,830           |                     | \$98,830            |
| Lease Cancellations   |                              |                         | (\$96,643)         |                     | (\$96,643)          |
| New Lease Space   |                              |                         | \$24,664           |                     | \$24,664            |
| Change in Base Building Cost                                  |                              |                         |                    | \$34,010            | \$34,010            |
| Change in Other/ Miscellaneous Building Cost                  |                              |                         |                    | (\$13,929)          | (\$13,929)          |
| Change in PBS Administrative Cost                             |                              |                         |                    | \$30,042            | \$30,042            |
| Change in Other / Miscellaneous PBS Administrative Cost       |                              |                         |                    | (\$6,179)           | (\$6,179)           |
| <b>FY 2016 Request</b>  | <b>\$1,257,997</b>           | <b>\$1,247,067</b>      | <b>\$5,579,055</b> | <b>\$2,288,076</b>  | <b>\$10,372,195</b> |

**Explanation of Changes, GSA Annual Appropriations**

(Budget Authority, Dollars in Thousands)

|   | Government-wide Policy |                 | Operating Expenses |                 | Former Pres    | Federal Citizen Services Fund <sup>1</sup> |                 | Office of the Inspector General |                 | Total      |                  | Pre-Election Activities | Total Including Pre-Election Activities |
|---|------------------------|-----------------|--------------------|-----------------|----------------|--|-----------------|---------------------------------|-----------------|------------|------------------|-------------------------|---|
|   | FTE                    | Enacted         | FTE                | Enacted         | Enacted        | FTE  | Enacted         | FTE                             | Enacted         | FTE        | Enacted          | Enacted                 | Enacted                                 |
| <b>FY 2015 enacted</b>                          | <b>135</b>             | <b>\$58,000</b> | <b>341</b>         | <b>\$61,049</b> | <b>\$3,250</b> | <b>97</b>                                  | <b>\$53,294</b> | <b>326</b>                      | <b>\$65,000</b> | <b>899</b> | <b>\$240,593</b> | <b>\$0</b>              | <b>\$240,593</b>                        |
| <b>Maintaining Current Levels</b>               |                        |                 |                    |                 |                |  |                 |                                 |                 |            |                  |                         |   |
| FY 2015 Pay Increase (1%), Effective Jan 2015   |                        |                 |                    |                 |                |  |                 |                                 | \$125           | 0          | \$125            |                         | \$125                                   |
| FY 2016 Pay Increase (1.3%), Effective Jan 2016 |                        | \$215           |                    | \$305           | \$8            |  | \$156           |                                 | \$473           | 0          | \$1,157          |                         | \$1,157                                 |
| Inflation (1.9)%                                |                        |                 |                    |                 |                |  |                 |                                 | \$322           | 0          | \$322            |                         | \$322                                   |
| <b>Program Increases</b>                        |                        |                 |                    |                 |                |  |                 |                                 |                 |            |                  |                         |   |
| Travel and Transportation                       |                        |                 |                    | \$145           | \$14           |  |                 |                                 |                 | 0          | \$159            |                         | \$159                                   |
| Contractual Services                            |                        |                 |                    | \$3,625         |                |  | \$7,362         |                                 |                 | 0          | \$10,987         |                         | \$10,987                                |
| Communication and Utilities                     |                        |                 |                    |                 |                |  | \$1             |                                 |                 | 0          | \$1              |                         | \$1                                     |
| Rental Payments                                 |                        |                 |                    |                 | \$19           |  |                 |                                 |                 | 0          | \$19             |                         | \$19                                    |
| Printing  |                        |                 |                    |                 | \$6            |  |                 |                                 |                 | 0          | \$6              |                         | \$6                                     |
| Operations and Maintenance of Facilities        |                        |                 |                    |                 | \$3            |  |                 |                                 |                 | 0          | \$3              |                         | \$3                                     |
| Supplies, Materials, and Equipment              |                        |                 |                    |                 | \$23           |  |                 |                                 |                 | 0          | \$23             |                         | \$23                                    |
| Benefits for Former Personnel                   |                        |                 |                    |                 | \$2            |  |                 |                                 |                 | 0          | \$2              |                         | \$2                                     |
| <b>Personnel Increases</b>                      |                        |                 |                    |                 |                |  |                 | 10                              | \$1,883         |            |                  |                         |   |
| Centralized communications platform             |                        | \$1,231         |                    |                 |                |  |                 |                                 |                 | 0          | \$1,231          |                         | \$1,231                                 |
| Increased funding for RISC                      | 1                      | \$1,000         |                    |                 |                |  |                 |                                 |                 | 1          | \$1,000          |                         | \$1,000                                 |
| Idea Lab Program                                | 3                      | \$3,000         |                    |                 |                |  |                 |                                 |                 | 3          | \$3,000          |                         | \$3,000                                 |
|   |                        |                 |                    |                 |                |  |                 |                                 |                 | 0          | \$0              |                         | \$0                                     |
| <b>Program Decreases</b>                        |                        |                 |                    |                 |                |  |                 |                                 |                 |            |                  |                         |   |
| Personnel Compensation and Benefits             |                        |                 | (28)               | (\$2,157)       | (\$12)         |  | (\$2,294)       |                                 |                 | (28)       | (\$4,463)        |                         | (\$4,463)                               |
| Communications, Printing, and Reproduction      |                        |                 |                    | (\$37)          | (\$16)         |  | (\$88)          |                                 |                 | 0          | (\$141)          |                         | (\$141)                                 |
| Rent  |                        |                 |                    | (\$1,349)       |                |  |                 |                                 |                 | 0          | (\$1,349)        |                         | (\$1,349)                               |
| Supplies, Materials, and Equipment              |                        |                 |                    | (\$21)          |                |  | (\$1)           |                                 |                 | 0          | (\$22)           |                         | (\$22)                                  |
| Other goods and services from Federal sources   |                        |                 |                    |                 |                |  |                 |                                 |                 | 0          | \$0              |                         | \$0                                     |
| Contractual Services                            |                        | (\$1,424)       |                    |                 | (\$20)         |  |                 |                                 |                 | 0          | (\$1,444)        |                         | (\$1,444)                               |
| Equipment                                       |                        |                 |                    |                 |                |  | (\$2)           |                                 |                 | 0          | (\$2)            |                         | (\$2)                                   |
| Increase for Pre-Election Activities            |                        |                 |                    |                 |                |  |                 |                                 |                 | 0          | \$0              | \$13,278                | \$13,278                                |
| <b>FY 2016 Request</b>                          | <b>139</b>             | <b>\$62,022</b> | <b>313</b>         | <b>\$61,560</b> | <b>\$3,277</b> | <b>97</b>                                  | <b>\$58,428</b> | <b>336</b>                      | <b>\$67,803</b> | <b>885</b> | <b>\$253,090</b> | <b>\$13,278</b>         | <b>\$266,368</b>                        |

<sup>1</sup> As a matter of parity, the above table reflects combined figures for the E-Gov Fund and the Federal Citizen Services Fund.

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**U.S. General Services Administration**

**FEDERAL BUILDINGS FUND**

**Fiscal Year 2016 Budget Request**

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

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## Summary of the Request

The General Services Administration (GSA) Public Buildings Service's (PBS) FY 2016 request reflects a targeted approach that fully support the critical capital construction and renovation program and zero based operations approach that reduces spending on indirect salaries, management support, and other administrative costs. When Congress established the 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. In the past, the appropriations process tended to provide appropriations at or above the level of collections.

## Net Budget Authority 10 Year History

(Dollars in Thousands)

|               | <b>Presidents<br/>Budget<br/>Revenue<br/>Estimate</b> | <b>Enacted<br/>NOA</b> | <b>Net Budget<br/>Authority</b> |
|---------------|---|------------------------|---------------------------------|
| <b>FY2005</b> | \$7,158,277   | \$7,217,043            | \$58,766                        |
| <b>FY2006</b> | \$7,768,795   | \$7,827,745            | \$58,950                        |
| <b>FY2007</b> | \$7,801,641   | \$7,598,426            | (\$203,215)                     |
| <b>FY2008</b> | \$7,866,195   | \$8,012,414            | \$146,219                       |
| <b>FY2009</b> | \$8,077,374   | \$8,427,771            | \$350,397                       |
| <b>FY2010</b> | \$8,156,179   | \$8,443,585            | \$287,406                       |
| <b>FY2011</b> | \$8,799,663   | \$7,597,540            | (\$1,202,123)                   |
| <b>FY2012</b> | \$9,223,141   | \$8,017,967            | (\$1,205,174)                   |
| <b>FY2013</b> | \$9,689,970   | \$8,024,967            | (\$1,665,003)                   |
| <b>FY2014</b> | \$9,950,560   | \$9,370,042            | (\$580,518)                     |
| <b>FY2015</b> | \$9,917,667   | \$9,238,310            | (\$679,357)                     |

During the last five fiscal years, this link has been broken, with the level of collections exceeding the appropriation by billions. Appropriations below the level of anticipated collections is inconsistent with the function that the Federal Buildings Fund is intended to perform.

Specifically, the FBF was designed to be financed by rental payments made by tenant agencies who pay the commercial equivalent of private sector rent for comparable space and services.

Providing funding below the level of collections denies agencies services that they are paying for and results in an FBF that is no longer self-sustaining. Without a self-sustaining fund, GSA will be unable to fund the required improvements to Federal inventory, which reduces the value of the public's assets over time and, may jeopardize the health and safety of citizens visiting or working in Federal buildings. As the inventory deteriorates in quality and decreases in value, the revenues available to reinvest in the inventory will decrease as well. Additionally, without a self-sustaining FBF, GSA is unable to capitalize on opportunities to make smart investments in the Federal portfolio resulting in greater efficiencies and lower operating costs.

In addition to restoring the link between rent collections and proposed investments, the President's FY 2016 request seeks to appropriate from the FBF restricted balances \$564 million, a small percentage of the cumulative amount of the rent collections not appropriated over the past five years. The FY 2016 request allows PBS to fund mission-critical border and homeland security projects as well as improve the safety and condition of government-owned assets while supporting the Administration's direction to all agencies to reduce the Federal real estate footprint.

As we work to restore funding for the FBF, we are also working to ensure every FBF dollar is invested wisely. The FY 2016 request reflects a zero-based budget approach to building operations that reduces spending on indirect salaries, management support, and other administrative costs. Savings identified through this approach will be used to invest in insourcing critical skills and increasing staff in support of the Total Workplace and National Account Management programs. These investments will strengthen key customer strategic relationships and allow GSA to support tenant agencies as they implement the Administration's initiative to reduce the Federal footprint and improve space utilization.

In these challenging fiscal times, effective management strategies are an important component of the PBS approach to efficient and responsible budgeting. The FY 2016 Budget request provides transparency and identifies strategic cuts, while proposing reinvestments that directly support our people, customers and portfolio:

#### People

- Improve workforce consistency and stability by reducing contracted labor through insourcing ongoing, mission critical work to Federal employees.
- Invest in growing the capabilities of PBS staff to become an expert real estate workforce by investing in training programs.
- Grow the Total Workplace and National Account Management programs, which provide strategic advice to customers and access to upfront funding enabling space consolidations and future cost savings.

#### Customers

- Without compromising service, bring the cost of building cleaning and maintenance services within the same range as comparable private sector entities in real estate markets throughout the country.
- Support our customers' efforts to consolidate their operations and reduce unneeded space by increasing investments in the budget for critical renovations resulting in increased efficiencies and facilitating consolidation opportunities.
- Continue to invest in the IT infrastructure necessary to bring more GSA facilities online with smart buildings technology, making PBS more responsive to occupant needs and reducing out-year operations and utilities costs.

Portfolio

- Improve long-term capital project planning by investing in facility studies to ensure high-quality in out-year major construction and renovation projects.
- Accept leased space from other agencies' portfolios into the GSA portfolio to broaden the scope of PBS's ability to drive lease consolidations across government.
- Invest all revenue collected through agency rents in needed upgrades to the Federal portfolio, and obtain approval for advance appropriations in subsequent fiscal years to improve project planning; creating efficiency, improving outcomes, and reducing costs.

**Fiscal Year 2016 Request**

The FY 2016 budget request provides a total new obligational authority (NOA) of \$10,372,195 thousand; \$564,473 thousand above the level of anticipated revenue collections. In FY 2016, the funds requested would finance a \$2,505,064 thousand capital investment program. The requested funding includes:

- (1) \$1,257,997 thousand for New Construction and Acquisition** and
- (2) \$1,247,067 thousand for Repairs and Alterations including \$314,371 thousand for Basic Repairs and Alterations** and to provide for the following projects:

**CONSTRUCTION AND ACQUISITION Program:**

(In Priority Order)

**New Construction:**

|   |           |                |
|---|-----------|----------------|
| Washington, DC DHS Consolidation at St. Elizabeths        | \$        | 379,665        |
| Somerset, NJ Belle Mead Depot Northern Parcel Remediation | \$        | 66,079         |
| Washington, DC American Red Cross Building Purchase       | \$        | 160,000        |
| National Capital Region, Civilian Cyber Campus            | \$        | 227,294        |
| Boyers, PA Federal Office Building                        | \$        | 35,000         |
| Pembina, ND APHIS Building                                | \$        | 5,357          |
| Austin, TX IRS Service Center Purchase                    | \$        | 11,887         |
| <b>Subtotal, Executive Agencies</b>                       | <b>\$</b> | <b>885,282</b> |

**Land Ports of Entry:**

|                                       |           |                |
|---------------------------------------|-----------|----------------|
| Alexandria Bay, NY Land Port of Entry | \$        | 105,570        |
| Columbus, NM Land Port of Entry       | \$        | 85,645         |
| <b>Subtotal, Land Ports of Entry</b>  | <b>\$</b> | <b>191,215</b> |

**New Courthouses:**

|                                  |           |                |
|----------------------------------|-----------|----------------|
| Nashville, TN US Courthouse      | \$        | 181,500        |
| <b>Subtotal, New Courthouses</b> | <b>\$</b> | <b>181,500</b> |

**Total FY 2016 Construction and Acquisition Program** **\$ 1,257,997**

**REPAIRS AND ALTERATIONS Program:**

(In Priority Order)

**Nonprospective (Basic) Repairs and Alterations Program** **\$ 314,371**

**Major Repairs and Alterations**

|   |            |
|---|------------|
| New York, NY Jacob K. Javits Federal Building                         | \$ 96,344  |
| San Diego, CA Edward J. Schwartz Federal Building and U.S. Courthouse | \$ 60,845  |
| San Francisco, CA Phillip Burton Federal Building and U.S. Courthouse | \$ 27,270  |
| Los Angeles, CA Sixth Street Federal Building                         | \$ 12,283  |
| St. Louis, MO Goodfellow Federal Complex                              | \$ 43,847  |
| Detroit, MI Theodore Levin U.S. Courthouse                            | \$ 68,792  |
| Hartford, CT Abraham Alexander Ribicoff Annex                         | \$ 9,970   |
| Cincinnati, OH Potter Stewart U.S. Courthouse                         | \$ 8,101   |
| Milwaukee, WI Federal Building & U.S. Courthouse                      | \$ 27,391  |
| Seattle, WA Federal Office Building                                   | \$ 20,850  |
| Blaine, WA Pacific Highway Land Port of Entry                         | \$ 11,930  |
| New York, NY Alexander Hamilton U.S. Customhouse                      | \$ 46,498  |
| Lakewood, CO Denver Federal Center Building 56                        | \$ 6,142   |
| New York, NY James L. Watson U.S. Court of International Trade        | \$ 5,536   |
| Philadelphia, PA William J. Green Jr. Federal Building                | \$ 45,000  |
| Washington, DC Herbert C. Hoover Federal Building                     | \$ 150,900 |
| Portland, OR 911 Federal Building                                     | \$ 7,439   |
| Salt Lake City, UT Wallace F. Bennett Federal Building                | \$ 7,758   |

**Subtotal, Major Repairs & Alterations** **\$ 656,896**

**Repair and Alteration - Design Program**

|  |           |
|--|-----------|
| Washington, DC Robert C. Weaver Federal Building | \$ 15,800 |
|--|-----------|

**Subtotal, R&A Design Program** **\$ 15,800**

**Special Emphasis Programs**

|   |            |
|---|------------|
| Energy and Water Retrofit and Conservation Measures Program | \$ 20,000  |
| Judicial Capital Security Program                           | \$ 20,000  |
| Consolidation Activities Program                            | \$ 200,000 |
| Fire and Life Safety Program                                | \$ 20,000  |

**Subtotal, Special Emphasis Programs** **\$ 260,000**

**Total FY 2016 Repairs and Alterations Program** **\$ 1,247,067**

**(3) \$5,579,055 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. This request represents a 1.5 percent decrease from the FY 2015 enacted level due to the use of unobligated balances from prior years.

**(4) \$2,288,076 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, \$1,142,808 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; \$1,145,268 thousand will be allocated to Salaries and Expenses to fund and support 5,155 full time equivalents (FTE), as well as costs for PBS specific information technology (IT) applications and PBS's contribution to the Working Capital Fund (WCF).

**\$9,948,267 thousand for Advance Appropriations** for FY 2017, a net zero budgetary authority proposal to support both capital investments and operating expenses. Advance appropriations will support capital projects and ensure that the funds that the agencies pay to GSA are used promptly to construct maintain and operate GSA facilities.

In addition to the authority requested in FY 2016, PBS projects \$1,787,525 thousand in reimbursable authority for services provided to other agencies, including funding for 350 FTE. PBS also projects \$179,187 thousand in permanent indefinite authority from leased expansion space, outleasing, energy rebates, and revenue from the sale of recyclable materials.

### Advance Appropriations

In fiscal year 2016, GSA is proposing advance appropriations equal to the level of collections, resulting in a \$0 net budget authority impact. Advance appropriations provide additional transparency and the authority to spend agency rental payments for the purpose they were intended – support of the capital, leasing and operations programs.

The amount of funds available from advanced appropriations will equal the amount of revenue collected into the FBF to ensure that GSA provides a level of reinvestment in the inventory commensurate with the level of rent charged to Federal agencies.

|  | FY 2014<br>Enacted | FY 2015<br>Enacted | FY 2016<br>Request | FY 2017<br>Request |
|--|--------------------|--------------------|--------------------|--------------------|
| Resources:                                     |                    |                    |                    |                    |
| Redemption of Debt                             | (\$2,181,647)      |                    |                    |                    |
| Revenue  | \$9,935,684        | \$9,917,667        | \$9,807,722        | \$9,948,267        |
| <b>New Obligational Authority:</b>             |                    |                    |                    |                    |
| Construction and Major Repairs and Alterations | \$1,444,770        | \$937,564          | \$2,190,693        | \$1,537,280        |
| Basic Repairs and Alterations                  | \$378,535          | \$390,266          | \$314,371          | \$375,000          |
| Installment Acquisition Payments               | \$109,000          | \$0                | \$0                | \$0                |
| Rental of Space                                | \$5,387,109        | \$5,666,348        | \$5,579,055        | \$5,673,542        |
| Building Operations                            | \$2,221,432        | \$2,244,132        | \$2,288,076        | \$2,362,445        |
| Total New Obligational Authority               | \$9,540,846        | \$9,238,310        | \$10,372,195       | \$9,948,267        |
| <b>Net Budget Authority</b>                    | <b>\$1,786,810</b> | <b>(\$679,357)</b> | <b>\$564,473</b>   | <b>\$0</b>         |

## **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 superior 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 378 million square feet of workspace in communities across the country.

## **Capital Program**

The FY 2016 capital program request supports the need make smart investments in the GSA portfolio. When the FBF was created by Congress the goal was to ensure dedicated resources for capital investment in the building portfolio. Funding the FBF at the level of collections ensures agencies receive the services they are paying for by providing funding to meet the needs for the needs of the inventory. Several years of obligational limitations significantly below the level of collections make additional investments above the level of collections in FY 2016 critical to restoring a sustainable level of reinvestment in the inventory. The GSA request includes \$2,504 million in support of the capital program including construction and acquisition and major and minor repairs and alterations.

## **Construction**

The FY 2016 construction and acquisition program request is \$1,257,997 thousand and reflects GSA's dedication to investing in critical facilities:

- PBS will invest \$885 million in the design and construction of facilities to house Executive branch agencies, such as the construction of the consolidated headquarters for the Department of Homeland Security, Washington DC and a Civilian Cyber campus within the National Capital Region, ensuring that GSA provides customers with specialized space, at the lowest possible cost. Acquisition of existing facilities currently housing Federal

agencies, such as the American Red Cross and the IRS Service Center, will allow GSA to continue to provide space at a lower cost to the taxpayer.

- PBS will invest \$191 million in the modernization of two, high priority, existing Land Ports of Entry in Alexandria Bay, NY and Columbus, NM, providing for improved security and meeting the current and future operational needs of the inspection agencies at these critical ports.
- PBS will invest \$182 million to construct a new courthouse in Nashville, TN, the Federal judiciary's highest priority construction project.

## **Repairs and Alterations**

The FY 2016 repairs and alterations program request is \$1,247,067 thousand including \$314,371 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:

- PBS will invest \$672 million in the existing GSA portfolio of buildings through major repairs and alterations projects and design of future projects. Capital improvements in owned facilities, including mechanical, structural, and electrical are critical to maintaining functional buildings where GSA customers can perform their mission. GSA is also assisting its customers by investing in projects that will result in improved asset utilization and lower costs.
- Special Emphasis Programs include Consolidation Activities, Judicial Capital Security, Energy and Water Conservation, and Fire and Life Safety. PBS will invest \$260 million in these programs. Through these programs, PBS is able to reduce agency footprints thereby lowering costs, improve energy and water use thereby lowering costs, and address critical deficiencies that may impede the safety of courthouses and Federal buildings.
- PBS will invest \$314 million in the Minor Repairs and Alterations program, investing in projects with a total cost below the prospectus threshold of \$2.85 million. This program ensures that emerging needs are met, mitigating more costly projects in the out years.

## **Building Operations Spending Adjustments**

The FY 2016 request continues GSA's strategy to drive savings in operating programs, reinvesting only in those areas that directly support our people, customers or portfolio, to maximize funding for repairs, alterations, construction, and acquisition in the capital program.

## **Building Services**

The FY 2016 Building Services request is \$1,119,926 thousand, or 0.25 percent below the FY 2015 enacted funding. This reflects the following strategic decisions that result in shifting funding within the Building Services account from utilities and security to cleaning and maintenance:



- Funding Building Services at the amount required to maintain service levels in existing and new GSA-owned, and sometimes leased, locations in order to stay aligned with private industry service standards.
- Negotiate cleaning, utilities, and operation & maintenance contracts to meet the Building Owners and Managers Association industry cost benchmarking.
- Establish efficiencies in the contractor clearance process, and reductions in building-specific security charges resulting from greater insight into line item billing.

The FY 2016 Building Services request includes \$22,882 thousand of reinvested savings to support the following strategic priorities in building moves, building studies and IT infrastructure:

- PBS will invest an additional \$3,908 thousand for building moves in FY 2016 to support Freeze the Footprint activities for GSA-occupied space.
- PBS will invest an additional \$9,095 thousand above the FY 2015 enacted amount for studies in support of the Capital Program. Studies are the first phase in successfully completing a capital project. The studies budget was reduced in FY 2013 and FY 2014 as a result of reduced capital funding. GSA remains dedicated to spending at or above the level of anticipated collections with a robust capital program in FY 2016. Further, studies are necessary to support the upcoming projects outlined in GSA's Five Year Capital Plan as well as customer driven projects and routine building studies necessary to maintain the health of the portfolio.
- PBS will invest \$3,879 thousand in Building Monitoring and Control Systems in FY 2016 as part of a long-term strategy to bring all buildings larger than 150,000 gross square feet (GSF) into IT network compliance and position buildings to connect to the GSALink Smart Buildings environment which allows GSA to provide an infrastructure to drive efficiencies in building operations and a platform for new business models to enhance GSA's stewardship its portfolio of buildings.
- PBS is increasing the maintenance threshold from \$10 thousand to \$50 thousand allowing PBS to quickly mitigate smaller projects. \$6 million is allocated, starting in FY 2016, to support these activities.

## **Salaries and Expenses**

The FY 2016 Salaries and Expenses request is \$1,121,631 thousand, or 0.02 percent above the FY 2015 enacted level. The Salaries and Expenses request reflects the following strategic decisions and their alignment to PBS priorities:

- Reduce spending on management support contracts by both eliminating redundant contracts and in-sourcing contracted work to new FTE, resulting in a savings of \$8,437 thousand in the management support function.
- Maintain training at the FY 2015 level to ensure PBS staff has the skills and expertise to advise and assist customers.
- Reduce travel by \$3,355 thousand from the FY 2015 level based on FY 2014 actual usage and limiting travel to mission critical requirements.

- Achieve a small reduction through attrition to PC&B in support positions that are not directly providing customer service delivery. Attrition savings will be targeted to a limited number of regions.
- Reduce the overall allocation level by \$10 million by identifying savings in administrative expense categories such as supplies, equipment, printing, and telephones.

The FY 2016 Salaries and Expenses request reinvests \$23,636 thousand in identified savings:

- \$1,684 thousand to the Client Solutions program, creating a single National Account Executive position dedicated to each major customer to implement the shift to a client-centric organization focused on efficient space utilization and national client portfolio plans.
- \$6,788 thousand in PBS office furnishings in support of PBS consolidation activities.
- \$15,164 thousand increase to the Working Capital Fund bill from the FY 2015 level.

## **Rental of Space**

GSA recognizes that historical trends alone are not good indicators of projected lease costs. As a result, PBS's FY 2016 Rental of Space budget request utilized the improved rent estimation process instituted in the FY 2015 budget. Additionally, PBS performed a detailed program requirements review focused on isolating fixed cost, expiring leases and new inventory to ensure regional program requirements are in line with national strategies to reduce space.

PBS's Rental of Space request reflects an overall reduction of 1.7 million rentable square feet (RSF) in anticipated leased square footage from FY 2014 to FY 2016 at the same time that PBS is bringing into the inventory approximately 4 million RSF of previously-delegated leases. Bringing these leases into the GSA inventory from other agencies provides a more complete picture of customers' portfolios, and opportunities to consolidate existing leases and move agencies into Federal office space.

As part of the Freeze the Footprint initiative, GSA is working closely with customers to create and execute on Customer Portfolio Plans that capture the full breadth of agency real estate portfolios and create a roadmap for agencies to reduce their respective footprints. These plans outline opportunities for consolidation and establishing a sustainable ratio of leased and owned real estate. The infusion of Consolidation project funding through the capital program, allows PBS to create new opportunities for agencies to downsize and reduce costs.

Additionally, as the Federal government continues to implement strategies to identify savings through efficient space use, the cost to lease space is expected to decrease in aggregate, 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.

U.S. General Services Administration  
Federal Buildings Fund

**Resources, New Obligational Authority, and Fund Balance**

(Dollars in Thousands, excludes Indefinite Authority)

|  | FY 2014<br>Enacted  | FY 2015<br>Enacted  | FY 2016<br>Request  |
|--|---------------------|---------------------|---------------------|
| <b>Resources:</b>  |                     |                     |                     |
| Available from prior year for reauthorization                              | \$4,727,475         | \$2,940,681         | \$3,620,038         |
| Redemption of Debt   | (\$2,181,647)       |                     | \$0                 |
| Reprogramming Authority  | \$170,804           |                     |                     |
| Appropriation  |                     |                     |                     |
| Transfer   |                     |                     |                     |
| Rescission/Lapsed Current Year Authority                                   |                     |                     |                     |
| Rescission/Lapsed Prior Year Authority                                     |                     |                     |                     |
| Revenue from operations:   |                     |                     |                     |
| Rent   | \$9,833,284         | \$9,876,293         | \$9,787,355         |
| Miscellaneous  | (\$96,965)          | \$0                 | \$0                 |
| Outleasing   | \$2,817             | \$5,883             | \$4,675             |
| Retention of Proceeds (Sale of Real Property)                              | \$6,553             | \$19,375            | \$3,250             |
| SSA/CDC/CMS Payments   | \$19,206            | \$16,116            | \$12,442            |
| Subtotal, Revenue  | \$9,764,895         | \$9,917,667         | \$9,807,722         |
| <b>Total Resources Available</b>   | <b>\$12,481,527</b> | <b>\$12,858,348</b> | <b>\$13,427,760</b> |
| <b>New Obligational Authority:</b>   |                     |                     |                     |
| Construction and Acquisition   | \$684,106           | \$509,670           | \$1,257,997         |
| Major Repairs and Alterations  | \$760,664           | \$427,894           | \$932,696           |
| Basic Repairs and Alterations  | \$378,535           | \$390,266           | \$314,371           |
| Installment Acquisition Payments   | \$109,000           | \$0                 | \$0                 |
| Rental of Space  | \$5,387,109         | \$5,666,348         | \$5,579,055         |
| Building Operations - Building Services                                    | \$1,158,869         | \$1,122,727         | \$1,142,808         |
| Building Operations - Salaries and Expenses                                | \$1,062,563         | \$1,121,405         | \$1,145,268         |
| <b>Total New Obligational Authority</b>                                    | <b>\$9,540,846</b>  | <b>\$9,238,310</b>  | <b>\$10,372,195</b> |
| <b>Fund Balance:</b>   |                     |                     |                     |
| Total Resources Available  | \$12,481,527        | \$12,858,348        | \$13,427,760        |
| Total New Obligational Authority   | (\$9,540,846)       | (\$9,238,310)       | (\$10,372,195)      |
| Changes to Prior Year Authority  | \$0                 | \$0                 | \$0                 |
| Fund Balance (Available for Reauthorization)                               | \$2,940,681         | \$3,620,038         | \$3,055,565         |
| <b>Net Budget Authority</b>  | <b>\$1,786,794</b>  | <b>(\$679,357)</b>  | <b>\$564,473</b>    |
|  |                     |                     |                     |
| <i>Fund Balance w/o Redemption of Debt (Available for Reauthorization)</i> | \$ 5,029,805        |                     |                     |
| <b>Net Budget Authority w/o Full Repayment of Debt</b>                     | <b>(\$302,330)</b>  |                     |                     |

**Crosswalk of FY 2014 New Obligational Authority**

(Dollars in Thousands)

|   | PL 113-76<br>Enacted<br>01/17/2014 | Approved<br>Reprogramming | FY 2014<br>Definite Authority | Indefinite<br>Authority | FY 2014 Actual<br>Authority |
|---|------------------------------------|---------------------------|-------------------------------|-------------------------|-----------------------------|
| <b>New Obligational Authority:</b>          |                                    |                           |                               |                         |                             |
| Construction and Acquisition                | \$543,106                          | \$141,000                 | \$684,106                     |                         | \$684,106                   |
| Major Repairs and Alterations               | \$730,860                          | \$29,804                  | \$760,664                     | \$11,516                | \$772,180                   |
| Minor Repairs and Alterations               | \$378,535                          |                           | \$378,535                     | \$3,800                 | \$382,335                   |
| Installment Acquisition Pymts               | \$109,000                          |                           | \$109,000                     |                         | \$109,000                   |
| Rental of Space                             | \$5,387,109                        |                           | \$5,387,109                   | \$255,513               | \$5,642,622                 |
| Building Operations - Building Services     | \$1,158,869                        |                           | \$1,158,869                   | \$24,769                | \$1,183,638                 |
| Building Operations - Salaries and Expenses | \$1,062,563                        |                           | \$1,062,563                   | \$9,000                 | \$1,071,563                 |
| <b>Total, New Obligational Authority</b>    | <b>\$9,370,042</b>                 | <b>\$170,804</b>          | <b>\$9,540,846</b>            | <b>\$304,598</b>        | <b>\$9,845,444</b>          |

1. The reprogramming for the Construction and Acquisition provided funding for the San Diego, CA; San Ysidro U.S. Land Ports of Entry (LPOE) (\$97.7 million); Laredo, TX; Laredo U.S. LPOE (\$35.9 million); Columbus, NM; Columbus U.S. LPOE (\$7.4 million);

2. The reprogramming for Repairs and Alterations provided funding for the New York, NY; Daniel Patrick Moynihan U.S. Courthouse (\$13.8 million); Baltimore, MD; George P. Fallon Federal Building (\$5.323 million); San Jose, CA: Robert F. Peckham Federal Building (\$10.68 million)

**Indefinite Authority**

(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Encacted | FY 2016<br>Request |
|--|-------------------|---------------------|--------------------|
| <b>Repairs and Alterations:</b>                    |                   |                     |                    |
| Historical Outleasing                              | \$6,322           | \$7,000             | \$7,000            |
| Energy Rebates                                     | \$5,460           | \$5,000             | \$6,000            |
| International Trade Center                         | \$3,800           | \$4,000             | \$4,000            |
| Recycling  | (\$266)           | \$700               | \$700              |
| <b>Total, Repairs and Alterations</b>              | <b>\$15,316</b>   | <b>\$16,700</b>     | <b>\$17,700</b>    |
| <b>Rental of Space: Leased Expansion Space</b>     | <b>\$255,513</b>  | <b>\$188,256</b>    | <b>\$120,266</b>   |
| <b>Building Operations:</b>                        |                   |                     |                    |
| International Trade Center - Building Services     | \$18,714          | \$33,937            | \$34,362           |
| International Trade Center - Salaries and Expenses | \$9,000           | \$1,366             | \$666              |
| Cooperative Use Act - Outleasing                   | \$4,377           | \$3,775             | \$3,775            |
| National Antenna Program                           | \$1,678           | \$2,418             | \$2,418            |
| Telework Centers                                   | \$0               | \$0                 | \$0                |
| <b>Total, Building Operations</b>                  | <b>\$33,769</b>   | <b>\$41,496</b>     | <b>\$41,221</b>    |
| <b>Total Indefinite Authority</b>                  | <b>\$304,598</b>  | <b>\$246,452</b>    | <b>\$179,187</b>   |

Notes:

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

Recycling income in FY 2014 is negative due to the timing of recording income to the program.

## 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 ~~[\$9,238,310,000]~~ *\$10,372,195,000*, of which—

(1) ~~[\$509,670,000]~~ *\$1,257,997,000* shall remain available until expended for construction and acquisition (including funds for sites and expenses, and associated design and construction services) ~~[of additional projects at~~

- (A) California, Calexico, Calexico West Land Port of Entry, \$98,062,000;
- (B) California, San Diego, San Ysidro Land Port of Entry, \$216,828,000;
- (C) District of Columbia, Washington, DHS Consolidation at St. Elizabeths, \$144,000,000;
- (D) National Capital Region, Civilian Cyber Campus, \$35,000,000; and
- (E) New York, Glenville, Scotia Depot, \$15,780,000]:

Provided, ~~[That each of the foregoing limits of costs on new construction and acquisition projects]~~ *That 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 is obtained from]~~ *notice is transmitted to the Committees on Appropriations of a greater amount;*

(2) ~~[\$818,160,000]~~ *\$1,247,067,000* shall remain available until expended for repairs and alterations, including associated design and construction services, of which—

- (A) ~~[\$306,894,000]~~ *\$932,696,000* is for Major Repairs and Alterations;
- (B) ~~[\$390,266,000]~~ *\$314,371,000* is for Basic Repairs and Alterations; and
- (C) ~~[\$121,000,000]~~ *\$260,000,000* is for Special Emphasis Programs, of which—
  - (i) ~~[\$5,000,000]~~ *\$20,000,000* is for Energy and Water Retrofit and Conservation Measures;
  - (ii) ~~[\$26,000,000]~~ *\$20,000,000* is for Fire and Life Safety;
  - (iii) \$20,000,000 is for Judiciary Capital Security; and
  - (iv) ~~[\$70,000,000]~~ *\$200,000,000* 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] *notice is transmitted* to the Committees on Appropriations of a greater amount: Provided further, That additional projects for which prospectuses have been [fully approved] *transmitted* may be funded under this category only if advance [approval is obtained from] *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)[\$5,666,348,000] \$5,579,055,000 for rental of space to remain available until expended; and

(4)[\$2,244,132,000] \$2,288,076,000 for building operations to remain available until expended; [ : , of which \$1,122,727,000 is for building services, and \$1,121,405,000 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 by 40 U.S.C. 3307(a), ] has not been [approved] *transmitted to the Congress*, 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 is obtained from] *notice is provided* 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 2015, 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.

*In addition to amounts provided under this heading, \$9,948,267,000 shall become available in fiscal year 2017, of which, \$1,537,280,000 shall remain available until expended for construction and acquisition, major repairs and alterations, and special emphasis programs (including funds for sites and expenses, and associated design and construction services), \$375,000,000 shall remain available until expended for basic repairs and alterations, including associated design and construction services, \$5,673,542,000 shall remain available until expended for rental of space, and \$2,362,445,000 shall remain available until expended for building operations: Provided further, That appropriations made in this section for fiscal year 2017 shall be available to the extent and in the manner that is provided for fiscal year 2016 funds in this section: Provided further, That appropriations made available under this heading for fiscal year 2017 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 3 percent by any such transfers: Provided further, That if the total amount of revenues and collections deposited in the Fund in fiscal year 2017 is less than \$9,948,267,000, the total amount provided for fiscal year 2017 under this paragraph and the amounts provided for each item shall be reduced commensurately by item as determined by the Administrator: Provided further, That if the total amount of revenues and collections deposited in the Fund in fiscal year 2017 exceeds \$9,948,267,000 the total amount provided for fiscal year 2017 under this paragraph and the amounts provided for each item shall be increased commensurately by item as determined by the Administrator.*

U.S. General Services Administration  
Federal Buildings Fund

**Obligations by Object Class**

(Dollars in Thousands)

|  | FY 2014<br>Actual   | FY 2015<br>Enacted  | FY 2016<br>Request  |
|--|---------------------|---------------------|---------------------|
| 11.1 Full-time, permanent.....                             | \$502,492           | \$503,404           | \$521,039           |
| 11.3 Other than full-time permanent.....                   | \$4,789             | \$6,365             | \$6,602             |
| 11.5 Other personnel compensation.....                     | \$9,350             | \$8,843             | \$9,171             |
| 11.8 Special personnel services payments.....              | \$236               | \$518               | \$537               |
| 12.1 Civilian personnel benefits.....                      | \$153,779           | \$154,156           | \$159,423           |
| 13.0 Benefits for former personnel.....                    | \$0                 | \$632               | \$657               |
| 21.0 Travel and transportation of persons.....             | \$8,599             | \$10,956            | \$7,601             |
| 22.0 Transportation of things.....                         | \$282               | \$247               | \$73                |
| 23.1 Rental payments to GSA                                | \$2                 | \$0                 | \$0                 |
| 23.2 Rental payments to others.....                        | \$5,770,491         | \$5,631,639         | \$5,727,023         |
| 23.3 Communications and utilities.....                     | <u>\$451,690</u>    | <u>\$462,292</u>    | <u>\$422,951</u>    |
| Subtotal, Rent, communications & utilities...              | \$6,222,183         | \$6,093,931         | \$6,149,974         |
| 24.0 Printing and reproduction.....                        | \$608               | \$535               | \$225               |
| 25.1 Advisory and assistance services.....                 | \$873,914           | \$1,461,376         | \$1,059,910         |
| 25.2 Other services.....                                   | \$30,548            | \$29,286            | \$28,774            |
| 25.3 Goods & services from Gov't accounts.....             | \$410,814           | \$382,056           | \$393,157           |
| 25.4 Operation and maintenance of facilities.....          | \$1,383,025         | \$1,441,231         | \$1,300,414         |
| 25.5 Other contractual services - Research and Development | \$0                 | \$0                 | \$0                 |
| 25.6 Medical care.....                                     | \$107               | \$119               | \$124               |
| 25.7 Operation and maintenance of equipment.....           | \$43,160            | \$38,942            | \$41,220            |
| 25.8 Subsistence and support of persons.....               | <u>\$0</u>          | <u>\$0</u>          | <u>\$0</u>          |
| Subtotal, Contractual services.....                        | \$2,741,568         | \$3,353,010         | \$2,823,599         |
| 26.0 Supplies and materials *.....                         | \$11,848            | \$5,220             | \$3,750             |
| 31.0 Equipment.....  | \$78,166            | \$131,771           | \$113,656           |
| 32.0 Land and structures.....                              | \$862,238           | \$1,555,637         | \$1,448,152         |
| 33.0 Investments and loans.....                            | \$0                 | \$0                 | \$0                 |
| 41.0 Grants, subsidies, and contributions.....             | \$9                 | \$0                 | \$0                 |
| 42.0 Insurance claims and indemnities.....                 | \$658               | \$578               | \$606               |
| 43.0 Interest and dividends.....                           | \$129,864           | \$12,567            | \$13,183            |
| 44.0 Refunds   | (\$1)               | \$0                 | \$0                 |
| 94.0 Financial Transfers                                   | \$0                 | \$0                 | \$0                 |
| <b>99.9 Total Obligations.....</b>                         | <b>\$10,726,669</b> | <b>\$11,838,370</b> | <b>\$11,258,248</b> |
| Subtotal, PC&B.....  | \$670,646           | \$673,918           | \$697,429           |
| Subtotal, Non-labor.....                                   | \$10,056,023        | \$11,164,452        | \$10,560,819        |

Note: Obligations for Indefinite Authorities are included in FY 2014 but not FY 2015 or FY 2016.



U.S. General Services Administration  
Federal Buildings Fund

**Obligations by Program**  
(Dollars in Thousands)

|  | FY 2014 Actual |                    | FY 2015 Enacted |                    | FY 2016 Request |                   | Increase/(Decrease)<br>For FY 2016 |                  |
|--|----------------|--------------------|-----------------|--------------------|-----------------|-------------------|------------------------------------|------------------|
|  | FTE            | Obligations        | FTE             | Obligations        | FTE             | Obligations       | FTE                                | Obligations      |
| <b>FTE and Obligations:</b>                    |                |                    |                 |                    |                 |                   |                                    |                  |
| 1. Construction and Acquisition                |                | 202,058            |                 | 768,621            |                 | 628,303           |                                    | (140,318)        |
| 2. Repairs and Alterations                     |                | 751,899            |                 | 795,819            |                 | 828,540           |                                    | 32,721           |
| 3. Installment Acquisition Payments            |                | 93,799             |                 | 0                  |                 | 0                 |                                    | -                |
| 4. Construction of Lease Purchase Facilities   |                | 0                  |                 |                    |                 |                   |                                    | -                |
| 5. Pennsylvania Avenue Activities              |                |                    |                 |                    |                 |                   |                                    | -                |
| a) Repairs and Alterations                     |                | 258                |                 |                    |                 |                   |                                    | -                |
| b) Building Operations - Building Services     |                | 14                 |                 |                    |                 |                   |                                    | -                |
| c) Building Operations - Salaries and Expenses |                |                    |                 |                    |                 |                   |                                    | -                |
| 6. International Trade Center                  |                |                    |                 |                    |                 |                   |                                    | -                |
| a) Repairs and Alterations                     |                | 413                |                 |                    |                 |                   |                                    | -                |
| b) Building Operations - Building Services     |                | 247                |                 |                    |                 |                   |                                    | -                |
| c) Building Operations - Salaries and Expenses |                | 32,054             |                 |                    |                 |                   |                                    | -                |
| 7. Rental of Space                             |                | 5,784,061          |                 | 5,630,420          |                 | 5,725,804         |                                    | 95,384           |
| 8. Building Operations                         |                |                    |                 |                    |                 |                   |                                    | -                |
| a) Building Services                           |                | 1,188,818          |                 | 1,122,727          |                 | 1,142,808         |                                    | 20,081           |
| b) Salaries and Expenses                       | 5,152          | 1,160,168          | 5,125           | 1,121,405          | 5,155           | 1,145,268         | 30                                 | 23,863           |
| 9. Reimbursable                                | 350            | 1,512,880          | 350             | 2,399,378          | 350             | 1,787,525         | -                                  | (611,853)        |
| <b>Total FTE and Obligations</b>               | <b>5,502</b>   | <b>10,726,668</b>  | <b>5,475</b>    | <b>11,838,370</b>  | <b>5,505</b>    | <b>11,258,248</b> | <b>30</b>                          | <b>(580,122)</b> |
| <i>Net Outlays:</i>                            |                | <i>(1,328,518)</i> |                 | <i>(1,604,543)</i> |                 | <i>(917,804)</i>  |                                    | <i>489,559</i>   |

Note: Obligations for Indefinite Authorities are included in FY 2014 but not FY 2015 or FY 2016.

**Summary of FTE by Occupation**

|  | FY 2011<br>Actual | FY 2012<br>Actual | FY 2013<br>Actual | FY 2014<br>Actual | FY 2015<br>Request | FY 2016<br>Request |
|--|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| <b>Accounting and Budget</b>                                 | 425               | 427               | 407               | 82                | 10                 | 10                 |
| <b>Building Management</b>                                   | 990               | 950               | 888               | 911               | 911                | 922                |
| <b>Contracting</b>   | 743               | 707               | 685               | 676               | 701                | 710                |
| <b>Engineering and Architecture</b>                          | 984               | 954               | 909               | 876               | 889                | 900                |
| <b>Equipment, Facilities, Maintenance and Service</b>        | 315               | 298               | 286               | 278               | 287                | 290                |
| <b>General Administrative, Clerical, and Office Services</b> | 1,242             | 1,224             | 1,158             | 911               | 880                | 853                |
| <b>General Business and Industry</b>                         | 1,286             | 1,297             | 1,275             | 1,169             | 1,203              | 1,218              |
| <b>Information Technology</b>                                | 57                | 59                | 60                | 10                | -                  | -                  |
| <b>Miscellaneous Occupations</b>                             | 128               | 124               | 123               | 88                | 102                | 103                |
| <b>Realty</b>  | 519               | 503               | 484               | 501               | 493                | 499                |
| <b>Total</b>   | <b>6,689</b>      | <b>6,543</b>      | <b>6,274</b>      | <b>5,502</b>      | <b>5,475</b>       | <b>5,505</b>       |

Note: Consolidation of PBS personnel into the Working Capital Fund occurred in the first quarter of FY 2014.

**FY 2016 Capital Program**

**Program Description – Construction and Acquisition of Facilities**

This activity provides for the construction or purchase of facilities and prospectus-level extensions to existing buildings. 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)

| CONSTRUCTION AND ACQUISITION OF FACILITIES<br>SUMMARY OF FY 2016 PROGRAM<br>(Dollars in Thousands) |                     |                              |                   |                     |                   |                     |                   |                  |                   |                  |                     |  |  |
|--|---------------------|------------------------------|-------------------|---------------------|-------------------|---------------------|-------------------|------------------|-------------------|------------------|---------------------|--|--|
|  | FUNDED<br>TOTAL     | ESTIMATED TOTAL PROJECT COST |                   |                     |                   |                     | FY 2016 REQUEST   |                  |                   |                  |                     |  |  |
|  |                     | Site                         | Design            | Construction        | MAI               | TOTAL               | Site              | Design           | Construction      | MAI              | TOTAL               |  |  |
| <b>New Construction:</b>   |                     |                              |                   |                     |                   |                     |                   |                  |                   |                  |                     |  |  |
| Washington, DC DHS Consolidation at St. Elizabeths   | \$ 1,212,366        | \$ -                         | \$ 6,722          | \$ 211,964          | \$ 2,444,637      | \$ 157,925          | \$ -              | \$ 30,782        | \$ 334,891        | \$ 13,992        | \$ 379,665          |  |  |
| Somerset, NJ Belle Mead Depot Northern Parcel Remediation  | \$ -                | \$ -                         | \$ 6,020          | \$ -                | \$ 62,174         | \$ 3,905            | \$ -              | \$ -             | \$ 62,174         | \$ 3,905         | \$ 66,079           |  |  |
| Washington, DC American Red Cross Building Purchase  | \$ 35,000           | \$ 160,000                   | \$ 57,724         | \$ 30,159           | \$ 340,693        | \$ 14,785           | \$ 443,361        | \$ 49,368        | \$ 3,515          | \$ 187,157       | \$ 7,254            |  |  |
| National Capital Region, Civilian Cyber Campus   | \$ -                | \$ 12,000                    | \$ 23,000         | \$ 192,300          | \$ 7,700          | \$ 235,000          | \$ 12,000         | \$ 23,000        | \$ 187,157        | \$ 7,254         | \$ 227,294          |  |  |
| Boyers, PA Federal Office Building   | \$ -                | \$ 540                       | \$ 264            | \$ 2,257            | \$ 236            | \$ 5,357            | \$ 540            | \$ 264           | \$ 4,297          | \$ 236           | \$ 5,357            |  |  |
| Perrinton, MD APHS Building  | \$ -                | \$ 9,013                     | \$ 271,757        | \$ 3,046,324        | \$ 184,858        | \$ 3,748,952        | \$ 9,013          | \$ 271,757       | \$ 3,046,324      | \$ 184,858       | \$ 3,748,952        |  |  |
| <b>Subtotal, Executive Agencies</b>  | <b>\$ 1,247,366</b> | <b>\$ 246,013</b>            | <b>\$ 271,757</b> | <b>\$ 3,046,324</b> | <b>\$ 184,858</b> | <b>\$ 3,748,952</b> | <b>\$ 230,835</b> | <b>\$ 57,911</b> | <b>\$ 570,742</b> | <b>\$ 25,894</b> | <b>\$ 815,282</b>   |  |  |
| Alexandria Bay, NY Land Port of Entry Phase I  | \$ 20,560           | \$ 2,865                     | \$ 21,095         | \$ 184,833          | \$ 17,708         | \$ 226,601          | \$ -              | \$ 3,500         | \$ 83,216         | \$ 8,654         | \$ 105,570          |  |  |
| Columbus, NM Land Port of Entry  | \$ 10,738           | \$ -                         | \$ 10,738         | \$ 79,600           | \$ 6,045          | \$ 96,383           | \$ -              | \$ -             | \$ 79,600         | \$ 6,045         | \$ 85,645           |  |  |
| <b>Subtotal, Land Ports of Entry</b>   | <b>\$ 31,298</b>    | <b>\$ 2,865</b>              | <b>\$ 31,833</b>  | <b>\$ 264,433</b>   | <b>\$ 23,753</b>  | <b>\$ 322,984</b>   | <b>\$ -</b>       | <b>\$ 3,500</b>  | <b>\$ 172,816</b> | <b>\$ 14,699</b> | <b>\$ 191,215</b>   |  |  |
| Nashville, TN US Courthouse  | \$ 26,895           | \$ 21,477                    | \$ 7,616          | \$ 168,592          | \$ 9,626          | \$ 207,586          | \$ 2,477          | \$ 815           | \$ 168,592        | \$ 9,626         | \$ 181,500          |  |  |
| Subtotal, New Courthouses  | \$ 26,895           | \$ 21,477                    | \$ 7,616          | \$ 168,592          | \$ 9,626          | \$ 207,586          | \$ 2,477          | \$ 815           | \$ 168,592        | \$ 9,626         | \$ 181,500          |  |  |
| <b>Total FY 2016 Construction and Acquisition of Facilities Program</b>                            | <b>\$ 1,304,759</b> | <b>\$ 270,455</b>            | <b>\$ 311,500</b> | <b>\$ 3,479,339</b> | <b>\$ 218,237</b> | <b>\$ 4,279,531</b> | <b>\$ 233,412</b> | <b>\$ 62,226</b> | <b>\$ 912,140</b> | <b>\$ 50,219</b> | <b>\$ 1,257,997</b> |  |  |

**Project Descriptions – Construction and Acquisition of Facilities**

**District of Columbia:**

Washington, American Red Cross Building Purchase..... \$160,000,000

GSA proposes \$160,000 thousand for the acquisition of the 12 story 808,500 gross-square-foot building and excludes acquisition of the building’s site as it is already government-owned. The

building will continue to house Department of State (State) functions currently in the building and provides the opportunity to consolidate other State functions that are currently housed in leased locations. The building is in good condition with well-maintained systems that are in good operating order with no major operating issues or concerns. The agreed-upon acquisition cost of \$315,500,000 will be split funded by GSA and State.

GSA has the opportunity to execute the purchase of a quality Class A property located in a highly desirable area, at a very competitive market price. The building is ideally located for State given its proximity to State headquarters and State's desire to locate in the area and consolidate its operations. GSA currently leases 1,843,038 square feet of space in the Foggy Bottom submarket, of which 824,000 square feet of space has been leased for the occupancy and use of the State Department. If the purchase is executed as proposed, the Federal government would eliminate \$12 million in annual private sector lease costs. Purchase at this juncture would allow for GSA and DOS to avoid lease re-competitions for subject space with expiration of the current lease term in June 2020.

The FY 2016 request is for Acquisition (\$160,000 thousand).

**Washington, DHS Consolidation at St. Elizabeths ..... \$379,665,000**

GSA proposes \$379,665 thousand for the ongoing development of the Department of Homeland Security (DHS) consolidated headquarters at St. Elizabeths Campus by continuing work on the perimeter security, completing the final construction of the access road and new interchange between Malcolm X Avenue and Interstate 295, rehabilitating buildings necessary to accommodate components of the DHS Secretary directorate plus Undersecretary of Management (USM) to be housed in the West Addition to the Center Building, Allison Quad, Home and Relief Buildings, and Administration Row (Building 69 plus Buildings 72 through 75), continuing design of future phases, and historic preservation activities.

GSA and DHS have worked collaboratively to update and revise the original DHS headquarters consolidation program at St. Elizabeths Campus. The updated program, referred to as the 'enhanced plan,' seeks a more efficient utilization of space at a lower cost. The West Campus is a 176-acre National Historic Landmark that included 70 existing buildings containing approximately 1.2 million GSF of existing space. Several existing buildings have been demolished to make way for the USCG headquarters; as of December, 2014 there were 61 buildings remaining that contain approximately 1 million GSF. Under the enhanced plan, DHS and GSA cut back on the overall scope of the program. DHS components will require less space through realized efficiencies and the FEMA's headquarters that was planned for the East Campus will be consolidated onto 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.

Committee approval and appropriations for Phase 1 of the project – construction of a new headquarters facility for the USCG called the Munro Building – have already been

obtained. Development Phase 2a includes construction of office space to consolidate DHS headquarters and the re-scoped DHS Operations Center (DOC), house various DHS leadership components, and provide amenity space. Phase 2b proposes the construction of a new headquarters facility for FEMA plus appropriate amenity space. Parking will also be included with these later phases. Phase 3 will accommodate portions of the remaining elements of DHS headquarters units such as CBP and ICE. The project will include the rehabilitation of existing space as well as construction of new space. This prospectus seeks approval for appropriations to finish mitigation measures for the access road and interchange between Malcolm X Avenue and I-295. The Firth Sterling portion of the road was completed in conjunction with completion of Phase 1. Also included will be continued work on perimeter security for the campus, rehabilitation of several existing buildings, historic preservation, and design and new construction.

The FY 2016 request is for Design (\$35,244 thousand), Mitigation (\$2,807 thousand), Construction (\$317,479 thousand) and M&I (\$24,135 thousand).

### **National Capital Region:**

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**Civilian Cyber Campus ..... \$227,294,000**

GSA requests \$227,294,000 for the acquisition of land, as appropriate, and the construction of Phase I of a multi-phase construction of a Federal civilian cybersecurity campus that will house Federal employees and contractors dedicated to the civilian cybersecurity mission. The proposed campus will be developed to be large enough to accommodate possible expansion, and co-location with private sector partners.

A resilient, efficient, Federally owned civilian cybersecurity campus solution will serve the expanding needs of the Federal government's global civilian cybersecurity efforts and is the most cost-effective means to support this long-term mission. The civilian cybersecurity mission has been defined in statutes, directives, orders, and policies including, but not limited to: Comprehensive National Cybersecurity Initiative of 2008, the NSPD-54 / HSPD-23 Cyber Security Policy of 2008, Executive Order 16363 of 2013 – Improving Critical Infrastructure Cybersecurity, and PPD-21 of 2013 – Critical Infrastructure Security and Resilience. The National Protection and Programs Directorate (NPPD) within DHS and the Federal Bureau of Investigation (FBI) within DOJ have been principally charged with leading this initiative. Other agencies involved with civilian cyber missions include the Office of Intelligence & Analysis (I&A) and the US Secret Service (USSS) within DHS.

Overall goals of the project are as follows: (1) create a centralized, visible, civilian-led organization that presents a globally fused cybersecurity capability; (2) ensure scalability to accommodate future needs; (3) promote secure collaboration while leveraging shared capabilities and infrastructure; (4) enhance public-private cooperation with increased

opportunities for collaboration; (5) optimize Federal resources (capital + human + physical); and (6) develop a working environment to support the recruitment, development, and retention of best-in-class cybersecurity professionals.

The FY 2016 request is for Site and Infrastructure Activities (\$49,368 thousand), Additional Design (\$3,515 thousand), Construction (\$167,157 thousand) and M&I (\$7,254 thousand).

**New Jersey:**

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**Somerset, Belle Mead Remediation.....\$66,079,000**

GSA proposes \$66,079,000 for a repair and alteration project for the remediation of soil and sediment on the 336-acre Northern Parcel of the former Belle Mead Army Depot (Depot). Contamination at the Depot consists of polycyclic aromatic hydrocarbons (PAHs), arsenic, lead, and other heavy metals released into the environment on the Northern Parcel (having no associated structures/buildings) and from this location to adjoining residential parcels not previously owned by the Federal government.

In November 1986, GSA transferred the Northern Parcel to a private entity. Since that time, multiple parties have owned the property, which is currently controlled by Hillsborough Properties, LLC.

While GSA no longer owns the property, it is still responsible for environmental remediation pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 U.S.C. §9601 et seq.). Additionally, GSA's cleanup obligations for remediation of the Depot are defined in an April 2000 Memorandum of Understanding (MOU) with the New Jersey Department of Environmental Protection (NJDEP).

The FY 2016 request is for Construction (\$62,174 thousand) and M&I (\$3,905 thousand).

**New Mexico:**

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**Columbus, U.S. Land Port of Entry.....\$85,645,000**

GSA proposes \$85,645 thousand for the construction of new replacement land port of entry (LPOE) facilities in Columbus, NM. The project will expand the facilities to safely and efficiently accommodate steady increases in car, truck and pedestrian traffic as well as incorporate extensive site improvements to address significant storm water drainage issues at the port.

The Columbus LPOE was built in 1989 to screen visitors entering the United States. Existing building workspace and inspection facilities do not meet the tenant agency's operational need. The tenant has identified a current requirement of 69,243 gross square feet (GSF) of building space; however, the existing facility provides 21,370 GSF. The project will consist of expanding existing facilities to handle future traffic volumes predicted for this port and site improvements to control storm water flow.

The project includes construction of a new main building, commercial and non-commercial primary and secondary inspection facilities, pedestrian processing, an outbound canopy, export facilities, non-intrusive inspection systems, hazardous materials containment area, a new earthen berm and drainage basin, and enlargement of an existing culvert. The project also includes outside vehicle parking and a kennel. Additionally, requirements of the Federal Motor Carrier Safety Administration are addressed in the project with relocation of an existing canopy structure and building and new paving.

The FY 2016 request is for Construction (\$79,600 thousand) and M&I (\$6,045 thousand).

**New York:**

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**Alexandria Bay, U.S. Land Port of Entry .....\$105,570,000**

GSA proposes \$105,570 thousand for the approval of construction of facilities to replace the existing land port of entry (LPOE) in Alexandria Bay, NY, and funding in support of Phase I 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 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 changes.

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, providing safe and secure vehicle parking, and a safe well-defined truck queuing and maneuvering area.

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 non-intrusive inspection buildings, and employee and visitor parking areas.

The FY 2016 request is for Design (\$3,500 thousand), Construction (\$93,216 thousand) and M&I (\$8,854 thousand).

**North Dakota:**

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**Pembina.....\$5,357,000**

GSA proposes \$5,357 thousand for the acquisition of approximately eight acres of land, along with the design and construction of a new 6,685 gross square foot facility for the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) at the Pembina, ND, U.S. Land Port of Entry (LPOE). Construction of this facility provides a permanent solution for APHIS at a secure location directly on the port, remedies a potential life safety concern with the current location of the temporary modular trailer, improves traffic configuration, places all APHIS operations on the U.S. side of the U.S./Canada border and eliminates rental payments to the private sector of approximately \$317,000 annually.

The proposed permanent housing solution for APHIS at the Pembina LPOE will be constructed to include both on-load and off-load animal inspection facilities with an administrative support wing at one location. The new building will contain two main components: 1) an enclosed off-load animal inspection area with runways, pens, chutes, and loading ramps. 2) an administrative office area with a counter, waiting room, water fountain, and a unisex restroom for customers. The building will include infrastructure for modern mechanical, plumbing and electrical systems. It will adapt design elements that will conform to the rest of the existing port.

The project includes land acquisition and wetland construction. GSA will acquire up to eight acres of vacant land in the Pembina area and convert the land to designated wetlands per National Environmental Policy Act (NEPA) guidelines.

The FY 2016 request is for Design (\$284 thousand), Construction (\$4,297 thousand), Wetland Mitigation (\$540 thousand) and M&I (\$231 thousand).

**Pennsylvania:**

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**Boyers, Federal Office Building.....\$35,000,000**

GSA proposes \$35,000 thousand for the site acquisition, design and related services for the construction of a new Federally owned facility of approximately 695,000 GSF that will provide a long-term housing solution for the Office of Personnel Management (OPM) and other Federal tenants in the vicinity of Boyers, PA. The agencies are all currently located in leased space, of which one facility totals approximately 580,000 RSF of specialized space and is located in an underground mine. The project will allow the government to consolidate multiple leases into an owned solution and eliminate annual lease payments to the private sector by approximately \$11,000,000.

The proposed new construction will provide approximately 525,000 usable square feet (USF) of office and related space and 2,500 parking spaces in the vicinity of Boyers, PA, including portions of Butler, Lawrence, and Beaver Counties. The facility will include National Archives and Records Administration (NARA) compliant records storage in environmentally-conditioned, fire-protected space in a secured facility.

The project will consolidate the vast majority of all Federal leases in the area into a single Federally owned location. Consolidation will allow for economies of scale and will provide opportunities for maximizing space efficiency, operational flexibility, and sharing special support spaces and building amenities. This requirement could be met in either a single building or multiple buildings in a campus setting.

The FY 2016 request is for Site Acquisition (\$12,000 thousand) and Design/Related Services (\$23,000 thousand).

**Tennessee:**

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**Nashville, U.S. Courthouse .....\$181,500,000**

GSA proposes \$181,500 thousand for minimal additional site-related work and design and construction of a new U.S. Courthouse of approximately 386,000 GSF, including underground parking spaces in Nashville, Tennessee. GSA will construct the courthouse to meet the 10-year space needs of the court and court-related agencies. The site, which completed assemblage in 2012 with a prior appropriation, would accommodate the 30-year needs of the court. Currently, construction of the Nashville courthouse project is ranked as the top priority on the Judicial Conference of the United States' Five-Year Courthouse Project Plan for FYs 2016-2020, issued in September 2014.

The project will allow for relocation of the courts and court-related agencies from the existing court facilities located in the Estes Kefauver Federal Building (FB) and Annex. The new courthouse will provide seven courtrooms and 11 chambers to accommodate 11 judges (four active district, three senior, one visiting, and three magistrate), the U.S. Marshals Service, the



Office of the U.S. Attorney, and a U.S. Senate office. The proposed project reflects senior district and magistrate judge sharing policies and does not include courtrooms for projected new judgeships. When complete, the new courthouse will provide for the 10-year space requirements and the structure and site will allow for expansion to meet the 30-year needs of the U.S. District Court in Nashville, TN.

The FY 2016 request is for Additional Site (\$2,477 thousand), Additional Design (\$815 thousand), Construction (\$168,582 thousand) and M&I (\$9,626 thousand).

**Texas:**

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**Austin, IRS Annex Building Purchase.....\$11,887,000**

GSA proposes \$11,887 thousand for the acquisition of the Internal Revenue Service (IRS) Annex Building located at 2021 Woodward Street in Austin, TX. The leased facility provides 144,101 RSF of space and 179 parking spaces and is currently occupied entirely by the IRS. In addition to acquiring the building, GSA proposes to modernize the HVAC, electrical, and fire and life safety 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 \$1,163,000 annually.

The project proposes acquisition of the building currently leased by GSA for the IRS. The facility provides office, warehouse and light industrial storage space for IRS adjacent to the main IRS Service Center Building in Austin, TX. In addition, the warehouse is located in close proximity to four other IRS leases located in southeast Austin. The project also proposes alterations to include upgrade of some demising walls, repairs to the dry sprinkler system, lead paint abatement, mechanical upgrades to HVAC and replacement of main switch board and roof work.

The FY 2016 request is for Building and Site Acquisition (\$9,027 thousand), Design (\$330 thousand), Construction (\$2,223 thousand) and M&I (\$307 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**  
(Dollars in Thousands)

| REPAIRS AND ALTERATIONS<br>SUMMARY OF FY 2016 PROGRAM<br>(Dollars in Thousands) |                              |              |              |            |                 |              |           |              |           |              |
|---|------------------------------|--------------|--------------|------------|-----------------|--------------|-----------|--------------|-----------|--------------|
| FUNDED<br>TOTALS  | ESTIMATED TOTAL PROJECT COST |              |              |            | FY 2016 REPAIRS |              |           |              | TOTAL     |              |
|   | DESIGN                       | CONSTRUCTION | M&I          | TOTAL      | DESIGN          | CONSTRUCTION | M&I       | TOTAL        |           |              |
|   | \$ -                         | \$ -         | \$ -         | \$ -       | \$ -            | \$ -         | \$ -      | \$ -         | \$ -      | \$ 314,371   |
| <b>Nonprospective (Basic) Repairs and Alterations Program</b>                   |                              |              |              |            |                 |              |           |              |           |              |
| <b>Major Repairs and Alterations</b>  |                              |              |              |            |                 |              |           |              |           |              |
| New York, NY, Jacob K. Javits Federal Building                                  | \$ -                         | \$ 7,660     | \$ 89,211    | \$ 7,133   | \$ -            | \$ 89,211    | \$ 7,133  | \$ -         | \$ -      | \$ 96,344    |
| San Diego, CA, Edward J. Schwartz Federal Building and U.S. Courthouse          | \$ 19,729                    | \$ 7,792     | \$ 65,643    | \$ 6,839   | \$ -            | \$ 65,643    | \$ 6,839  | \$ -         | \$ -      | \$ 80,574    |
| San Francisco, CA, Philip Burton Federal Building and U.S. Courthouse           | \$ -                         | \$ 2,630     | \$ 22,300    | \$ 2,340   | \$ 2,630        | \$ 22,300    | \$ 2,340  | \$ -         | \$ -      | \$ 27,270    |
| St. Louis, MO, Federal Office Building  | \$ -                         | \$ 3,101     | \$ 38,079    | \$ 2,857   | \$ 3,101        | \$ 38,079    | \$ 2,857  | \$ -         | \$ -      | \$ 43,847    |
| St. Louis, MO, Goodfellow Federal Complex                                       | \$ -                         | \$ -         | \$ 119,550   | \$ 10,541  | \$ -            | \$ 119,550   | \$ 10,541 | \$ -         | \$ -      | \$ 130,091   |
| Detroit, MI, Theodore Levin U.S. Courthouse                                     | \$ 71,489                    | \$ 10,200    | \$ 119,550   | \$ 10,541  | \$ -            | \$ 119,550   | \$ 10,541 | \$ -         | \$ -      | \$ 192,280   |
| Hartford, CT, Abraham Alexander Ribicoff Annex                                  | \$ -                         | \$ 765       | \$ 8,450     | \$ 755     | \$ 765          | \$ 8,450     | \$ 755    | \$ -         | \$ -      | \$ 9,970     |
| Cincinnati, OH, Porter Stewart U.S. Courthouse                                  | \$ -                         | \$ 2,735     | \$ 6,723     | \$ 643     | \$ 2,735        | \$ 6,723     | \$ 643    | \$ -         | \$ -      | \$ 10,101    |
| Cincinnati, OH, Porter Stewart U.S. Courthouse                                  | \$ -                         | \$ -         | \$ 1,476     | \$ 1,476   | \$ -            | \$ 1,476     | \$ 1,476  | \$ -         | \$ -      | \$ 2,952     |
| Seattle, WA, Federal Office Building  | \$ -                         | \$ 1,690     | \$ 17,515    | \$ 1,644   | \$ 1,690        | \$ 17,515    | \$ 1,644  | \$ -         | \$ -      | \$ 20,850    |
| Blaine, WA, Pacific Highway Land Port of Entry                                  | \$ -                         | \$ 1,030     | \$ 9,596     | \$ 944     | \$ 11,930       | \$ 10,300    | \$ 956    | \$ 944       | \$ -      | \$ 11,930    |
| New York, NY, Alexander Hamilton U.S. Customhouse                               | \$ -                         | \$ 5,204     | \$ 38,079    | \$ 3,215   | \$ 46,498       | \$ 5,204     | \$ 3,215  | \$ -         | \$ -      | \$ 54,917    |
| New York, NY, Federal Office Building 35  | \$ -                         | \$ 963       | \$ 3,882     | \$ 1,261   | \$ -            | \$ 963       | \$ 1,261  | \$ -         | \$ -      | \$ 5,906     |
| New York, NY, Federal Office Building 35  | \$ -                         | \$ -         | \$ 3,882     | \$ 1,261   | \$ -            | \$ 3,882     | \$ 1,261  | \$ -         | \$ -      | \$ 5,143     |
| Philadelphia, PA, William J. Green Jr. Federal Building                         | \$ 6,500                     | \$ 7,700     | \$ 78,700    | \$ 7,700   | \$ 94,100       | \$ 1,200     | \$ 3,850  | \$ 94,100    | \$ -      | \$ 113,000   |
| Washington, DC, Herbert J. Hoover Federal Building                              | \$ 336,884                   | \$ 28,410    | \$ 681,671   | \$ 45,833  | \$ 755,914      | \$ -         | \$ -      | \$ 141,900   | \$ 9,000  | \$ 150,000   |
| Portland, OR, 911 Federal Building  | \$ -                         | \$ 693       | \$ 6,093     | \$ 673     | \$ 7,439        | \$ 683       | \$ 673    | \$ -         | \$ -      | \$ 7,439     |
| Portland, OR, 911 Federal Building  | \$ -                         | \$ -         | \$ 6,093     | \$ 673     | \$ -            | \$ 6,093     | \$ 673    | \$ -         | \$ -      | \$ 6,766     |
| Portland, OR, 911 Federal Building  | \$ -                         | \$ -         | \$ 6,093     | \$ 673     | \$ -            | \$ 6,093     | \$ 673    | \$ -         | \$ -      | \$ 6,766     |
| <b>Subtotal, Major Repairs &amp; Alterations</b>                                | \$ 434,592                   | \$ 82,410    | \$ 1,231,031 | \$ 96,457  | \$ 1,409,838    | \$ 27,643    | \$ 49,584 | \$ 576,659   | \$ 49,584 | \$ 656,886   |
| <b>Repair and Alteration - Design Program</b>                                   |                              |              |              |            |                 |              |           |              |           |              |
| Washington, DC, Robert C. Weaver Federal Building                               | \$ -                         | \$ 15,900    | \$ 190,000   | \$ 6,200   | \$ 212,000      | \$ 15,900    | \$ -      | \$ -         | \$ -      | \$ 15,900    |
| Subtotal, R&A Design Program  | \$ -                         | \$ 15,900    | \$ 190,000   | \$ 6,200   | \$ 212,000      | \$ 15,900    | \$ -      | \$ -         | \$ -      | \$ 15,900    |
| <b>Special Emphasis Programs</b>  |                              |              |              |            |                 |              |           |              |           |              |
| Energy and Water Retrofit and Conservation Measures Program                     | \$ -                         | \$ -         | \$ 20,000    | \$ -       | \$ 20,000       | \$ -         | \$ -      | \$ -         | \$ -      | \$ 20,000    |
| Judicial Capital Security Program   | \$ -                         | \$ -         | \$ 20,000    | \$ -       | \$ 20,000       | \$ -         | \$ -      | \$ -         | \$ -      | \$ 20,000    |
| Consolidation Activities Program  | \$ -                         | \$ -         | \$ 200,000   | \$ -       | \$ 200,000      | \$ -         | \$ -      | \$ -         | \$ -      | \$ 200,000   |
| Consolidation Activities Program  | \$ -                         | \$ -         | \$ 200,000   | \$ -       | \$ 200,000      | \$ -         | \$ -      | \$ -         | \$ -      | \$ 200,000   |
| <b>Subtotal, Special Emphasis Programs</b>                                      | \$ -                         | \$ -         | \$ 420,000   | \$ -       | \$ 420,000      | \$ -         | \$ -      | \$ -         | \$ -      | \$ 420,000   |
| <b>Total FY 2016 Repairs and Alterations Program</b>                            | \$ 434,592                   | \$ 98,210    | \$ 1,995,402 | \$ 102,657 | \$ 2,196,269    | \$ 45,443    | \$ 49,584 | \$ 1,154,040 | \$ 49,584 | \$ 1,247,067 |

## Project Descriptions – Repair and Alterations

### California:

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#### **Los Angeles, Sixth Street Federal Building ..... \$12,283,000**

GSA proposes \$12,283 thousand for the repair and alteration of the Federal Building, located in downtown, Los Angeles, California on Sixth Street. The project will upgrade outdated building systems in the 59-year-old facility and renovate and reconfigure the interior layout for operations efficiency and workplace optimization.

The project will upgrade outdated building systems and realign the tenant agency work space. The work includes heating, ventilation, and air conditioning (HVAC) system replacements and upgrades, fire protection replacement, plumbing upgrades, interior seismic work, electrical distribution upgrades, elevator upgrades, and exterior construction. In addition, abandoned mechanical areas will be converted to rentable square footage, and the tenant agency will be realigned as required for efficient operations and workplace optimization.

The FY 2016 request is for Design (\$982 thousand), Construction (\$10,335 thousand) and M&I (\$966 thousand).

#### **San Diego, Edward J. Schwartz Federal Building and U.S. Courthouse..... \$60,845,000**

GSA proposes \$60,845 thousand for the reconfiguration and alteration of space in the Edward J. Schwartz Federal Building and Courthouse (FB-CT) to backfill vacancy resulting from the opening of the San Diego Courthouse in FY 2013. In addition to recapturing vacant space, the project allows Federal tenants to reduce their overall footprint by consolidating their operations in Federal space, relocate childcare operations currently housed in leased space, and correct significant life safety and security deficiencies in the facility. Approximately 94,000 RSF will be reconfigured, allowing the government to release costly leased space reducing the government's rental payment to the private sector by approximately \$2,723,000 annually.

Approximately 67,000 RSF of vacant space will be built out for backfill occupancy by the Executive Office for Immigration Review (EOIR), the U.S. Coast Guard, Probation, Grand Jury, and the U.S. Environmental Protection Agency (EPA). Two public restrooms will be remodeled for compliance with the Architectural Barriers Act Accessibility Standard (ABAAS). Security upgrades, including hardening on several facades and the installation of bollards and an anti-ram barrier at the entrance to the garage will be undertaken. Building system upgrades including new automatic transfer switches, a new electric fire pump, new domestic water shut-off valves, a new emergency generator and new quick response fire sprinkler heads will be installed. Precast concrete panels on the south elevation of the building's office wing will be cleaned and sealed. Approximately 13,000 RSF of space will also be built out for a childcare center currently housed in leased space. In addition, approximately 5,000 RSF of vacant storage will be returned to parking for government vehicles in the upper basement and 10,000 RSF of basement space will be prepared for tenant occupancy.

The FY 2016 request is for Additional Design (\$5,795 thousand), Additional Construction (\$49,800 thousand) and Additional M&I (\$5,250 thousand).

**San Francisco, Phillip Burton Federal Building and U.S. Courthouse..... \$27,270,000**

GSA proposes \$27,270 thousand for a repair and alteration project to reconfigure existing vacant space and upgrade impacted building systems at the Phillip Burton Federal Building and U.S. Courthouse (Phillip Burton FB-CT). The project includes the buildout for backfill of approximately 140,000 RSF for occupancy by the Department of Defense - Army Corps of Engineers, U.S. Department of Education and U.S. Government Accountability Office. These agencies will relocate from leased space to the Phillip Burton FB-CT resulting in a reduction of approximately \$8.1 million in annual lease payments to the private sector.

The proposed project will reconfigure and realign approximately 140,000 RSF to accommodate the relocation of the Department of Defense – U.S. Army Corps of Engineers, U.S. Department of Education and U.S. Government Accountability Office, currently housed in leased space. The reconfiguration of space requires demolition and interior construction and associated plumbing, fire protection, electrical, lighting and HVAC upgrades.

The FY 2016 request is for Design (\$2,630 thousand), Construction (\$22,300 thousand) and M&I (\$2,340 thousand).

**Colorado:**

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**Lakewood, Denver Federal Center Building 56..... \$6,142,000**

GSA proposes \$6,142 thousand for a repair and alteration project to upgrade building systems and undertake exterior repairs at the Denver Federal Center (DFC) Building 56, at West 6<sup>th</sup> Avenue & Kipling Street in Lakewood, CO.

The proposed project involves numerous upgrades to the building exterior, including replacement of the roof, repairs to the exterior walls, limited reinstallation of exterior brick, and replacement of the exterior roll-up door. Interior system upgrades include the replacement of the heating, ventilation, and air conditioning (HVAC) system's aged air handler unit dampers and pneumatic controls and the installation of a new building-wide fire alarm system. The project also will abate hazardous materials encountered during construction.

The FY 2016 request is for Design (\$613 thousand), Construction (\$5,022 thousand) and M&I (\$507 thousand).

**Connecticut:**

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**Hartford, Abraham A. Ribicoff Federal Building and U.S. Courthouse Annex .....\$9,970,000**

GSA proposes \$9,970 thousand for a repair and alteration project to replace and upgrade multiple exterior building systems of the Annex portion of the Abraham A. Ribicoff Federal Building and U.S. Courthouse in Hartford, CT. The proposed project to the Annex includes replacement of the existing granite panelized wall system and glazing, atrium surfaces and glazing, and replacement of the roof, and is being undertaken to protect building occupants and prevent further deterioration of the building and interior caused by leaks and water damage.

In 2011, GSA undertook interior finish work in response to visible moisture on the interior surfaces. The source of the moisture included the roof as well as the exterior façade panels. Panels for the existing granite panelized wall system are compromised and are no longer manufactured. While minor interim repairs have been undertaken, the system needs to be replaced in order to avoid further deterioration and need for refinishing of building interiors. If not completed, water infiltration would compromise the recently completed interior finish work and would add additional work to building interiors. Replacement of the curtain wall will affect roof assembly and atrium, making replacement of the roof necessary.

The FY 2016 request is for Design (\$765 thousand), Construction (\$8,450 thousand) and M&I (\$755 thousand).

**District of Columbia:**

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**Washington, Herbert C. Hoover Federal Building.....\$150,900,000**

GSA proposes \$150,900 thousand to continue the building modernization of the Herbert C. Hoover Building (HCHB), the headquarters for the Department of Commerce (DOC). HCHB, a National Historic Landmark, located at 1401 Constitution Avenue, NW, Washington, DC consists of approximately 1.9 million USF of space for the DOC. The building is being modernized in eight phases, with the first dedicated to the design of the entire modernization and the construction being addressed in equal segments throughout the remaining seven phases. This request for appropriations for Phase V allows for the modernization of approximately 1/7<sup>th</sup> of the building. In addition to maintaining this Historic Landmark, the modernization will include interior renovations to improve the building's inefficient and outdated workplace layout. When the interior reconfiguration is complete, the building will be able to accommodate additional employees from several leased and one owned location, saving the taxpayer approximately \$4 million annually in leased costs.

The HCHB is an important asset in GSA's inventory due to its value, prominent location and National Historic Landmark status. Aside from an HVAC upgrade in the 1960s and roofing and elevator renovations in the 1990s, the ongoing project is the first major renovation in the building's history.

The HVAC, electrical, and plumbing systems have deficiencies that affect tenant comfort, building operations, energy efficiency, and maintenance costs, requiring frequent temporary repairs and replacement. The current HVAC system is plagued with poor distribution, ductwork problems, insufficient inflow of fresh air, inadequate zoning, and obsolete or non-existent temperature controls. The electrical service, distribution, and branch wiring systems have exceeded their life expectancy. Much of the plumbing can no longer be maintained and needs to be replaced. The building currently has over 120 restrooms, many of which do not meet accessibility regulations.

Existing sprinkler and fire alarm systems cover only a small percentage of the occupied space. These existing systems cannot be expanded and do not meet updated code requirements.

Replacement of flat roofs and their drainage systems will address leaking problems. Refurbishment of existing windows and the additional installation of thermal blast windows will enhance energy conservation, reduce outside air seepage, and improve security of the building.

GSA is projecting cost increases for Phases V-VIII since the FY 2014 submission. These increases are the result of unforeseen conditions encountered in Phases II and III, lessons learned as construction has progressed, funding to bring the child care facility up to current code, and the inclusion of \$30 million to promote consolidation activities within the building consistent with agency efforts to reduce unneeded office space and increase building utilization. In addition, the consolidation efforts will reduce the need for several costly leases, saving the taxpayer approximately \$4 million annually.

The FY 2016 request is for Construction (\$141,900 thousand) and M&I (\$9,000 thousand).

**Michigan:**

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**Detroit, Theodore Levin U.S. Courthouse ..... \$68,792,000**

GSA proposes \$68,792 thousand for Phase III of a multi-phase alteration project to correct significant building deficiencies of the historic Theodore Levin U.S. Courthouse (Levin Courthouse) located at 231 West Lafayette Boulevard in Detroit, MI. The Levin Courthouse houses the Federal Courts for the Eastern District of Michigan. The multi-phase project will correct deficiencies to ensure the long-term occupancy of Federal agencies by providing a safe and reliable work environment. The proposed scope for this phase includes replacement or repair of major heating and air conditioning system components including air handling units and fiberboard ductwork and upgrades to the building automation system and plumbing.

The FY 2016 request is for Construction (\$62,752 thousand) and M&I (\$6,040 thousand)

**Missouri:**

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**St. Louis, Goodfellow Federal Complex ..... \$43,847,000**

GSA proposes a \$43,847 thousand repair and alteration project to undertake critical life safety infrastructure renovations and to replace and upgrade the remainder of the deteriorating sewer system infrastructure at the Goodfellow Federal Complex (Goodfellow) located at 4300 Goodfellow Boulevard, St. Louis, MO.

The proposed project will address the fire and life safety and occupational safety and health deficiencies within the electrical vaults system and substations, and complete the replacement of the sewer system project begun under the American Recovery and Reinvestment Act (ARRA).

Proposed repairs to the electrical vault system include waterproofing the exterior concrete tunnels; removing of all debris and abandoned utilities; cleaning and sealing the tunnel interior; mold remediation; replacing electrical lighting and components; replacing sump pumps and fans; reconnection to Building Automation System; repairing leaking piping and re-insulation; replacing mechanical ventilation system equipment; and installing new access gates, including emergency notification hardware.

The building structure repairs for Building 103 will focus on dehumidification of the crawl space and repairing deteriorated column connections. The building structure repairs will also address electrical issues with lighting and panels, and removal of abandoned pipes, supports and wiring. The sewer system portion of the project includes completion of the replacement and separation of the existing sanitary and storm sewers, attaching new storm sewers to an existing storm water detention area, and landscape and hardscape restoration. The new system will incorporate sustainable practices to reduce storm water runoff and enhance the landscape with native landscaping.

The FY 2016 request is for Design (\$3,101 thousand), Construction (\$38,079 thousand) and M&I (\$2,667 thousand).

**New York:**

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**New York, Alexander Hamilton U.S. Custom House..... \$46,498,000**

GSA proposes \$46,498 thousand for a repair and alteration project for Phase I of a two-phase repair and alteration project to correct building deficiencies at the Alexander Hamilton U.S. Custom House, a National Historic Landmark located at 1 Bowling Green, New York City, 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. The proposed two-phase project will ensure the long-term occupancy of Federal agencies by providing a safe and reliable work environment.



The FY 2016 request is for Design (\$5,204 thousand), Construction (\$38,079 thousand) and M&I (\$3,214 thousand).

**New York, Jacob K. Javits Federal Office Building ..... \$96,344,000**

GSA proposes \$96,344 thousand for a repair and alteration project for the reconfiguration and alteration of vacant space at the Jacob K. Javits Federal Office Building (FOB) located in New York City, NY, to consolidate functions and meet the long-term needs of the Federal Bureau of Investigation (FBI), U.S. Department of Health and Human Services (HHS), and the U.S. Army Corp of Engineers (USACE). The proposed consolidation will reduce the overall Federal footprint in downtown Manhattan, recapture approximately 312,000 RSF and 235,000 USF of vacant space, upgrade multiple building systems, remove hazardous materials, and eliminate annual lease payments to the private sector by approximately \$13,000 thousand annually.

The FY 2016 request is for Construction (\$89,211 thousand) and M&I (\$7,133 thousand).

**New York, James L. Watson U.S. Court of International Trade ..... \$5,536,000**

GSA proposes \$5,536 thousand for a repair and alteration project to upgrade the façade of the U.S. Court of International Trade (USCIT) at the James L. Watson Court of International Trade (CIT) building located in the 26 Federal Plaza Complex in New York, NY. The proposed façade upgrades will bring the building into compliance with the Interagency Security Committee's (ISC) Security Criteria.

The proximity of the Watson CIT to other high-profile Federal buildings and courthouses elevates the building's security risk. The proposed work will provide the "medium level of protection" as defined by the ISC's criteria, providing a safer work environment for USCIT.

The FY 2016 request is for Design (\$569 thousand), Construction (\$3,682 thousand) and M&I (\$1,285 thousand).

**Ohio:**

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**Cincinnati, Potter Stewart U.S. Courthouse ..... \$8,101,000**

GSA proposes \$8,101 thousand for a repair and alteration project to modernize the elevator systems at the Potter Stewart U.S. Courthouse, located at 100 E. 5<sup>th</sup> Street, Cincinnati, OH. The proposed project will upgrade eight passenger elevators and one freight elevator to ensure their long-term reliability.

The elevator system has exceeded its useful life and is difficult to maintain. Some 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. Replacement parts are becoming difficult to procure which has caused elevator outages and sometimes have to be manufactured because they are no longer stocked.

The FY 2016 request is for Design (\$735 thousand), Construction (\$6,723 thousand) and M&I (\$643 thousand).

**Oregon:**

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**Portland, 911 Federal Building.....\$7,439,000**

GSA proposes \$7,439 thousand for a repair and alteration project to upgrade the electrical system in the 911 Federal Building located at 911 NE 11th Avenue, Portland, OR. The majority of the electrical equipment is original to the 1953 construction and has reached 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.

The FY 2016 request is for Design (\$683 thousand), Construction (\$6,083 thousand) and M&I (\$673 thousand).

**Pennsylvania:**

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**Philadelphia, William J. Green Jr. Federal Building .....\$45,000,000**

GSA proposes \$45,000 thousand for Phase I of a two phase repair and alteration project for the approximately 841,000 gross square foot (GSF) William J. Green, Jr., Federal Building (Green Building), located at 600 Arch Street in Philadelphia, PA. The project involves the realignment and reconfiguration of tenant space, and multiple building system upgrades/replacements.

This project will improve the building's overall utilization through the realignment and implementation of various economical workplace solutions and result in the effective long term housing solution for the Federal Bureau of Investigation (FBI) Field Office, Drug Enforcement Agency (DEA) Field Division Office and Internal Revenue Service (IRS) Philadelphia Office. By maximizing space in the Green Building, tenant agencies will relocate from leased space resulting in a reduction of approximately \$3.5 million in annual lease payments to the private sector.

The primary driver for the proposed renovation is to improve the overall utilization of the Green Building house additional employees and merge operations, which include consolidating multiple leases into Green. Through innovative approaches to space management and alternative workplace arrangements, including the realignment of agencies onto contiguous floors and sharing resources such as conference rooms and other specialized space, the overall utilization rate for the building is expected to improve by approximately 20%. The project also includes upgrades/replacement of multiple building systems.

The first phase of the project will focus on the lower half of the building. This phase will allow the tenants occupying these floors to consolidate, and reduce their footprint resulting in the creation of vacant space that will serve as internal swing space for Phase II. Work under this

phase to the mechanical, electrical, plumbing, and fire life safety systems will affect both tenant and building wide components. HVAC work includes replacing mixing boxes and the chiller plant, refurbishing the cooling tower, and replacing/reconfiguring duct work and fan coil units within tenant space. Electrical upgrades/replacements will be made both within tenant suites and in common corridors and joint use spaces, while new domestic water risers will be installed to address plumbing. Sprinklers will be relocated, upgraded and replaced where necessary. Additionally, this phase will also upgrade some of the building's joint use space such as reducing the size of the cafeteria and increasing the number and size of conference space available to the tenants. The security visitor screening station in the building lobby will be upgraded and reconfigured to address challenges with the current layout, reduce wait times and provide sufficient space for the public.

Phase II will focus on the upper half of the building. Under Phase II, space for the occupying agencies will be realigned, reconfigured, and will allow for contiguous operations. HVAC, electrical, and fire protection upgrades/replacements will also be made to both the tenant and common spaces on these floors. Additionally, this phase includes upgrades/replacements to the elevator components, the cleaning of the curtain wall and repairs to the plaza drainage system. Exhaust fans will be installed in the underground parking garage to properly ventilate the area and comply with local code.

The FY 2016 request is for Additional Design (\$1,200 thousand), Construction (\$39,950 thousand) and M&I (\$3,850 thousand).

**Utah:**

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**Salt Lake City, Wallace F. Bennett Federal Building .....\$7,758,000**

GSA proposes \$7,758 thousand for a repair and alteration project to undertake multiple system upgrades and to reconfigure and renovate existing space at the Wallace F. Bennett Federal Building (Bennett FB) at 125 S. State St, Salt Lake City, UT. The proposed project will upgrade the elevators, restrooms and sprinklers, and reconfigure existing space to create a more efficient layout that both reduces agency footprint and allows for the recapture of and backfill of approximately 56,000 (RSF of vacant space within the building. The vacant space will be occupied by the Farm Service Agency (FSA), currently housed in leased space. Relocation of FSA to Bennett FB will allow the government to release costly leased space, reducing the government's rental payment to the private sector by approximately \$1,300 thousand annually.

The FY 2016 request is for Design (\$620 thousand), Construction (\$6,538 thousand) and M&I (\$600 thousand).

**Washington:**

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**Blaine, U.S. Land Port of Entry Pacific Highway .....\$11,930,000**

GSA proposes \$11,930 thousand for a repair and alteration project to address several exterior deficiencies and improve energy performance. The exterior envelope will be upgraded to stop

water intrusion and involves deconstruction and reconstruction of exterior walls, installation of waterproofing materials, repair and replacement of the roof, repair and replacement of window seals, and improved thermal protection.

The existing exterior envelope allows water to infiltrate into the LPOE and is causing interior finish deterioration and mold growth. In addition to the lack of moisture barrier protection from original construction, 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 building's poor thermal performance and occupant discomfort at the building's perimeter.

The FY 2016 request is for Design (\$1,030 thousand), Construction (\$9,956 thousand) and M&I (\$944 thousand)

**Seattle, Federal Office Building ..... \$20,850,000**

GSA proposes \$20,850 thousand for a repair and alteration project to restore the deteriorated exterior facade to stop material degradation and water intrusion into the building. The project will clean the exterior masonry of all biological growth and inspect, repair, and repoint the mortar joints, granite, brick, and terra cotta to provide protection from water penetration and prevent dislodging debris from falling onto the sidewalk below. The project will also replace roofs on the wing and dome shoulder and restore steel windows by stripping exterior paint, removing all corrosion, replacing broken glass, and installing new glazing putty, and restore the corroded flag pole base. The proposed restoration project is required to restore the deteriorated exterior facade and to stop material degradation and water intrusion into the building, to protect the tenants and 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. 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 2016 request is for Design (\$1,690 thousand), Construction (\$17,515 thousand) and M&I (\$1,645 thousand).

**Wisconsin:**

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**Milwaukee, Federal Building and U.S. Courthouse ..... \$27,391,000**

GSA proposes \$27,391 thousand for a repair and alteration project to repair and restore the building's façade. The façade repairs include the stone cornices and gutters at the turrets on the North building and damaged granite corners on South building. The project also includes treatment and preservation of the exterior stone and brick masonry, as well as tuckpointing and sealant corrections.

Starting in 2010, pieces of the spalled granite façade and stone fell from the exterior of the North and South buildings to the ground creating hazardous conditions for building tenants and the public. As a temporary measure to prevent similar occurrences until the façade is restored, structural netting was installed on all six turrets on the North building and on the four corners of the South building in 2011.

All the stone cornices on the North building show significant levels of spalling and cracking. Aged steel anchor bolts set in the top face of the cornice stone have corroded. The gutter's drip edge offers minimal overlap with the stone cornice below and is allowing water to infiltrate behind the face of the stone.

The corners on the South building show a remarkable amount of displacement and cracking. Repairs were undertaken in the 1990s, however the repairs did not address the root causes of the displacement nor reset the displaced stones; consequentially, the repairs have failed and the stones have continued to move, re-opening the cracks and mortar joints.

**Major Repair and Alteration Design Program**

**District of Columbia:**

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**Washington, Robert C. Weaver Federal Building ..... \$15,800,000**

GSA proposes \$15,800 thousand for the design of a repair and alteration project to renovate 645,000 USF of interior space and related system upgrades to replicate HUD's Open Space Layout Plan (OSLP), including the removal of interior floor space partitions and the build-out of new open plan office space to provide for HUD's reconfiguration and lease consolidations and the preparation of space that could accommodate approximately 1600 additional personnel from other Federal agencies. Upon completion, the buildings occupancy would be increased by approximately 2,800 personnel to 5,400 personnel, thereby decreasing the overall utilization rate (UR) of the building from 292 to 150 (USF) per person, and reducing the office UR from 189 to 98 USF per person.

The project will provide modern, highly functional and efficient, energy-conserving office space that will allow for increased workforce density, natural daylighting, and enhanced productivity through improved personnel collaboration and communications.

The FY 2016 request is for Design (\$15,800 thousand).

**Special Emphasis Programs:**

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**Consolidation Activities Program.....\$200,000,000**

The General Services Administration (GSA) proposes the reconfiguration and renovation of space within government-owned and leased buildings during FY 2016 to support the GSA's ongoing consolidation efforts to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the government's environmental footprint.

As part of its ongoing effort to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the government's environmental footprint, GSA is identifying consolidation opportunities within its inventory of real property assets. These opportunities are presented through surveys and studies, partnering with client agencies, and through agency initiatives such as Client Portfolio Planning (CPP). Projects will vary in size by location and agency mission and operations; however, no single project will exceed \$20 million in total Federal (GSA and tenant agency) costs. Funds will support consolidation of tenant agencies and are not available for GSA internal consolidations. All projects will aim for a typical Office Utilization Rate of 130 USF per person or less and an Estimated Economic Payback of 7 years or less.

Typical projects include the following:

- Reconfiguration and alteration of existing Federal space to accommodate incoming agency relocation/consolidation. (Note: May include reconfigurations of existing occupied Federal tenant space).
- Incidental alterations and system upgrades such as fire sprinklers or Heating, Ventilation, and Air Conditioning systems (HVAC), needed as part of relocation and consolidation.

**Energy and Water Retrofit and Conservation Measures Program .....\$20,000,000**

GSA proposes \$20,000 thousand for the implementation of energy and water retrofit and conservation measures, as well as high performance energy projects, in government-owned buildings during FY 2016.

The program is designed to reduce on-site energy and water consumption through building alteration projects or retrofits of existing buildings systems. These projects are an important part of GSA's approach to reach mandated percentage reduction goals through 2016.

GSA is identifying projects in Federal buildings across the country through surveys and studies. These projects will have positive savings-to-investment ratios, must provide reasonable payback periods that reflect GSA's priority of being a green proving ground of next generation technologies, and may generate rebates and saving from utility companies and incentives from grid operators. The projects will involve energy and water retrofit work, geothermal and other High Performance Green Building retrofit work, as well as design and construction work for new facilities that incorporate these technologies and a diverse set of design and retrofit projects with engineering solutions to reduce energy or water consumption and/or costs.

Projects will vary in size by location and by delivery method. Typical projects include the following:

- Upgrading heating, ventilation, and air-conditioning (HVAC) systems with new, high-efficiency systems including the installation of energy management control systems.
- Altering constant volume air distribution systems to variable air flow systems by adding variable air flow boxes, fan volume control dampers, and related climatic controls.
- Installing building automation control systems, such as night setback thermostats and time clocks, to control HVAC systems.
- Installing automatic occupancy light controls, lighting fixture modifications, and associated wiring to reduce the electrical consumption per square foot through the use of higher efficiency lamps and use of non-uniform task lighting design.
- Installing new or modifying existing temperature control systems.
- Replacing electrical motors with multi-speed or variable-speed motors.
- Insulating roofs, pipes, HVAC duct work, and mechanical equipment.
- Installing and caulking storm windows and doors to prevent the passage of air and moisture into the building envelope.
- Providing advanced metering projects that enable building managers to better monitor and optimize energy performance.
- Providing and implementing water conservation projects.
- Providing and installing renewable projects including photovoltaic systems, solar hot water systems, and wind turbines.
- Providing distributed generation systems.

- Drilling to install vertical and horizontal geothermal loops.
- Installing heat pumps and other types of geothermal equipment.
- Installing building insulation and seals to enhance equipment performance and reduce the size and energy consumption of geothermal and other energy-efficient equipment.
- Installing wastewater recycling processes for use on lawns, in toilets, and for washing cars.

This program will enable GSA to continue to provide leadership in energy and water conservation and efficiency to both the public and private sectors.

**Fire Protection and Life Safety Program .....\$20,000,000**

GSA proposes \$20,000 thousand for alterations to upgrade, replace, and improve fire protection systems and life safety features in government-owned buildings during FY 2016.

As part of its Fire Protection and Life Safety efforts, GSA is identifying projects in Federal buildings throughout the country through surveys and studies. These projects will vary in size, location, and delivery method. The appropriation requested is for a diverse set of retrofit projects with engineering solutions to reduce fire and life safety hazards. Typical projects include the following:

- Replacing antiquated fire alarm and detection systems that are in need of repair or for which parts are no longer available.
- Installing emergency voice communication systems to facilitate occupant notification and evacuation in Federal buildings during an emergency.
- Installing or expanding fire sprinkler systems to provide a reasonable degree of protection for life and property from fire in Federal buildings.
- Constructing additional exit stairs or enclosing existing exit stairs to ensure safe and timely evacuation of building occupants in the event of an emergency.

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

GSA proposed \$20,000 thousand in alterations to improve physical security in government-owned buildings occupied by the Judiciary and U.S. Marshals Service (USMS) during FY 2016 in lieu of future construction of new facilities.

The Judiciary Court Security Program (JCS) is dedicated to improving physical security in buildings occupied by the Judiciary and the USMS in lieu of construction of brand new facilities, thereby providing cost savings and expedited delivery. These projects will vary in size, location,



and delivery method and improve the separation of circulation for the public, judges, and prisoners. Funding provided for the security improvement projects would address elements such as additional doors, reconfiguring or adding corridors, reconfiguring or adding elevators, sally ports, and constructing physical or visual barriers.

### **Capital Program Advance Appropriations**

In addition to amounts provided for fiscal year 2016, GSA requests \$1,537,280 thousand for Construction, Major Repairs and Alterations, and Special Emphasis Programs in fiscal year 2017. The specific projects funded by these funds will be identified and submitted to Congress for authorization, relying principally on the long-term capital plan. GSA also requests \$375 million for Basic Repairs and Alterations in fiscal year 2017.

## Leasing

(Dollars in Thousands)

| FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|-------------------|--------------------|--------------------|
| \$ 5,387,109      | \$5,666,348        | \$5,579,055        |

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

### Program Description – Leasing

This activity provides for the leasing of privately-owned space, including space occupied by Federal agencies in U.S. Postal Service facilities. GSA provided 196,616 thousand RSF of space in FY 2014. GSA expects to provide 195,556 thousand RSF of space in FY 2015 and 194,878 thousand square feet of RSF of space in FY 2016, accounting for delegated leases returning to GSA's inventory.

The FY 2016 Rental of Space request consists of the following requirements which have been offset by \$96,749 thousand for projected carryover from FY 2015 and \$50,000 thousand for FY 2016 anticipated prior year recoveries:

- \$5,659,271 thousand for annual rent for leases already in the inventory;
- \$39,682 thousand for rent increases, usually associated with replacement leases;
- \$98,830 thousand for real estate taxes and one-time payments, such as claims and buyouts;
- (\$96,643) thousand for cancellations, the amount of space leaving the inventory; and
- \$24,664 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.

## Leasing Inventory

**Note:** Figures include indefinite authority, returned lease delegations, and unbilled space.

FY 2016 estimated RSF: 194,878 thousand

FY 2015 estimated RSF: 195,556 thousand

Projected annual decrease in RSF from FY 2015 to FY 2016: 0.35 percent

2,662 thousand RSF Expansion Space  
(3,340) thousand RSF Cancellations  
 (678) thousand RSF net decrease

## Rental of Space, Explanation of Changes

(Dollars in Thousands)

|   | New<br>Obligational<br>Authority<br>(NOA) |
|---|---|
| <b>Fiscal Year 2015</b>   | <b>\$ 5,666,348</b>                       |
| FY 2015 Program Changes   | (35,928)                                  |
| Annualization of remaining FY 2015 Program Changes                          | 28,851                                    |
| <b>Fiscal Year 2016 Base</b>  | <b>\$ 5,659,271</b>                       |
| FY 2015 Unobligated Balance Used to Fund FY 2016 Requirements               | (96,749)                                  |
| FY 2016 Anticipated Prior Year Recoveries Used to Fund FY 2016 Requirements | (50,000)                                  |
| Rental Rate Increases   | 39,682                                    |
| Lump Sum Payments for real estate taxes and lease buyouts                   | 98,830                                    |
| Lease Cancellations   | (96,643)                                  |
| New Lease Space   | 24,664                                    |
| <b>Fiscal Year 2016 Request</b>   | <b>\$ 5,579,055</b>                       |

**Note:** The FY 2015 request excludes expansions acquired through IA in FY 2014 and FY 2015.

**Rental of Space, Delegation Obligations**

(Dollars in Thousands)

|                             | FY 2014<br>Estimate | FY 2015<br>Current | FY 2016<br>Request |
|-----------------------------|---------------------|--------------------|--------------------|
| Department of Commerce..... | \$ 17,244           | \$ 17,589          | \$ 17,491          |

Obligations reported here reflect activities of the Administrative Contracting Officer Delegation Program. The Department of Commerce is the only department with this authority, and it is not anticipated that any additional lease administration delegations will be granted. Delegated agencies bear the primary responsibility for making rental payments to lessors in accordance with the provisions of the delegation agreements.

**Rental of Space, Fiscal Year 2017 Advance Appropriations**

As part of the advanced appropriations request, GSA has identified \$5,673,542 thousand for Rental of Space in fiscal year 2017. This is an increase of \$70 million from the fiscal year 2016 request. This request is based on leases currently in the inventory and includes estimates for cancelations, taxes, and escalation factors related to those leases. Advanced funding of Rental of Space will allow for better planning and provide greater certainty to the market by reducing risk for private sector landlords who lease to the Federal government.

**Building Operations, Explanation of Changes**

(Dollars in Thousands)

|  | <b>FY 2014</b>     | <b>FY 2015</b>     | <b>FY 2016</b>     |
|--|--------------------|--------------------|--------------------|
|  | <b>Actual</b>      | <b>Enacted</b>     | <b>Request</b>     |
| <b>BASE BUILDING</b>                   | <b>\$1,054,356</b> | <b>\$1,029,324</b> | <b>\$1,063,334</b> |
| Utilities                              | \$352,944          | \$320,187          | \$322,887          |
| Maintenance                            | \$302,703          | \$336,439          | \$351,255          |
| Cleaning                               | \$318,904          | \$299,070          | \$321,596          |
| Security                               | \$79,805           | \$73,628           | \$67,596           |
| <b>OTHER / MISC BUILDING</b>           | <b>\$104,513</b>   | <b>\$93,403</b>    | <b>\$79,474</b>    |
| Fire & Life Safety                     | \$7,576            | \$7,569            | \$7,569            |
| Space Alterations / Changes            | \$3,816            | \$4,341            | \$3,646            |
| Misc Bldg Support                      | \$71,021           | \$55,206           | \$67,954           |
| Buidling Moves                         | \$4,571            | \$8,055            | \$11,963           |
| Recycling                              | \$2,239            | \$2,373            | \$0                |
| Metering                               | \$1,654            | \$2,223            | \$2,781            |
| Studies                                | \$13,636           | \$13,636           | \$20,561           |
| Other Funding Sources                  | \$0                | \$0                | (\$35,000)         |
| <b>TOTAL BUILDING SERVICES</b>         | <b>\$1,158,869</b> | <b>\$1,122,727</b> | <b>\$1,142,808</b> |
| <b>SALARIES AND EXPENSES</b>           | <b>\$1,024,277</b> | <b>\$1,080,038</b> | <b>\$1,110,080</b> |
| PBS IT Services                        | \$59,702           | \$47,290           | \$53,823           |
| Personnel Compensation and Benefits    | \$646,382          | \$631,568          | \$656,763          |
| IT MOU/ GSA Working Capital Fund       | \$231,364          | \$330,013          | \$345,177          |
| Management Support                     | \$86,829           | \$71,167           | \$62,730           |
| Administrative Services                | \$0                | \$0                | \$11,587           |
| Other Funding Sources                  | \$0                | \$0                | (\$20,000)         |
| <b>OTHER / MISC PBS ADMINISTRATIVE</b> | <b>\$38,286</b>    | <b>\$41,367</b>    | <b>\$35,188</b>    |
| Transportation                         | \$169              | \$198              | \$24               |
| Telephones                             | \$7,790            | \$8,777            | \$6,736            |
| Printing                               | \$500              | \$530              | \$220              |
| Training                               | \$5,286            | \$7,051            | \$7,263            |
| Supplies                               | \$3,464            | \$3,348            | \$1,878            |
| Equipment                              | \$7,268            | \$11,108           | \$12,067           |
| Travel                                 | \$13,809           | \$10,355           | \$7,000            |
| <b>TOTAL SALARIES AND EXPENSES</b>     | <b>\$1,062,563</b> | <b>\$1,121,405</b> | <b>\$1,145,268</b> |
| <b>TOTAL BUILDING OPERATIONS</b>       | <b>\$2,221,432</b> | <b>\$2,244,132</b> | <b>\$2,288,076</b> |

Note: Other funding sources include recoveries from prior year obligations.

Other administrative services separated out in fiscal year 2016 to improve tracking of functional categories

## Building Services

(Dollars in Thousands)

| FY 2014<br>Actual | FY 2015<br>Request | FY 2016<br>Request |
|-------------------|--------------------|--------------------|
| \$ 1,158,869      | \$1,122,727        | \$1,142,808        |

**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 field supervision).

**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. Targeting cleaning contracts that have costs above the industry benchmarks and consolidating contracts will help drive savings within the cleaning budget; however, some of these savings are offset by increases related to new inventory and labor wage escalations.

**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 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. The FY 2016 request reflects a reduction of nearly \$6 million through supply and demand side management efforts from the FY 2015 request and includes new inventory.

**Maintenance:** The mechanical budget consists of the electrical, plumbing, HVAC, elevator/escalator operations, and labor in support of the operations of the buildings within GSA's control. This also funds minor repairs and includes a shift of \$6 million from the Minor Repairs and Alterations budget request to account for a change in the Building Services funded threshold from \$10 thousand to \$25 thousand. 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 2016 request includes buildings that will come into PBS's inventory between FY 2014 and FY 2016.

**Security:** The security budget provides funding for the work the Federal Protective Service performs for GSA, including building security and clearances. PBS continues to work with the GSA Office of Mission Assurance to implement initiatives that will result in an additional \$10,432 thousand in savings from the already reduced FY 2015 base of \$78,028 thousand.

**Fire Protection and Life Safety:** The fire protection and life safety budget funds identify hazards that present a fire risk to GSA personnel, occupant agencies, or the general public that need to be addressed in order to improve the overall level of fire protection and life safety in the GSA-controlled buildings nationwide.

**Space Alterations/Changes:** This category funds space requirements development, expansion space, and alterations work in Federal space.

**Miscellaneous Building Support:** This activity funds various building support functions not chargeable elsewhere, including escort services, key making, fitness centers, signage, renting operating equipment and tools, design, site acquisition, management and inspection, and cafeteria equipment.

**Building Moves:** This category funds costs associated with moving an agency into or out of space, or moving GSA assigned space. The FY 2016 request includes additional investments to support ongoing space utilization initiatives for both GSA assigned space as well as customer agency consolidations.

**Metering:** This category funds costs associated with GSA's building automation systems, advanced controls, and smart / advanced metering programs, re-programming and diagnostic work as well as energy audits and studies.

**Studies:** This category includes various building studies such as environmental studies and assessments, project development studies, building engineering reports, and planning studies. Studies are the first phase in successfully completing a capital project, and PBS will invest additional funds to studies in FY 2016 in support of the Capital program. Energy audits are not included in this category.

### **Salaries and Expenses**

| FY 2014<br>Actual | FY 2015<br>Request | FY 2016<br>Request |
|-------------------|--------------------|--------------------|
| \$ 1,062,563      | \$1,121,405        | \$1,145,268        |

### **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.

**PBS IT Services:** This category provides funding for PBS-specific IT investments, including operation, maintenance, and enhancements of national applications. The Office of the PBS Chief Information Officer, an office within the larger GSA IT organization, has been dedicated to

consolidating IT functions and reducing spending. The FY 2016 request reflects savings opportunities associated with system consolidations as well as insourcing opportunities.

**Personnel Compensation and Benefits (PC&B):** The Building Operations portion of PC&B funds 5,155 FTE with the remaining FTE funded from reimbursable authority. This represents an increase of 30 FTE from the FY 2015 request; based on PBS's strategy to in-source contracted services to Federal personnel. While increasing the number of FTE, this strategy will reduce the Building Operations funding by \$6,875 thousand, including reductions to Management Support and increases to PC&B from the FY 2014 enacted amount. In addition to saving money by insourcing contracting, PBS's strategic vision for FY 2016 hiring strategy is to maintain a one-to-one backfill strategy for all core program positions, and to achieve savings through targeted attrition in four regions. The FY 2016 request also includes reinvestment to realign the PBS Office of Client Solutions to better serve PBS customers. The realignment will create a National Account Executive role to serve major customers driving efficiency and savings across their portfolios.

**GSA Working Capital Fund:** This category provides funding for GSA's non-IT overhead costs, such as legal and human resources, as well as all consolidated activities, such as Budget and Finance, Human Resources, and GSA IT services. The FY 2016 request includes increased funding to account for additional consolidations under the Office of Communications and Marketing, the Office of Mission Assurance, and the Office of the Chief Financial Officer.

**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 will reduce spending on management support contracts by \$8,437 thousand from the FY 2015 request, and \$24,099 thousand from the FY 2014 enacted amount. These savings will be realized through a combination of insourcing and contract reductions over the next two fiscal years.

**Other/Miscellaneous PBS Administrative:** This category provides funding for PBS's administrative costs, such as transportation, telephones, printing, training, supplies, equipment, and travel. PBS is planning to reduce spending in the many administrative categories as the agency continues to target administrative reductions.

### **Building Operations, Fiscal Year 2017 Advance Appropriations**

GSA requests \$2,362,445 thousand for Building Operations in Fiscal Year 2017. This is an increase of \$74 million over the fiscal year 2016 request. The request is based on the fiscal year 2016 level of FTE, information technology, and Working Capital Fund contributions. Increases are projected for inflation as well as cleaning, maintenance, and utilities associated with new inventory.



**Reimbursable Program**

(Dollars in Thousands)

| <b>REIMBURSABLE PROGRAM</b>          |            |                                     |
|--------------------------------------|------------|-------------------------------------|
| <b>EXPLANATION OF BUDGET CHANGES</b> |            |                                     |
| <b>(Dollars in Thousands)</b>        |            |                                     |
|                                      | FTE        | New Obligational<br>Authority (NOA) |
| <b>FY 2015 Plan</b>                  | <b>350</b> | <b>\$2,399,378</b>                  |
| Workload Increases                   | _____      | (611,853)                           |
| <b>FY 2016 Request</b>               | <b>350</b> | <b>\$1,787,525</b>                  |

**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**

| <b>Program</b>                                   | <b>Source</b>     | <b>Explanation</b>  |
|--|-------------------|---|
| Recycling and Energy Rebates                     | 40 USC 592        | The Administrator may obligate amounts received and deposited in the Federal Buildings Fund for energy management improvement and recycling programs.   |
| Historic Properties                              | 16 USC 470h-3(b)  | 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). |
| 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. <u>See also</u> 40 USC 6701(b) (1), noted above.   |
| Cooperative Use Act and National Antenna Program | 40 USC 581(h)(3)  | GSA may deposit into the FBF amounts received under Coop 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.   |

## **Five-Year Capital Investment Plan**

GSA develops a Five Year Capital Investment Plan for its major New Construction and Repair and Alteration projects. The list represents GSA's plan to address known critical customer requirements and building infrastructure needs for the government-owned portfolio and assumes an average of \$1.8 billion in New Obligational Authority (NOA) for GSA's New Construction and Repair and Alterations program combined and includes priority U.S. Courthouse and Land Port of Entry Projects as identified by the Judiciary and U.S. Customs and Border Protection. Future year funding requests will vary based upon priorities and circumstances.

Projects on the Five Year Plan are identified based upon the following criteria:

- Customer urgency and priority (mission requirements)
- Physical condition of the asset
- Project timing and execution
- Asset utilization improvement
- Return on Investment
- Lease cost avoidance
- Historic significance

Project Types include:

- New Construction (NC)
- Repair and Alteration (R&A)

New Construction and Repair and Alteration projects are further defined in the Project Descriptions as:

- Phased Construction
- Design
- Remediation
- Minor Repair and Alteration
- Special Emphasis (Energy and Water; Fire and Life Safety, Consolidation, Judiciary Capital Security)
- Exterior/Structural Repairs
- System Upgrades (Mechanical, Electrical, Plumbing, Conveyance, HVAC, Fire Protection)
- Space Renovation/Consolidation
- Purchase (Building Purchase, Lease Purchase Options)
- Construction
- U.S. Courts New Construction
- U.S. Land Port of Entry New Construction

U.S. General Services Administration  
Federal Buildings Fund

**FY 2015 – FY 2019 Five -Year Capital Investment Plan**

| Year                  | Project Name  | City                    | State | Project Type | Project Description            | Prior Funding to Date | Additional Funding Required (\$000's) | Estimated Total Project Cost (\$000's) |
|-----------------------|---|-------------------------|-------|--------------|--------------------------------|-----------------------|---------------------------------------|--|
| <b>FY15 (Enacted)</b> | San Ysidro Land Port of Entry Phase II of II  | San Diego               | CA    | NC           | Phased Construction            | \$ 524,343            | \$ 216,828                            | \$ 741,171                             |
| FY15                  | Calexico West Land Port of Entry Phase I of II  | Calexico                | CA    | NC           | Phased Construction            | \$ 23,787             | \$ 98,062                             | \$ 370,062                             |
| FY15                  | DHS Consolidation at St. Elizabeths   | Washington              | DC    | NC           | Phased Construction            | \$ 1,211,636,000      | \$ 144,000                            | \$ 2,413,714                           |
| FY15                  | Civilian Cyber Campus   | National Captial Region |       | NC           | Design                         |                       | \$ 35,000                             | \$ 535,000                             |
| FY15                  | Scotia Depot  | Glenville               | NY    | NC           | Remediation                    |                       | \$ 15,780                             | \$ 15,780                              |
| FY15                  | Minor Repairs and Alterations Program   | National                |       | R&A          | Minor Repairs and Alterations  |                       | \$ 306,894                            | \$ 306,894                             |
| FY15                  | Energy and Water Retrofit and Conservation Measures   | National                |       | R&A          | Special Emphasis               |                       | \$ 5,000                              | \$ 5,000                               |
| FY15                  | Consolidation Activities  | National                |       | R&A          | Special Emphasis               |                       | \$ 70,000                             | \$ 70,000                              |
| FY15                  | Fire Protection and Life Safety Program   | National                |       | R&A          | Special Emphasis               |                       | \$ 26,000                             | \$ 26,000                              |
| FY15                  | Judiciary Capital Security Program  | National                |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |
| FY15                  | Chamblee IRS Parking Garage   | Chamblee                | GA    | R&A          | Exterior/Structural Repairs    |                       | \$ 7,409                              | \$ 7,409                               |
| FY15                  | Region Four   | Various Locations       |       | R&A          | System Upgrades                |                       | \$ 5,831                              | \$ 5,831                               |
| FY15                  | Hart Doyle Inouye Federal Center  | Battle Creek            | MI    | R&A          | System Upgrades                |                       | \$ 11,197                             | \$ 11,197                              |
| FY15                  | Frances Perkins Federal Building  | Washington              | DC    | R&A          | System Upgrades                |                       | \$ 16,320                             | \$ 16,320                              |
| FY15                  | Robert C. Weaver Federal Building   | Washington              | DC    | R&A          | System Upgrades                |                       | \$ 13,375                             | \$ 13,375                              |
| FY15                  | John W. Powell Federal Building   | Reston                  | VA    | R&A          | System Upgrades                |                       | \$ 11,010                             | \$ 11,010                              |
| FY15                  | Sydney Yates Federal Building   | Washington              | DC    | R&A          | Exterior/Structural Repairs    |                       | \$ 32,820                             | \$ 32,820                              |
| FY15                  | BPA Building  | Portland                | OR    | R&A          | System Upgrades                |                       | \$ 9,050                              | \$ 9,050                               |
| FY15                  | Ted Weiss Federal Building  | New York                | NY    | R&A          | System Upgrades                |                       | \$ 11,733                             | \$ 11,733                              |
| FY15                  | Richard H. Poff Federal Building  | Roanoke                 | VA    | R&A          | Exterior/Structural Repairs    | \$ 54,146             | \$ 15,128                             | \$ 15,128                              |
| FY15                  | Thomas O'Neill Federal Building   | Boston                  | MA    | R&A          | System Upgrades                |                       | \$ 16,146                             | \$ 16,146                              |
| FY15                  | Captain John Foster Williams U.S. Coast Guard Building  | Boston                  | MA    | R&A          | Exterior/Structural Repairs    |                       | \$ 8,616                              | \$ 8,616                               |
| FY15                  | Fritz G. Lanham Federal Building  | Fort Worth              | TX    | R&A          | System Upgrades                |                       | \$ 18,044                             | \$ 18,044                              |
| FY15                  | Theodore Levin U.S. Courthouse Phase II of III  | Detroit                 | MI    | R&A          | Phased Construction            | \$ 31,000             | \$ 40,499                             | \$ 40,499                              |
| FY15                  | Phillip Burton Federal Building and U.S. Courthouse   | San Francisco           | CA    | R&A          | System Upgrades                |                       | \$ 29,000                             | \$ 29,000                              |
| FY15                  | 536 South Clark Street Federal Building, John C. Kluczynski Federal Building, U.S. Post Office Loop Station | Chicago                 | IL    | R&A          | Space Renovation/Consolidation |                       | \$ 17,116                             | \$ 17,116                              |
| FY15                  | John Weld Peck Federal Building   | Cincinnati              | OH    | R&A          | Space Renovation/Consolidation |                       | \$ 35,373                             | \$ 35,373                              |
| FY15                  | 985 Michigan Avenue   | Detroit                 | MI    | R&A          | Design                         |                       | \$ 8,227                              | \$ 74,913                              |
| <b>FY15 (Enacted)</b> |   |                         |       |              |                                |                       | <b>\$ 1,244,458</b>                   |  |
| <b>FY16 Budget</b>    | DHS Consolidation at St. Elizabeths   | Washington              | DC    | NC           | Phased Construction            | \$ 1,356,366          | \$ 379,665                            | \$ 2,413,714                           |
| FY16                  | Belle Meade Northern Parcel Remediation   | Belle Meade             | NJ    | NC           | Remediation                    |                       | \$ 66,079                             | \$ 72,099                              |
| FY16                  | American Red Cross Building   | Washington              | DC    | NC           | Purchase                       |                       | \$ 160,000                            | \$ 315,500                             |
| FY16                  | Civilian Cyber Campus Phase I of III  | National Captial Region |       | NC           | Phased Construction            | \$ 35,000             | \$ 227,294                            | \$ 443,361                             |
| FY16                  | New Federal Office Building   | Boyers                  | PA    | NC           | Design                         |                       | \$ 35,000                             | \$ 235,000                             |
| FY16                  | APHIS Building  | Pembina                 | ND    | NC           | Construction                   |                       | \$ 5,357                              | \$ 5,357                               |
| FY16                  | IRS Annex Building  | Austin                  | TX    | NC           | Purchase                       |                       | \$ 11,887                             | \$ 11,887                              |
| FY16                  | Alexandria Bay Land Port of Entry Phase I   | Alexandria Bay          | NY    | NC           | LPOE Construction              | \$ 20,560             | \$ 105,570                            | \$ 226,601                             |
| FY16                  | Columbus Land Port of Entry   | Columbus                | NM    | NC           | LPOE Construction              | \$ 10,738             | \$ 85,645                             | \$ 82,062                              |
| FY16                  | U.S. Courthouse   | Nashville               | TN    | NC           | U.S. Courts Construction       | \$ 26,095             | \$ 181,500                            | \$ 207,595                             |
| FY16                  | Minor Repairs and Alterations Program   | National                |       | R&A          | Minor Repairs and Alterations  |                       | \$ 314,371                            | \$ 314,371                             |
| FY16                  | Energy and Water Retrofit and Conservation Measures   | National                |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |
| FY16                  | Consolidation Activities Program  | National                |       | R&A          | Special Emphasis               |                       | \$ 200,000                            | \$ 200,000                             |
| FY16                  | Fire Protection and Life Safety Program   | National                |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |
| FY16                  | Judiciary Capital Security Program  | National                |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |
| FY16                  | Jacob K. Javitz Federal Building  | New York                | NY    | R&A          | Space Renovation/Consolidation |                       | \$ 96,344                             | \$ 104,004                             |
| FY16                  | Edward J. Schwartz Federal Building and U.S. Courthouse   | San Diego               | CA    | R&A          | System Upgrades                | \$ 19,729             | \$ 60,845                             | \$ 80,574                              |
| FY16                  | Phillip Burton Federal Building and U.S. Courthouse   | San Francisco           | CA    | R&A          | Space Renovation/Consolidation |                       | \$ 27,270                             | \$ 27,270                              |
| FY16                  | Sixth Street Federal Building   | Los Angeles             | CA    | R&A          | System Upgrades                |                       | \$ 12,283                             | \$ 12,283                              |
| FY16                  | Goodfellow Federal Complex  | St. Louis               | MO    | R&A          | System Upgrades                |                       | \$ 43,847                             | \$ 43,847                              |
| FY16                  | Theodore Levin U.S. Courthouse Modernization Phase III of III   | Detroit                 | MI    | R&A          | Phased Construction            | \$ 71,499             | \$ 68,792                             | \$ 140,291                             |

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| Year               | Project Name  | City                    | State | Project Type | Project Description            | Prior Funding to Date | Additional Funding Required (\$000's) | Estimated Total Project Cost (\$000's) |
|--------------------|---|-------------------------|-------|--------------|--------------------------------|-----------------------|---------------------------------------|--|
| FY16               | Abraham Alexander Ribicoff U.S. Courthouse and Federal Building Annex | Hartford                | CT    | R&A          | Exterior/Structural Repairs    |                       | \$ 9,970                              | \$ 9,970                               |
| FY16               | Potter Stewart U.S. Courthouse Elevator Modernization                 | Cincinnati              | OH    | R&A          | System Upgrades                |                       | \$ 8,101                              | \$ 8,101                               |
| FY16               | Federal Building & U.S. Courthouse Facade Restoration                 | Milwaukee               | WI    | R&A          | Exterior/Structural Repairs    |                       | \$ 27,391                             | \$ 27,391                              |
| FY16               | Federal Office Building Exterior Restoration                          | Seattle                 | WA    | R&A          | Exterior/Structural Repairs    |                       | \$ 20,850                             | \$ 20,850                              |
| FY16               | Pacific Highway LPOE Envelope Upgrade                                 | Blaine                  | WA    | R&A          | Exterior/Structural Repairs    |                       | \$ 11,930                             | \$ 11,930                              |
| FY16               | Alexander Hamilton U.S. Customhouse Phase I of II                     | New York                | NY    | R&A          | Phased Construction            |                       | \$ 46,498                             | \$ 73,739                              |
| FY16               | Denver Federal Center Building 56                                     | Lakewood                | CO    | R&A          | System Upgrades                |                       | \$ 6,142                              | \$ 6,142                               |
| FY16               | James L. Watson U.S. Court of International Trade                     | New York                | NY    | R&A          | Exterior/Structural Repairs    |                       | \$ 5,536                              | \$ 5,536                               |
| FY16               | William J. Green Jr. Federal Building Phase I of II                   | Philadelphia            | PA    | R&A          | Space Renovation/Consolidation | \$ 6,500              | \$ 45,000                             | \$ 94,100                              |
| FY16               | Herbert C. Hoover Federal Building Phase V of VIII                    | Washington              | DC    | R&A          | Phased Construction            | \$ 256,560            | \$ 150,900                            | \$ 755,914                             |
| FY16               | 911 Federal Building  | Portland                | OR    | R&A          | System Upgrades                |                       | \$ 7,439                              | \$ 7,439                               |
| FY16               | Wallace F. Bennett Federal Building                                   | Salt Lake City          | UT    | R&A          | System Upgrades                |                       | \$ 7,758                              | \$ 7,758                               |
| FY16               | Robert C. Weaver Federal Building                                     | Washington              | DC    | R&A          | Design                         |                       | \$ 15,800                             | \$ 212,000                             |
| <b>FY16 Budget</b> |   |                         |       |              |                                |                       | <b>\$ 2,505,064</b>                   |  |
| FY17               | DHS Consolidation at St. Elizabeths                                   | Washington              | DC    | NC           | Phased Construction            | \$ 1,736,031          | \$ 225,889                            | \$ 2,413,714                           |
| FY17               | Civilian Cyber Campus Phase II , III of III                           | National Captial Region |       | NC           | Phased Construction            | \$ 262,294            | \$ 181,067                            | \$ 443,361                             |
| FY17               | Southeast Federal Center  | Washington              | DC    | NC           | Remediation                    | \$ 75,857             | \$ 5,000                              | \$ 10,000                              |
| FY17               | Robert T. Stafford U.S. Post Office and Courthouse                    | Rutland                 | VT    | NC           | Purchase                       |                       | \$ 6,431                              | \$ 6,431                               |
| FY17               | Callexico West Land Port of Entry Phase II of II                      | Callexico               | CA    | NC           | LPOE Construction              | \$ 121,849            | \$ 249,000                            | \$ 370,849                             |
| FY17               | Eagle Pass LPOE   | Eagle Pass              | TX    | NC           | Purchase                       |                       | \$ 5,000                              | \$ 5,000                               |
| FY17               | U.S. Courthouse   | Toledo                  | OH    | NC           | U.S. Courts Construction       | \$ 6,500              | \$ 109,300                            | \$ 115,800                             |
| FY17               | Minor Repairs and Alterations Program                                 | National                |       | R&A          | Minor Repairs and Alterations  |                       | \$ 375,000                            | \$ 375,000                             |
| FY17               | Energy and Water Retrofit and Conservation Measures Program           | National                |       | R&A          | Special Emphasis               |                       | \$ 40,000                             | \$ 40,000                              |
| FY17               | Consolidation Activities Program                                      | National                |       | R&A          | Special Emphasis               |                       | \$ 100,000                            | \$ 100,000                             |
| FY17               | Fire Protection and Life Safety Program                               | National                |       | R&A          | Special Emphasis               |                       | \$ 40,000                             | \$ 40,000                              |
| FY17               | Judiciary Capital Security Program                                    | National                |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |
| FY17               | JP Hammerschmidt Federal Building and U.S. Courthouse                 | Fayetteville            | AR    | R&A          | Exterior/Structural Repairs    |                       | \$ 4,500                              | \$ 4,500                               |
| FY17               | U.S. Customhouse  | Denver                  | CO    | R&A          | System Upgrades                |                       | \$ 10,540                             | \$ 10,540                              |
| FY17               | Denver Federal Center Building 53                                     | Lakewood                | CO    | R&A          | System Upgrades                |                       | \$ 27,726                             | \$ 27,726                              |
| FY17               | GSA Headquarters Building   | Washington              | DC    | R&A          | System Upgrades                | \$ 162,419            | \$ 7,091                              | \$ 7,091                               |
| FY17               | Harry S. Truman Federal Building                                      | Washington              | DC    | R&A          | System Upgrades                | \$ 176,780            | \$ 15,530                             | \$ 15,530                              |
| FY17               | 1951 Constitution Avenue NW (DOI South)                               | Washington              | DC    | R&A          | Design                         |                       | \$ 8,731                              | \$ 170,791                             |
| FY17               | Federal Building and U.S. Courthouse                                  | Fort Lauderdale         | FL    | R&A          | Design                         |                       | \$ 4,042                              | \$ 28,680                              |
| FY17               | Elbert B. Tuttle U.S. Court of Appeals Building                       | Atlanta                 | GA    | R&A          | System Upgrades                |                       | \$ 1,117                              | \$ 15,140                              |
| FY17               | Tomochichi Federal Building and U.S. Courthouse (Design)              | Savannah                | GA    | R&A          | Exterior/Structural Repairs    |                       | \$ 2,471                              | \$ 25,490                              |
| FY17               | Prince J. Kuhio Kalaniano'le Federal Building                         | Honolulu                | HI    | R&A          | System Upgrades                | \$ 118,422            | \$ 15,000                             | \$ 15,000                              |
| FY17               | Minton-Capehart Federal Building                                      | Indianapolis            | IN    | R&A          | Exterior/Structural Repairs    |                       | \$ 25,181                             | \$ 25,181                              |
| FY17               | F. Edward Hebert Federal Building                                     | New Orleans             | LA    | R&A          | System Upgrades                |                       | \$ 43,564                             | \$ 43,564                              |
| FY17               | SSA Headquarters Altmeyer Building                                    | Woodlawn                | MD    | R&A          | Design                         |                       | \$ 9,156                              | \$ 107,456                             |
| FY17               | John F. Kennedy Federal Building                                      | Boston                  | MA    | R&A          | System Upgrades                |                       | \$ 27,050                             | \$ 27,050                              |
| FY17               | Thomas O'Neill Federal Building                                       | Boston                  | MA    | R&A          | Exterior/Structural Repairs    |                       | \$ 4,931                              | \$ 4,931                               |
| FY17               | 985 Michigan Avenue   | Detroit                 | MI    | R&A          | Full Modernization             | \$ 8,227              | \$ 66,686                             | \$ 74,913                              |
| FY17               | Patrick V. McNamara Federal Building Parking Garage                   | Detroit                 | MI    | R&A          | Exterior/Structural Repairs    |                       | \$ 8,195                              | \$ 8,195                               |
| FY17               | 2306/2312 Bannister Road  | Kansas City             | MO    | R&A          | System Upgrades                |                       | \$ 39,706                             | \$ 39,706                              |
| FY17               | Goodfellow Federal Center   | St. Louis               | MO    | R&A          | Exterior/Structural Repairs    | \$ 7,105              | \$ 16,027                             | \$ 23,132                              |
| FY17               | Robert Denney Federal Building  | Lincoln                 | NE    | R&A          | System Upgrades                |                       | \$ 46,251                             | \$ 46,251                              |
| FY17               | Alexander Hamilton U.S. Customhouse Phase II of II                    | New York                | NY    | R&A          | Phased Construction            | \$ 46,498             | \$ 27,241                             | \$ 73,739                              |
| FY17               | Federal Building (201 Varick Street)                                  | New York                | NY    | R&A          | System Upgrades                |                       | \$ 5,600                              | \$ 5,600                               |
| FY17               | John F. Seiberling U.S. Courthouse                                    | Akron                   | OH    | R&A          | Exterior/Structural Repairs    |                       | \$ 4,560                              | \$ 4,560                               |

U.S. General Services Administration  
Federal Buildings Fund

| Year           | Project Name  | City               | State | Project Type | Project Description            | Prior Funding to Date | Additional Funding Required (\$000's) | Estimated Total Project Cost (\$000's) |  |
|----------------|---|--------------------|-------|--------------|--------------------------------|-----------------------|---------------------------------------|--|--|
| FY17           | Carl B. Stokes U.S. Courthouse                                    | Cleveland          | OH    | R&A          | Exterior/Structural Repairs    |                       | \$ 3,600                              | \$ 3,600                               |  |
| FY17           | Oklahoma City FB/U.S. Courthouse and Post Office/ U.S. Courthouse | Oklahoma City      | OK    | R&A          | Design                         |                       | \$ 10,091                             | \$ 140,036                             |  |
| FY17           | William J. Green Jr. Federal Building Phase II of II              | Philadelphia       | PA    | R&A          | Space Renovation/Consolidation | \$ 51,500             | \$ 42,600                             | \$ 94,100                              |  |
| FY17           | U.S. Custom House   | Philadelphia       | PA    | R&A          | Design                         |                       | \$ 36,000                             | \$ 202,000                             |  |
| FY17           | U.S. Post Office and Courthouse                                   | Pittsburgh         | PA    | R&A          | Space Renovation/Consolidation |                       | \$ 4,900                              | \$ 4,900                               |  |
| FY17           | IRS Service Center  | Ogden              | UT    | R&A          | Exterior/Structural Repairs    |                       | \$ 17,745                             | \$ 17,745                              |  |
| FY17           | Federal Building/Eastside Federal Complex                         | Seattle            | WA    | R&A          | Exterior/Structural Repairs    |                       | \$ 19,761                             | \$ 19,761                              |  |
| <b>FY17</b>    |   |                    |       |              |                                |                       | <b>\$ 1,912,280</b>                   |  |  |
| Outyear        | DHS Consolidation at St. Elizabeths                               | Washington         | DC    | NC           | Phased Construction            | \$ 1,961,920          | \$ 98,401                             | \$ 2,413,714                           |  |
| Outyear        | Department of Transportation                                      | Washington         | DC    | NC           | Purchase                       |                       | \$ 637,000                            | \$ 637,000                             |  |
| Outyear        | Southeast Federal Center  | Washington         | DC    | NC           | Remediation                    | \$ 75,857             | \$ 5,000                              | \$ 10,000                              |  |
| Outyear        | Federal Building U.S. Courthouse                                  | Greenville         | MS    | NC           | Design                         |                       | \$ 4,726                              | \$ 46,302                              |  |
| Outyear        | U.S. Courthouse   | Charlotte          | NC    | NC           | U.S. Courts Construction       | \$ 8,500              | \$ 177,000                            | \$ 185,500                             |  |
| Outyear        | Federal Building and U.S. Courthouse                              | McAllen            | TX    | NC           | Design                         |                       | \$ 25,000                             | \$ 200,000                             |  |
| Outyear        | New LPOE - TBD per CBP 5-year plan                                | Land Port of Entry |       | NC           | LPOE Construction              |                       | \$ 200,000                            | \$ 200,000                             |  |
| Outyear        | New Federal Office Building                                       | Boyers             | PA    | NC           | Construction                   | \$ 35,000             | \$ 200,000                            | \$ 235,000                             |  |
| Outyear        | Minor Repairs and Alterations Program                             | National           |       | R&A          | Minor Repairs and Alterations  |                       | \$ 375,000                            | \$ 375,000                             |  |
| Outyear        | Energy and Water Retrofit and Conservation Measures Program       | National           |       | R&A          | Special Emphasis               |                       | \$ 25,000                             | \$ 25,000                              |  |
| Outyear        | Consolidation Activities Program                                  | National           |       | R&A          | Special Emphasis               |                       | \$ 100,000                            | \$ 100,000                             |  |
| Outyear        | Fire Protection and Life Safety Program                           | National           |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |  |
| Outyear        | Judiciary Capital Security Program                                | National           |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |  |
| Outyear        | DHS Consolidation at St. Elizabeths                               | Washington         | DC    | NC           | Phased Construction            | \$ 2,060,321          | \$ 86,655                             | \$ 2,821,248                           |  |
| Outyear        | U.S. Courthouse   | TBD                |       | NC           | U.S. Courts Construction       | \$ -                  | \$ 100,000                            | \$ 100,000                             |  |
| Outyear        | Federal Center Expansion  | Chicago            | IL    | NC           | Design                         |                       | \$ 50,028                             | \$ 392,483                             |  |
| Outyear        | New LPOE - TBD per CBP 5-year plan                                | Land Port of Entry |       | NC           | LPOE Construction              |                       | \$ 200,000                            | \$ 200,000                             |  |
| Outyear        | Minor Repairs and Alterations Program                             | National           |       | R&A          | Minor Repairs and Alterations  |                       | \$ 375,000                            | \$ 375,000                             |  |
| Outyear        | Energy and Water Retrofit and Conservation Measures               | National           |       | R&A          | Special Emphasis               | \$ 43,647             | \$ 30,000                             | \$ 30,000                              |  |
| Outyear        | Consolidation Activities  | National           |       | R&A          | Special Emphasis               | \$ 70,000             | \$ 70,000                             | \$ 70,000                              |  |
| Outyear        | Fire Protection and Life Safety Program                           | National           |       | R&A          | Special Emphasis               |                       | \$ 30,000                             | \$ 30,000                              |  |
| Outyear        | Judiciary Capital Security Program                                | National           |       | R&A          | Special Emphasis               |                       | \$ 20,000                             | \$ 20,000                              |  |
| Outyear        | 1951 Constitution Avenue NW (DOI South)                           | Washington         | DC    | R&A          | Construction                   | \$ 8,731              | \$ 162,060                            | \$ 170,791                             |  |
| Outyear        | Orville Wright Federal Building                                   | Washington         | DC    | R&A          | System Upgrades                |                       | \$ 13,820                             | \$ 13,820                              |  |
| Outyear        | Federal Building and U.S. Courthouse                              | Fort Lauderdale    | FL    | R&A          | Full Modernization             | \$ 4,042              | \$ 24,638                             | \$ 28,680                              |  |
| Outyear        | Tomochichi Federal Building and U.S. Courthouse                   | Savannah           | GA    | R&A          | Exterior/Structural Repairs    |                       | \$ 23,019                             | \$ 25,490                              |  |
| Outyear        | Ralph H. Metcalfe Federal Building                                | Chicago            | IL    | R&A          | System Upgrades                |                       | \$ 18,479                             | \$ 18,479                              |  |
| Outyear        | SSA Headquarters Altmeyer Building                                | Woodlawn           | MD    | R&A          | Full Modernization             |                       | \$ 98,300                             | \$ 107,456                             |  |
| Outyear        | John J. Moakley U.S. Courthouse                                   | Boston             | MA    | R&A          | Exterior/Structural Repairs    |                       | \$ 23,903                             | \$ 23,903                              |  |
| Outyear        | Alfonse M. D'Amato U.S. Courthouse                                | Central Islip      | NY    | R&A          | Exterior/Structural Repairs    |                       | \$ 30,000                             | \$ 30,000                              |  |
| Outyear        | Carl B. Stokes U.S. Courthouse                                    | Cleveland          | OH    | R&A          | Exterior/Structural Repairs    |                       | \$ 3,600                              | \$ 3,600                               |  |
| Outyear        | Oklahoma City FB/U.S. Courthouse and Post Office/ U.S. Courthouse | Oklahoma City      | OK    | R&A          | Full Modernization             | \$ 10,091             | \$ 129,945                            | \$ 140,036                             |  |
| Outyear        | Estes Kefauver FB & FB-U.S. Courthouse Annex                      | Nashville          | TN    | R&A          | Design                         |                       | \$ 10,083                             | \$ 99,377                              |  |
| Outyear        | El Paso Courthouse  | El Paso            | TX    | R&A          | Full Modernization             |                       | \$ 20,000                             | \$ 20,000                              |  |
| Outyear        | Eldon Mahon Courthouse  | Fort Worth         | TX    | R&A          | Exterior/Structural Repairs    |                       | \$ 5,200                              | \$ 5,200                               |  |
| Outyear        | Herbert C. Hoover Federal Building Phase VI of VIII               | Washington         | DC    | R&A          | Phase VI of VIII Modernization | \$ 407,460            | \$ 92,900                             | \$ 755,914                             |  |
| Outyear        | Robert C. Weaver Federal Building                                 | Washington         | DC    | R&A          | Construction                   | \$ 15,800             | \$ 196,200                            | \$ 212,000                             |  |
| Outyear        | Austin Financial Center (Treasury)                                | Austin             | TX    | R&A          | System Upgrades                |                       | \$ 20,783                             | \$ 20,783                              |  |
| Outyear        | Lewis F. Powell Courthouse and Annex                              | Richmond           | VA    | R&A          | Exterior/Structural Repairs    |                       | \$ 17,218                             | \$ 17,218                              |  |
| Outyear        | NARA Building   | Seattle            | WA    | R&A          | Exterior/Structural Repairs    |                       | \$ 18,356                             | \$ 18,356                              |  |
| <b>Outyear</b> |   |                    |       |              |                                |                       | <b>\$ 3,757,314</b>                   |  |  |
|                | <b>FIVE YEAR PLAN TOTAL</b>                                       |                    |       |              |                                |                       |                                       | <b>\$ 9,419,116</b>                    |  |

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**U.S. General Services Administration**

**GOVERNMENT-WIDE POLICY**

**Fiscal Year 2016 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, *green buildings*, information technology management, and related technology activities; *the collection and evaluation of data from departments and agencies relating to activities described herein*; and services as authorized by 5 U.S.C. 3109; [\$58,000,000] \$62,022,000.

## **Analysis of Language Provisions and Changes**

The Office of Government-wide Policy (OGP) is responsible for developing evidence-based policies that are designed to lead to more effective and efficient Federal mission delivery based on data from other agencies. The proposed appropriations language has been inserted to clarify and support the General Services Administration's (GSA) mission and OGP's ability to collect data and conduct analysis to inform policy development. The language establishes the expectation that departments and agencies will provide data to GSA.

**Amounts Available for Obligation**

(Dollars in Thousands)

|  | 2014<br>Actual   | 2015<br>Enacted  | 2016<br>Request  |
|--|------------------|------------------|------------------|
| Discretionary authority:                     |                  |                  |                  |
| Annual appropriation.....                    | \$ 57,696        | \$ 58,000        | \$ 62,022        |
| Reimbursable authority:                      |                  |                  |                  |
| Unobligated balance, start of year.....      | \$ 9,879         | \$ 12,905        | \$ 12,905        |
| New authority.....                           | \$ 2,366         | \$ 3,851         | \$ 3,851         |
| Transfers in for Inter-Agency Councils.....  | \$ 17,000        | \$ 17,000        | \$ 32,000        |
| Change in uncollected payments.....          | \$ 0             | \$ 0             | \$ 0             |
| Recovery of prior-year obligations.....      | (\$2)            | \$ 0             | \$ 0             |
| Unobligated balance, expiring.....           | (\$20)           | \$ 0             | \$ 0             |
| Unobligated balance, sequestered.....        | \$ 0             | \$ 0             | \$ 0             |
| <b>Subtotal, reimbursable authority.....</b> | <b>\$ 29,223</b> | <b>\$ 33,756</b> | <b>\$ 48,756</b> |
| Unobligated balance, end of year.....        | \$ 12,905        | \$ 12,905        | \$ 12,905        |
| Obligations, Reimbursable                    | \$ 16,318        | \$ 20,851        | \$ 35,851        |
| Obligations, appropriated (annual)           | \$ 57,696        | \$ 58,000        | \$ 62,022        |
| Obligations, appropriated (no-year).....     | \$ 0             | \$ 0             | \$ 0             |
| <b>Total obligations.....</b>                | <b>\$ 74,014</b> | <b>\$ 78,851</b> | <b>\$ 97,873</b> |
| <i>Net Outlays</i>                           | <i>\$49,116</i>  | <i>\$64,005</i>  | <i>\$55,011</i>  |

## 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 high-performing green buildings and real property; acquisition policy and training; personal property; travel, transportation management, motor vehicles and aircraft; committee management; information sharing and cybersecurity; and transparency of regulatory information. In its work, OGP identifies policies to drive savings, efficiency, and effectiveness.

## Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

|  | FTE   | FY 2014<br>Actual | FTE   | FY 2015<br>Enacted | FTE   | FY 2016<br>Request |
|--|-------|-------------------|-------|--------------------|-------|--------------------|
|  | 138.0 | \$57,696          | 135.0 | \$58,000           | 139.0 | \$62,022           |

### Maintaining Current Levels:

|   |     |       |
|---|-----|-------|
| FY 2016 Pay Increase (1.3%), Effective January 2016 | 0.0 | \$215 |
|---|-----|-------|

### Program Increases:

|  |     |         |
|--|-----|---------|
| Centralized communications platform, including the consolidation of IT assets<br>(.gov domains) within OGP |     | \$1,231 |
| Idea Labs  | 3.0 | \$3,000 |
| Restoration of RISC  | 1.0 | \$1,000 |
| Subtotal, Program Increases.....   |     | \$5,446 |

### Program Decreases:

|                                   |  |           |
|-----------------------------------|--|-----------|
| Reduction to Contractual Services |  | (\$1,424) |
| Subtotal, Program Decreases.....  |  | (\$1,424) |

---

|                               |            |                |
|-------------------------------|------------|----------------|
| <b>Total Adjustments.....</b> | <b>4.0</b> | <b>\$4,022</b> |
|-------------------------------|------------|----------------|

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## Explanation of Changes by Office, Appropriated Dollars and FTE

(Dollars in Thousands)

|   | FY 2014      |                    | FY 2015      |                   | FY 2016      |                   |
|---|--------------|--------------------|--------------|-------------------|--------------|-------------------|
|   | FTE          | Actual Obligations | FTE          | Enacted Authority | FTE          | Request Authority |
| <b>1. Administration</b>                                |              |                    |              |                   |              |                   |
| Annual appropriation                                    | <u>11.0</u>  | <u>\$15,760</u>    | <u>7.0</u>   | <u>\$11,742</u>   | <u>7.0</u>   | <u>\$11,718</u>   |
| Subtotal, Administration                                | 11.0         | \$15,760           | 7.0          | \$11,742          | 7.0          | \$11,718          |
| <b>2. Evidence and Analysis</b>                         |              |                    |              |                   |              |                   |
| Annual appropriation                                    | <u>0.0</u>   | <u>\$0</u>         | <u>8.0</u>   | <u>\$1,367</u>    | <u>10.0</u>  | <u>\$4,391</u>    |
| Subtotal, Evidence and Analysis                         | 0.0          | \$0                | 8.0          | \$1,367           | 10.0         | \$4,391           |
| <b>3. Evaluation Sciences</b>                           |              |                    |              |                   |              |                   |
| Annual appropriation                                    | <u>0.0</u>   | <u>\$0</u>         | <u>3.0</u>   | <u>\$985</u>      | <u>6.0</u>   | <u>\$1,003</u>    |
| Subtotal, Evaluation Sciences                           | 0.0          | \$0                | 3.0          | \$985             | 6.0          | \$1,003           |
| <b>4. Asset and Transportation Management</b>           |              |                    |              |                   |              |                   |
| Annual appropriation                                    | 49.0         | \$12,405           | 49.0         | \$11,473          | 47.0         | \$11,665          |
| Reimbursable authority                                  | <u>0.0</u>   | <u>\$0</u>         | <u>0.0</u>   | <u>\$0</u>        | <u>0.0</u>   | <u>\$0</u>        |
| Subtotal, Asset and Transportation                      | 49.0         | \$12,405           | 49.0         | \$11,473          | 47.0         | \$11,665          |
| <b>5. Information, Integrity, and Access Management</b> |              |                    |              |                   |              |                   |
| Annual appropriation                                    | 20.0         | \$17,715           | 24.0         | \$20,219          | 24.0         | \$19,528          |
| Reimbursable authority                                  | <u>0.0</u>   | <u>\$550</u>       | <u>0.0</u>   | <u>\$1,000</u>    | <u>0.0</u>   | <u>\$1,000</u>    |
| Subtotal, Information, Integrity, and Access            | 20.0         | \$18,265           | 24.0         | \$21,219          | 24.0         | \$20,528          |
| <b>6. Federal High Performance Green Buildings</b>      |              |                    |              |                   |              |                   |
| Annual appropriation                                    | <u>9.0</u>   | <u>\$4,259</u>     | <u>11.0</u>  | <u>\$3,939</u>    | <u>12.0</u>  | <u>\$4,325</u>    |
| Subtotal, High Performance Green Buildings              | 9.0          | \$4,259            | 11.0         | \$3,939           | 12.0         | \$4,325           |
| <b>7. Acquisition Policy</b>                            |              |                    |              |                   |              |                   |
| Annual appropriation                                    | 28.0         | \$7,557            | 33.0         | \$8,275           | 33.0         | \$9,392           |
| Reimbursable authority                                  | <u>10.0</u>  | <u>\$1,811</u>     | <u>12.0</u>  | <u>\$2,851</u>    | <u>12.0</u>  | <u>\$2,851</u>    |
| Subtotal, Acquisition Policy                            | 38.0         | \$9,368            | 45.0         | \$11,126          | 45.0         | \$12,243          |
| <b>8. Executive Councils</b>                            |              |                    |              |                   |              |                   |
| Reimbursable authority                                  | <u>11.0</u>  | <u>\$13,957</u>    | <u>20.0</u>  | <u>\$17,000</u>   | <u>20.0</u>  | <u>\$32,000</u>   |
| Subtotal, Executive Councils                            | 11.0         | \$13,957           | 20.0         | \$17,000          | 20.0         | \$32,000          |
| <b>Total, Annual appropriated</b>                       | <b>117.0</b> | <b>\$57,696</b>    | <b>135.0</b> | <b>\$58,000</b>   | <b>139.0</b> | <b>\$62,022</b>   |
| Total, Reimbursable                                     | 21.0         | \$16,318           | 32.0         | \$20,851          | 32.0         | \$35,851          |
| Total, Budget Authority                                 | 138.0        | \$74,014           | 167.0        | \$78,851          | 171.0        | \$97,873          |

## **Summary**

The FY 2016 appropriated budget request provides **\$62,022 thousand** for the Office of Government-wide Policy (OGP), an increase of **\$4,022 thousand** from the FY 2015 enacted level.

In FY 2016, 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 sharing, integrity and access policy; and economically and environmentally high performance Federal buildings, among others.

OGP currently consists of five major policy offices including the Office of Asset and Transportation Management Policy; Office of Information, Integrity, and Access; Office of Federal High-Performance Green Buildings; Office of Acquisition Policy; and Office of Executive Councils. In FY 2016 OGP will have two additional business lines: the Office of Evidence and Analysis and the Office of Evaluation Sciences. These offices will expand OGP's ability to leverage data in order to aid agencies in implementing new strategies for reducing costs, raising compliance, and effectively managing programs.

A major initiative that OGP will undertake in FY 2016 is the consolidation of OGP IT applications onto a single environment, in coordination with the Chief Information Office. This platform will help to streamline data collection practices, dispose of legacy technologies that are no longer relevant, free up resources that are currently being used to operate and maintain the current environment, and reduce duplication. This effort fits in with OGP's goal of enhancing agency customer insights and customer service through new technologies.

## **Program Financing**

OGP is financed from annual appropriations to pay for the salaries and expenses of OGP staff and government-wide policy programs. Additionally, OGP receives reimbursable authority allowing Federal agencies to pay for the cost of government-wide services. Reimbursable costs include the Federal Acquisition Institute's (FAI) governance boards, policy coordination efforts, multi-agency training development and maintenance, and the ability to acquire training services from pre-qualified vendors. It also covers 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 2016, OGP anticipates providing reimbursable services to other Federal agencies and councils in the amount of \$35,851 thousand and 32 FTE, which is an increase of \$15,000 thousand from the funding enacted in FY 2015. The FTE request is unchanged from the FY 2015 request.

The Federal Acquisition Institute (FAI) requests \$2,851 thousand and 20 FTE to support implementation of the FAI Improvement Act (41 USC S 1201 P.L. 112-81). The FAI deploys a civilian agency training consortium board that reduces redundancies, leverages resources, and aligns training objectives across Federal agencies. Additionally, \$1,000 thousand is required to support Federal Advisory Committee Act (FACA) Training and several OMB-driven, government-wide initiatives.

The Government-wide Executive Councils budget includes \$17,000 thousand and 20 FTE for continued support of innovations, initiatives and activities designed to help the intergovernmental Federal Management Councils improve performance in mission-support functions such as acquisition, financial management, human capital and IT management. An additional \$15,000 thousand requested for Cross-Agency Priority (CAP) Goals will enable CAP Goal leaders across government to support key implementation activities for achieving and accelerating progress on mission-focused CAP Goals. This is discussed in more detail in the Executive Office of the President Congressional Justification.

## FY 2016 Budget Impacts

### Savings

OGP has identified **\$1,424 thousand** in cost savings from utilizing shared services, reducing contract spending, and in-sourcing data and analytics work. Specifically, OGP has identified \$110 thousand in reduced professional services support, including project management and advisory assistance, from a number of contracts; as well as \$150 thousand in savings due to utilization of shared services solutions in the areas of IT management; and \$102 thousand from savings in acquisition policy eRulemaking from prior investments. OGP has identified a potential savings of \$1,062 due to in-sourcing of data and analytics functions and capabilities. OGP also plans to repurpose existing vacancies, utilize attrition, and hire at lower grade levels in order to reinvest in the further development of the Office of Evaluation Sciences and the Office of Evidence and Analysis.

### Investments

**\$1,231 thousand** for a consolidated IT application environment and governance framework that will include: technology standards, data collection, data storage, data analysis, web platform, report generation methodologies, and document management practices. The key component of this approach is the construction of the consolidated IT application environment. OGP anticipates significant savings once this platform is able to replicate and replace the functions and user requirements for the 10 OGP government-wide data collection applications into a cloud-based solution. The GSA CIO has demonstrated that this approach requires up-front costs in year one, and then yields considerable cost savings in the subsequent years. The platform would immediately provide a consolidated technical infrastructure to interface with the GSA-wide data storage and management application known as Data to Decisions (D2D). In addition, this platform would further integrate the data resource needs of OGP's web-based IT assets through an interface with a consolidated web-hosting platform. This component would then become the foundation for the platform to provide a consolidated OGP web presence and thereby reduce OGP's numerous stand-alone websites into a single port of entry for OGP's customers. Additional funding in FY 2016 will enable OGP to successfully absorb the one-time transition costs and then OGP will fund costs in the out-years with the cost savings created by eliminating existing OGP systems. Furthermore, the Office of Asset and Transportation Management plans to migrate the Federal Real Property Profile (FRPP) system to the platform, in order to address concerns raised in the 2012 GAO report: "Improved Data and a National Strategy Needed to Better Manage Excess and Underutilized Property". This effort will also improve the quality of data and reporting efforts as required by Executive Order 13327, which relates to Federal Real Property Asset Management.

**\$3,000 thousand** for an Idea Lab program to support the development of government-wide resources for the Innovation Toolkit, which is the overall collection of agency innovation practices that particular agencies may have deployed but merit broader adoption. Examples of

tools to be included are: contracting approaches to pay only for what works, open Federal data to catalyze marketplace innovation, fellowships and accelerated hiring approaches to tap outside talent, tiered-evidence grant programs to test and scale what works, and others that emerge.

**\$1,000 thousand** for the Regulatory Information Service Center (RISC) to restore funding to previous steady-state levels. RISC provides cost effective regulatory planning services on behalf of OMB's Office of Information and Regulatory Affairs (OIRA) for more than 60 Federal agencies. The RISC/OIRA Consolidated Information System (ROCIS) supports public transparency of government-wide regulations and coordinates the regulatory activities of Federal agencies. Funding will be used to support automatic system monitoring, ROCIS.gov mobility enhancement, Oracle upgrades, document functionality, automated testing, and security to include continuous monitoring.

### **Use of Evidence, Evaluation and Analysis**

In FY 2016, the Office of Evidence and Analysis (OEA) and the Office of Evaluation Sciences (OES) will move from the incubation stage within the OGP Front Office to fully operational offices reporting to the OGP Associate Administrator. OEA and OES will gain greater insights and efficiencies by improving existing people and technology based operations while incorporating those findings into future policies and programs. Through the development of evidence and evaluation-based policies, OGP will further strengthen GSA initiatives to improve effectiveness (mission delivery) and efficiency (cost savings) of Federal government operations, while increasing government information sharing, accountability, and transparency.

The OEA will 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 through the ability of data backed evidence. This team supported the Office of Management and Budget's and the Office of Executive Councils work in implementing a key part of the President's Management Agenda, benchmarking administrative data in five areas: human resources, information technology, acquisition, real property, and finance. Furthermore, the team has supported GSA efforts to identify potential cost savings in the areas of travel, fleet, and acquisition.

The OES is an innovative group that includes prominent scientists from academia and related research institutions who have assembled into a federal team capable of translating 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.



## **Achieving Priorities and Goals**

OGP is focusing on supporting the Cross-Agency Priority Goals/Presidential priority areas through a number of investments and projects during FY 2016. Through the development and analysis of administrative policies, OGP is improving mission-support operations and establishing efficient benchmarks for the Federal government across all areas covered in the office's wide-ranging portfolio. OGP is leading key administrative data benchmarking initiatives that directly align with the Administration's benchmarking priority.

The consolidation of OGP IT applications into the single platform creates smarter IT delivery. Through the merging and strengthening of the IT applications, the office will also achieve effective customer service. Furthermore, by improving information sharing, integrity and access policy, OGP is working to fulfill the mission of improving cybersecurity performance. Finally, as previously discussed, two new offices will be created in FY 2016: the Office of Evidence and Analysis and the Office of Evaluation and Sciences. The foundation of these two offices will help improve agency mission effectiveness and operational efficiencies, key goals across all agencies.

**Obligations by Object Classification**

(Dollars in Thousands)

|   | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time permanent.....                       | \$14,232          | \$16,895           | \$17,468           |
| 11.3 Other than full-time permanent.....            | \$305             | \$325              | \$355              |
| 11.5 Other personnel compensation.....              | \$147             | \$172              | \$178              |
| 11.8 Special personnel services payments.....       | \$169             | \$30               | \$30               |
| 12.1 Civilian personnel benefits.....               | \$3,767           | \$4,451            | \$4,628            |
| 13.0 Benefits for former personnel.....             | \$0               | \$0                | \$0                |
| 21.0 Travel and transportation of persons.....      | \$100             | \$136              | \$140              |
| 22.0 Transportation of things.....                  | \$0               | \$3                | \$0                |
| 23.1 Rental payments to GSA.....                    | \$0               | \$0                | \$0                |
| 23.3 Communications and utilities.....              | \$41              | \$41               | \$40               |
| 24.0 Printing and reproduction.....                 | \$348             | \$493              | \$498              |
| 25.1 Advisory and assistance services.....          | \$23,314          | \$24,370           | \$23,471           |
| 25.2 Other services from non-Federal sources.....   | \$227             | \$200              | \$2,746            |
| 25.3 Other goods & services from Federal sources.   | \$13,800          | \$10,737           | \$12,368           |
| 25.7 Operation and maintenance of equipment.....    | \$30              | \$0                | \$0                |
| 26.0 Supplies and materials.....                    | \$39              | \$59               | \$63               |
| 31.0 Equipment.....                                 | \$22              | \$88               | \$37               |
| 32.0 Land and structures.....                       | \$0               | \$0                | \$0                |
| 33.0 Investments and loans.....                     | \$0               | \$0                | \$0                |
| 41.0 Grants, subsidies, and contributions.....      | \$0               | \$0                | \$0                |
| 42.0 Insurance claims and indemnities.....          | \$1,155           | \$0                | \$0                |
| 43.0 Interest and dividends.....                    | \$0               | \$0                | \$0                |
| 44.0 Refunds.....                                   | \$0               | \$0                | \$0                |
| <b>99.0 Obligations, Appropriated (Annual).....</b> | <b>\$57,696</b>   | <b>\$58,000</b>    | <b>\$62,022</b>    |
| <i>Subtotal, PC&amp;B.....</i>                      | <i>\$18,620</i>   | <i>\$21,873</i>    | <i>\$22,659</i>    |
| <i>Subtotal, Non-labor.....</i>                     | <i>\$39,076</i>   | <i>\$36,127</i>    | <i>\$39,363</i>    |
| 99.2 Obligations, reimbursable.....                 | \$16,318          | \$20,851           | \$35,851           |
| 99.9 Total obligations.....                         | \$74,014          | \$78,851           | \$97,873           |

## **OGP Policy Offices**

### **Office of Evidence and Analysis**

The Office of Evidence and Analysis (OEA) will 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 through the ability of data backed evidence.

### **Office of Evaluation Sciences**

The Office of Evaluation Sciences (OES) is an innovative group that includes prominent scientists from academia and related research institutions who have assembled into a federal team capable of translating 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 Asset and Transportation Management**

OGP's Office of Asset and Transportation Management provides policy, guidance, and reporting on everything 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. In FY 2016, the Office of Asset and Transportation Management will achieve its mission of helping agencies make better decisions through evidence-based policy that enable effective and efficient government-wide asset and transportation management.

Increases in funding will be used to migrate the FRPP system to the new IT platform outlined above.

### **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:

- Delivering improved 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 other digital platforms.

### **Office of Federal High Performance Green Buildings**

The Office of Federal High Performance and Green Buildings (OHPGB) supports the overall Federal government mission of operating more effectively and efficiently. The office is leading the marketplace to sustainability by minimizing the Federal footprint through efficient use of energy, water and resources.

### **Office of Acquisition Policy**

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

- Serves as one of the architects of the Federal Acquisition Regulation (FAR) and is responsible for small business participation, competition, 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

**U.S. General Services Administration**

**OPERATING EXPENSES**

**Fiscal Year 2016 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; [\$61,049,000, of which \$26,328,000 is for Real and Personal Property Management and Disposal; \$25,729,000 is for the Office of the Administrator] \$58,560,000, of which not to exceed \$7,500 is for official reception and representation expenses[; and \$8,992,000 is for the Civilian Board of Contract Appeals: *Provided further*, That not to exceed 5 percent of the appropriation made 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].

*In addition, to support the agency's implementation of a uniform procurement instrument identifier as described in 48 C.F.R. subpart 4.16, \$3,000,000, to include changes in business processes, workforce, or information technology: Provided, That such amount is available only to supplement and not supplant existing DATA Act activities.*

## Program Description

This appropriation supports a variety of operational activities which are not 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; the activities of the Civilian Board of Contract Appeals; and Executive Management and Administration activities, including support of government-wide emergency response and recovery activities; and top-level, agency-wide management communications activities.

**Amounts Available for Obligation**

(Dollars in Thousands)

|   | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|---|-------------------|--------------------|--------------------|
| <i>Unobligated balance, start of year</i> ..... | \$ 772            | \$ 772             | \$ 772             |
| Discretionary authority:                        |                   |                    |                    |
| <b>Annual appropriation</b> .....               | \$ 63,466         | \$ 61,049          | \$ 61,560          |
| Reimbursable authority:                         |                   |                    |                    |
| New authority.....                              | \$ 3,475          | \$ 16,665          | \$ 16,665          |
| Change in uncollected payments.....             | \$ 1,683          | \$ -               | \$ -               |
| Subtotal, reimbursable authority.....           | \$ 5,158          | \$ 16,665          | \$ 16,665          |
| Reimbursable authority, expiring.....           | \$ (71)           |                    |                    |
| Appropriations authority, expiring.....         | \$ (2,804)        |                    |                    |
| 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.....                         | \$ 65,749         | \$ 77,714          | \$ 78,225          |
| <b>Obligations, appropriated (annual)</b> ..... | <b>\$ 60,662</b>  | <b>\$ 61,049</b>   | <b>\$ 61,560</b>   |
| Obligations, reimbursable.....                  | \$ 5,087          | \$ 16,665          | \$ 16,665          |
| Net Outlays                                     | \$ 57,897         | \$ 62,727          | \$ 61,389          |

**Note:** \$772 thousand in funding associated with the Governors Island and Lorton Correctional Complex disposal projects.



U.S. General Services Administration  
 Operating Expenses

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**Explanation of Changes, Appropriated Dollars and FTE**

(Dollars in Thousands)

|  | FTE   | FY 2014<br>Actual | FTE   | FY 2015<br>Enacted | FTE   | FY 2016<br>Request |
|--|-------|-------------------|-------|--------------------|-------|--------------------|
|  | 308.0 | \$60,662          | 341.0 | \$ 61,049          | 313.0 | \$ 61,560          |

**Maintaining Current Levels:**

FY 2016 Pay Increase (1.3%), Effective January 2016 \$ 305

**Program Increases:**

Travel and Transportation \$ 145

Contractual Services \$ 3,625

Subtotal, Program Increases..... \$ 3,770

**Program Decreases:**

Personnel Compensation and Benefits (28) \$ (2,157)

Communications, Printing, and Reproduction \$ (37)

Rent \$ (1,349)

Supplies, Materials, and Equipment \$ (21)

Subtotal, Program Decreases..... (28) \$ (3,564)

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**Total Adjustments..... (28) \$ 511**

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**Explanation of Changes by Program, Appropriated Dollars and FTE**  
(Dollars in Thousands)

|   | PPM         |                   | RPD         |                   | OCM         |                   | M&A         |                   | CBCA        |                   | TOTAL        |                   |
|---|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|--------------|-------------------|
|   | FTE         | Authority (\$000) | FTE         | Authority (\$000) | FTE         | Authority (\$000) | FTE         | Authority (\$000) | FTE         | Authority (\$000) | FTE          | Authority (\$000) |
| <b>FY 2015 Request</b>                            | 74.0        | \$ 10,860         | 90.0        | \$ 15,468         | 37.0        | \$ 6,629          | 101.0       | \$ 19,100         | 39.0        | \$ 8,992          | 341.0        | \$ 61,049         |
| <b>Maintaining Current Levels:</b>                |             |                   |             |                   |             |                   |             |                   |             |                   |              |                   |
| FY 2016 Pay Increase (1%), Effective January 2016 |             | \$ 61             |             | \$ 85             |             | \$ 18             |             | \$ 96             |             | \$ 45             |              | \$ 305            |
| <b>Program Increases:</b>                         |             |                   |             |                   |             |                   |             |                   |             |                   |              |                   |
| Personnel Compensation and Benefits               |             |                   |             |                   |             |                   | \$ 601      |                   | 2.0         | \$ 506            | 2.0          | \$ 1,107          |
| Travel and Transportation                         | \$ 8        |                   |             |                   | \$ 7        |                   | \$ 221      |                   | \$ 6        |                   | \$ 242       |                   |
| Rent  |             |                   |             |                   |             |                   |             |                   |             |                   | \$ -         |                   |
| Communications, Printing, and Reproduction        | \$ -        |                   |             |                   |             |                   |             |                   |             |                   | \$ -         |                   |
| Supplies, Materials, and Equipment                |             |                   | \$ 32       |                   |             |                   | \$ 4        |                   |             |                   | \$ 36        |                   |
| Contractual Services                              | \$ 225      |                   |             |                   |             |                   | \$ 4,483    |                   |             |                   | \$ 4,708     |                   |
| Subtotal, Program Increases:                      | \$ 233      |                   | \$ 32       |                   | \$ 7        |                   | \$ 5,309    |                   | 2.0         | \$ 512            | 2.0          | \$ 6,093          |
| <b>Program Decreases:</b>                         |             |                   |             |                   |             |                   |             |                   |             |                   |              |                   |
| Personnel Compensation and Benefits               | (8.0)       | \$ (464)          |             | \$ (47)           | (18.0)      | \$ (2,753)        | (4.0)       |                   |             |                   | (30.0)       | \$ (3,264)        |
| Travel and Transportation                         |             |                   |             | \$ (97)           |             |                   |             |                   |             |                   |              | \$ (97)           |
| Rent  |             |                   |             |                   |             | \$ (10)           | \$ (1,331)  |                   | \$ (8)      |                   |              | \$ (1,349)        |
| Communications, Printing, and Reproduction        | \$ (7)      |                   | \$ (9)      |                   |             |                   | \$ (13)     |                   | \$ (8)      |                   |              | \$ (37)           |
| Contractual Services                              |             |                   | \$ (114)    |                   | \$ (644)    |                   |             |                   | \$ (325)    |                   |              | \$ (1,083)        |
| Supplies, Materials, and Equipment                | \$ (22)     |                   |             |                   | \$ (11)     |                   |             |                   | \$ (24)     |                   |              | \$ (57)           |
| Subtotal, Program Decreases:                      | (8.0)       | \$ (493)          |             | \$ (267)          | (18.0)      | \$ (3,418)        | (4.0)       | \$ (1,344)        | -           | \$ (365)          | (30.0)       | \$ (5,887)        |
| <b>FY 2016 Request</b>                            | <b>66.0</b> | <b>\$ 10,661</b>  | <b>90.0</b> | <b>\$ 15,318</b>  | <b>19.0</b> | <b>\$ 3,236</b>   | <b>97.0</b> | <b>\$ 23,161</b>  | <b>41.0</b> | <b>\$ 9,184</b>   | <b>313.0</b> | <b>\$ 61,560</b>  |

**Summary of the Request**

The FY 2016 proposed budget provides a total of \$61,560 thousand and 313 FTE for the base program for Operating Expenses (OE), a net decrease of \$2,489 thousand and decrease of 28 FTE from the FY 2015 requested level. GSA is able to achieve a 4 percent reduction to the base program from the FY 2015 request through implementation of the following initiatives:

- Realigning 18 FTE from Office of Communications and Marketing (OCM) to the WCF as part of GSA's continued consolidation efforts for a reduction of \$2,600 thousand from the FY 2015 request. The WCF request assumes 5 percent savings from the pre-consolidation FY 2015 baseline for the OCM functions being consolidated.
- Revising the billing methodology for some overhead costs for the Office of the Administrator (OA), Regional Administrators (RA), Office of Mission Assurance (OMA), and Office of Congressional and Intergovernmental Affairs (OCIA) for a reduction of \$756 thousand.
- Realigning funding within Operating Expenses to fully fund mission needs for Office of Congressional and Intergovernmental Affairs and Regional Administrators.
- Reducing non-mission critical contracts while funding investments that improve service delivery to agencies and the public.

In addition, the FY 2016 request includes \$3,000 thousand to support the agency's implementation of a uniform procurement instrument identifier as required to comply with the DATA Act.

U.S. General Services Administration  
 Operating Expenses

**Obligations by Object Classification**

(Dollars in Thousands)

|   | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent.....                      | \$ 27,828         | \$ 30,868          | \$ 29,377          |
| 11.3 Other than full-time permanent.....            | \$ 2,527          | \$ 2,177           | \$ 2,347           |
| 11.5 Other personnel compensation.....              | \$ 259            | \$ 384             | \$ 289             |
| 11.8 Special personnel services payments.....       | \$ 103            | \$ 16              | \$ 19              |
| 12.1 Civilian personnel benefits.....               | \$ 8,261          | \$ 8,782           | \$ 8,311           |
| 13.0 Benefits for former personnel.....             | \$ -              | \$ -               | \$ 32              |
| 21.0 Travel and transportation of persons.....      | \$ 591            | \$ 591             | \$ 749             |
| 22.0 Transportation of things.....                  | \$ 1              | \$ 13              | \$ -               |
| 23.1 Rental payments to GSA.....                    | \$ 2,827          | \$ 3,660           | \$ 2,311           |
| 23.2 Rental payments to others.....                 | \$ -              | \$ -               | \$ -               |
| 23.3 Communications and utilities.....              | \$ 214            | \$ 188             | \$ 156             |
| 24.0 Printing and reproduction.....                 | \$ 7              | \$ 15              | \$ 10              |
| 25.1 Advisory and assistance services.....          | \$ 3,420          | \$ 1,923           | \$ 1,514           |
| 25.2 Other services from non-Federal sources.....   | \$ 36             | \$ 282             | \$ 92              |
| 25.3 Other goods & services from Federal sources.   | \$ 13,631         | \$ 11,851          | \$ 16,069          |
| 25.4 Operation and maintenance of facilities.....   | \$ 298            | \$ 1               | \$ 44              |
| 25.6 Medical care.....                              | \$ -              | \$ 1               | \$ -               |
| 25.7 Operation and maintenance of equipment.....    | \$ 66             | \$ 36              | \$ -               |
| 26.0 Supplies and materials.....                    | \$ 263            | \$ 182             | \$ 167             |
| 31.0 Equipment.....                                 | \$ 180            | \$ 79              | \$ 73              |
| 42.0 Insurance claims and indemnities.....          | \$ 150            | \$ -               | \$ -               |
| <b>99.0 Obligations, Appropriated (Annual).....</b> | <b>\$ 60,662</b>  | <b>\$ 61,049</b>   | <b>\$ 61,560</b>   |
| <i>Subtotal, PC&amp;B.....</i>                      | <i>\$ 38,978</i>  | <i>\$ 42,227</i>   | <i>\$ 40,375</i>   |
| <i>Subtotal, Non-labor.....</i>                     | <i>\$ 21,684</i>  | <i>\$ 18,822</i>   | <i>\$ 21,185</i>   |
| 99.2 Obligations, reimbursable.....                 | \$ 5,132          | \$ 16,665          | \$ 16,665          |
| 99.9 Total obligations.....                         | \$ 65,794         | \$ 77,714          | \$ 78,225          |

U.S. General Services Administration  
Operating Expenses

**Obligations by Program**

(Dollars in Thousands)

|  | FY 2014      |                 | FY 2015      |                 | FY 2016      |                 |
|--|--------------|-----------------|--------------|-----------------|--------------|-----------------|
|  | FTE          | Obligations     | FTE          | Authority       | FTE          | Authority       |
| <b>1. Personal Property Management</b>             |              |                 |              |                 |              |                 |
| Annual appropriation                               | 68.0         | \$10,603        | 74.0         | \$10,860        | 66.0         | \$10,661        |
| Reimbursable authority                             | <u>8.0</u>   | <u>\$1,536</u>  | <u>9.0</u>   | <u>\$3,165</u>  | <u>9.0</u>   | <u>\$3,165</u>  |
| Subtotal, PPM                                      | 76.0         | \$12,139        | 83.0         | \$14,025        | 75.0         | \$13,826        |
| <b>2. Real Property Disposal</b>                   |              |                 |              |                 |              |                 |
| Annual appropriation                               | 79.0         | \$15,513        | 90.0         | \$15,468        | 90.0         | \$15,318        |
| Reimbursable authority                             | <u>7.0</u>   | <u>\$3,551</u>  | <u>7.0</u>   | <u>\$11,500</u> | <u>7.0</u>   | <u>\$11,500</u> |
| Subtotal, RPD                                      | 86.0         | \$19,064        | 97.0         | \$26,968        | 97.0         | \$26,818        |
| <b>3. Office of Communications &amp; Marketing</b> |              |                 |              |                 |              |                 |
| Annual appropriation                               | <u>34.0</u>  | <u>\$6,906</u>  | <u>37.0</u>  | <u>\$6,629</u>  | <u>19.0</u>  | <u>\$3,236</u>  |
| Subtotal, OCM                                      | 34.0         | \$6,906         | 37.0         | \$6,629         | 19.0         | \$3,236         |
| <b>4. Management &amp; Administration</b>          |              |                 |              |                 |              |                 |
| Annual appropriation                               | <u>78.0</u>  | <u>\$18,838</u> | <u>101.0</u> | <u>\$19,100</u> | <u>97.0</u>  | <u>\$23,161</u> |
| Subtotal, M&A                                      | 78.0         | \$18,838        | 101.0        | \$19,100        | 97.0         | \$23,161        |
| <b>5. Civilian Board of Contract Appeals</b>       |              |                 |              |                 |              |                 |
| Annual appropriation                               | 34.0         | \$8,802         | 39.0         | \$8,992         | 41.0         | \$9,184         |
| Reimbursable authority                             | <u>0.0</u>   | <u>\$0</u>      | <u>0.0</u>   | <u>\$2,000</u>  | <u>0.0</u>   | <u>\$2,000</u>  |
| Subtotal, CBCA                                     | 34.0         | \$8,802         | 39.0         | \$10,992        | 41.0         | \$11,184        |
| <b>Total, Annual appropriated</b>                  | <b>293.0</b> | <b>\$60,662</b> | <b>341.0</b> | <b>\$61,049</b> | <b>313.0</b> | <b>\$61,560</b> |
| Total, Reimbursable                                | 15.0         | \$5,087         | 16.0         | \$16,665        | 16.0         | \$16,665        |
| Total, Budget Authority                            | 308.0        | \$65,749        | 357.0        | \$77,714        | 329.0        | \$78,225        |

Note: FY 2016 funding reflects a realignment of \$2,600 thousand and 18 FTE from the Office of Communications and Marketing to the Working Capital Fund along with a realignment of \$35 thousand from Management and Administration to the Working Capital Fund.

**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 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 emergency response and recovery activities; and

**Reimbursable Program:** In FY 2016, the programs of the Operating Expenses appropriation anticipate to provide reimbursable services to other Federal agencies in the amount of \$16,665 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
- (3) \$2,000 thousand for arbitration services provided by Civilian Board of Contract Appeals (CBCA) to external customers on a reimbursable basis in accordance with 5 U.S.C. 573. Prior to FY 2012, funding for arbitration services was collected through the Working Capital Fund.

## Federal Acquisition Service, Personal Property Utilization and Donation

### FY 2016 Proposed Budget

The FY 2016 budget request provides \$10,661 thousand for the Personal Property Utilization and Donation program, a decrease of \$199 thousand, and a reduction of eight FTE. The requested funding level provides for an increase in travel of \$20 thousand and adjusts contract funding to offset FTE reductions. The increase in travel will fund additional activities to assist Federal customers in the disposal of Federal property and conduct reviews, as required under Section 102-37.345/350 of the Federal Management Regulation, Personal Property Subpart.

### 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. GSA sells agency surplus property through GSA Auctions® to ensure quick disposal of assets, reduced administrative costs, and maximized return on investment. Expenses incurred to operate the Personal Property program functions within GSA Auctions® are financed by the Acquisition Services Fund through a portion of the proceeds realized from the sale of surplus personal property and exchange/sale property.

## **Public Buildings Service, Office of Real Property Utilization and Disposal**

### **FY 2016 Proposed Budget**

The FY 2016 budget request provides \$15,318 thousand for the Office of Real Property Utilization and Disposal (RPUD), a decrease of \$150 thousand from the FY 2015 enacted level. RPUD works closely with client agencies and the Public Buildings Service to develop Customer Portfolio Plans (CPP). RPUD assists in identifying space disposition opportunities and targeting properties for disposal or repurpose. Since FY 2010, GSA disposed of 907 assets government-wide, including 64 assets from the Public Buildings Service (PBS) portfolio by the end of FY 2014. These 907 disposals spanned 18 agencies and generated more than \$250.2 million in proceeds.

### **Savings:**

RPUD proposes a \$114 thousand reduction in contract services partially due to the implementation of a new blanket purchase agreement (BPA) contract vehicle for Real Estate Sales and Support Services that will eliminate redundant and costly procurement actions across multiple GSA regions. RPUD will also eliminate non-critical contracts, and reduce costs by focusing funding on customer- and public-facing activities.

Additionally, RPUD will reduce travel by \$97 thousand in FY 2016 from the FY 2015 enacted level by strategically planning compliance inspections. As much as possible, RPUD will combine property inspections with other customer-related travel in order to minimize costs. In total, these and other planned reductions total \$267 thousand.

### **Investments**

To date, RPUD has been effective in working to right-size the Federal real estate footprint and returning underutilized assets to the productive economy. Continued mission achievement under these conditions requires the investment in human capital and support systems included in this request. The FY 2016 budget reflects funding at the FY 2015 enacted level for critical training initiatives. RPUD will use its training funds to ensure its experienced realty personnel maintain their skill and knowledge level in the real estate industry, while also developing the skills and capabilities of less experienced or new realty employees.

RPUD will also increase its number of warranted Disposal Officers. Currently, unwarranted realty personnel are not able to complete the disposal process end-to-end on their own and must route a few activities, such as the transmission of the deed, through one of the warranted individuals to close projects. With continued investment in training, RPUD's goal is to significantly increase the number of personnel with disposal warrants so that more employees are able to complete end-to-end execution of disposals entirely on their own.

In addition, the program plans an increase of \$32 thousand from the FY 2015 enacted level to invest in the systems that support the disposal process.



## **Office of Communications and Marketing**

### **FY 2016 Proposed Budget**

The FY 2016 request includes a net decrease of \$3,393 thousand from the FY 2015 budget request level. The Office of Communications and Marketing (OCM) will achieve this reduction as a result of realigning 18 FTE to the Working Capital Fund. The realignment primarily affects personnel that support business line communication and marketing efforts suitable for a user-fee arrangement. The personnel funded by the OCM appropriated account will support agency-wide communication and marketing functions. Additional savings from delaying the backfill of vacancies created through attrition will offset increases in Working Capital Fund payments.

### **Program Description**

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

- The Media Affairs Division is the agency's official point of contact and coordination portal for all media interactions with GSA. The Media Affairs Division fields all media inquiries regarding GSA programs, products, initiatives, people, policies, and success stories.
- The Communications Division plans and executes external and internal communications activities for the agency. The organization develops and implements enterprise-wide communications strategies and information campaigns across technology platforms, including web, video, visual communications and social media.

## Management and Administration

### FY 2016 Proposed Budget

The FY 2016 request for Management and Administration (M&A) provides \$24,161 thousand, an increase of \$5,061 thousand from the levels funded in the FY 2015 budget. M&A-funded offices have reassessed staffing levels and funding requirements resulting in a decrease of four FTE. Decreases include reductions due to the consolidation of functions into the Working Capital Fund and a reduction of rental payments to the Public Buildings Service in FY 2016, but these decreases are offset by increases to personnel compensation, contractual services and payments to the Working Capital Fund.

### 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 Administrator and Regional Administrators** are responsible for the execution of all functions assigned to GSA by law and regulation. In order to contribute to agency savings targets, the Offices of the Administrator and Regional Administrators will reduce contract funding for copier leases and subscriptions. However, these offices will request additional funding to fully fund existing FTE and pay inflation.

**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 to over 1,400 House-district and Senate-state offices for the Congress. OCIA requests an increase to fully fund existing FTE and travel requirements. These increases will be partially offset by reductions to contractual services and subscriptions.

**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, and contingency and continuity planning. 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. OMA is also funded from the Working Capital Fund to assure the safety,

privacy, and security of GSA facilities, people, and IT assets nationwide. OMA requests an increase in FY 2016 to fund pay inflation. Some of the increases will be offset by reductions to contractual services and the realignment of funding for satellite phones to the Working Capital Fund.

**The Office of Management and Administration Corporate Account** funds Working Capital Fund payments, rent, and security for the organizations under M&A. Changes to the billing methodology for certain overhead costs have resulted in net decrease of \$500 thousand.

This account will also fund the necessary investments to implement a uniform procurement instrument identifier as described in 48 C.F.R. subpart 4.16 to support DATA Act activities. The ability to uniquely and uniformly identify procurement transactions is key to linking obligations with expenditures as part of implementation of the Digital Accountability and Transparency Act (DATA). This portion of the FY2016 Operating Expenses request includes \$3,000 thousand to support changes in information technology, business processes, and workforce tools to implement the new procurement award identifier.

## **Civilian Board of Contract Appeals**

### **FY 2016 Proposed Budget**

The FY 2016 budget provides \$9,184 thousand and 41 FTE for the Civilian Board of Contract Appeals, a \$192 thousand and 2 FTE increase from the FY 2015 budget level.

### **Program Description**

The Civilian Board of Contract Appeals (CBCA) hears and decides 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) according to the provisions of the Contract Disputes Act of 1978 and associated regulations and rulings. Additionally, CBCA provides alternative dispute resolution services to Executive agencies, both in contract disputes that are the subject of a contracting officer's decision and in other contract-related disputes. CBCA also provides arbitration services to external customers including the Department of Energy and the Federal Emergency Management Agency on a reimbursable basis.

The CBCA hears and decides other cases, including Contract Disputes Act appeals relating to Indian Self-Determination and Education Assistance Act contracts and appeals related to disallowance by the Secretary of the Interior of costs payable under that Act; appeals of final administrative determinations of the Federal Crop Insurance Corporation pertaining to standard reinsurance agreements; claims involving transportation rate determinations; and travel and relocation expense claims by Federal civilian employees.

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**Fiscal Year 2016 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, **\$67,803,000**, of which \$2,000,000 is available until expended: *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**

|                              | <b>FY 2012</b>      | <b>FY 2013</b>      | <b>FY 2014</b>      | <b>FY 2015<br/>Enacted</b> | <b>FY 2016<br/>Request</b> |
|------------------------------|---------------------|---------------------|---------------------|----------------------------|----------------------------|
| <b>Estimate to Congress:</b> | <b>\$62,358,000</b> | <b>\$58,960,000</b> | <b>\$62,908,000</b> | <b>\$66,978,000</b>        | <b>\$67,803,000</b>        |
| Appropriated:                |                     |                     |                     |                            |                            |
| Annual Funds                 | \$58,882,000        | \$58,000,000        | \$63,000,000        | \$65,000,000               |                            |
| Rescissions                  | (\$882,000)         | (\$116,000)         |                     |                            |                            |
| Sequestration                |                     | (\$2,917,748)       |                     |                            |                            |
| No-Year Funds                |                     |                     | \$2,000,000         |                            |                            |
| <b>Total.....</b>            | <b>\$58,000,000</b> | <b>\$54,966,252</b> | <b>\$65,000,000</b> | <b>\$65,000,000</b>        |                            |



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**Amounts Available for Obligation**

(Dollars in Thousands)

|   | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Enacted</b> | <b>FY 2016<br/>Request</b> |
|---|---------------------------|----------------------------|----------------------------|
| Unobligated balance <sup>1</sup> , start of year..... | \$0                       | \$2,000                    | \$2,000                    |
| <i>Discretionary authority:</i>                       |                           |                            |                            |
| Appropriation (annual).....                           | \$63,000                  | \$65,000                   | \$65,803                   |
| Appropriation (no-year).....                          | \$2,000                   | \$0                        | \$2,000                    |
| <i>Reimbursable authority:</i>                        |                           |                            |                            |
| Offsetting collections.....                           | \$600                     | \$600                      | \$600                      |
| <b>Subtotal amount available for obligation</b>       | <b>\$65,600</b>           | <b>\$67,600</b>            | <b>\$70,403</b>            |
| <i>Discretionary authority:</i>                       |                           |                            |                            |
| Unobligated balance, expiring.....                    | (\$7,648)                 | \$0                        | \$0                        |
| Unobligated balance, end of year.....                 | (\$2,000)                 | (\$2,000)                  | \$0                        |
| <i>Reimbursable authority:</i>                        |                           |                            |                            |
| Unobligated balance, expiring.....                    | (\$253)                   | \$0                        | \$0                        |
| <b>Total obligations</b>                              | <b>\$55,699</b>           | <b>\$65,600</b>            | <b>\$70,403</b>            |
| Obligations, appropriated (annual).....               | \$55,352                  | \$65,000                   | \$65,803                   |
| Obligations, appropriated (no-year).....              | \$0                       | \$0                        | \$4,000                    |
| Obligations, reimbursable.....                        | \$347                     | \$600                      | \$600                      |
| <b>Net outlays, appropriated.....</b>                 | <b>\$59,955</b>           | <b>\$64,421</b>            | <b>\$65,288</b>            |

<sup>1</sup> FY 2015 and FY 2016 unobligated balance reflects no-year funds appropriated in FY 2014.

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**Explanation of Changes, Appropriated Dollars, and FTE**

(Dollars in Thousands)

|                                 | <b>FTE</b> | <b>Budget<br/>Authority</b> |
|---------------------------------|------------|-----------------------------|
| 2015 Enacted <sup>2</sup> ..... | 326        | \$65,000                    |
| 2016 Request .....              | <u>336</u> | <u>\$67,803</u>             |
| Net Change.....                 | 10         | \$2,803                     |

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|   | <b>FTE</b> | <b>Budget<br/>Authority</b> |
|---|------------|-----------------------------|
| <b>Maintaining Current Levels:</b>                                      |            |                             |
| Annualization of FY 2015 Pay Increase (1.0%), effective<br>January 2015 |            | \$125                       |
| FY 2016 Pay Increase (1.3%), effective January 2016                     |            | \$473                       |
| Inflation (1.9%)  |            | \$322                       |
| <b>Program Initiatives:</b>   |            |                             |
| Additional operational component support staff & resources              | <u>10</u>  | <u>\$1,883</u>              |
| Net Change.....   | 10         | \$2,803                     |

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|                        |   |       |
|------------------------|---|-------|
| Reimbursable Resources | 3 | \$600 |
|------------------------|---|-------|

<sup>2</sup> Due to funding levels provided to the OIG in FY 2014 and FY 2015, we are able to support an additional 10 appropriated FTEs above the prior 316 FTE ceiling levels.

## Summary of Request

The FY 2016 budget requests a total of **\$67,803 thousand** for the Office of Inspector General. This represents a net increase of **\$2,803 thousand** from the FY 2015 request level, including the following:

**\$125 thousand** for annualization of FY 2015 pay increase (1.0%), effective Jan. 2015

**\$473 thousand** for cost of living allowance (1.3%), effective January 2016

**\$322 thousand** for inflation (1.9%)

**\$1,883 thousand** for additional operational component support staff and resources

**Reimbursable Programs:** The FY 2016 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.

|  |                  |
|--|------------------|
| <b>FY 2016 Annual CIGIE Assessment</b>   | <b>\$183,000</b> |
| <b>FY 2016 Annual Training Request:<br/>Certified by the Inspector General</b> | <b>\$413,000</b> |

## **FY 2016 OIG Request**

The FY 2015 appropriation is allowing the GSA Office of Inspector General (OIG) to increase staffing our operations to its fullest capacity after sequestration resulted in a significant reduction in personnel. A full OIG staff maximizes our ability to oversee GSA programs and operations, particularly as GSA implements new programs and initiatives. For FY 2016, we request \$67,803 thousand to sustain our recent investment in hiring, account for inflation, and continue to meet our oversight mission with an increase in ten (10) positions over the FY 2015 enacted level for the OIG's operational components—the Office of Audits; the Office of Investigations; and the Office of Forensic Auditing, Analysis, and Evaluations.

The OIG's success in carrying out its mission is directly tied to having the expertise of auditors, special agents, inspectors, and lawyers on staff. Accordingly, our staff represents the OIG's largest investment and consistently achieves significant savings for the United States. For instance, in FY 2014, we made 537 referrals for criminal prosecution, civil litigation, administrative action, suspension, and debarment; issued 85 audit reports; recommended over \$500 million in funds to be put to better use; and achieved over \$114 million in civil settlements and court-ordered and investigative recoveries.

In FY 2014, the OIG Office of Audits issued the third audit on procurement irregularities and ineffective management of the Ronald Reagan Building and International Trade Center and a special report on systemic procurement issues within the National Capital Region. In tracking systemic challenges in GSA's operations, the OIG's audits are instrumental for the Agency and Congress to take corrective action. The sustained growth of our Office of Audits will amplify these efforts, as well as allow us to closely monitor major GSA initiatives, such as the use of its Section 412 authorities, the FBI consolidation project, and new acquisition models.

The OIG will continue to hire additional auditors throughout the country for oversight, as well as to assist the Department of Justice (DOJ) on False Claims Act recoveries. Such cases are particularly significant to the taxpayer, as evidenced by an FY 2012 settlement in which Oracle agreed to pay the United States \$199.5 million plus interest, and most recently by CA, Inc.'s agreement to pay \$8 million to resolve False Claims Act allegations. The OIG's Office of Audits is also uniquely qualified to assist the Agency in complicated construction claims, which are expected to skyrocket as Recovery Act work finishes.

Similarly, hiring more special agents increases the OIG's ability to pursue allegations of fraud and misconduct, and achieve even greater civil and criminal recoveries. Our Office of Investigations continues to focus on high dollar procurement fraud, resulting in the FY 2014 agreement by Axway, Inc., to pay \$6.2 million to resolve False Claims Act allegations. Our special agents have conducted numerous investigations into bribery and bid-rigging schemes, and we are increasingly pursuing complex Service-Disabled Veteran-Owned Small Business fraud cases to the benefit of the taxpayer. Furthermore, sustaining

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our hiring ability will allow the OIG to ramp up the amount of inspections and evaluations we do.

Finally, the OIG's Office of Forensic Auditing, Evaluation and Analysis has assumed a new mission providing inspections oversight of GSA operations and programs. Initial inspections reports have identified vulnerabilities in GSA's open space environment and management weaknesses in GSA's oversight of the Federal Child Care Center Program.

In addition to hiring more auditors, agents, and inspectors, the OIG will continue to utilize its components in a cross-cutting way. Our investigation into the Western Regions Conference, which had a reverberating effect throughout the Federal Government, was the result of a unique collaboration of special agents and forensic auditors. The OIG is currently examining contracting officer training and warrant programs using a similar three-pronged audit, investigation, and inspection approach. A fully-staffed OIG is crucial to the effectiveness of such collaborative examinations. As such, our FY 2016 budget request reflects the need for sustained growth for major audit, investigatory, and inspection oversight initiatives into GSA programs.

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**Obligations by Object Classification**

(Dollars in Thousands)

|   | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Enacted</b> | <b>FY 2016<br/>Request</b> |
|---|---------------------------|----------------------------|----------------------------|
| 11.1 Full-time permanent                                      | \$28,373                  | \$34,334                   | \$35,687                   |
| 11.3 Other than full-time permanent                           | \$255                     | \$0                        | \$0                        |
| 11.5 Other personnel compensation                             | \$1,958                   | \$2,348                    | \$2,377                    |
| 11.8 Special personal services payments                       | \$0                       | \$0                        | \$0                        |
| <b>11.9 Total personnel compensation</b>                      | <b>\$30,586</b>           | <b>\$36,682</b>            | <b>\$38,064</b>            |
| 12.1 Civilian personnel benefits                              | \$9,980                   | \$11,815                   | \$12,236                   |
| 21.0 Travel and transportation of persons                     | \$1,102                   | \$1,327                    | \$1,540                    |
| 22.0 Transportation of things                                 | \$0                       | \$0                        | \$0                        |
| 23.1 Rental payments to GSA                                   | \$3,715                   | \$4,352                    | \$4,365                    |
| 23.2 Rental payments to others                                | \$0                       | \$0                        | \$0                        |
| 23.3 Communications, utilities and miscellaneous charges      | \$417                     | \$450                      | \$459                      |
| 24.0 Printing and reproduction                                | \$15                      | \$15                       | \$15                       |
| 25.1 Advisory and assistance services                         | \$3,353                   | \$2,436                    | \$2,745                    |
| 25.2 Other services   | \$6                       | \$8                        | \$8                        |
| 25.3 Purchases of goods and services from government accounts | \$4,282                   | \$5,055                    | \$5,327                    |
| 25.4 Operation and maintenance of facilities                  | \$3                       | \$0                        | \$0                        |
| 25.7 Operation and maintenance of equipment                   | \$1,119                   | \$1,000                    | \$1,019                    |
| 26.0 Supplies and materials                                   | \$183                     | \$300                      | \$316                      |
| 31.0 Equipment  | \$591                     | \$1,560                    | \$1,709                    |
| 42.0 Insurance claims and indemnities                         | \$0                       | \$0                        | \$0                        |
| <b>99.0 Subtotal</b>  | <b>\$55,352</b>           | <b>\$65,000</b>            | <b>\$67,803</b>            |
| 99.0 Reimbursable obligations                                 | \$347                     | \$600                      | \$600                      |
| <b>99.9 Total Obligations</b>                                 | <b>\$55,699</b>           | <b>\$65,600</b>            | <b>\$68,403</b>            |

**Business Component Justifications**

Our major operational components—the Office of Audits and Office of Investigations—share primary responsibility for overseeing GSA programs and operations. Additional oversight is provided by the Office of Forensic Auditing, Evaluation, and Analysis, which has matured to become a significant force multiplier in the OIG's efforts to combat fraud, waste, and abuse through inspections and evaluations of GSA programs and operations. The Forensic Auditing Office's value was demonstrated in the FY 2013 inspection report of GSA's executive compensation practices, which grew out of the inspection staff's work with the Office of Investigations that led to the FY 2012 report on GSA's Western Regions Conference. 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 it 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 to provide GSA management with independent assessments and input on potential solutions to issues, when appropriate;
- Information technology and systems audits to 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 to ensure compliance with applicable laws and regulations;
- Internal control audits designed to 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/or compliance with applicable laws and regulations;
- Attestation engagements (contract audits) to examine selected vendors' records and develop the financial information necessary for GSA contracting officers to negotiate

favorable pricing arrangements on contract awards and administer existing contracts; and

- Oversight of the Agency's contracts for the annual financial statement 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 Management 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 the Agency, we maintain a keen awareness of both the value and necessity of our audit products for the taxpayer, elected representatives, Office of Management and Budget (OMB), Agency management, and other key stakeholders.

To ensure the most effective and efficient use of resources, the Office of Audits solicits information from internal and external stakeholders, including Agency management and OMB, as part of our annual audit planning process. This information is then discussed at OIG regional and headquarter levels, and an assessment of the most significant challenges and risks is made. These issues are subsequently targeted for review by our internal and contract audit staff. Results are provided to GSA officials, Congress, and our other stakeholders through audit reports, memorandums, and the Semiannual Report to the Congress.

Three recent audit reports demonstrate the significant benefits of our internal audit work. First, in June 2013, we reported that Federal Acquisition Service (FAS) management officials improperly intervened in the award and extension of Multiple Award Schedule (MAS) contracts. This intervention resulted in MAS contracts awarded with inflated pricing and/or unfavorable contract terms and extensions that contracting staff had determined were not in the best interest of the United States. In addition, FAS management intervention undermined the authority and morale of GSA contracting officers. FAS management: 1) allowed contractors to circumvent contracting officers when the contractors disagreed with contracting staff determinations, and 2) supported the contractors' positions, including reassigning contracts to different contracting officers. In each reassignment, the new contracting officer awarded or extended contracts without properly addressing significant issues identified by previous contracting officers.

Second, in October 2013, we reported on FAS contract pricing and negotiation performed under Schedule 84 within the Greater Southwest Acquisition Center. Schedule 84 is the highest revenue-producing schedule managed by the Greater Southwest Acquisition Center.<sup>2</sup> We identified multiple instances in which Schedule 84 contracting officers did not adhere to Federal regulations or FAS policies throughout the negotiation process. In addition, contracting officers achieved minimal cost savings despite contract audit

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<sup>2</sup> In FY 2011 and 2012, Schedule 84 averaged approximately 1,500 active contracts with annual schedule sales greater than \$2.4 billion. Schedule 84 provides products and services for law enforcement, security, facilities management, fire, rescue, and emergency/disaster response.



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assistance provided for negotiations. During FY 2011 and 2012, OIG contract auditors recommended cost avoidances totaling \$84,015,355. However, after negotiations, contracting officers only achieved savings of \$2,957,074 (3.52 percent of the recommended cost avoidances). Further, we found that improvements should be made when contracting officers document their price evaluations. The purpose of the price evaluation is to support the procurement decision and develop a negotiation position that enables the contracting officer to obtain a fair and reasonable price. Contracting officers should clearly depict the analysis conducted, the position concluded, and reference any supporting documentation for the analysis in preparation for negotiations.

Third, in June 2014, we reported on procurement errors, financial losses, and deficient contract administration by the Public Buildings Service (PBS) at the Ronald Reagan Building and International Trade Center (ITC). This audit report was our third related to trade center management services contracts at the ITC. We found multiple issues with PBS's procurement and administration of the trade center management services contract, including: 1) the contract solicitation and source selection favored the incumbent; 2) ITC operations are depleting the ITC Working Fund and affecting the Federal Buildings Fund; 3) PBS did not mitigate the contractor's conflicts of interest, resulting in lost revenue; and 4) PBS lost an estimated \$791,991 in tenant rent and fees since a February 2011 fire occurred in the ITC. The recommendations in the audit report focused on improving PBS's management and operations of the ITC.

In addition to our internal audit workload, our auditors provide extensive oversight of billions of dollars in contracts awarded by the Agency for products, services, and real property. For instance, between October 1, 2012, and September 30, 2013, our audits of GSA's MAS program recommended over \$1.7 billion in avoidances and recoveries. During this period, construction contract audits resulted in savings and recoveries of more than \$7 million. Contract auditors also provide key assistance to the Department of Justice in settlements with vendors. Two examples of such assistance are settlements reached with RPM International, Inc., and its subsidiary Tremco, Inc. for \$60.9 million and with CA, Inc. for \$8 million. The August 2013 settlement reached with Tremco resolved False Claims Act violations in connection with Tremco's MAS contracts. Specifically, Tremco failed to meet its contractual obligations to provide GSA with current, accurate, and complete pricing information and failed to comply with the Price Reductions clause of its GSA contracts. The November 2013 settlement reached with CA resolved False Claims Act violations in connection with the company's MAS contracts. Specifically, CA knowingly double-billed Federal agencies by charging for periods of software maintenance for which the agencies had already paid.

The audit work described above represents only a portion of our overall contribution to the effective oversight of GSA. What stands out from these examples, however, is that the Office of Audits is an integral component of the OIG. Absent the work we perform, our stakeholders, including the taxpayer, would lack an effective tool to monitor the public resources used by the Agency in executing its programs and operations.

### **The American Recovery and Reinvestment Act of 2009 (Recovery Act)**

The Recovery Act provided GSA with \$5.85 billion to renovate, repair, and improve the energy efficiency of Federal buildings; to construct land ports of entry; and to acquire fuel-efficient vehicles. The Recovery Act also provided funding to the OIG for oversight activities through December 31, 2012. Although that funding expired, the OIG will continue oversight of Recovery Act activities, with our regular funding. Our oversight will include audits of construction claims and assessments of GSA's sustainability/greening goals and accomplishments.

## **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 weapons. 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.

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;
- 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.

In October of 2013, Axway, Inc. agreed to pay \$6.2 million to resolve allegations under the False Claims Act that it and its predecessors knowingly provided GSA with defective pricing information in order to inflate the prices of software licenses and related services in Axway's GSA Federal Supply Schedule contract. The Investigation began based on a *qui tam* alleging that Tumbleweed Communications Corporation (Axway's predecessor) violated the False Claims Act. GSA originally awarded the contract to Valicert, Inc. on October 3, 2001. In October 2003, Valicert merged with Tumbleweed, and in December 2008, Tumbleweed merged with Axway. In 2007, when the MAS contract was renewed,

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Tumbleweed failed to provide accurate and complete commercial pricing disclosures. Tumbleweed and Axway also failed to comply with the contract's price reduction clause.

A joint investigation revealed that Thomas Flynn and Anthony Bilby participated in a scheme whereby employees at Four Points Technology (where Flynn was the vice president of sales) and Thundercat Technology (where Bilby was an outside sales representative) created the appearance of competition by alternately inflating bids to steer contracts toward the other company. Flynn and Bilby pled guilty to conspiracy, and on January 24, 2014, Flynn was sentenced to three months of imprisonment and two years of supervised release, and was required to forfeit \$80,000 and pay a \$500 fine. On February 21, 2014, Bilby was sentenced to 16 months of imprisonment and two years' supervised release, and was required to forfeit \$1,065,103 and perform 500 hours of community service.

A joint investigation disclosed that Vernon J. Smith III conspired with Anthony Wright to create a fraudulent 8(a) disadvantaged minority owned business, Platinum One Contracting, Inc. (Platinum), of Hyattsville, MD, with Wright listed as the president and owner. In reality, Wright was merely a figurehead used to obtain 8(a) status, and Smith was the individual who controlled the day-to-day management and finances of Platinum. Platinum submitted false documents in order to gain 8(a) status and obtained \$50 million in 8(a) set-aside contracts with GSA, DOD, and other agencies. The investigation also determined that Smith filed false tax returns in connection with the 8(a) scheme. Smith pled guilty to conspiracy to defraud the United States and on July 2, 2014, received 42 months imprisonment, three years supervised release, and ordered to pay \$7 million in restitution.

While Caddell Construction was working as the prime contractor on the GSA's Zorinsky Federal Building Renovation Project in Omaha, NE, it had one of its subcontractors pretend to be Mountain Chief Management Services, a Native-owned minority contractor. Caddell reported this as compliance with the minority subcontracting goals in its government contract. The investigation later discovered that Caddell falsely claimed Mountain Chief Management Services as a subcontractor on other contracts as well, in order to receive money under the DOD Indian Incentive Program (IIP) and the Mentor-Protégé Program (MPP). Caddell fraudulently obtained approximately \$1.3 million in Federal funds. Mark Hill, Caddell's Director of Small Business Development, was in charge of administering Caddell's MPP and also worked on its IIP projects. On July 30, 2013, Hill was found guilty of making false statements to the Federal Government. He was sentenced to one year of probation and ordered to pay a \$100 special assessment. Caddell subsequently paid a criminal settlement of \$2 million and a civil settlement of \$1.5 million.

The impact of such investigations has resonated throughout the Agency and the government, and served to drive significant improvements in the way agencies spend the public's money. The impact has been a greater demand for agent resources that comes with an increased public awareness of the OIG's efforts to reduce fraud, waste, and

abuse and reports of allegations of criminal and administrative misconduct to the Office of Investigations' Hotline.

At the same time the Office of Investigations must continue its efforts in other core programs that are susceptible to fraud, such as misuse of the government purchase cards, fleet cards, and travel cards. Investigative resources must focus on threats to the integrity of the GSA contracting process. Investigations performed by the Office of Investigations are also important for GSA to undertake employee actions needed to preserve the integrity of the Agency, its programs, and employees.

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 our special agents and criminal analysts perform 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.

### **The American Recovery and Reinvestment Act of 2009**

This office will continue to investigate, through proactive and reactive measures, allegations of fraud relating to the Recovery Act. This is expected to remain a high priority for several years.

## **Office of Forensic Auditing, Evaluation, and Analysis**

### **Program Description**

The Office of Forensic Auditing, Evaluation, and Analysis 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.

Inspections are systematic and independent assessments of the design, implementation, and/or results of GSA's operations, programs, and policies. Issues targeted in 2014 included security vulnerabilities in the GSA Central Office open space, and GSA guidance and purchasing for federal child care centers.

- The GSA Central Office building security inspection found physical control weaknesses in securing sensitive information covered by the Privacy Act (5 U.S.C. § 552a) and the

Trade Secrets Act (18 U.S.C. § 1905), as well as weaknesses in securing highly pilferable government-furnished personal property. The inspection resulted in GSA initiating a campaign blitz to educate employees on mandatory policies and procedures to effectively maintain office security integrity, as well as for personal property accountability awareness.

- The child care evaluation found improper purchases, that included toys and curriculum materials, such as puzzles, books, tricycles, stuffed animals, and blocks, and also that GSA's guidance on purchasing authority for federal child care centers is inconsistent and ambiguous. The impact of the evaluation has been increased transparency in GSA spending for child care centers, and planned improvements to GSA guidance.

Cutting-edge forensic auditing technology, combined with a unique blend of staffing, allows the Office to engage in proactive and innovative methodologies that bolster traditional audit and investigative practices and procedures, producing significant accomplishments.

Examples include:

- Forensic auditing efforts in support of the Office of Investigations' investigation of Science Applications International Corp (SAIC) resulted in the vendor agreeing to pay \$5.75 million to settle allegations that it violated the False Claims Act by submitting claims under a contract with GSA that it knew had been awarded in violation of Federal procurement regulations;
- Proactive forensic auditing data analytics led to the referral of Platinum One Contracting, Inc. to the Office of Investigations for further investigation based on suspicions of false statements. The investigation subsequently resulted in the vendor being convicted for conspiring to defraud the United States in connection with schemes to fraudulently seek over \$52 million in Federal contracts under a SBA program to assist disadvantaged small businesses and defraud the IRS.

The work of the Office of Forensic Auditing, Evaluation, and Analysis 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

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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 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 2016 Performance Plan

The OIG has recently updated its Strategic Plan to align more closely with our statutory reporting requirements. The OIG provides its report to Congress every six months. The Semiannual Report to the Congress (SAR) provides OIG's Annual Performance in the edition 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 2016 Budget Request**

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**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, [\$3,250,000] \$3,277,000.

**Program Description**

This appropriation provides pensions, office staffs, and related expenses for former Presidents Jimmy Carter, George H.W. Bush, William Clinton, and George W. Bush, and for postal franking privileges for the widow of former President Ronald Reagan.

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Allowances and Office Staff for the Former Presidents*

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**Explanation of Changes**  
(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|--|-------------------|--------------------|--------------------|
|  | \$3,071           | \$3,250            | \$3,277            |
| <b>Maintaining Current Levels:</b>                   |                   |                    |                    |
| FY 2016 Pay Increase (1.3%), Effective January 2016  |                   |                    | \$8                |
| <b>Program Decreases:</b>                            |                   |                    |                    |
| Decrease in Communications                           |                   |                    | (\$16)             |
| Decrease in Contractual Services                     |                   |                    | (\$20)             |
| Decrease in Civilian Personnel Benefits              |                   |                    | (\$12)             |
| Subtotal, Program Decreases.....                     |                   |                    | (\$48)             |
| <b>Program Increases:</b>                            |                   |                    |                    |
| Increase in Benefits for Former Personnel            |                   |                    | \$2                |
| Increase in Rental Payments                          |                   |                    | \$19               |
| Increase in Printing                                 |                   |                    | \$6                |
| Increase in Operations and Maintenance of Facilities |                   |                    | \$3                |
| Increase in Supplies, Materials, and Equipment       |                   |                    | \$23               |
| Increase in Travel and Transportation                |                   |                    | \$14               |
| Subtotal, Program Increases.....                     |                   |                    | \$67               |
| <hr/>  |                   |                    |                    |
| <b>Total Adjustments.....</b>                        |                   |                    | <b>\$27</b>        |

## **Summary of the Request**

The FY 2016 proposed budget provides a total of **\$3,277 thousand** for the annual pensions of the former Presidents and compensation of their office staffs and related expenses.

- Net increase of **\$27 thousand** as follows:
  - **\$2 thousand** for increased pension for all former Presidents and increased health benefits costs for former Presidents GW Bush and Clinton. Staff salaries are limited to \$96 thousand per annum by 3 U.S.C. 102, note subparagraph (b).
  - **\$19 thousand** for increased rental payments to GSA for former Presidents Clinton and GW Bush.
  - **-\$16 thousand** for decreased communication costs for former Presidents GHW Bush, and GW Bush.
  - **-\$20 thousand** for decreased costs in contractual services for former Presidents Carter, Clinton and GW Bush.
  - **\$23 thousand** for increased supplies, material, and equipments costs for former Presidents Clinton, Carter, GHW Bush and GW Bush.
  - **\$6 thousand** for increased printing costs for former President Clinton.
  - **\$3 thousand** for increased operation and maintenance costs for former President GHW Bush.
  - **\$14 thousand** for increased travel and transportation costs for former President GHW Bush.
  - **-\$12 thousand** for decreased civilian personnel benefits for former President GW Bush.

- **Program increases and decreases by former President:**
  - **For former President George W. Bush, -\$51 thousand:** The FY 2016 proposed budget provides increases of \$3 thousand for benefits for former personnel, \$7 thousand for supplies and materials and \$6 thousand rental payments to GSA, as well as decreases of \$9 thousand for contractual services, \$16 thousand for communication and utilities, \$12 thousand for civilian personnel benefits, \$2 thousand in travel and transportation of persons, \$6 thousand for printing and reproduction, \$12 thousand in operation and maintenance of facilities and \$10 thousand for equipment.
  - **For former President William J. Clinton, \$45 thousand:** The FY 2016 provides increases of \$3 thousand for benefits of former personnel, \$2 thousand in communications, \$8 thousand in printing, \$4 thousand in supplies, \$18 thousand in equipment and \$15 thousand for rental payments to GSA. There is a decrease of \$5 thousand in contractual services.
  - **For former President George H.W. Bush, \$24 thousand:** The FY 2016 proposed budget provides increases of \$2 thousand for benefits of former personnel, \$16 thousand for travel and transportation of persons, \$3 thousand for supplies and materials, and \$15 thousand for operation and maintenance of facilities, as well as decreases of \$3 thousand for communications and utilities, \$4 thousand for contractual services, \$2 thousand for printing and reproduction, \$2 thousand for rental payments, and \$1 thousand for equipment.
  - **For former President James E. Carter, \$7 thousand:** The FY 2016 proposed budget provides increases of \$2 thousand for benefits of former personnel, \$1 thousand for supplies and materials and \$6 thousand for printing and reproduction. There is a decrease of \$2 thousand in contractual services.

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**Amounts Available for Obligation**

(Dollars in Thousands)

|                                       | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|---------------------------------------|-------------------|--------------------|--------------------|
| Discretionary authority:              |                   |                    |                    |
| <b>Annual appropriation</b> .....     | \$3,071           | \$3,250            | \$3,277            |
| Unobligated balance, rescinded.....   | \$0               | \$0                | \$0                |
| Unobligated balance, sequestered..... | \$0               | \$0                | \$0                |
| Total, obligations.....               | \$3,071           | \$3,250            | \$3,277            |
| <i>Net Outlays</i>                    | \$3,548           | \$3,358            | \$3,277            |

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Allowances and Office Staff for the Former Presidents

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**Obligations by Object Classification**  
(Dollars in Thousands)

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|   | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent.....                        | \$0               | \$0                | \$0                |
| 11.3 Other than full-time permanent.....              | \$0               | \$0                | \$0                |
| 11.5 Other personnel compensation.....                | \$0               | \$0                | \$0                |
| 11.8 Special personnel services payments.....         | \$282             | \$288              | \$288              |
| 12.1 Civilian personnel benefits.....                 | \$209             | \$286              | \$274              |
| 13.0 Benefits for former personnel.....               | \$825             | \$842              | \$852              |
| 21.0 Travel and transportation of persons.....        | \$67              | \$66               | \$80               |
| 22.0 Transportation of things.....                    | \$0               | \$0                | \$0                |
| 23.1 Rental payments to GSA.....                      | \$1,170           | \$1,182            | \$1,201            |
| 23.2 Rental payments to others.....                   | \$0               | \$0                | \$0                |
| 23.3 Communications and utilities.....                | \$145             | \$171              | \$155              |
| 24.0 Printing and reproduction.....                   | \$35              | \$40               | \$46               |
| 25.1 Advisory and assistance services.....            | \$162             | \$143              | \$133              |
| 25.2 Other services from non-Federal sources.....     | \$0               | \$1                | \$1                |
| 25.3 Other goods & services from Federal sources..... | \$38              | \$52               | \$42               |
| 25.4 Operation and maintenance of facilities.....     | \$58              | \$57               | \$60               |
| 25.6 Medical care.....                                | \$0               | \$0                | \$0                |
| 25.7 Operation and maintenance of equipment.....      | \$0               | \$0                | \$0                |
| 26.0 Supplies and materials.....                      | \$19              | \$42               | \$57               |
| 31.0 Equipment.....                                   | \$61              | \$80               | \$88               |
| <b>99.0 Obligations, Appropriated (Annual).....</b>   | <b>\$3,071</b>    | <b>\$3,250</b>     | <b>\$3,277</b>     |
| <i>Subtotal, PC&amp;B.....</i>                        | <i>\$1,316</i>    | <i>\$1,416</i>     | <i>\$1,414</i>     |
| <i>Subtotal, Non-labor.....</i>                       | <i>\$1,755</i>    | <i>\$1,834</i>     | <i>\$1,863</i>     |

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**FY16 Budget Request by Former President**

(Dollars in Thousands)

|  | CARTER       | G H W BUSH   | CLINTON      | G W BUSH       | WIDOW REAGAN | TOTAL          |
|--|--------------|--------------|--------------|----------------|--------------|----------------|
| Personnel Compensation.....                  | \$0          | \$96         | \$96         | \$96           | \$0          | \$288          |
| Personnel Benefits.....                      | \$0          | \$65         | \$119        | \$90           | \$0          | \$274          |
| Benefits for Former Presidents (pensions)... | \$207        | \$207        | \$221        | \$217          | \$0          | \$852          |
| Travel.....                                  | \$0          | \$72         | \$0          | \$8            | \$0          | \$80           |
| Rental Payments to GSA.....                  | \$112        | \$205        | \$444        | \$440          | \$0          | \$1,201        |
| Communications, Utilities, and Misc.....     | \$15         | \$57         | \$13         | \$64           | \$6          | \$155          |
| Printing.....                                | \$7          | \$8          | \$17         | \$14           | \$0          | \$46           |
| Other Services.....                          | \$94         | \$73         | \$26         | \$43           | \$0          | \$236          |
| Supplies.....                                | \$2          | \$13         | \$7          | \$35           | \$0          | \$57           |
| Equipment.....                               | \$0          | \$22         | \$26         | \$40           | \$0          | \$88           |
| <b>FY 2016 Request</b>                       | <b>\$437</b> | <b>\$818</b> | <b>\$969</b> | <b>\$1,047</b> | <b>\$6</b>   | <b>\$3,277</b> |

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

**U.S. General Services Administration**

**FEDERAL CITIZEN SERVICES FUND**

**Fiscal Year 2016 Budget Request**

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## Appropriations Language

For necessary expenses of the Office of Citizen Services and Innovative Technologies, 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; [\$53,294,000, of which \$14,135,000 shall be available for electronic government projects] \$58,428,000, 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 [2015]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 [as of September 30, 2014,] 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 Citizen Services and Innovative Technologies (OCSIT). OCSIT develops and delivers 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 digital, citizen centric 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 Federal Citizen Services Fund is financed from annual appropriations to pay for the salaries and expenses of OCSIT staff and Citizen Services programs. Reimbursements from Federal agencies pay for the direct costs of information services OCSIT provides on behalf of the agencies. The Federal Citizen Services Fund also receives funding from 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, but is subject to an annual aggregate expenditure limit as set forth in appropriation acts. OCSIT also includes a digital services group called 18F, and the Presidential Innovation Fellows Program (PIF), which are funded on a reimbursable basis outside the FCSF by the Acquisition Services Fund (ASF).

### **Summary of the Request**

The FY 2016 proposed budget provides a total of **\$58,428 thousand** for the Federal Citizen Services Fund, of which \$16,000 thousand is for electronic government activities, \$8,000 thousand is for non-cost recoverable government-wide digital services, and \$34,428 thousand is for base OCSIT operations.

### **Key Changes**

OCSIT will use this funding to support current programs and systems and to provide new ways for citizens, businesses, other governments, and the media to easily obtain and use information, data and services from the government. OCSIT will oversee efforts to support the adoption of emerging technologies, and transparent, open government, through projects that drive innovation, performance, and accountability throughout the federal government.

The FY 2016 budget provides an increase of \$2 million in electronic government activity funding to expand GSA's Digital Analytics Program, including providing an integrated suite of common tools, practices, training, and data services to managers of all customer-facing government services and transactions.

The FY 2016 budget provides for \$2.6 million to be allocated for GSA's FedRAMP Joint Authorization Board (JAB). This funding will enable GSA Office of the Chief Information Officer (OCIO) to increase capacity to conduct security authorization and assessment reviews and other technical work required to fulfill its responsibility as a member of the FedRAMP Joint Authorization Board. This additional funding will be allocated from the OCSIT base operations budget.

The FY 2016 budget provides for \$1.6 million for staffing costs to develop a Digital Service team. This Digital Service Team, among multiple teams established across other federal agencies, will be responsible for driving the efficiency and effectiveness of GSA's highest-impact digital services. This funding will be allocated from the OCSIT base operations budget.

The FY 2016 budget requests funding for electronic government investment areas that will continue to drive innovation, performance, and accountability throughout the federal government through the use of information technology to enhance citizen participation in their government. These investments enable agencies across government to be more productive, deliver better results through adoption of innovative technologies, or break down barriers or challenges that would be difficult and inefficient for a single agency to tackle.

## **OCSIT Key Investments**

OCSIT measures its success in the breadth of its reach and adoption of solutions offered. Agencies rely on OCSIT for technology, services, and training to help them effectively execute their missions. The expertise OCSIT brings to helping agencies serve citizens comes from its valuable combination of exceptionally talented, dedicated staff, award-winning technology, content, program management, and best practices experts, and from more than 40 years' experience in successfully delivering government information directly to the public. OCSIT has connected people more than one billion times annually with information through its websites, social media, publications, email, and phone calls through its USA.gov Contact Center.

OCSIT supports the President's Management Agenda by leading agency partners in innovation, delivering efficient and effective IT delivery, and excellent customer service and experience.

Highlights of investments from across OCSIT include:

### **USA.gov**

As the U.S. government's official web portal, USA.gov makes it easy for the public to find and consume U.S. government information and services on the web.

The USA.gov platform is merging OCSIT's citizen-facing information channels into a common publishing and content management platform to improve the public's customer experience when searching for government information and services. This will enable the high quality content on the award-winning USA.gov website and the USA.gov Contact Center to be managed centrally, and then reused across many channels, including websites, social media, contact centers, and printed media, both from within GSA and by outside developers, academic institutions, and others. The USA.gov platform will provide a shared solution that gives agencies improved access and ability to distribute their content to a strong brand and a diverse, nation-wide audience, and makes connecting with the public easy and cost efficient.

The new platform approach is utilizing Application Programming Interface (API) so agencies across government can quickly and easily send information and leverage all USA.gov channels to reach a much larger audience than they could if only relying on their own channels. And the public will benefit through consistent, high quality information, regardless of channel.

Last year, the USA.gov platform connected people more than 700 million times with government information through its websites, social media, publications, email, and phone calls through its USA.gov Contact Center. We make our content accessible to the broadest audience possible, and recently implemented a responsive design approach on our websites to ensure consistent user experience on any device, leading to 25 percent growth in both mobile and tablet usage.

In times of natural disaster or other emergencies, the Contact Center ramps up to provide 24/7 service to the public and our websites prominently display important information in both English and Spanish. Together with social media channels, we provide an immediate reach to millions of Americans.

OCSIT coordinates an active government-wide community of practice that includes nearly every federal agency and is actively developing practical tools, guidance, best practices and training to ensure effective use of social media across government, including metrics for social media effectiveness and guidance to ensure accessibility of social media to people with disabilities.

## **FedRAMP**

As agencies seek to increase use of cloud computing, security is a top concern. The Federal Risk and Authorization Management Program (FedRAMP) provides a standard approach for conducting security assessments and authorizations of cloud systems. The approach is based on an accepted set of security controls and consistent processes that have been vetted and agreed upon by agencies across the federal government. FedRAMP is helping agencies accelerate their adoption of secure cloud solutions and substantially lowers cost through reuse of standardized security processes, assessments, and authorizations. FedRAMP strengthens trust in the security of cloud solutions by ensuring consistent use of standardized, rigorous security authorization processes and practices.

FedRAMP provides a consistent framework for the security assessment and authorization and related risk management activities for cloud based products and services under the Federal Information Security Management Act (FISMA). A typical assessment and authorization of a cloud system costs agencies \$250,000+ based on known FISMA reporting. Through FedRAMP's "do once use many times" model, these assessments and authorizations can be re-used or leveraged creating tremendous cost savings across the federal government. As of December 2014, the 27 cloud providers that have met the FedRAMP requirements represent over 160 known FISMA implementations by agencies, representing a cost avoidance of well over \$40 million dollars.

An integral part of the FedRAMP process includes assessments of cloud services by third party assessment organizations (3PAOs) or auditors. FedRAMP has created a conformity assessment program through collaboration with National Institute of Standards and Technology (NIST) to accredit these organizations. Through this accreditation program, FedRAMP has created a market of 31 accredited 3PAOs who are qualified to perform FedRAMP assessments of cloud services. Of the 31 accredited 3PAOs, over two thirds are small businesses.

FedRAMP is an example of the government leading with the private sector by creating a standards-based risk management framework that is leverageable across multiple consumer bases. Industry and other countries across the world are looking at FedRAMP as a model for how to implement similar frameworks.

### **Open Data**

Data.gov is the flagship U.S. open data hub. The public can find and use federal, state and local data, tools, and resources to conduct research, build apps, design data visualizations, and more. In accordance with the Open Data Policy, Data.gov harvests the comprehensive data inventories of the federal agencies on a daily basis, so that users can go to Data.gov to get the latest, most comprehensive catalog of federal agency data to search and browse. An up-to-date catalog, automatically updated daily, increases the efficiency and effectiveness of making the entire collection of federal data available to citizens. As Data.gov makes government more transparent and accessible, it also encourages users to be creative in sharing the data to enable entrepreneurs to start businesses and create jobs, to help citizens use money wisely, and other opportunities to improve citizens lives and drive economic growth.

### **Connect.gov**

Connect.Gov (formerly the Federal Cloud Credential Exchange or FCCX) is a secure, privacy-enhancing shared service that conveniently connects people to government services and applications online using a government approved digital credential they may already have and trust. Traditionally a customer has had to create and manage multiple agency specific logins (username and password) to access government information online. Connect.Gov simplifies and improves access to government digital services and helps move paper-based transactions online, enabling individuals to access participating agency websites and services by signing in with an approved third-party digital credential of their choice.

Connect.Gov is a key component of the President's National Strategy for Trusted Identities in Cyberspace (NSTIC). It gives agencies an easy-to-use solution for streamlining digital authentication that reduces risks and costs, and improves customer experience.

### **Digital Government**

OCSIT provides a comprehensive suite of digital tools, solutions and initiatives that enable agencies to more effectively deliver information and services to citizens. These include the Digital Analytics Program (DAP) that offers advanced, easy Web analytics to federal agencies. The program consists of four parts: Digital Metrics guidance and best practices; a no-cost, federal-wide Web analytics tool; implementation support; and analysis and training support.

DAP gives agency users a real-time snapshot of what the public is interested in and provides actionable performance information to enable data-driven improvements to in effectiveness of government websites. Key improvements planned for FY 2016 include three key initiatives: 1) expanding implementation of a government-wide Customer Satisfaction Tool to its performance measurement platform, 2) boosting DAP's data visualization services, and 3) developing an integrated suite of tools, services, and coordination across Federal services' customer analytics

initiatives. The government-wide Customer Satisfaction Tool will make DAP a one-stop shop for all of the government-wide public-facing website performance measures (traffic, behavior, and customer experience feedback). This will be instrumental in the future institutionalization of metrics to improve customer service, which aligns with the Cross Agency Priority (CAP) goal on Customer Service.

### **Customer Experience**

Several OCSIT programs support the Cross-Agency Performance (CAP) goal for customer service, including DigitalGov.gov and the Digital Analytics Program as previously mentioned. In addition, OCSIT is serving as an advisor to the CAP Goal Team, participating in the cross-agency customer service task force and exploring new OCSIT-led initiatives that will enable agencies to further strengthen customer service.

All programs within OCSIT (i.e., serving the public and agencies) are measuring customer experience through ongoing and annual surveys. OCSIT surveys its agency customers to better understand their overall satisfaction and loyalty to OCSIT's programs. Public-facing programs are measured on satisfaction, task completion and loyalty. These metrics are being computed into a Government Customer Experience Index (GCXi) that is being used as a model across GSA and the government. Results are used to identify and implement needed program adjustments and improvements.

The key initiatives described above are among the highlights of the many shared services, platforms and communities of practices OCSIT develops, delivers and supports that are driving transformation to user-centric digital government. Others include Challenge.Gov, DigitalGov.Gov, DigitalGov Search, DigitalGov User Experience (UX), DigitalGov University, SocialGov, MobileGov, Sites.usa.gov, and Open Opportunities.

### **Program Financing**

The Federal Citizens Services Fund is financed from annual appropriations to pay for the salaries and expenses of OCSIT staff and Citizen Services programs and to maintain a centralized, federal agency development environment supporting the use of the Internet or other electronic methods to provide individuals, businesses, other government agencies, and the media with simpler and timelier access to federal information, benefits, services, and business opportunities.

Reimbursements from federal agencies pay for the direct costs of several information services OCSIT provides on behalf of those agencies. This includes the cost of the USA.gov Contact Center's services, use of the toll-free publication ordering system for agencies' special promotions, distributing publications through the Government Printing Office facility in Pueblo, CO, and USA Contact services which provide federal agencies the ability to acquire contact center services from pre-qualified vendors.



The FCSF also receives funding from the following sources:

- Funds from other agencies in support of innovative initiatives that are joint efforts or that OCSIT supports on behalf of the other agency
- User fees from the public for publications ordered through the **Consumer Information Catalog**. Fees are collected to offset administrative expenses of orders submitted by mail.
- Other income incidental to OCSIT activities, primarily payments from private sector groups to cover the cost of distributing government publications
- Gifts to defray costs associated with the **Consumer Action Handbook** and other information and educational materials and related activities

All resources are retained in the fund without fiscal year limitation, but all resources in excess of the annual aggregate expenditure limit must be authorized for obligation in subsequent annual appropriations acts.

Using the requested Digital Services funding, OCSIT works closely with OMB's E-Gov office, the U.S. Digital Service, and the Office of Science and Technology Policy leadership to provide non-reimbursable government-wide tools, services, and platforms to support the successful development and delivery of digital services and transactions.

**Explanation of Changes, Appropriated Dollars and FTE**

(Dollars in Thousands)

|   | FTE | FY 2014<br>Actual | FTE | FY 2015<br>Enacted | FTE        | FY 2016<br>Request |
|---|-----|-------------------|-----|--------------------|------------|--------------------|
|   | 80  | \$50,804          | 97  | \$53,294           | 97         | \$58,428           |
| <b>Maintaining Current Levels:</b>                  |     |                   |     |                    |            |                    |
| FY 2015 Pay Increase (1.3%), Effective January 2015 |     |                   |     |                    |            | \$156              |
| <b>Program Increases:</b>                           |     |                   |     |                    |            |                    |
| Communications and utilities                        |     |                   |     |                    |            | \$1                |
| Advisory and Assistance Services                    |     |                   |     |                    |            | \$3,179            |
| Other Goods & Services from Federal Sources         |     |                   |     |                    |            | \$4,183            |
| Subtotal, Program Increases.....                    |     |                   |     |                    | 0.0        | \$7,363            |
| <b>Program Decreases:</b>                           |     |                   |     |                    |            |                    |
| PC&B  |     |                   |     |                    |            | (\$2,294)          |
| Printing and Reproduction                           |     |                   |     |                    |            | (\$88)             |
| Supplies and materials                              |     |                   |     |                    |            | (\$1)              |
| Equipment   |     |                   |     |                    |            | (\$2)              |
| Subtotal, Program Decreases.....                    |     |                   |     |                    | 0.0        | (\$2,385)          |
| <b>Total Adjustments.....</b>                       |     |                   |     |                    | <b>0.0</b> | <b>\$5,134</b>     |

Note: As a matter of parity, the above table reflects combined figures for the E-Gov Fund and the Federal Citizen Services Fund for FY 2014.

U.S. General Services Administration  
Federal Citizen Services Fund

**Amounts Available for Obligation**

(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|--|-------------------|--------------------|--------------------|
| <i>Unobligated balance, start of year</i> .....  | \$11,878          | \$21,223           | \$21,223           |
| Discretionary authority:                         |                   |                    |                    |
| <b>Annual appropriation</b> .....                | \$50,804          | \$53,294           | \$58,428           |
| Total Collections:                               |                   |                    |                    |
| Reimbursable Services:                           |                   |                    |                    |
| From Federal Agencies.....                       | \$6,911           | \$13,999           | \$13,792           |
| From the Private Sector.....                     | \$89              | \$0                | \$0                |
| User Fees.....                                   | \$44              | \$50               | \$50               |
| Gifts from the Private Sector.....               | \$229             | \$281              | \$257              |
| Change in Unfilled Customer Orders.....          | \$3,913           | \$0                | \$0                |
| Subtotal, reimbursable authority.....            | \$11,186          | \$14,330           | \$14,099           |
| Recovery of prior-year obligations.....          | \$4,677           |                    |                    |
| Transfer of Funds.....                           | \$67              |                    |                    |
| Unobligated balance, reimbursable.....           | (\$4,934)         |                    |                    |
| Unobligated balance, direct.....                 | (\$16,289)        | (\$21,223)         | (\$21,223)         |
| Total, obligations.....                          | \$57,389          | \$67,624           | \$72,527           |
| <b>Obligations, appropriated (no year)</b> ..... | <b>\$48,033</b>   | <b>\$53,294</b>    | <b>\$58,428</b>    |
| Obligations, reimbursable.....                   | \$9,356           | \$14,330           | \$14,099           |
| <i>Net Outlays</i>                               | \$46,708          | \$56,897           | \$66,735           |

Note: As a matter of parity, the above table reflects combined figures for the E-Gov Fund and the Federal Citizen Services Fund for FY 2014.

**Obligations by Object Classification**

(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|--|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent.....                 | \$9,417           | \$11,427           | \$10,751           |
| 11.3 Other than full-time permanent.....       | \$80              | \$0                | \$0                |
| 11.5 Other personnel compensation.....         | \$92              | \$123              | \$155              |
| 11.8 Special personnel services payments.....  | \$21              | \$1,312            | \$0                |
| 12.1 Civilian personnel benefits.....          | \$2,596           | \$3,234            | \$3,052            |
| 21.0 Travel and transportation of persons..... | \$42              | \$57               | \$57               |
| 22.0 Transportation of things.....             | \$15              | \$20               | \$20               |
| 23.1 Rental payments to GSA.....               | \$0               | \$0                | \$0                |
| 23.3 Communications and utilities.....         | \$127             | \$138              | \$139              |
| 24.0 Printing and reproduction.....            | \$583             | \$364              | \$276              |
| 25.1 Advisory and assistance services.....     | \$28,008          | \$30,717           | \$33,896           |
| 25.3 Goods & services from Gov't accounts..... | \$7,022           | \$5,876            | \$10,059           |
| 26.0 Supplies and materials.....               | \$20              | \$15               | \$14               |
| 31.0 Equipment.....                            | \$10              | \$11               | \$9                |
| 42.0 Insurance claims and indemnities.....     | \$0               | \$0                | \$0                |
| <b>99.0 Obligations, appropriated.....</b>     | <b>\$48,033</b>   | <b>\$53,294</b>    | <b>\$58,428</b>    |
| <i>Subtotal, PC&amp;B.....</i>                 | <i>\$12,206</i>   | <i>\$16,096</i>    | <i>\$13,958</i>    |
| <i>Subtotal, Non-labor.....</i>                | <i>\$35,827</i>   | <i>\$37,198</i>    | <i>\$44,470</i>    |
| 99.0 Obligations, reimbursable.....            | \$9,356           | \$14,330           | \$14,099           |
| 99.9 Total obligations.....                    | \$57,389          | \$67,624           | \$72,527           |
| <i>Full-Time Equivalent (FTE)</i>              | <i>80.0</i>       | <i>97.0</i>        | <i>97.0</i>        |

Note: As a matter of parity, the above table reflects combined figures for the E-Gov Fund and the Federal Citizen Services Fund for FY 2014.

## **Office of Citizen Services and Innovative Technologies Organization**

The Office of Citizen Services and Innovative Technologies (OCSIT) was established to better serve the public and to create cost-effective government-wide solutions in accordance with the Administration's new technology and digital government agenda and Open Government initiative. It serves as a centralized resource for the public to efficiently find and use information about federal programs, benefits, and services. OCSIT identifies, tests, and deploys innovative technologies that allow federal agencies to provide improved services and to facilitate an open, collaborative, citizen centered and transparent government. Working closely with other government agencies—federal, state, local, and international—OCSIT collects, consolidates and creates information and services to make them user-friendly and available to the public.

OCSIT fulfills its mission through two major programs: the Federal Citizen Information Center, and the Office of Innovative Technologies.

### **Federal Citizen Information Center**

The Office of Citizen Services and Innovative Technologies meets citizen needs for information, services, and engagement with their government through an array of direct services via the Internet, phone, email, and print.

The Federal Citizen Information Center includes the following: Content and Outreach Division, Customer Experience Division, and Operations Division.

The Content & Outreach Division has responsibility for the production, editing and maintenance of public-facing content; the creation and maintenance of editorial and style guidelines; and citizen outreach and promotional activities to maintain and grow audience.

The Customer Experience Division has responsibility for overall Customer Experience, including user experience on web and phone channels, design and layout of digital and print products; performance and quality management; and partner development.

The Operations team has responsibility for channel management, including website tools, IVR & telecom tools; vendor management, and reimbursable account management.

### **Office of Innovative Technologies**

The Office of Innovative Technologies (OIT) identifies and manages new innovative technologies, focusing on initiatives that enable agencies to deliver the most effective and efficient services to the citizens including information technology and electronic government initiatives and those that advance the President's technology and Digital Government agenda.

The Government Solution Division (GSD) develops government-wide information technology projects and electronic government initiatives that enable agencies to deliver the most effective and efficient services to citizens while advancing open government and increasing transparency in government. GSD identifies, develops, tests, and releases new and innovative technologies and platforms for government-wide use. GSD will expand and enhance digital service activities

across government by providing core capacity, shared services and solutions, and technical expertise to agencies on projects that leverage digital technologies.

**18F**

Established in 2014, 18F's mission is to transform the way the U.S. government builds and buys digital services. 18F works with agencies on a reimbursable basis to help them deliver on their missions in a user-centered, agile, open, and data-driven way. Much of their work is in partnership with agencies across government, delivering public-facing services via web applications, data and service Application Programming Interfaces (APIs), and platforms. 18F operates using three basic models:

- For you: Building solutions for an agency
- With you: Integrating with an agency team to provide additional expertise or core capacity
- By you: Advising an agency on how to build or buy user-centric interfaces most effectively

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**U.S. General Services Administration**

**ACQUISITION SERVICES FUND**

**Fiscal Year 2016 Budget Request**

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## **Program Financing**

The Acquisition Services Fund (ASF) is a full cost recovery revolving fund that finances operations of the Federal Acquisition Service (FAS). 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 all 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) fully 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), maintaining supply inventories adequate for customer needs, and funding anticipated operating needs specified by the Cost and Capital Plan.

The ASF is organized around four major business portfolios and three initiatives that deliver solutions to customer agencies:

Assisted Acquisition Services (AAS) - focuses on service delivery and assisting customers in making informed procurement decisions and serving as a center of acquisition excellence for the Federal community. AAS complements the programs of the Integrated Technology Services and General Supplies and Services portfolios by providing acquisition, technical, and project management services that assist agencies in acquiring and deploying information technology and professional services solutions at the best value for taxpayer dollars.

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

Integrated Technology Services (ITS) - provides customer agencies with information technology (IT) and telecommunications products and services. ITS provides its services through multiple

channels including its Network Services program, Regional Telecommunications program, IT Schedule 70, and Government-wide Acquisition Contracts (GWACs).

Travel, Motor Vehicle and Card Services (TMVCS) - provides customer agencies with a broad scope of services that include travel and relocation, freight management, motor vehicle acquisition, fleet management, and charge card services.

18F (formerly U.S. Digital Services) - helps agencies deliver on their mission through the development of digital and web services. 18F builds effective, user-centric digital services to improve interaction between government and the people and businesses it serves. 18F is financed through the ASF on a reimbursable basis with customer agencies and is managed through GSA's Office of Citizen Services and Innovative Technologies.

Common Acquisition Platform (CAP) - repurposes IT systems and develops new ones in support of GSA-wide acquisition shared services. The newly developed platforms provide Federal buyers with access to acquisition support data (e.g. prices paid and qualified suppliers) that facilitates improved purchasing decisions.

Integrated Award Environment (IAE) - provides a web-based environment that maximizes the power of Federal spending data standards. IAE's mission is to work with Federal agencies and its business partners to standardize, integrate, and streamline the Federal awarding processes through electronic means while increasing transparency and ensuring compliance with all applicable Federal award regulations.

## Explanation of Changes

(Dollars in Thousands)

|                        | <u>FTE</u> | <u>Obligations</u> |
|------------------------|------------|--------------------|
| 2015 Plan.....         | 3,231      | \$ 10,969,581      |
| 2016 Request.....      | 3,295      | \$ 11,151,160      |
| <b>Net Change.....</b> | <b>64</b>  | <b>\$ 181,579</b>  |

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|   | <u>FTE</u>  | <u>Obligations</u>  |
|---|-------------|---------------------|
| <b>Maintaining Current Levels:</b>                              |             |                     |
| FY 2016 Pay Increase (1.3% Effective January 2016)              |             | \$ 5,395            |
| Inflation on Goods and Services Sold (1.9%)                     |             | \$ 185,255          |
| <b>Subtotal, Maintaining Current Levels.....</b>                | <b>-</b>    | <b>\$ 190,649</b>   |
| <b>Program Increases</b>  |             |                     |
| Increased Business Volume through FAS Offerings                 |             | \$ 159,735          |
| Increased FTE and Contracts to Support 18F                      | 47          | \$ 11,016           |
| Increased FTE to Support Business Volume Growth                 | 65          | \$ 6,771            |
| <b>Subtotal, Program Increases.....</b>                         | <b>112</b>  | <b>\$ 177,522</b>   |
| <b>Program Reductions</b>                                       |             |                     |
| Reduced Capital Purchases and Investments                       |             | \$ (90,347)         |
| Reduced Fleet and Transportation Costs                          |             | \$ (48,570)         |
| Reduced Other Operational Support Costs                         |             | \$ (15,484)         |
| Reduced Working Capital Fund Bill                               |             | \$ (12,397)         |
| Reduced Integrator Costs  | (29)        | \$ (10,548)         |
| Reduced Distribution Costs due to Supply Transformation         | (19)        | \$ (9,247)          |
| <b>Subtotal, Cuts, Consolidations, Savings Initiatives.....</b> | <b>(48)</b> | <b>\$ (186,593)</b> |
| <b>Net Change.....</b>  | <b>64</b>   | <b>\$ 181,579</b>   |

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## FY 2015 Operating Plan and FY 2016 Budget Estimate

The FY 2015 operating plan and FY 2016 budget reflect FAS's concerted effort to increase savings government-wide by increasing the utilization of current offerings, launching several new offerings, and achieving internal operational efficiencies. Total revenues generated through FAS offerings are expected to increase in FY 2015 and FY 2016 due to the addition of several new procurement vehicles and services and the increased utilization of GSA's current offerings.

In FY 2015 and FY 2016, total ASF revenue is projected to be \$10.3 billion and \$10.7 billion respectively, while cost of goods is projected to be \$8.4 billion and \$8.7 billion. This revenue is generated from across FAS's four portfolios and three initiatives, which help the Federal government acquire the goods and services it needs to function. The ASF expects to recover its costs and generate operating results before reserves of approximately \$19.8 million and \$81.7 million respectively. Operating results in FY 2015 and FY 2016 represent 0.19 percent and 0.76 percent of annual revenues and represent a full-cost recovery plan with an adequate buffer to mitigate the risk of lower than projected business volumes.

The FY 2016 budget estimate includes an additional **\$177,522 thousand** in business volumes and operational costs to meet customer demand:

- **\$159,735 thousand** increase in business volume, primarily from increased acquisition support services, IT commodity sales and customer adoption of FSSI offerings.
- **\$11,016 thousand** to fund additional FTE and contracts to support growth in the 18F program.
- **\$6,771 thousand** to fund additional FTE to grow business volume and increase customer support.

The FY 2016 budget estimate also includes **-\$186,593 thousand** in program reductions:

- **-\$90,347 thousand** in reductions to capital purchases supporting regional office moves and reductions to long-term investment projects.

- **-\$48,570 thousand** in reduced fleet related vehicle purchases, petroleum, maintenance and repair as well as lower costs of shipping goods to customers.
- **-\$15,484 thousand** in reductions to operational support expenses including: communications, printing, rent, travel, information technology, and other miscellaneous costs.
- **-\$12,397 thousand** in reductions to payments to the Working Capital Fund.
- **-\$10,548 thousand** in net reductions to FAS overhead functions including the realignment of communications functions to the Working Capital Fund.
- **-\$9,247 thousand** to reduce FTE and contractual labor support to operate supply distribution centers. These reductions support FAS's movement to a Supplier Direct Delivery business model for Supply Operations, creating efficiencies by reducing the need to store physical inventory.

Results of Operations by Program  
(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Plan | FY 2016<br>Request |
|--|-------------------|-----------------|--------------------|
| <b>1. Assisted Acquisition Services (AAS)</b>  |                   |                 |                    |
| Revenue  | \$ 4,310,209      | \$ 4,939,793    | \$ 5,367,171       |
| Acquisition Training Fund                      |                   |                 |                    |
| Cost of Goods Sold                             | 4,164,293         | 4,776,355       | 5,191,856          |
| Gross Margin <sup>3</sup>                      | \$ 145,916        | \$ 163,438      | \$ 175,315         |
| <i>Cost of Operations</i>                      |                   |                 |                    |
| Program Expenses                               | \$ 85,145         | \$ 93,387       | \$ 94,662          |
| Corporate Overhead                             | \$ 40,928         | \$ 39,947       | \$ 38,935          |
| Other Cost of Operations                       | \$ 2,104          | \$ 2,374        | \$ 3,395           |
| Total Cost of Operations                       | \$ 128,177        | \$ 135,707      | \$ 136,992         |
| Operating Results Before Reserves              | \$ 17,738         | \$ 27,730       | \$ 38,323          |
| Reserve Expenses                               | \$ 9,993          | \$ 11,783       | \$ 2,936           |
| Extraordinary Adjustment                       |                   |                 |                    |
| Net Operating Results                          | \$ 7,746          | \$ 15,947       | \$ 35,387          |
| <b>2. General Supplies and Services (GSS)</b>  |                   |                 |                    |
| Revenue  | \$ 1,114,024      | \$ 1,031,462    | \$ 1,113,056       |
| Acquisition Training Fund                      | \$ (6,168)        | \$ (6,660)      | \$ (7,278)         |
| Cost of Goods Sold                             | \$ 753,671        | \$ 722,464      | \$ 787,412         |
| Gross Margin                                   | \$ 354,185        | \$ 302,338      | \$ 318,366         |
| <i>Cost of Operations</i>                      |                   |                 |                    |
| Program Expenses                               | \$ 281,004        | \$ 238,889      | \$ 219,726         |
| Corporate Overhead                             | \$ 105,330        | \$ 86,383       | \$ 81,560          |
| Other Cost of Operations                       | \$ 12,974         | \$ 16,813       | \$ 13,894          |
| Total Cost of Operations                       | \$ 399,308        | \$ 342,086      | \$ 315,180         |
| Operating Results Before Reserves              | \$ (45,123)       | \$ (39,747)     | \$ 3,186           |
| Reserve Expenses                               | \$ 19,685         | \$ 82,033       | \$ 10,234          |
| Extraordinary Adjustment                       |                   |                 |                    |
| Net Operating Results                          | \$ (64,808)       | \$ (121,780)    | \$ (7,048)         |
| <b>3. Integrated Technology Services (ITS)</b> |                   |                 |                    |
| Revenue  | \$ 1,715,189      | \$ 1,653,350    | \$ 1,704,137       |
| Acquisition Training Fund                      | \$ (5,567)        | \$ (6,166)      | \$ (6,297)         |
| Cost of Goods Sold                             | \$ 1,406,757      | \$ 1,342,824    | \$ 1,397,364       |
| Gross Margin                                   | \$ 302,865        | \$ 304,359      | \$ 300,476         |
| <i>Cost of Operations</i>                      |                   |                 |                    |
| Program Expenses                               | \$ 179,557        | \$ 198,918      | \$ 188,199         |
| Corporate Overhead                             | \$ 85,947         | \$ 75,008       | \$ 69,905          |
| Other Cost of Operations                       | \$ 4,846          | \$ 6,187        | \$ 5,158           |
| Total Cost of Operations                       | \$ 270,350        | \$ 280,113      | \$ 263,262         |
| Operating Results Before Reserves              | \$ 32,515         | \$ 24,246       | \$ 37,214          |
| Reserve Expenses                               | \$ 8,763          | \$ 32,466       | \$ 26,644          |
| Extraordinary Adjustment                       |                   |                 |                    |
| Net Operating Results                          | \$ 23,752         | \$ (8,220)      | \$ 10,570          |

U.S. General Services Administration  
Acquisition Services Fund

|   | FY 2014<br>Actual | FY 2015<br>Plan | FY 2016<br>Request |
|---|-------------------|-----------------|--------------------|
| <b>4. Travel, Motor Vehicle and Card Services (TMVCS)</b> |                   |                 |                    |
| Revenue <sup>1</sup>                                      | \$ 2,579,570      | \$ 2,610,241    | \$ 2,461,074       |
| Acquisition Training Fund                                 | \$ (667)          | \$ (811)        | \$ (837)           |
| Cost of Goods Sold <sup>1</sup>                           | \$ 1,385,622      | \$ 1,468,000    | \$ 1,278,000       |
| Gross Margin  | \$ 1,193,281      | \$ 1,141,430    | \$ 1,182,236       |
| <i>Cost of Operations</i>                                 |                   |                 |                    |
| Program Expenses  | \$ 536,448        | \$ 540,225      | \$ 561,998         |
| Corporate Overhead  | \$ 63,752         | \$ 62,736       | \$ 60,058          |
| Other Cost of Operations                                  | \$ 490,864        | \$ 514,119      | \$ 533,598         |
| Total Cost of Operations                                  | \$ 1,091,063      | \$ 1,117,080    | \$ 1,155,654       |
| Operating Results Before Reserves                         | \$ 102,218        | \$ 24,350       | \$ 26,583          |
| Reserve Expenses <sup>2</sup>                             | \$ 86,586         | \$ 42,531       | \$ 56,348          |
| Extraordinary Adjustment                                  |                   |                 |                    |
| Net Operating Results                                     | \$ 15,632         | \$ (18,181)     | \$ (29,765)        |
| <b>5. Integrated Award Environment (IAE)</b>              |                   |                 |                    |
| Revenue   | \$ 69,824         | \$ 62,500       | \$ 62,500          |
| Total Cost of Operations                                  | \$ 58,655         | \$ 73,534       | \$ 73,786          |
| Reserve Expenses  | \$ 3,303          | \$ 27,667       | \$ 34,432          |
| Net Operating Results                                     | \$ 7,866          | \$ (38,701)     | \$ (45,717)        |
| <b>6. Common Acquisition Platform (CAP)</b>               |                   |                 |                    |
| Revenue   | \$ -              | \$ 1,000        | \$ 2,000           |
| Total Cost of Operations                                  | \$ -              | \$ 5,469        | \$ 9,737           |
| Reserve Expenses  | \$ -              | \$ 11,590       | \$ 13,191          |
| Net Operating Results                                     | \$ -              | \$ (16,059)     | \$ (20,928)        |
| <b>7. 18F</b>   |                   |                 |                    |
| Revenue   | \$ -              | \$ 31,183       | \$ 39,304          |
| Total Cost of Operations                                  | \$ 8,564          | \$ 32,467       | \$ 43,887          |
| Reserve Expenses  | \$ 86             | \$ -            | \$ -               |
| Net Operating Results                                     | \$ (8,649)        | \$ (1,284)      | \$ (4,583)         |
| <b>8. Total ASF</b>                                       |                   |                 |                    |
| Revenue   | \$ 9,788,817      | \$ 10,329,529   | \$ 10,749,241      |
| Acquisition Training Fund                                 | \$ (12,402)       | \$ (13,637)     | \$ (14,412)        |
| Cost of Goods Sold  | \$ 7,758,855      | \$ 8,372,143    | \$ 8,717,132       |
| Gross Margin  | \$ 2,017,560      | \$ 1,943,749    | \$ 2,017,696       |
| Total Cost of Operations                                  | \$ 1,907,606      | \$ 1,923,957    | \$ 1,935,997       |
| Operating Results Before Reserves                         | \$ 109,954        | \$ 19,792       | \$ 81,700          |
| Reserve Expenses  | \$ 128,416        | \$ 208,070      | \$ 143,785         |
| Extraordinary Adjustment                                  | \$ -              | \$ 0            | \$ 0               |
| Net Operating Results                                     | \$ (18,462)       | \$ (188,278)    | \$ (62,085)        |
| <i>Net Outlays</i>  | 272               | -               | -                  |
| Full-Time Equivalents (FTE)                               | 3,087             | 3,231           | 3,295              |

**Notes:**

<sup>1</sup> TMVCS Portfolio Revenue and Cost of Goods Sold include \$936.1 million, \$935.7 million, and \$899.0 million in intra-GSA sales of vehicles that GSA Fleet plans to purchase from GSA Automotive in FY 2014, FY 2015, and FY 2016, respectively, for its leasing program for Federal agencies.

<sup>2</sup> TMVCS reserve expenses include Replacement Cost Pricing (RCP), which is used to cover the cost of inflation on new vehicle purchases by GSA Fleet.

**Obligations by Object Classification**  
(Dollars in Thousands)

|      |   | 2014 Actual         | 2015 Plan           | 2016 Request        |
|------|---|---------------------|---------------------|---------------------|
| 11.1 | Full-time permanent.....  | \$292,378           | \$320,889           | \$332,503           |
| 11.3 | Other than permanent.....                                       | \$962               | \$338               | \$321               |
| 11.5 | Other personnel compensation.....                               | \$4,244             | \$3,212             | \$3,328             |
| 11.9 | Total personnel compensation                                    | \$297,584           | \$324,439           | \$336,152           |
| 12.1 | Civilian personnel benefits.....                                | \$86,317            | \$90,551            | \$93,633            |
| 13.0 | Benefits for Former Personnel.....                              | \$1,650             | \$3,444             | \$328               |
| 21.0 | Travel and transportation of persons.....                       | \$3,273             | \$6,239             | \$6,095             |
| 22.0 | Transportation of things.....                                   | \$42,970            | \$11,327            | \$8,646             |
| 23.1 | Rental payments to GSA.....                                     | \$28,050            | \$22,118            | \$20,486            |
| 23.3 | Communications, utilities, and miscellaneous charges.....       | \$1,267,182         | \$1,231,829         | \$1,264,087         |
| 24.0 | Printing and reproduction.....                                  | \$563               | \$2,223             | \$515               |
| 25.1 | Advisory and Assistant Service.....                             | \$4,911,062         | \$5,225,183         | \$5,546,601         |
| 25.2 | Other good and services from non-Federal sources.....           | \$5,681             | \$6,837             | \$7,071             |
| 25.3 | Other purchases of goods and services from Federal sources..... | \$291,873           | \$283,051           | \$270,266           |
| 25.7 | Operations and maintenance of equipment.....                    | \$179,152           | \$112,400           | \$113,100           |
| 26.0 | Supplies and materials.....                                     | \$1,145,242         | \$960,350           | \$1,017,133         |
| 31.0 | Equipment.....  | \$2,495,217         | \$2,689,590         | \$2,467,049         |
| 32.0 | Land and structures   | \$1,856             | \$0                 | \$0                 |
| 42.0 | Insurance claims and indemnities                                | \$910               | \$0                 | \$0                 |
|      | <b>Total new obligations.....</b>                               | <b>\$10,758,581</b> | <b>\$10,969,581</b> | <b>\$11,151,160</b> |
|      | <i>Subtotal, PC&amp;B.....</i>                                  | <i>\$383,901</i>    | <i>\$414,990</i>    | <i>\$429,785</i>    |
|      | <i>Subtotal, Non-labor.....</i>                                 | <i>\$10,374,680</i> | <i>\$10,554,591</i> | <i>\$10,721,375</i> |
|      | Civilian full-time equivalent employment.....                   | 3,087               | 3,231               | 3,295               |



**FTE by Portfolio, Initiative, and Integrator Office**

|  | FY 2014 Actual | FY 2015 Plan | FY 2016 Request |
|--|----------------|--------------|-----------------|
| <b>Portfolios &amp; Initiatives</b>        |                |              |                 |
| Assisted Acquisition Services              | 291            | 317          | 329             |
| General Supplies Services                  | 845            | 739          | 723             |
| Integrated Technology Services             | 559            | 581          | 595             |
| Travel, Motor Vehicle, and Card Services   | 634            | 680          | 692             |
| Integrated Award Environment               | 24             | 28           | 30              |
| Common Acquisition Platform                | 6              | 20           | 42              |
| 18F  | 36             | 179          | 226             |
| <b>Integrator</b>                          |                |              |                 |
| Office of the Commissioner                 | 14             | 8            | 6               |
| Regional Commissioners <sup>1</sup>        | 113            | 97           | 101             |
| Office of Strategy Management <sup>2</sup> | 20             | 28           | 27              |
| Office of Customer Accounts and Research   | 226            | 239          | 208             |
| Office of Acquisition Management           | 243            | 233          | 226             |
| Regional Acquisition Operations            | 76             | 82           | 90              |
| <b>Total FAS FTE<sup>3</sup></b>           | <b>3,087</b>   | <b>3,230</b> | <b>3,294</b>    |

**Notes:**

<sup>1</sup> The Regional Commissioners will be adding FTE in FY 2016 after the effect of consolidations.

<sup>2</sup> The Office of Strategy Management is adding FTE to support Category Management and FSSI, adding FTE in FY 2015 and FY 2016 after consolidations are taken into account.

<sup>3</sup> The sum of individual office's FTE may not add up to total FAS FTE levels due to rounding.

## **Federal Acquisition Service**

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

*Making agencies more effective at what they do by providing expertise, management and optimal acquisition solutions.*

The FAS mission reflects a commitment to delivering service, innovation, and value through efficient operations, market expertise, and intimate relationships with both customer agencies and private sector vendors. FAS accomplishes its mission by providing solutions to customer agencies through four major business portfolios and three initiatives, which help agencies buy smarter and lead to administrative cost savings throughout the government. In order to better carry out its mission and advance the Administration's initiative on Category Management, FAS is expanding its Federal Strategic Sourcing Initiatives (FSSI) to provide better value and launching a Common Acquisition Platform (CAP) to improve its level of service. FAS will examine its organizational structure as the category management model matures in order to ensure that FAS continues to provide outstanding service to its customers, while also ensuring that the organization is operating as efficiently as possible. When customers come to FAS for acquisition support, products, and services, FAS uses its expertise to help agencies minimize the administrative costs associated with acquisitions. This allows customer agencies to direct more of their resources toward mission critical activities. Descriptions of each portfolio and how they promote 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 value-added, customized acquisition, project management, and financial management services for large and complex IT and professional services solutions. AAS has highly trained contracting, project management, and financial management professionals that allow the portfolio to provide Federal agencies direct assistance on the complex challenges that they encounter. This allows AAS to ensure that customer requirements are met on time, within budget, and at reduced contracting risk resulting in mission success for AAS' customer agencies. AAS' expertise in acquisition generates cost

savings to customer agencies and taxpayers on each engagement at the task order level. By generating cost savings for agencies, AAS allows agencies to focus on mission critical activities instead of overseeing acquisition and project management personnel.

Operations within the AAS portfolio include the following business lines:

*The Center for Federal Systems Integration and Management (FEDSIM)* — delivers acquisition management, project management, and financial management services to assist Federal agencies in using technology solutions on a national and global basis.

*Regional IT Solutions* — consists of nine programs located across the country that provide information technology solutions including acquisition management, project management, and financial services to Federal agencies within a given geographic region.

In FY 2015 and FY 2016, AAS will continue to work to promote transparent, sustainable, and superior quality acquisitions across the Federal government. In order to meet expected customer demand, AAS is increasing customer support through higher staffing levels in FEDSIM and Regional IT Solutions. AAS will also continue to utilize a business model that channels customer demand to acquisition professionals who have high levels of expertise for the task. Important investments in business systems will also continue in FY 2015 to eliminate duplicative processes and streamline redundant systems functionality. The streamlined functionality will create a consistent and transparent experience for client agencies and reduce contractor workload.

Other initiatives within the AAS portfolio include working with the Public Building Service (PBS) on agency adoption of mobile work environments. Depending on customer requirements, FEDSIM or Regional IT Solutions will be leveraged for “Total Workplace” solutions to provide information technology to customer agencies and minimize upfront capital required of customer agencies. Additionally, AAS will continue to pilot a facilities maintenance program that provides acquisition support across government.

## **General Supplies and Services Portfolio**

The General Supplies and Services (GSS) portfolio leverages the Federal government's economies of scale to procure non-IT products and services at reduced prices, with fast delivery times, and in compliance with the Federal Acquisition Regulation. By establishing contract vehicles that can be used government-wide, GSS allows Federal agencies to avoid contract duplication and eliminate the need for other agencies to develop their own contract vehicles. This portfolio also provides personal property disposal to customer agencies, and these services are partially funded by the Operating Expenses appropriation.

During FY 2015 and FY 2016, GSA is initiating a number of strategic changes that will alter many aspects of the portfolio's organizational structure and operations in order to better align with a changing procurement environment. The sections below detail the operations and plans of the GSS business lines:

*Supply Operations* — provides Federal agencies with access to competitively priced products and global supply chain services, including contracting, order processing, warehousing, distribution, and transportation. These activities have been historically supported through GSA-owned distribution facilities and direct vendor distribution channels. In November of FY 2014, FAS, in conjunction with Office of Management and Budget (OMB), decided to accelerate the closure of GSA's two remaining distribution centers, bringing the Supply Operations' stock program to an end. The driving force behind the acceleration of the closure, which was originally planned to take place in FY 2016 and FY 2017, was that the lease at the Western Distribution Center (WDC) was not renewed by the property owner, Defense Logistics Agency (DLA). The WDC was closed in FY 2014 while the Eastern Distribution Center (EDC) closed in the first quarter of FY 2015. As part of the closure process, GSA transitioned control of the National Stock Numbers (NSNs) associated with its fire program and the NSNs within the Federal Supply Group 80 (brushes, paints, sealants, and adhesives) to DLA, which will manage those NSNs going forward.

Supply Operations' new business model will utilize Strategic Partner Delivery (SPD) for commercially available items, establish FSSI requisition channels, enable forward positioning of inventory on Department of Defense installations, and provide assisted acquisitions without a pre-existing contract. SPD is essentially direct vendor delivery supported through a number of vendor contract vehicles. These primary methods of supply will allow the program to efficiently

meet customer demands for competitively priced products and faster delivery. During FY 2014, the GSA completed its Supply Transformation Initiative where both the Burlington and the Sharpe distribution center ceased shipping products to customers. GSA's Supply Transformation initiative involved over 3,900 stock NSNs that were either transitioned to DLA, covered via Direct Delivery (including previous SPD vendors) or Buy on-Demand solutions. In FY 2014, sales totaled \$165 million for NSNs previously served by depot operations. With the completion of Supply Transformation, these sales have transitioned to GSA's SPD vendors, Direct Delivery or Buy on-Demand solutions. As a result of the closure of the two remaining GSA distribution centers, Global Supply will reduce FTE in the distribution centers from 153.5 in FY 2014 to 18.3 in FY 2015, primarily through the use of voluntary early retirement authority (VERA) and voluntary separation incentive payments (VSIP). At final closure, all Global Supply FTE associated with the GSA distribution centers will be reduced to zero in FY 2016. This will save approximately \$12.4 million in personnel compensation and benefit costs annually. Contractual labor support within the distribution centers was discontinued in the first quarter of FY 2015 and will result in approximately \$11.7 million in savings annually from the projected FY 2014 levels. Finally, the contracting professionals supporting supply operations are being combined with the contracting professionals supporting the Multiple Award Schedule Program. This realignment of function will support increased scale to sourcing operations to better support the Supply Operations and Acquisition Operations missions, increase development opportunities for the procurement and program staff, and better support an integrated approach to category management.

*Retail Operations* — is a new business segment and organization created in FY 2014 within the portfolio. The business segment and organization will primarily execute existing Enterprise Supply Chain Solutions (ESCS) functions. However, some Supply Operations functions, specifically those related directly to the support of classic retail stores, will be realigned to this new organization. There is now an opportunity to grow the business line into a mature offering with the phase-out of the traditional Stock program and the emergence of the Fourth Party Logistics (4PL) model, which is an operating model under which commercial vendors retain ownership of their inventory and provide all services and related personnel necessary to maintain store operations.

Retail Operations will consist primarily of physical store operations, both 4PL and classic. All classic stores will eventually be transitioned to the 4PL model. In addition, the Expanded Direct

Delivery contracts, which are select Blanket Purchase Agreements (BPAs) off of Multiple-Award Schedules will be managed by Retail Operations. As the distribution centers will no longer provide replenishments of government managed inventory to classic stores, it has become a priority to convert classic stores into a 4PL model. Currently there are 24 locations, 12 4PL and 12 classic, with all of the classic locations eventually moving to 4PL. Retail Operations has positive estimates for future growth, with plans to open new stores based on growing customer demand beginning in FY 2016.

*Acquisition Operations* — provides Federal agencies with direct access to vendor goods and services through Multiple-Award Schedule contracts; furniture through the Integrated Workplace Acquisition Center (IWAC); and emergency preparedness and response recovery contracting through the Center for Innovative Acquisition Development (CIAD). The CIAD program assists the Federal Emergency Management Agency (FEMA) in response to natural disasters and other emergencies by procuring necessary goods and services. In FY 2014, Acquisition Operations was responsible for providing \$1 million in emergency support for FEMA including 189,200 liters of canned water, 95 leased transportation trailers, 50,000 hygiene kits, Joint Field Office kit components and kitchen support items.

As a result of the closure of the distribution centers, GSS is consolidating responsibilities within Supply and Acquisition Operations. This consolidation will create a streamlined and efficient contracting operation and management structure by re-aligning resources so that acquisition personnel will work together in unified offices. Supply Operations non-acquisition personnel will align under a supply chain management entity and provide necessary supply functions to support acquisition (i.e. engineering, cataloging, item management, supplier relations, etc.). In addition to streamlining and standardizing acquisition processes, career acquisition employees will be utilized to support GSS priorities such as FSSI and other business growth opportunities.

In FY 2015 and FY 2016, Acquisition Operations will focus on expanding its strategic sourcing efforts to include maturing existing and developing new FSSI solutions. Among the new solutions are Janitorial and Sanitation products (JanSan), Maintenance, Repair, and Operations Supplies (MRO), Building Maintenance and Operations (BMO), Office Supplies 3 (OS3), and Human Resources (HR). These offerings will 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. Under FSSI, GSS will

continue to establish innovative solutions to capture savings and improve management of target commodity categories.

In early FY 2015, Acquisition Operations launched the One Acquisition Solution for Integrated Services (OASIS), a next-generation, enterprise-wide contracting vehicle that will ensure agencies obtain best-value solutions for complex professional service requirements. All major agencies (civilian and military) were invited to participate in the development of OASIS contract requirements, features, and terms and conditions. The IWAC program will also continue to coordinate with PBS to provide furniture to Federal agencies through GSA's Total Workplace solution and minimize the upfront capital needed.

*Personal Property Management* — provides savings to Federal agencies through its Property Sales Program. Personal property sales staff work with agencies to conduct sales on behalf of agencies that have surplus or outdated personal property under the Exchange/Sale authority, resulting in proceeds that are reimbursed to the customer agency. In FY 2014, agencies have been reimbursed \$103 million for disposing their exchange/sale property.

### **Integrated Technology Services Portfolio**

The Integrated Technology Services (ITS) portfolio provides government organizations with access to best-value IT and telecommunications products, services, and solutions. ITS programs are designed to expedite the acquisition cycle and harness the government's buying power, enabling savings for customer agencies on a full range of end-to-end IT and telecommunications products and services. Services provided from the portfolio remove the need for other government agencies to duplicate acquisition efforts, allowing customers to focus resources on their core missions. As mentioned previously, in order to fully embrace category management, ITS will explore changes to its organizational structure and operations.

Operations within this portfolio include the following business lines:

*Network Services* — offers comprehensive, best value telecommunications products and services to Federal agencies through access to new technologies and high caliber industry partners. By providing agencies with access to industry leading technologies, the Network

Services program allows agencies to operate in seamless, secure environments and focus their resources on accomplishing their core missions. Telecommunications product and service offerings include managed Internet Protocol (IP) services; network based IP; voice, data, and teleconferencing capabilities; and satellite bandwidth and service.

In order to ensure best quality offerings, the Network Services Program (NSP) has been developing a strategy that will define how the program can meet the needs of the Federal government for network services into the future. NSP is evaluating alternatives that will ensure continuity of service to all customers. In support of these contract streamlining activities, to drive the integrated management of the telecommunications category, and in recognition of the increasingly centralized approach to customer management of telecommunications, GSA is exploring the reorganization of the regional telecommunications program to better serve GSA's customers.

Additionally, the current five-year wireless BPAs will expire in May 2018. As a result, a decline in new orders is expected to begin in May 2016. To ensure GSA is able to continue to provide wireless carrier service, ITS will implement a follow-on program by mid-year FY 2016. This follow-on program will also provide an opportunity to identify other procurement approaches that will allow agencies to leverage pooled plans and smart technology.

*Multiple Award Schedule for IT (Schedule 70)* — provides direct access to products and services from over 5,000 certified industry partners through an indefinite delivery/indefinite quantity (IDIQ) multiple award schedule. By establishing these contracts with industry partners, ITS can leverage the size of the Federal government to attain better prices and simplify IT acquisitions.

The MAS (Multiple Award Schedule) program will identify options and implement strategies to address customer requirements for better pricing, pricing visibility, increased compliance and higher quality program data. The resulting recommendations will be implemented to utilize modern business strategies, processes, and technologies.

*IT Commodity Buy* — offers IT commodities at lower prices compared to agencies self-servicing their IT commodity purchases and provides easy ordering through BPAs off of IT Schedule 70. In FY 2015 and FY 2016, IT Commodity Buy will focus on increasing customer adoption of the



Reverse Auctions Platform which will allow customer agencies to purchase GSA offered IT commodities at lower prices. By facilitating competition between industry partners, customer agencies will realize additional savings. The IT Commodity Buy Program will also be working with PBS, and other components of FAS as discussed previously, to help agencies adopt a mobile work environment. Using the Commodity Buy program as the purchasing vehicle, the Total Workplace solution will acquire and lease information technology equipment, such as laptops and mobile devices, to customer agencies thereby minimizing their upfront capital requirements.

*Software Center of Excellence (formerly SmartBuy)* — uses strategic sourcing principles to develop simple and cost effective software vehicles for government-wide use. The program is able to drive cost savings by leveraging the spend of multiple agencies, consolidating common requirements, and approaching vendors with “one Federal voice” during the acquisition process. The Federal Information Technology Acquisition Reform Act will better position customer agencies to use the Software Center of Excellence’s strategic sourcing process more effectively and help GSA create the next-generation of software vehicles.

*Government-Wide Acquisition Contracts (GWACs)* — provide Federal agencies with flexible access to customized IT solutions from a large, diverse pool of industry partners. One of ITS’ GWACs, Alliant, has a \$50 billion program ceiling and a five-year base period with one five-year option. This five-year base period allows customer agencies to strengthen the long-term planning of their large-scale program requirements.

In FY 2015 and FY 2016, ITS will be developing the next generation GWAC contract. The Alliant II/Alliant Small Business II acquisition supports the FAS strategic themes of acquisition excellence and customer focused offerings. The contract allows for long-term planning of large-scale program requirements which is a benefit to customer agencies seeking to utilize the GWAC program contracts to acquire large IT solutions. The GWAC program’s goal is to award the contract vehicle by first quarter FY 2017 so customer agencies may begin to plan their acquisition strategies as a natural follow-on to the Alliant/Alliant Small Business task orders beginning early FY 2017. The resultant contracts will continue to deliver innovative IT solutions through demonstrated cost savings in the acquisition life cycle and offer price visibility through the Common Acquisition Platform.

*Strategic Programs* — includes the HSPD-12 program and the Federal Public Key Infrastructure (FPKI) program, which allow Federal agencies to comply with Federal IT security mandates. While FAS has been unable to achieve cost recovery in these programs, they serve the important function of ensuring state-of-the-art security infrastructure to the government. FPKI is in the process of collecting fees from participating agencies. GSA is exploring the proper strategic alignment of these programs to ensure the success of these programs from an operational and financial perspective.

### **Travel, Motor Vehicle and Card Services Portfolio**

The Travel, Motor Vehicle and Card Services (TMVCS) portfolio provides customer agencies with a broad scope of innovative and cost-effective services that include travel and relocation services, freight management, motor vehicle acquisition, fleet management, and charge card services.

Operations within this portfolio include the following business lines:

*Automotive* — a mandatory source for Federal agencies purchasing non-tactical vehicles. This allows the government to avoid additional overhead costs associated with multiple vehicle acquisition programs and to purchase vehicles substantially lower than dealer invoice. Each year, Automotive procures over 40,000 vehicles for the Federal government. The Automotive program is also achieving sustainability goals by expanding green vehicle offerings. The Automotive program is educating agencies on fleet specific policies and mandates, and recommending offerings to right size their fleets and improve motor vehicle fleet efficiencies.

*Fleet* — provides full service leases for over 200,000 non-tactical vehicles to Federal agencies. The program provides customer 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 customers of administrative, management and functional responsibilities of fleet management and allow them to maintain focus on their core mission. All vehicles are supported by the National Maintenance Control Center and the National Accident Management Center, which ensure preventive maintenance, repair, and accident management

services are offered to customers 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.

Fleet is committed to improving fuel efficiency across the leased fleet. Each year, GSA Fleet replaces eligible vehicles in the GSA leased fleet with new, more fuel efficient vehicles. Compared to vehicles replaced during the same year, vehicles newly added to the fleet had an average of 20.5 percent higher miles per gallon rating in FY 2014. Additionally, Fleet provides several green incentives that put more advance fuel technology vehicles into use. In FY 2014, Fleet purchased over 4,000 hybrid sedans at no additional incremental cost to Fleet customers. In FY 2014, Fleet further improved the efficiency of the Federal fleet by expanding an electric vehicle pilot to fund 200 electric vehicles and 168 charging stations, some of which have higher-efficiency dual charging capability. In FY 2015 and FY 2016, Fleet will aggressively pursue agency-owned and commercial-lease consolidations with new and existing customer agencies. This strategy will increase customer cost savings, while allowing agencies to focus resources on their mission instead of professional fleet management services that GSA provides efficiently and effectively. Finally, GSA is exploring the reorganization of the Fleet program to better serve GSA's customers.

*Travel and Transportation* — manages two programs offering a variety of services related to the travel of Federal employees and the transportation of Federally-owned goods: the Center for Travel Management and the Center for Transportation Management. In FY 2015 and FY 2016, both centers will focus on increasing agency adoption and upgrading current offerings as detailed below:

*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 customer agencies. The City Pair Program leverages the government's buying power and negotiates discounted airfares with commercial airlines. In FY 2014, customer agencies used the City Pair Program to purchase over 5.6 million flights and saved \$2.2 billion government-wide. The

FedRooms lodging program is the first ever government-wide transient lodging program that allows Federal employees to stay at over 12,000 properties globally. In FY 2014, FedRooms lodging utilized over 827,000 hotel room nights and resulted in savings of \$4.7 million government-wide. At the end of FY 2014, 24 agencies were fully deployed on the second generation E-gov Travel Services (ETS2). In FY 2015, an additional 18 agencies are scheduled to be fully deployed representing over 85% of all civilian agencies using the service. The balance of users are planned to be fully deployed in early FY 2016.

*Center for Transportation Management* — provides three major services: multimodal freight, the Employee Relocation Resource Center, and the second 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. In FY 2014, 71 Federal agencies used DDS to achieve lower costs on their express and ground delivery needs saving the government over \$51.7 million. The third generation of Domestic Delivery Services has been awarded and the transition will start in FY 2015. This FSSI offering enables agencies to meet sustainability requirements by providing fuel efficient transportation services.

*GSA SmartPay®* — serves more than 350 Federal agencies, organizations, and tribal governments by providing commercial payment tools. Agencies and government organizations spend over \$26 billion annually using GSA SmartPay charge cards and other related payment tools. Due to the large volume of spending that goes through GSA SmartPay, the program is able to earn refunds from the contractor banks based on spend volume and speed of pay. In FY 2014 the GSA SmartPay program generated \$267 million in net refunds for customer agencies. Over the program's lifetime, agencies have earned over \$2 billion in refunds. With respect to increasing business volume, training events like the Virtual Forum and the GSA SmartPay Training Forum provide agencies with an opportunity to not only learn about industry trends and how to best manage their programs, but also the innovative payment methods other agencies are using. In FY 2015 and FY 2016, TMVCS will work to increase the use of GSA SmartPay by other agencies through innovative payment options like EMV (Europay, Mastercard and Visa) cards, utility payments, grants funding solutions and other innovative card or card-less payments. Work on the follow-on contract, GSA SmartPay 3, has commenced and will give agencies access to new technologies in the payment industry. The Office of Charge

Card Management will be conducting bank and agency focus groups in FY 2015 to determine agency needs and industry trends for the next generation offering.

### **Integrated Award Environment**

The Integrated Award Environment (IAE) is a presidential E-Government initiative managed by GSA to facilitate each phase of the acquisition lifecycle, from market research to contract administration. The goal of the IAE program is to integrate and unify data and information that support the Federal acquisition process for government buyers and sellers.

In FY 2014, the IAE program has streamlined the Federal award process by merging several legacy systems into an integrated system. The IAE program has also improved help desk support, by reducing abandonment rates, increasing the average speed to answer, and reducing issue resolution time. In addition, the IAE program has deployed an API and System for Award Management (SAM) tracker that allows users to check the status of registration and identify needed steps for completion. The IAE program began providing improved contractor past performance capabilities to Federal users by making information easier to find and display. Other user experience improvements include the implementation of user-interface enhancements such as page design updates, search capability improvements, and improved usability for individuals with disabilities.

For FY 2015 and FY 2016, the IAE program will continue integration of the Technical Governance and Common Services components of the 3-Core with Application Programming Interface (API) strategy. The IAE program will also begin to migrate the processes in these components into a new architecture that ensures best security and quality practices for the government and private industry. In moving toward the new environment, IAE will conduct industry “hack-a-thons” with the newly developed SAM APIs to engage users for feedback. Continued work and prototyping for the new environment will continue, while building consensus among stakeholders and gaining feedback from Federal and non-Federal users of the systems. In addition, the IAE Program Management Office will begin to function in an agile process environment to ensure better quality, testing, and process improvements to current systems and the new architecture. The IAE program has also launched a transparency initiative to

collaborate internally and externally to produce, receive feedback, and facilitate contributions to open source software.

In the future, further adoption of the 3-Core with API strategy will include an improved data warehouse, the development of the Entity Management Core, and work on the Pre-Award and Post-Award Cores. The stand up and development of the cores will allow the IAE program to begin the decommissioning of separate but associated systems once capabilities have been tested and implemented.

### **Common Acquisition Platform**

The Common Acquisition Platform (CAP) is an electronic platform that enables category management and supports the Administration's shared-first, cloud-first, open API, and open data strategies. While IAE systems support the actual award of contracts and grants, the CAP enables sound category management principles by creating a strategic framework to manage commonly purchased products and services across the government. CAP's facilitation of category management will reduce duplication and proliferation of contract vehicles, driving down the cost of acquisition, and allowing agencies to devote resources to their core mission. Specifically, CAP provides government buyers with comprehensive information about existing contract vehicles from multiple agencies, current market trends and expertise, transactional data, and best practices that will help them navigate the cluttered acquisition marketplace.

In FY 2014, CAP has launched an initial version of the Prices Paid Portal, a web-based visualization tool that offers prices paid by Federal agencies for the procurement of certain commodities and services. In addition, CAP has launched a web-based portal that offers Federal buyers access to procurement-based content and advice, buying tips written by experts from across the government, and contracting vehicle comparisons. As of January 2015 six category hallways have launched with the expectation of more hallways becoming available later in the year.

In FY 2015 and FY 2016, CAP plans to identify and market new shared acquisition services, develop additional category hallways, add a searchable version of contract prices for labor categories, and deliver new eCommerce tools. Additionally, CAP is planning to launch a comprehensive acquisition solution for agencies to acquire complex data analytic solutions.

## **18F**

The 18F program is managed by the Office of Citizen Services and Innovative Technologies and funded as a reimbursable program within the ASF. The program builds user-centric digital services to improve interaction between the government and the public. The program helps agencies deliver on their missions by developing digital and web services to facilitate public use of government data that spurs new products and jobs. The newly formed organization encompasses two major programs, the Presidential Innovation Fellows (PIF) program and Client Services.

*Presidential Innovation Fellows* - pairs talented, diverse individuals from outside government with top Federal innovators. Together, these teams work to identify and implement game-changing process and technology improvements designed to make the Federal government work better for the American people.

Fellows selected for this unique and highly-competitive opportunity serve for 12 months, during which they will collaborate with each other and Federal agency partners.

Deployments are selected by a cross-functional team based on fellows' ability to save taxpayer dollars, fuel job creation, save lives, and build a culture of entrepreneurship and innovation within government. Areas of focus include:

- Education - Fellows will work with myriad agencies to help make education more accessible
- Jobs & the Economy - fueling the economy and job growth through innovation and improved opportunities for entrepreneurs and businesses of all sizes

- Climate Change - preparing the U.S. to lead international efforts, and prepare for the impacts of climate change
- Health & Patient Care - leveraging innovation to save lives, provide better access to benefits and programs promoting quality-of-life

*Client Services* — partners with agencies to address high profile and citizen-facing services in government, and provides the expertise to design, build and deliver these services effectively. Client Services will function as the lead operational unit to implement the President's agenda for "Smarter IT Delivery", and assist agencies in addressing major citizen-facing projects. These efforts include:

- Development of a mobile application for the Department of Energy that integrates social media feeds allowing users to report on and access information in real-time. This will enable awareness of power outages and fuel availability in a user's immediate area.
- Development of an application to work with the Department of Treasury's new retirement savings program, allowing users to open a Roth IRA and invest in a new Treasury savings bond exclusively through the program.

## **FAS Integrators**

The FAS integrator offices support the business portfolios while providing strategic, organizational, and policy guidance to the business units. Integrator office functions include maintaining FAS business processes and information technology systems, providing internal contracting support, building strategic customer relationships and supporting the FAS workforce.

**GSA Consolidation Efforts** – In FY 2013 and FY 2014, GSA consolidated administrative, financial, human resource management, emergency preparedness and information technology functions previously performed in FAS into the Working Capital Fund. In FY 2015 and FY 2016, GSA is pursuing additional, though smaller scale, consolidations of communications and mission assurance functions into the Working Capital Fund in order to centralize oversight over these roles and achieve organizational efficiencies across the entire



agency. The costs of functions that are consolidated from FAS will be funded through GSA's Working Capital Fund and recovered through reimbursements from FAS.

**Executive Direction**— is composed of two offices: the Office of the Commissioner and the Regional Commissioners' offices. The Office of the Commissioner is responsible for providing leadership and overall executive and program direction to ensure the mission and responsibilities of FAS are effectively carried out. In FY 2015 the FSSI program office, which previously resided in the Office of the Commissioner, has been re-aligned to the Office of Strategy Management.

There are 11 Regional Commissioner's offices, one in each of GSA's regions. The regional commissioners are responsible for overseeing the performance of FAS' operations located in their regions and ensure that FAS is meeting the acquisition needs of Federal agencies in their regions.

**Office of Customer Accounts and Research (CAR)** – conducts customer and market research along with customer outreach. CAR provides customers with information about the full range of acquisition solutions that FAS offers. CAR enables FAS to become a strategic partner that assists customer agencies in selecting the best value solutions for their needs by providing an enterprise-wide representation of the value FAS provides to customer agencies. As FAS embraces category management and implements a consistent operating model, the CAR organization will be instrumental in designing processes and tools to support the customer and market analysis phases of category management.

**Office of Strategy Management** – oversees all aspects of FAS strategic planning. Strategy Management's comprehensive approach ensures FAS continues to achieve business excellence by connecting people, ideas, and strategies. Starting in FY 2015, Strategy Management is responsible for the program management of the FSSI and improving business intelligence surrounding FAS' current FSSI offerings to increase government-wide usage and savings. Also starting in FY 2015, Strategy Management is standing up FAS' Category Management program management office to implement a consistent operating structure focused around service and product categories, which will enable FAS to better serve its customers. Strategy Management will work to develop an enhanced understanding of customer requirements, supply chains, and competitive environments for specialized market segments.

In FY 2015, the process improvement function has been realigned to the Working Capital Fund and the strategic communications function will realign to the Working Capital Fund in FY 2016.

**Office of Acquisition Management** – is responsible for establishing the standards and framework for managing FAS' acquisition workforce in accordance with policy established by the GSA Chief Acquisition Officer. Acquisition Management ensures that FAS activities are fully compliant with all laws, regulations, and policies and that operating practices are consistent across business lines. The office adds value by ensuring contract integrity and facilitating a positive customer experience. In FY 2015, the Administrative Contracting Officer function will be realigned to the portfolios according to their share of the workload performed by this function.

**Office of Regional Acquisition Operations** – is FAS's contracting arm that supports the acquisition needs of the client agencies that do business with the Assisted Acquisition Services and Integrated Technology Services portfolios. By providing this full contracting support, Regional Acquisition Operations is able to maximize competition, lessen lead times, and reduce procurement costs for both government and industry.

**FAS IT Systems** – GSA's Office of the Chief Information Officer (GSA IT) develops and manages business applications and multiple related minor and major systems for FAS in accordance with policy established by the GSA Chief Information Officer. GSA IT builds partnerships with FAS programs to anticipate and support their information technology needs and adds value by developing and managing innovative applications and systems in support of FAS business lines and staff offices.

GSA IT is utilizing agile methodologies, open source platforms and cloud services, and is implementing DevOps practices to support key FAS initiatives such as CAP and IAE. GSA IT has also worked with CAP to provide category managers with content management capabilities and digital services, such as the Laptop Navigator and Statement of Work Library, to improve the management of their hallways.

In FY 2015, GSA IT will continue to support CAP with the launch of additional category hallways, new digital services, and establishing a platform for their Analytics as a Service shared service offering. Through a strong partnership between IAE and GSA IT, significant progress was made with modernization, including the development of the IAE technical

architecture and the contract awards for Common Services and Technical Governance. In FY 2015, GSA IT will support IAE with developing Common Services and executing the vision toward their future architecture.

**U.S. General Services Administration**

**WORKING CAPITAL FUND**

**Fiscal Year 2016 Budget Request**

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## **Working Capital Fund Overview**

The FY 2016 request for the Working Capital Fund (WCF) is \$706,679 thousand, an increase of \$41,050 thousand or 6.2 percent from the FY 2015 Congressional Justification. After adjusting this amount to eliminate the impact of further FY 2016 consolidation efforts, this request represents a \$20,752 thousand, or 3.2 percent decrease from the FY 2015 Congressional Justification level, excluding external and lapsed balance activity.

GSA is continuing the multi-year effort to consolidate resources and operate more efficiently in order to provide internal support services at a reduced cost to customers, known as the “CxO Consolidation”. In FY 2015, GSA is shifting additional responsibilities and associated FTE and contracts to the Office of Mission Assurance (OMA), which will increase the program’s FY 2015 requirements by \$23 million from the FY 2015 Congressional Justification. In FY 2016 OMA will achieve \$5 million in savings and reductions from the FY 2015 revised level. The FY 2016 request includes the consolidation of employees into OCM from the Operating Expenses account, the Public Buildings Service (PBS), and the Federal Acquisition Service (FAS). This change will increase the program’s FY 2016 requirement by \$22 million from the FY 2015 Congressional Justification, after a 5 percent reduction to consolidated programs. Additional consolidation costs for other offices, such as the Office of the Chief Financial Officer, and other unanticipated costs, such as a rent increases due to implementation of a new appraisal in FY 2016 for GSA Headquarters at 1800 F Street NW, are absorbed within this reduced level.

In order to capitalize on opportunities identified in GSA’s continuous “Top to Bottom” review, GSA is moving forward with plans to divest its Human Resources Line of Business (HRLOB) and its Financial Management Line of Business (FMLOB), as well as all financial processing operations in support of GSA’s own business lines.

## **Program Description**

The WCF is a full-cost recovery revolving fund that finances administrative services for GSA. These administrative services include information technology management, budget and financial management, payroll services, legal advice and services, human resources, equal employment opportunity services, oversight of GSA contracting activities, emergency planning and response, and oversight of facilities management for GSA-occupied space and other administrative services. This account also funds liaison activities with the U.S. Small Business Administration 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 three types of services: **Shared Services**, **Selected Services**, and **External Services**.

**Shared Services:** Shared services are the core services of the WCF: common services including GSA rent, IT and telecommunications services, human resource services, procurement operations, facilities management for GSA-occupied space, acquisition policy development and transmittal, legal services, and financial management services. 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 the cost for those services and document these details in an Intra-Agency Agreement (IAA). Internal GSA offices may cancel services based on the terms and conditions negotiated in the IAAs. Examples of selected services include National Archives and Records Administration (NARA) space and IT circuits to support European operations.

**External Services:** The WCF provides or coordinates delivery of some administrative services to other federal organizations, including small agencies and commissions. GSA provides these services, including human resource services, IT and telecommunications services, and financial management services; bills the customer organization based on the level of service provided to ensure full cost recovery. The rates are reviewed by the Office of the Chief Financial Officer and the customer in order to ensure that the charges are appropriate for the level of service provided. The WCF also provides administrative support to home state or district offices for members of Congress.

In addition to the above activities, which are billed to customers, GSA also funds financial equipment acquisition and development activities using unobligated balances from its expired appropriated accounts, which can be transferred into the WCF. Operations in this activity must be in 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.<sup>1</sup>

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<sup>1</sup> Pursuant to P.L. 111-8 Section 518, operations in this activity, which are funded by lapsed balances from GSA's appropriated accounts, must be in support of the implementation of the Chief Financial Officers Act of 1990. GSA must have prior Congressional approval to use these funds. Of the amount reflected for FY 2015, \$7 million remains available pursuant to Congressional approval on December 16, 2013 and all previously approved Congressional amounts. The remaining FY 2015 and FY 2016 amounts reflect estimated, but currently unrequested, funding from lapsed balances.

**Amounts Available for Obligation**

(Dollars in Thousands)

| (Dollars in Thousands)                                    | FY 2014<br>Actuals | FY 2015<br>Current | FY 2016<br>Request | FY 2015/2016<br>Change |
|---|--------------------|--------------------|--------------------|------------------------|
| <b>Unobligated Balances:</b>                              |                    |                    |                    |                        |
| Carry forward   | \$96,404           | \$119,259          | \$105,315          | (\$13,945)             |
| Recoveries from prior year balances                       | \$16,173           |                    |                    |                        |
| Transfers (net)   | \$3,788            |                    |                    |                        |
| Major Equipment Acquisition and Development               | [41,441]           | [22,946]           | [10,001]           | [12,945]               |
| <b>Subtotal, Unobligated Balances</b>                     | <b>\$116,365</b>   | <b>\$119,259</b>   | <b>\$105,315</b>   | <b>(\$13,945)</b>      |
| <b>Revenue:</b>   |                    |                    |                    |                        |
| <u>Operating Programs:</u>                                |                    |                    |                    |                        |
| Shared Services   | \$481,767          | \$516,020          | \$520,513          | \$4,492                |
| Selected Services   | \$189,315          | \$153,568          | \$142,459          | (\$11,109)             |
| External Services   | \$20,880           | \$47,283           | \$36,462           | (\$10,821)             |
| <b>Subtotal, Revenue</b>                                  | <b>\$691,962</b>   | <b>\$716,872</b>   | <b>\$699,434</b>   | <b>(\$17,437)</b>      |
| <b>Total Resources Available</b>                          | <b>\$808,327</b>   | <b>\$836,131</b>   | <b>\$804,749</b>   | <b>(\$31,382)</b>      |
| <b>Obligations:</b>                                       |                    |                    |                    |                        |
| <u>Operating Programs:</u>                                |                    |                    |                    |                        |
| Major Equipment Acquisition and Development <sup>1/</sup> | \$22,283           | \$12,945           | \$7,245            | (\$5,700)              |
| Shared Services <sup>2/</sup>                             | \$518,315          | \$517,020          | \$520,513          | \$3,492                |
| Selected Services   | \$132,213          | \$153,568          | \$142,459          | (\$11,109)             |
| External Services   | \$16,256           | \$47,283           | \$36,462           | (\$10,821)             |
| <b>Subtotal, Obligations</b>                              | <b>\$689,068</b>   | <b>\$730,816</b>   | <b>\$706,679</b>   | <b>(\$24,137)</b>      |
| <b>Net Outlays</b>  | <b>(\$110,442)</b> | <b>\$64,117</b>    | <b>\$48,388</b>    | <b>(\$15,729)</b>      |
| <b>Total Employment (FTE)</b>                             | <b>\$2,092</b>     | <b>\$2,327</b>     | <b>\$2,016</b>     | <b>(\$311)</b>         |

1/ Pursuant to P.L. 111-8 Section 518, operations in this activity, which are funded by lapsed balances from GSA's appropriated accounts, must be in support of the implementation of the Chief Financial Officers Act of 1990. GSA must have prior Congressional approval to use these funds. Of the amount reflected for FY 2015, \$7 million remains available pursuant to Congressional approval on December 16, 2013 and all previously approved Congressional amounts. The remaining FY 2015 and FY 2016 amounts reflect estimated, but currently unrequested, funding from lapsed balances

2/ Shared Services include carryover obligations.

**Explanation of Changes**  
(Dollars in Thousands)

|                                      | Shared and Selected |                 | External   |                 | Major Equipment Acquisition & Development |                  | Total        |                 |
|--------------------------------------|---------------------|-----------------|------------|-----------------|---|------------------|--------------|-----------------|
|                                      | FTE                 | \$(000)         | FTE        | \$(000)         | FTE                                       | \$(000)          | FTE          | \$(000)         |
| FY 2015 Congressional Justification  | 2,288               | \$635,576       | 31         | \$16,083        | 0   | \$13,970         | 2,319        | \$665,629       |
| FY 2016 Working Capital Fund Request | 1,991               | \$662,973       | 25         | \$36,462        | 0   | \$7,245          | 2,016        | \$706,680       |
| <b>Net Change</b>                    | <b>(297)</b>        | <b>\$27,397</b> | <b>(6)</b> | <b>\$20,379</b> | <b>0</b>                                  | <b>(\$6,725)</b> | <b>(303)</b> | <b>\$41,051</b> |

|   | Shared and Selected |                  | External  |                 | Major Equipment Acquisition & Development |                  | Total        |                  |
|---|---------------------|------------------|-----------|-----------------|---|------------------|--------------|------------------|
|   | FTE                 | \$(000)          | FTE       | \$(000)         | FTE                                       | \$(000)          | FTE          | \$(000)          |
| <b>FY 2015 Congressional Justification</b>            | <b>2,288</b>        | <b>\$635,576</b> | <b>31</b> | <b>\$16,083</b> | <b>0</b>                                  | <b>\$13,970</b>  | <b>2,319</b> | <b>\$665,629</b> |
| <b>Revisions to FY 2015 Request</b>                   |                     |                  |           |                 |   |                  |              |                  |
| OMA Consolidation Activities                          | 28                  | \$23,170         |           |                 |   |                  | 28           | \$23,170         |
| OAS Increase for 1800 F St rent                       |                     | \$2,831          |           |                 |   |                  | 0            | \$2,831          |
| CFO Changes for Additional Consolidation Impacts      | (48)                | \$4,436          |           |                 |   |                  | (48)         | \$4,436          |
| OAS Freeze the Footprint Initiative                   |                     |                  |           | \$22,249        |   |                  | 0            | \$22,249         |
| OHRM Increase for Commissions and Boards and U4P      |                     |                  | 8         | \$5,207         |   |                  | 8            | \$5,207          |
| OCFO Increase for Army Child Care Program             |                     |                  | 4         | \$2,736         |   |                  | 4            | \$2,736          |
| OCIO Increase for FY 2015 PMLoB Program inc. DoD work |                     |                  |           | \$3,059         |   |                  |              | \$3,059          |
| Other program changes                                 | 11                  | \$4,262          | 3         | \$350           |   |                  | 14           | \$4,612          |
| OCSIT Decrease to External ECPC Program               |                     |                  |           | (\$2,400)       |   |                  |              | (\$2,400)        |
| Revisions to Planned Equipment OCIO                   |                     |                  |           |                 |   | (\$1,025)        | 0            | (\$1,025)        |
| OGC staffing increase for additional ASF workload     | 2                   | \$313            |           |                 |   |                  | 2            | \$313            |
| <b>Net Change</b>                                     | <b>(7)</b>          | <b>\$35,012</b>  | <b>15</b> | <b>\$31,200</b> | <b>0</b>                                  | <b>(\$1,025)</b> | <b>8</b>     | <b>\$65,187</b>  |

|                                |              |                  |           |                 |          |                 |              |                  |
|--------------------------------|--------------|------------------|-----------|-----------------|----------|-----------------|--------------|------------------|
| <b>Revised FY 2015 Request</b> | <b>2,281</b> | <b>\$670,588</b> | <b>46</b> | <b>\$47,283</b> | <b>0</b> | <b>\$12,945</b> | <b>2,327</b> | <b>\$730,816</b> |
|--------------------------------|--------------|------------------|-----------|-----------------|----------|-----------------|--------------|------------------|

|  |              |                   |               |                   |            |                  |              |                   |
|--|--------------|-------------------|---------------|-------------------|------------|------------------|--------------|-------------------|
| <b>FY 2016 Pay Increase (1.3% Effective January 2016)</b>        |              | \$2,353           |               | \$47              |            |                  | 0            | \$2,400           |
| <b>Increases</b>   |              |                   |               |                   |            |                  |              |                   |
| OCM Consolidation Activities                                     | 82           | \$19,911          |               |                   |            |                  | 82           | \$19,911          |
| Chief Financial Officer  |              |                   |               | \$126             |            |                  | 0            | \$126             |
| Data Act compliance  |              | \$3,000           |               |                   |            |                  | 0            | \$3,000           |
| Security Suitability and Credentialing LOB                       |              | \$500             |               |                   |            |                  | 0            | \$500             |
| GSA Digital Services   |              | \$1,600           |               |                   |            |                  |              | \$1,600           |
| CxO Councils contributions                                       |              | \$162             |               |                   |            |                  |              | \$162             |
| Creation of Office of Customer Experience                        | 6            | \$1,992           |               |                   |            |                  | 6            | \$1,992           |
| <b>Subtotal, Increases</b>                                       | <b>88</b>    | <b>\$27,165</b>   | <b>\$0</b>    | <b>\$126</b>      | <b>\$0</b> | <b>\$0</b>       | <b>88</b>    | <b>\$27,291</b>   |
| <b>Decreases</b>   |              |                   |               |                   |            |                  |              |                   |
| <b>Reductions for Consolidation Efficiencies</b>                 |              |                   |               |                   |            |                  |              |                   |
| Chief Information Officer Changes Including Insourcing           | 11           | (\$9,623)         |               |                   |            |                  | 11           | (\$9,623)         |
| OAS Freeze the Footprint Initiative                              |              |                   |               | (\$8,497)         |            |                  | 0            | (\$8,497)         |
| Chief Financial Officer  | (34)         | (\$9,970)         |               |                   |            |                  | (34)         | (\$9,970)         |
| Office of Human Resources Management                             | (67)         | (\$8,102)         |               |                   |            |                  | (67)         | (\$8,102)         |
| Office of Administration Services                                | (10)         | (\$1,451)         |               |                   |            |                  | (10)         | (\$1,451)         |
| Office of Mission Assurance                                      | (2)          | (\$4,516)         |               |                   |            |                  | (2)          | (\$4,516)         |
| Additional Program Savings to Offset Pay Increase                |              | (\$2,353)         |               | (\$47)            |            |                  | 0            | (\$2,400)         |
| Transfer Financial Process to USDA                               | (272)        |                   | (21)          |                   |            |                  | (293)        | \$0               |
| <b>Other Program Decreases</b>                                   |              |                   |               |                   |            |                  |              |                   |
| Small Business Utilization                                       | (1)          | \$25              |               |                   |            |                  | (1)          | \$25              |
| General Counsel  | 0            | (\$382)           |               |                   |            |                  | 0            | (\$382)           |
| Civil Rights   |              | (\$9)             |               |                   |            |                  | 0            | (\$9)             |
| Chief Acquisition Officer/<br>Senior Procurement Executive (OGP) | (3)          | (\$754)           |               |                   |            |                  | (3)          | (\$754)           |
| OCIO Decrease for nonrecurring FY 2015 PMLoB DoD work            |              |                   |               | (\$2,187)         |            |                  | 0            | (\$2,187)         |
| Office of Congressional & Intergovernmental Affairs              |              |                   |               | (\$263)           |            |                  | 0            | (\$263)           |
| Reduction to Equipment CIO                                       |              |                   |               |                   |            | (\$4,700)        | 0            | (\$4,700)         |
| Reduction to Equipment OIG                                       |              |                   |               |                   |            | (\$1,000)        | 0            | (\$1,000)         |
| <b>Subtotal, Decreases</b>                                       | <b>(378)</b> | <b>(\$37,133)</b> | <b>(\$21)</b> | <b>(\$10,994)</b> | <b>\$0</b> | <b>(\$5,700)</b> | <b>(399)</b> | <b>(\$53,827)</b> |
| <b>Net Change</b>  | <b>(290)</b> | <b>(\$7,615)</b>  | <b>(21)</b>   | <b>(\$10,821)</b> | <b>0</b>   | <b>(\$5,700)</b> | <b>(311)</b> | <b>(\$24,136)</b> |

|                        |              |                  |           |                 |          |                |              |                  |
|------------------------|--------------|------------------|-----------|-----------------|----------|----------------|--------------|------------------|
| <b>FY 2016 Request</b> | <b>1,991</b> | <b>\$662,973</b> | <b>25</b> | <b>\$36,462</b> | <b>0</b> | <b>\$7,245</b> | <b>2,016</b> | <b>\$706,679</b> |
|------------------------|--------------|------------------|-----------|-----------------|----------|----------------|--------------|------------------|



**Working Capital Fund by Staff Office**  
(Dollars in Thousands)

|  | FY 2014      |                | FY 2015      |                | FY 2016      |                |
|--|--------------|----------------|--------------|----------------|--------------|----------------|
|  | FTE          | Actual         | FTE          | Current        | FTE          | Request        |
| Chief Information Officer  | 518          | 329,360        | 572          | 315,291        | 512          | 310,268        |
| Chief Financial Officer  | 782          | 118,181        | 807          | 122,730        | 572          | 112,760        |
| Office of Human Resources Management                             | 303          | 82,638         | 393          | 90,850         | 326          | 82,749         |
| General Counsel  | 139          | 25,944         | 154          | 28,211         | 154          | 27,829         |
| Chief Acquisition Officer/<br>Senior Procurement Executive (OGP) | 28           | 5,906          | 31           | 5,971          | 28           | 5,379          |
| Communications & Marketing                                       | 17           | 4,874          | 20           | 6,884          | 102          | 26,795         |
| Civil Rights   | 22           | 4,080          | 25           | 4,544          | 25           | 4,535          |
| Office of Mission Assurance                                      | 108          | 22,580         | 125          | 39,036         | 123          | 35,020         |
| Small Business Utilization                                       | 34           | 4,797          | 36           | 4,788          | 35           | 4,813          |
| Office of Administrative Services                                | 107          | 52,168         | 118          | 52,282         | 108          | 50,832         |
| Office of Customer Experience                                    | 0            | 0              | 0            | 0              | 6            | 1,992          |
| <b>Subtotal, Staff Office Internal Authority</b>                 | <b>2,058</b> | <b>650,529</b> | <b>2,281</b> | <b>670,588</b> | <b>1,991</b> | <b>662,972</b> |
| Chief Information Officer  | 0            | 2,004          | 0            | 5,347          | 0            | 3,160          |
| Chief Financial Officer  | 26           | 6,819          | 31           | 7,910          | 10           | 8,035          |
| Office of Human Resources Management                             | 4            | 42             | 8            | 5,207          | 8            | 5,207          |
| Office of Administrative Services                                | 0            | 0              | 0            | 22,249         | 0            | 13,752         |
| Office of Mission Assurance                                      | 1            | 306            | 4            | 520            | 4            | 520            |
| Office of Citizen Services & Innovative Technologies             | 2            | 6,768          | 3            | 4,600          | 3            | 4,600          |
| Office of Congressional & Intergovernmental Affairs              | 0            | 317            | 0            | 1,451          | 0            | 1,188          |
| <b>Subtotal, Staff Office External Authority</b>                 | <b>34</b>    | <b>16,256</b>  | <b>46</b>    | <b>47,283</b>  | <b>25</b>    | <b>36,462</b>  |
| GSA IT Financial Systems Acquisition & Development               | 0            | 22,253         | 0            | 11,945         | 0            | 7,245          |
| OIG Equipment Acquisition & Development                          | 0            | 30             | 0            | 1,000          | 0            | 0              |
| <b>Subtotal, Major Equipment Acquisition &amp; Development</b>   | <b>0</b>     | <b>22,283</b>  | <b>0</b>     | <b>12,945</b>  | <b>0</b>     | <b>7,245</b>   |
| <b>Total, Working Capital Fund</b>                               | <b>2,092</b> | <b>689,068</b> | <b>2,327</b> | <b>730,816</b> | <b>2,016</b> | <b>706,679</b> |

**Note:**

The FY15 Shared/Selected total is \$1M higher than the FY15 WCF Bill because the CIO includes \$1M of carryover that is non-billable for the Stennis Data Center move.

The FY14 Shared/Selected total is \$12.2M lower than the FY14 WCF Bill because the CIO includes \$12.2M of carryover that is non-billable for the helpdesk contract protest.

**Working Capital Fund Obligations by Object Class**

(Dollars in Thousands)

|   | FY 2014<br>Actual | FY 2015<br>Current | FY 2016<br>Request |
|---|-------------------|--------------------|--------------------|
| Full-Time Equivalents                               | 2,092             | 2,327              | 2,016              |
|   | FY 2014<br>Actual | FY 2015<br>Current | FY 2016<br>Request |
| 11.1 Full-time, permanent.....                      | \$214,636         | \$238,175          | \$214,906          |
| 11.3 Other than full-time permanent.....            | \$1,396           | \$1,321            | \$849              |
| 11.5 Other personnel compensation.....              | \$2,742           | \$2,667            | \$1,154            |
| 11.8 Special personnel services payments.....       | \$190             | \$0                | \$687              |
| 12.1 Civilian personnel benefits.....               | \$76,407          | \$80,294           | \$75,526           |
| 13.0 Benefits for former personnel.....             | \$533             | \$1,075            | \$1,448            |
| 21.0 Travel and transportation of persons.....      | \$1,060           | \$2,006            | \$2,114            |
| 22.0 Transportation of things.....                  | \$370             | \$790              | \$624              |
| 23.1 Rental payments to GSA.....                    | \$32,850          | \$32,623           | \$31,980           |
| 23.2 Rental payments to others.....                 | \$1               | \$0                | \$0                |
| 23.3 Communications and utilities.....              | \$28,976          | \$22,416           | \$20,431           |
| 24.0 Printing and reproduction.....                 | \$423             | \$273              | \$273              |
| 25.1 Advisory and assistance services.....          | \$200,974         | \$226,157          | \$122,367          |
| 25.2 Other services from non-Federal sources.....   | \$2,835           | \$19,041           | \$18,562           |
| 25.3 Other goods & services from Federal sources.   | \$42,433          | \$15,003           | \$126,253          |
| 25.4 Operation and maintenance of facilities.....   | \$287             | \$0                | \$0                |
| 25.6 Medical care.....                              | \$0               | \$0                | \$0                |
| 25.7 Operation and maintenance of equipment.....    | \$35,665          | \$71,090           | \$74,567           |
| 25.8 Subsistence and support of persons.....        | \$0               | \$0                | \$0                |
| 26.0 Supplies and materials.....                    | \$922             | \$1,370            | \$1,538            |
| 31.0 Equipment.....                                 | \$44,541          | \$16,515           | \$13,402           |
| 32.0 Land and structures.....                       | \$1,588           | \$0                | \$0                |
| 33.0 Investments and loans.....                     | \$0               | \$0                | \$0                |
| 41.0 Grants, subsidies, and contributions.....      | \$0               | \$0                | \$0                |
| 42.0 Insurance claims and indemnities.....          | \$94              | \$0                | \$0                |
| 43.0 Interest and dividends.....                    | \$0               | \$0                | \$0                |
| 44.0 Refunds.....                                   | \$0               | \$0                | \$0                |
| <b>99.0 Obligations, Appropriated (Annual).....</b> | <b>\$688,922</b>  | <b>\$730,816</b>   | <b>\$706,681</b>   |
| Subtotal, PC&B.....                                 | \$295,903         | \$323,532          | \$294,570          |
| Subtotal, Non-labor.....                            | \$393,019         | \$407,284          | \$412,111          |

## **Description of WCF Services by Office**

### **Office of the Chief Financial Officer: FY 2016 Budget Request - \$120,795 thousand**

The Office of the Chief Financial Officer (CFO) provides strategic planning, budgeting and financial management services to all GSA business lines and offices as well as to more than 50 independent agencies and commissions. The FY 2016 request, less the component for external services, is \$112,760 thousand, a 4.7 percent reduction from the FY 2015 Congressional Justification.

The current FY 2015 level for the CFO has been adjusted up from an original request of \$118.3 million to \$122.7 million to account for additional consolidation-related expenses, which include \$4.6 million for additional FTE from PBS (28) and FAS's Continuous Process Improvement Office (6) and \$2.9 million for contracts associated with these FTE. The revised FY 2015 level also includes \$3.4 million in costs related to CFO's finance centers in Kansas City and Fort Worth, which were not included in the original FY 2015 request, and \$1.9 million for the financial audit that were not captured in the initial formulation. Of this total increase of \$12.8 million, \$8.4 million will be absorbed by OCFO through additional reductions in staff, including proposed buyouts and early retirement incentives, and contracts beyond those included in the original FY 2015 Congressional Justification.

From FY 2015 to FY 2016, CFO will reduce FTE by 82 positions from the FY 2015 Congressional Justification level of 855 (not including the outsourcing of Financial Management Line of Business (FMLOB) outsourcing, discussed below). CFO will also reduce contractual support for PBS Financial Services and regional FAS Financial Services. At the same time, CFO will increase funding for training to ensure a well-trained workforce ready to handle the diverse demands and regulations of federal finance and budgeting.

Due to the divestment of FMLOB functions (as discussed on page 2) from GSA to Federal Shared Service Providers (FSSP), CFO staffing will decrease as financial processes migrate to the new service provider. Current estimated staffing reductions are 214 staff with a corresponding decrease in support contract and PC&B expenses, depending on the services that shift to a new FSSP. It is expected that the overall budget implications to the GSA CFO budget will be a net neutral as funding previously programmed for contract and PC&B expenses will be shifted to fund the FMLOB interagency agreements between GSA and the new FSSPs.

### **Shared Services: FY 2016 Budget Request – \$49,785 thousand**

Operating costs for the different office of the OCFO are charged to the staff offices according to level of support provided to those offices by OCFO. The cost of financial services and financial policy are driven by workload statistics. For financial audit costs, OCFO allocates costs based on the contract costs from the audit plan. The budget office and general oversight activities in the OCFO are billed based on funded FTE in each service and staff office.

Selected Services: FY 2016 Budget Request – \$62,975 thousand

OCFO selected services consists of customer-focused financial and budget support that is entirely dedicated to support PBS or FAS. The costs for these services are directly charged to the appropriate service.

External Services: FY 2016 Budget Request – \$8,035 thousand

The OCFO provides payroll support, financial administration services, and childcare subsidy administration services to more than 50 independent agencies, boards, and commissions. Customers receive these services on a fee-for-service basis.

**Office of GSA Information Technology (GSA IT): FY 2016 Budget Request - \$320,673 thousand**

GSA IT provides information technology support to all GSA offices. The Office's focus is on designing and delivering intuitive, innovative IT that ensures integration between systems and organizations to provide effective IT tools for GSA stakeholders. GSA IT directly supports the agency management objectives to streamline IT, improve data quality, and improve reporting. In its execution of IT services, GSA IT incorporates its business knowledge and technological expertise to choose the best solution available for our customers. Compared to the FY 2015 Congressional Justification, the FY 2016 budget is a 2.8 percent reduction. As part of the recent consolidation of IT services, GSA IT increased FTE ceilings by 18 personnel and identified areas of duplication opportunities for efficiencies.

Due to the divestment of FMLOB functions and systems from GSA to Federal Shared Service Providers (FSSP), GSA IT staffing will decrease as systems migrate to the new service providers. Current estimated staffing reductions are 35 staff with a corresponding decrease in support contract and PC&B expenses, depending on the population of systems that shift to a new FSSP. It is expected that the overall budget implications to the GSA IT budget will be a net neutral as funding previously programmed for contract and PC&B expenses will be shifted to fund the FMLOB interagency agreements between GSA and the new FSSPs.

Shared Services: FY 2016 Budget Request - \$254,381 thousand

The GSA IT shared services budget consists of the management and oversight of IT investments, financial management systems, and human capital systems. IT shared services support operations and maintenance of systems as well as system enhancements. GSA IT will provide an agency-wide, standardized approach to infrastructure management and operations designed to save cost and time and to optimize the performance and efficiency of organizational staff and enterprise systems. GSA IT manages internal IT assets, server resources, network resources, and end-user devices. This function includes planning and governance, IT security, 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 2016 Budget Request - \$55,887 thousand

The selected services budget consists of IT services specific to individual GSA offices that support unique business requirements. GSA IT provides application development, project management, infrastructure, and security 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(s). The FY 2016 request provides \$3,000, billed directly to the Operating Expenses appropriation, that will support changes required in agency IT systems related to procurement spending and management as well as acquisition workforce changes. In addition the budget provides \$1,600 for staffing costs to develop a Digital service team billed directly to the Office of Citizen Services and Innovative Technologies.

External Services: FY 2016 Budget Request - \$3,160 thousand

The Office of GSA Information Technology provides a cost-effective, secure platform to deliver financial management and administrative systems services to external clients. The Office of Financial and HRIT Services provides professional systems support for the financial management, payroll/labor distribution, time and attendance, and leave and overtime request systems (and other applications) that includes: 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 services and supports the network and back-end systems required by the Elections Assistance Commission Office, and provide GSA's Comprehensive Human Resources Integrated System (CHRIS) to other government agencies, boards and commissions.

The Performance Management Line of Business (PMLoB) is the 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. OMB has worked with GSA and established the PMLoB to deliver solutions that are both cost-effective and useful to agencies and other end users. The creation of the PMLoB was approved by the Director of OMB in November 2011.

**Financial Equipment Acquisition & Development: FY 2016 Budget Request (Lapsed Funding Approved on December 16, 2013) - \$7,245 thousand**

The financial equipment acquisition and development activity may be utilized for agency-wide investments to implement the Chief Financial Officers Act of 1990, such as: acquisition of capital equipment, automated data processing systems and financial management and management information systems<sup>2</sup>. The FY 2016 request continues to fund activities related to Billing and Accounts Receivable (BAAR), a financial system that enables GSA to retire National Electronic Accounting and Reporting (NEAR) as well as close a data center providing combined savings of approximately \$6 million per year.

**Office of Administrative Services: FY 2016 Budget Request – \$64,584 thousand**

The Office of Administrative Services (OAS) is responsible for general administrative and management services for GSA including agency-wide policy, planning, and service deliver for executive correspondence management, Freedom of Information Act (FOIA) responses, printing and forms management, directives and orders management, mail management, personal property management, travel and purchase card program management, and Government Accountability Office and Office of the Inspector General audit management.

The office also provides workspace planning and initiatives, facility design, facilities management, and internal contracting services for Central Office, and centrally administers the rent for GSA's 1800 F Street headquarters building.

OAS's program needs in FY 2015 have increased by \$3.3 million due to increases in rent and security costs for GSA's 1800 F Street headquarters building as a result of the new appraisal of the space. In FY 2015 the program also has additional requirements for printers and copiers of \$720 thousand and increase to salaries of \$573 thousand; these increases are partially offset by a reduction in expected security costs of \$778 thousand. In FY 2016, the new rental rate is the key driver of the increase from the FY 2015 Congressional Justification. OAS also plans some additional travel in support of GSA's Freeze the Footprint initiatives in GSA regional offices, which will have long-term payoffs as GSA works to implement the best practices from our renovation and transition to "hoteling" at 1800 F Street to GSA's regional offices. This program is partially offsetting these increases by limiting FY 2016 FTE to FY 2014 onboard levels and achieving further efficiencies in consolidated contracts.

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<sup>2</sup> Pursuant to P.L. 111-8 Section 518, operations in this activity, which are funded by lapsed balances from GSA's appropriated accounts, must be in support of the implementation of the Chief Financial Officers Act of 1990. GSA must have prior Congressional approval to use these funds. Of the amount reflected for FY 2015, \$7 million remains available pursuant to Congressional approval on December 16, 2013 and all previously approved Congressional amounts. The remaining FY 2015 and FY 2016 amounts reflect estimated, but currently unrequested, funding from lapsed balances.

Shared Services: FY 2016 Budget Request -- \$50,510 thousand

Most OAS services, including rent for 1800 F Street, 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 IG audit management costs are allocated based on a count of audit action items reviewed
- Other administrative and management services costs are allocated based on FTE.

Selected Services: FY 2016 Request -- \$ 322 thousand

OAS's selected services are limited to the services it manages on behalf of service and staff offices for storage, associated fees, and services such as 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.

External Services: FY 2016 Request -- \$13,752 thousand

As a leader in innovation in public service, GSA must drive the government-wide transformation in workplace design and services through improved space utilization, reduced costs, and superior value. GSA's plan is to exceed the Office of Management and Budget's (OMB) Freeze the Footprint policy requirements and establish a goal to reduce its total space allocation to 150 Usable Square Feet (USF) per person. This effort steers GSA toward reducing allocation of GSA occupied space. The Freeze the Footprint funding will be used for projects that create modern workplaces that can serve as a model for the government and further the objectives of OMB Memorandum M-12-12 section 3. More specifically, the funding will pay for furniture and installation, IT equipment and installation, move costs, management support contracts, and design and construction of tenant improvements.

**Office of Human Resource Management: FY 2016 Budget Request -- \$87,956 thousand**

The Office of the Human Resources Management (OHRM) provides the tools and advice that create a diverse, agile and high performing GSA workforce. 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. OHRM is guided by the Agency's Human Capital Strategic Plan, which provides the framework for GSA to achieve its human capital vision of a competent, well-managed workforce doing the right work, at the right time and achieving the right results. Through its operational programs, the OHRM is focused on hiring, developing, and retaining a talented and diverse workforce.

OHRM will achieve reductions of 7.9 percent from the FY 2015 Congressional Justification level by holding FTE to three below the FY 2014 onboard level, a reduction of 67 FTE from the FY 2015 Congressional Justification. In addition to natural attrition and only backfilling critical vacancies to achieve this FTE level, OHRM is scaling back the size of a planned new career employee rotational program. OHRM's FY 2015 request also included funding for several one-year or short-term activities that will not continue in FY 2016, lowering the office's request; these investments included an analysis on Worker's Compensation, actions to standardize position descriptions, and regional moves.

Shared Services: FY 2016 Budget Request – \$79,249

OHRM provides certain human resource services in a consolidated fashion in order to reduce redundancy and ensure a standard level of service. These services include:

- Arbitration
- Child care subsidy
- Employee health room services
- Enterprise assistance program
- GSA leadership program
- Health & Dependent Care Federal Flexible Spending
- Hiring actions
- Human capital strategy
- New employee orientation
- Transit subsidy
- Workers' compensation
- Emerging Leaders Program (ELP)

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

Selected Services: FY 2016 Request -- \$3,500 thousand

Selected services provided by OHRM include training provided through OHRM's University for People.

External Services: FY 2016 Request: \$5,207 thousand

External services provided by OHRM include training provided through OHRM's University for People to customers outside of GSA.

**Office of General Counsel: FY 2016 Budget Request -- \$27,829 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 them to operate more efficiently and provide increased legal support without an increase in funding. The FY 2016 budget request includes an increase of three FTE from FY 2015 Congressional Justification.

Shared Services: FY 2016 Budget Request -- \$27,516 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.

Selected Services: FY 2016 Request -- \$313 thousand

Selected services provided by OGC include direct legal support to FAS.

**Office of Small Business Utilization: FY 2016 Budget Request - \$4,813 thousand**

The Office of Small Business Utilization (OSBU) works with GSA services 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;
- 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; and
- Attending all meetings regarding major procurements.

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 small increase in this program's budget from the FY 2015 Congressional Justification is driven by a \$56 thousand increase to travel, \$20

thousand increase in communications and utilities, and \$4 thousand increase to printing. These increases are partially offset by reductions of \$54 thousand to personnel compensation and benefits.

Shared Services: FY 2016 Request - \$4,813 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 and program FTE.

**Office of Civil Rights: FY 2016 Budget Request -- \$4,535 thousand**

The Office of Civil Rights (OCR) implements both the internal and external GSA Civil Rights programs. The internal civil rights program ensures equal employment opportunity for all GSA employees and applicants for employment without regard to gender, race, color, national origin, religion, disability, age (40 and over), genetic information, and retaliation for protected Equal Employment Opportunity (EEO) activity.

The internal civil rights program processes EEO complaints of discrimination pursuant to 29 C.F.R. Part 1614. The external civil rights programs ensure nondiscrimination by GSA's Federal Financial Assistance, Federally Conducted, and Environmental Justice programs. Both the internal and external civil rights programs have enforcement and prevention as the cornerstones of their programs.

OCR will also administrate GSA's Affirmative Employment Program (AEP), which had previously been managed by OHRM.

The FY 2016 budget is a 3 percent increase from FY 2015 Congressional Justification, with no change in FTE level. This increase is driven by an increase of \$421 thousand for rental payments to GSA; this office previously had not been charged for rent. This increase is partially offset by reductions of \$248 thousand to contracts and \$60 thousand to travel.

Shared Services: FY 2016 Budget Request - \$4,535 thousand

The entire budget of the Office of Civil Rights (OCR) is considered shared services that offices cannot opt out of receiving. The WCF pays for Equal Employment Opportunity services and the non-discrimination program for the GSA. Both of these services are allocated based on FTE of each service and staff office.

**Office of Mission Assurance: FY 2016 Request – \$35,540 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), HSPD-12 credentialing, emergency management, and contingency and continuity planning. OMA provides an enterprise-wide approach to mission

assurance planning while assuring the safety, privacy, and security of GSA facilities, people, and IT assets nationwide. The WCF pays for OMA services that are not related to domestic and national security emergencies. Services related to domestic and national security emergencies are funded through GSA's Operating Expenses appropriation.

GSA's continuous "Top to Bottom" review and the CxO consolidation process identified additional personnel and activities that are more appropriately managed by OMA after the submission of the FY 2015 CJ and GSA is realigning those FTE and activities to this program. The program's FY 2015 requirement has increased by \$23.2 million to fund 28 additional FTE as well as GSA's programs to evaluate contractor suitability (background checks) that were formerly funded in PBS, FAS and other staff offices. This program has an additional requirement to purchase a Crisis Management System (CMS) and a High-Frequency – Automatic Link Establishment (HF-ALE) communications systems. GSA requires these systems to meet the requirements of National Communications Systems Directive (NCSD) 3-10 which establishes minimum classified and unclassified continuity communications requirements for all Federal Executive Branch Departments and Agencies.

From the revised FY 2015 baseline of \$39.6 million, the FY 2016 request for OMA reduces 2 FTE and achieves personnel and contract cost savings of \$4.5 million.

Shared Services: FY 2015: \$35,020 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 HSPD-12 program costs, which are allocated based on the number of HSPD-12 cards for each service and staff offices. Other costs are allocated based on FTE in each service and staff office.

External Services: FY 2016 Budget Request - \$520 thousand

OMA also provides administrative support to a classified Department of Defense mission. The costs of the administrative support are recovered through collections against an interagency agreement.

**Office of Communications and Marketing: FY 2016 Budget Request -- \$26,795 thousand**

The Office of Communications and Marketing (OCM) provides information on GSA activities to employees and external audiences, including the media, agency customers and the American public. OCM accomplishes its mission with a coordinated, integrated program of messaging and strategic communication initiatives. A separate budget is provided by the Operating Expense appropriation for specific activities related to agency-wide communications activities. GSA's continuous "Top to Bottom" review and the CxO consolidation process identified additional personnel and activities that are more appropriately managed by the WCF portion of OCM and will consolidate these functions and activities from PBS, FAS, and the Operating Expenses account in FY 2016. This will increase OCM's WCF FTE from the FY 2015 original Congressional Justification request of 18 FTE to 106 FTE for FY 2016 request and increase the

program's budget by \$22 million from the FY 2015 Congressional Justification. As has been the case with the other consolidation actions GSA undertook to consolidate administrative services, after the increase from the initial "lift and shift" GSA will be able to realize additional savings in this program through attrition and contract efficiencies in the outyears, and the FY 2016 request for OCM reflects this by anticipating a \$1.4 million reduction from the consolidated level.

**Shared Services: FY 2016 Budget Request - \$7,495 thousand**

This portion of the OCM Working Capital Fund budget is shared across the staff offices in GSA. These funds are to provide enterprise web management services and other communication support to GSA. These costs are allocated based on the funded FTE for each staff office.

**Selected Services: FY 2016 Budget Request - \$19,300 thousand**

OCM provides selected services to GSA staff offices as requested. These services include, but are not limited to multiple forms of visual digital media communications e.g. videography, photography; and large-scale printing services. OCM also provides project communication campaigns for both internal and external audiences for a variety of purposes, including initiatives such as the Federal Acquisition Service Common Acquisition Platform communications and workplace management initiatives in support of the Federal Buildings Fund. The costs of these services are then charged to the staff office based on the required resources, time and material costs of said requests.

**Office of Customer Experience: FY 2016 Budget Request -- \$1,992 thousand**

The Office of Customer Experience (OCE) has been created to transform GSA into a customer-centric powerhouse of service and efficiency to ensure program offices deliver an outstanding experience to GSA employees, partners, and customers. These costs are allocated based on enacted FTE.

**Shared Services: FY 2016 Budget Request - \$1,992 thousand**

All services provided to GSA staff and services offices by OCE are shared services. OCE will work to:

- Establish a GSA-wide voice of the customer program
- Implement a GSA-wide customer relationship management (CRM) strategy
- Improve GSA's digital presence
- Develop a robust account management strategy
- Improve the way customers interact with GSA programs
- Help FAS Category Managers develop category-specific customer experience (CX) strategies
- Work with PBS FMSP to better understand and take action on tenant needs
- Develop a tool for PBS FMSP to automate and monitor building manager action plans

- Work with ORHM to empower employees to provide better customer service
- Suggest language to OHRM for SES and front line performance plans
- Shape the interagency Customer Service CAP goal

**Office of Government-wide Policy: FY 2016 Budget Request - \$5,379 thousand**

The Chief Acquisition Officer (CAO) in the Office of Government-wide Policy (OGP) uses WCF funding to provide procurement policies and guidance for GSA acquisition management activities, including operations for GSA's procurement management reviews, suspension and debarment program, acquisition policy including the GSA regulations management function, and the acquisition workforce program, and covers all GSA regional and organizational unit operations and compliance with the regulations in the Federal Acquisition Regulations (FAR) and with standards of integrity.

The program will achieve a significant reduction of 9.8 percent from the FY 2015 Congressional Justification level by eliminating a contract for Fair Act Inventory support, as this program will be “insourced” into OGP’s new Data Analytics team. The program will also use virtual interviews for their procurement management reviews, slightly reducing travel costs.

**Shared Services: FY 2016 Budget Request - \$5,379 thousand**

All costs for this program are considered shared services and are allocated based on FTE for the internal GSA service and staff offices.

**Office of Congressional and Intergovernmental Affairs: FY 2016 Request -- \$1,188 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 2016 Budget Request - \$1,188 thousand**

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

**Office of Citizen Services and Innovative Technologies:**  
**FY 2016 Budget Request -- \$4,600 thousand**

The Office of Citizen Services and Innovative Technologies (OCSIT) uses the WCF to provide reimbursable support to other agencies for the Government-wide Electronic Capital Planning and Investment Control (eCPIC) program. Agencies use this program to formulate and submit capital budgets; make, control, and evaluate IT investments; and manage IT portfolios.

**External Services: FY 2016 Request -- \$4,600 thousand**

OCSIT provides support services to agencies that use the eCPIC system. Services include hosting services, help desk support, training, technical support, and dedicated program management. Participating agencies are also members of the Federal eCPIC Steering Committee.

U.S. General Services Administration  
Working Capital Fund

**Working Capital Fund Bill by Staff and Service Office**

Dollars in Thousands

| <b>GSA Working Capital Fund Bill<br/>\$(000)</b>                 | <b>FY 2014<br/>Bill</b> | <b>FY 2015<br/>Estimate</b> | <b>FY 2016<br/>Request</b> |
|--|-------------------------|-----------------------------|----------------------------|
| <b>Public Buildings Service</b>                                  | <b>\$340,663</b>        | <b>\$359,760</b>            | <b>\$351,377</b>           |
| Federal Buildings Fund   | \$340,663               | \$359,760                   | \$351,377                  |
| <b>Federal Acquisition Services</b>                              | <b>\$291,873</b>        | <b>\$275,093</b>            | <b>\$276,175</b>           |
| Acquisition Services Fund  | \$291,873               | \$275,093                   | \$276,175                  |
| <b>Office of Governmentwide Policy</b>                           | <b>\$10,942</b>         | <b>\$11,080</b>             | <b>\$10,602</b>            |
| Governmentwide Policy  | \$10,478                | \$10,334                    | \$9,886                    |
| Federal Management Counsels Program Analysis                     | \$342                   | \$459                       | \$436                      |
| Presidential Management Advisory Board                           | \$123                   | \$288                       | \$280                      |
| <b>Office of Inspector General</b>                               | <b>\$2,500</b>          | <b>\$3,512</b>              | <b>\$3,324</b>             |
| <b>Office of Citizens Services &amp; Innovative Technologies</b> | <b>\$5,580</b>          | <b>\$6,487</b>              | <b>\$8,388</b>             |
| Federal Citizen Services Fund                                    | \$5,580                 | \$6,487                     | \$8,388                    |
| <b>Former Presidents</b>   | <b>\$24</b>             | <b>\$10</b>                 | <b>\$10</b>                |
| <b>Operating Expenses</b>  | <b>\$10,307</b>         | <b>\$12,530</b>             | <b>\$12,025</b>            |
| Real Property Disposal   | \$2,705                 | \$3,784                     | \$3,645                    |
| Office of Communications & Marketing                             | \$2,129                 | \$2,176                     | \$2,115                    |
| Management & Administration                                      | \$5,142                 | \$6,230                     | \$5,934                    |
| Civilian Board of Contract Appeals                               | \$331                   | \$339                       | \$331                      |
| <b>Working Capital Fund</b>                                      | <b>\$849</b>            | <b>\$1,117</b>              | <b>\$1,071</b>             |
| Finance External Services - Internal Agreements                  | \$553                   | \$654                       | \$623                      |
| Human Resources Mgmt - Commissions & Boards                      | \$230                   | \$373                       | \$359                      |
| Electronic Capital Planning & Investment Control (eCPIC) System  | \$66                    | \$91                        | \$89                       |
| <b>Total, GSA Working Capital Fund Bill</b>                      | <b>\$662,737</b>        | <b>\$669,588</b>            | <b>\$662,973</b>           |

**U.S. General Services Administration**  
**PERMANENT BUDGET AUTHORITY**  
**Fiscal Year FY 2016 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 traffic 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 2014, the program returned \$1 million to the U.S. Treasury after covering operating costs of \$11 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 2015 Operating Plan and FY 2016 Budget Request**

The Transportation Audits program is managed by the Federal Acquisition Service (FAS) in the Travel, Motor Vehicles, and Card Services (TMVCS) Portfolio.

The FY 2016 budget request provides \$13,122 thousand for the Transportation Audits program, an increase of \$1,533 thousand from the FY 2015 level. In response to GSA Inspector General (IG) audits in FY 2012 and FY 2013, the increase includes an escalation in investments that are needed to continue the evaluation of the program’s current business model and begin to implement a future state model.

In FY 2015 and FY 2016, 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.

In FY 2012 and FY 2013, GSA's IG performed two audits of the Transportation Audits program's pre- and post-payment audit processes. The findings suggest the program was not performing effective oversight of pre-payment audit responsibilities, resulting in agencies paying excessive transportation charges and not maximizing collections of funds owed to the government in post-payment responsibilities. In response to the IG's audits, the Transportation Audits program is requesting a \$1,533 thousand increase to its mandatory appropriation in FY 2016 to continue funding a business model and alternatives assessment effort that will ensure the program adheres to Congressional mandates and that federal agencies comply with 31 U.S.C. 3726. This business model and alternatives assessment is projected to enhance data transparency, increase collections of overcharges, improve oversight of the statutory requirement that requires federal agencies to perform a prepayment audit of transportation expenses, and increase agency compliance with 31 U.S.C. 3726. The Transportation Audits program has been delegated authority to manage compliance with this requirement.

U.S. General Services Administration  
 Permanent Budget Authority

**Obligations by Object Classification**

(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Estimate | FY 2016<br>Request |
|--|-------------------|---------------------|--------------------|
| 11.1 Full-time permanent.....                          | 2,403             | 3,256               | 3,289              |
| 11.3 Other than full-time permanent.....               | 0                 | 0                   | 0                  |
| 11.5 Other personnel compensation.....                 | 23                | 50                  | 51                 |
| 12.1 Civilian personnel benefits.....                  | 549               | 690                 | 697                |
| 21.0 Travel and transportation of persons.....         | 9                 | 19                  | 19                 |
| 22.0 Transportation of things.....                     | 0                 | 0                   | 0                  |
| 23.1 Rental payments to GSA.....                       | 0                 | 0                   | 0                  |
| 23.3 Communications and utilities.....                 | 0                 | 0                   | 0                  |
| 24.0 Printing and reproduction.....                    | 0                 | 0                   | 0                  |
| 25.1 Advisory and assistance services .....            | 5,450             | 5,296               | 6,815              |
| 25.2 Other services from non-Federal sources .....     | 0                 | 0                   | 0                  |
| 25.3 Other goods and services from Federal sources.... | 2,190             | 2,266               | 2,239              |
| 25.4 Operation and maintenance of equipment            | 9                 | 12                  | 12                 |
| 26.0 Supplies and materials.....                       | 9                 | 0                   | 0                  |
| 31.0 Equipment.....                                    | 0                 | 0                   | 0                  |
| <b>99.0 Obligations, appropriated (annual).....</b>    | <b>\$10,642</b>   | <b>\$11,589</b>     | <b>\$13,122</b>    |
| Subtotal, PC&B.....                                    | \$2,975           | \$3,996             | \$4,037            |
| Subtotal, Non-labor.....                               | 7,667             | 7,593               | 9,085              |
| 99.9 Total obligations.....                            | <b>\$10,642</b>   | <b>\$11,589</b>     | <b>\$13,122</b>    |
| FTE  | 28.0              | 37.0                | 37.0               |

**Amounts Available for Obligation**

(Dollars in Thousands)

Special Fund Receipts:

|  | FY 2014<br>Actual | FY 2015<br>Estimate | FY 2016<br>Request |
|--|-------------------|---------------------|--------------------|
| Balance, start of year.....                          | \$ 27,127         | \$ 28,469           | \$ 31,731          |
| Receipts.....  | \$ 11,995         | \$ 12,420           | \$ 12,938          |
| Excess collections returned to Treasury              | \$ (1,000)        | \$ (500)            | \$ (500)           |
| <b>Appropriation to the warranted fund.....</b>      | <b>\$(10,674)</b> | <b>\$(11,589)</b>   | <b>\$(13,122)</b>  |
| Unobligated balance expired from expenditure fund... | \$ 1,021          | \$ 2,931            | \$ 2,849           |
| Balance, end of year.....                            | \$ 28,469         | \$ 31,731           | \$ 33,896          |

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Special Fund Expenditures:

|   | FY 2014<br>Actual | FY 2015<br>Estimate | FY 2016<br>Request |
|---|-------------------|---------------------|--------------------|
| Unobligated balance, start of year..... | \$ 10,334         | \$ 9,479            | \$ 6,548           |
| Recovery of prior-year obligations..... | 134               | -                   | -                  |
| Mandatory authority:                    |                   |                     |                    |
| <b>Appropriation.....</b>               | <b>\$ 10,674</b>  | <b>\$ 11,589</b>    | <b>\$ 13,122</b>   |
| Unobligated balance, expiring.....      | \$ (1,021)        | \$ (2,931)          | \$ (2,849)         |
| Unobligated balance, end of year.....   | \$ (9,479)        | \$ (6,548)          | \$ (3,699)         |
| <b>Total obligations.....</b>           | <b>\$ 10,642</b>  | <b>\$ 11,589</b>    | <b>\$ 13,122</b>   |
| <i>Net Outlays</i>                      | \$ 8,344          | \$ 9,851            | \$ 10,490          |

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## **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 5 percent of the fees collected from non-Department of Defense activities by 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 following two 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. 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 the development of Acquisition Human Capital Plan templates, the Acquisition Workforce Competency Survey, as well as FAI.gov, social media graphics and infrastructure design.

- **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 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.

### **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 2015 Operating Plan and FY 2016 Budget Estimate**

The FY 2016 budget request provides **\$12,775 thousand** in new collections for FAI programs. This is an increase of \$64 thousand over the FY 2015 anticipated collections. 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 largely be used to support FAITAS and FAI.gov to continue providing the most used and useful services to the civilian acquisition community.

**Obligations by Object Classification**

(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Estimate | FY 2016<br>Request |
|--|-------------------|---------------------|--------------------|
| 21.0 Travel and transportation of persons.....   | \$0               | \$4                 | \$5                |
| 25.1 Advisory and assistance services.....       | \$7,170           | \$7,097             | \$8,971            |
| 25.2 Other services.....                         | \$4               | \$0                 | \$0                |
| 25.3 Other goods & services from Federal sources | \$5,363           | \$3,117             | \$4,144            |
| 26.0 Supplies and materials.....                 | \$1               | \$0                 | \$0                |
| <b>99.0 Total obligations.....</b>               | <b>\$12,538</b>   | <b>\$10,218</b>     | <b>\$13,120</b>    |

**Amounts Available for Obligation**

(Dollars in Thousands)

Special Fund Receipt

|   | FY 2014<br>Actual | FY 2015<br>Estimate | FY 2016<br>Request |
|---|-------------------|---------------------|--------------------|
| Balance, start of year.....                       | \$2,126           | \$4,015             | \$4,015            |
| Receipts.....                                     | \$10,154          | \$12,711            | \$12,775           |
| <b>Appropriation to the expenditure fund.....</b> | <b>(\$8,265)</b>  | <b>(\$12,711)</b>   | <b>(\$12,775)</b>  |
| Balance, end of year.....                         | \$4,015           | \$4,015             | \$4,015            |

Special Fund Expenditure

|  | FY 2014<br>Actual | FY 2015<br>Estimate | FY 2016<br>Request |
|--|-------------------|---------------------|--------------------|
| Unobligated balance, start of year.....      | \$17,033          | \$12,468            | \$14,961           |
| Recovery of prior-year obligations.....      | \$0               | \$0                 | \$0                |
| Mandatory authority:                         |                   |                     |                    |
| <b>Appropriation.....</b>                    | <b>\$8,265</b>    | <b>\$12,711</b>     | <b>\$12,775</b>    |
| Unobligated balance, expiring.....           | (\$292)           | \$0                 | \$0                |
| Total Obligations.....                       | (\$12,538)        | (\$10,218)          | (\$13,120)         |
| <b>Unobligated balance, end of year.....</b> | <b>\$12,468</b>   | <b>\$14,961</b>     | <b>\$14,616</b>    |
| <i>Net Outlays</i>                           | <i>\$6,734</i>    | <i>\$10,661</i>     | <i>\$12,468</i>    |



## **Expenses, Disposal of Surplus Real and Related Personal Property**

### **Program Description**

This mandatory appropriation provides for the efficient disposal of real property assets that are underutilized or no longer meet the needs of landholding federal agencies. Expenses incurred in the course of disposing of federal surplus real and related personal property are financed through receipts from sales of surplus property. 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 & 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.

In addition, any amounts that are excess to the needs of the fund must be transferred to the Land and Water Fund of the Department of the Interior.

### **FY 2015 Operating Plan and FY 2016 Budget Estimate**

The FY 2016 budget request provides **\$9,047 thousand** for the Real Property Disposal program, equal to the amount estimated for FY 2015. 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 2014<br>Planned | FY 2015<br>Request | FY 2016<br>Request |
|--|--------------------|--------------------|--------------------|
| 24.0 Printing and reproduction.....                | \$34               | \$25               | \$25               |
| 25.1 Advisory and assistance services.....         | \$195              | \$8,772            | \$8,772            |
| 25.2 Other services from non-Federal sources.....  | \$192              | \$100              | \$100              |
| 25.3 Other goods & services from Federal sources.. | \$0                | \$150              | \$150              |
| 25.7 Operations and maintenance of equipment ..... | \$8                | \$0                | \$0                |
| <b>99.9 Total obligations.....</b>                 | <b>\$429</b>       | <b>\$9,047</b>     | <b>\$9,047</b>     |

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U.S. General Services Administration  
 Permanent Budget Authority

**Amounts Available for Obligation**

(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|--|-------------------|--------------------|--------------------|
| Balance, start of year.....  | \$86,621          | \$83,166           | \$83,166           |
| Receipts, real property disposal.....                              | \$12,000          | \$12,000           | \$12,000           |
| Receipts, outleasing.....  | 3,000             | 3,000              | 3,000              |
| Net receipts.....  | \$15,000          | \$15,000           | \$15,000           |
| <b>Appropriation to the expenditure fund.....</b>                  | <b>(3,200)</b>    | <b>(9,047)</b>     | <b>(9,047)</b>     |
| Transfer to Land and Water Fund, DOI.....                          | (3,742)           | (5,953)            | (5,953)            |
| Unobligated balance, transferred in from Special Fund Expenditures | \$680             | \$0                | \$0                |
| Balance, end of year.....  | \$95,359          | \$83,166           | \$83,166           |

Special Fund Expenditures

|                                  | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|----------------------------------|-------------------|--------------------|--------------------|
| Mandatory authority              |                   |                    |                    |
| <b>Appropriation.....</b>        | <b>\$550</b>      | <b>\$9,047</b>     | <b>\$9,047</b>     |
| Unobligated balance, sequestered |                   | \$0                | \$0                |
| Unobligated balance.....         | \$121             | \$0                | \$0                |
| <b>Total obligations.....</b>    | <b>\$429</b>      | <b>\$9,047</b>     | <b>\$9,047</b>     |
| <i>Net Outlays</i>               | \$193             | \$9,047            | \$9,047            |

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).

**Obligations by Program Activity**

(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|--|-------------------|--------------------|--------------------|
| 1. Utilization and Disposal - Real Property  |                   |                    |                    |
| a. Appraisers, auctioneers, brokers fees, surveying  | \$88              | \$1,274            | \$1,274            |
| b. Advertising   | 155               | 1,083              | 1,083              |
| c. Environmental Services  | 4                 | 982                | 982                |
| d. Historical Preservation Services  |                   | 1,293              | 1,293              |
| e. Highest and best use of property studies,<br>utilization of property studies, Targeted Asset<br>Reviews (TARS), deed compliance inspections | 182               | 1,900              | 1,900              |
| f. Expenses incurred in a Relocation   |                   | 2,000              | 2,000              |
| Subtotal, Utilization and Disposal of Real Property  | \$429             | \$8,532            | \$8,532            |
| 2. Outleasing of Government-owned Space  |                   |                    |                    |
| a. Appraisers, auctioneers, brokers fees, surveying  |                   | \$500              | \$500              |
| b. Advertising   |                   | 15                 | 15                 |
| Subtotal, Outleasing.....  | \$0               | \$515              | \$515              |
| <b>Total obligations.....</b>  | <b>\$429</b>      | <b>\$9,047</b>     | <b>\$9,047</b>     |

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**U.S. General Services Administration  
EXPENSES, PRESIDENTIAL TRANSITION**

**Pre-Election Activities**

**Fiscal Year 2016 Budget Request**

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**Appropriations Language**

*For activities authorized by the Pre-Election Presidential Transition Act of 2010 (Public Law 111-283), not to exceed \$13,278,000, to remain available until September 30, 2017: Provided, That such amounts may be transferred to "Acquisition Services Fund" or "Federal Buildings Fund" to reimburse obligations incurred for the purposes provided herein in fiscal year 2015: Provided further, That amounts made available under this heading shall be in addition to any other amounts available for such purposes.*

**Program Description**

In accordance with the Pre-Election Transition Act of 2010, the Pre-Election Presidential Transition appropriation will enable GSA to provide suitable office space for transition activities, provide compensation to transition office staffs, acquire communication services, provide allowances for travel and subsistence, and support printing and postage costs associated with the transition.

**Explanation of Changes**

(Dollars in Thousands)

|                              | <u>Budget Authority</u> |
|------------------------------|-------------------------|
| FY 2015 Budget Request ..... | \$0                     |
| FY 2016 Budget Request ..... | <u>\$13,278</u>         |
| <b>Net Change .....</b>      | <b>\$13,278</b>         |

**Summary of the Request**

The Pre-Election Presidential Transition Act of 2010, Public Law 111-283, was enacted to provide for transition services to eligible major party candidates before the general election.

The FY 2016 budget requests \$13,278,000 for pre-election transition services to eligible major party candidates before the general election in accordance with the Pre-Election Transition Act of 2010, to be available as a two-year appropriation for FY 2016-FY 2017, as the election will occur in FY 2017. Transition funds become available to each major party candidate during the period beginning on the date of the notification of their eligibility by the GSA Administrator and ending on the date of the general elections. These funds may be used to provide suitable office space for transition activities, provide compensation to transition office staffs, acquire communication services, provide allowances for travel and subsistence, and for printing and postage costs associated with the transition.

GSA's request for \$13,278,000 will support pre-election transition services to two presidential campaigns prior to the 2016 election. This request is consistent with the provision in the Pre-Election Presidential Transition Act that states "there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act," GSA is requesting a two-year appropriation beginning in FY 2016, as the pre-election period will cross fiscal years and continue in FY 2017. Because preparations for the transition will begin in FY 2015, GSA requests that the authority for this appropriation also allow it to be used to reimburse obligations incurred for this purpose during FY 2015 in the Federal Buildings Fund and Acquisition Services Fund.

**Obligations by Object Classification**  
(Dollars in Thousands)

|  | FY 2014<br>Actual | FY 2015<br>Enacted | FY 2016<br>Request |
|--|-------------------|--------------------|--------------------|
| 23.1 Rental payments to GSA                        | \$0               | \$0                | \$4,407            |
| 23.3 Communications and utilities                  | \$0               | \$0                | \$60               |
| 24.0 Printing and reproduction                     | \$0               | \$0                | \$10               |
| 25.1 Other goods and services from Federal sources | \$0               | \$0                | \$8,741            |
| 26.0 Supplies and materials                        | \$0               | \$0                | \$60               |
| <b>99.0 Total Obligations</b>                      | <b>\$0</b>        | <b>\$0</b>         | <b>\$13,278</b>    |



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*U.S. General Services Administration  
General and Administrative Provisions*

| Administrative Provisions [delete] <i>insert</i>  | Explanation  |
|---|--|
| <p>Sec. 510. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.</p>  | <p>Section 510 authorizes GSA to use funds for the hire of passenger motor vehicles. <b>GSA requests that this provision be retained.</b></p>  |
| <p>Sec. 511. Funds in the Federal Buildings Fund made available for fiscal year [2015] 2016 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] <i>submitted</i> in advance [by] <i>to</i> the Committees on Appropriations of the House of Representatives and the Senate.</p>   | <p>Section 511 authorizes GSA to transfer funds within the Federal Buildings Fund to meet program requirements. <b>GSA requests to retain this provision with modification.</b> 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 [2016] 2017 request for United States Courthouse construction only if the request: (1) meets 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 the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan; and (3) includes a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.</p> | <p>Section 512 requires that the fiscal year 2017 budget request meet certain standards. <b>GSA requests to retain this provision with modification.</b> This provision has been modified to update the fiscal year.</p>   |

*U.S. General Services Administration  
Administrative Provisions*

| Administrative Provisions [delete] <i>insert</i>   | Explanation  |
|--|--|
| <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>Section 513 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. <b>GSA requests that this provision be retained.</b></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>Section 514 continues the provision that permits GSA to pay small claims less than \$250,000 made against the Government. <b>GSA requests that this provision be retained.</b></p>  |

U.S. General Services Administration  
General and Administrative Provisions

| Administrative Provisions [delete] insert   | Explanation  |
|---|--|
| <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 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>Section 515 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. <b>GSA requests that this provision be removed.</b></p> |

U.S. General Services Administration  
Administrative Provisions

| Administrative Provisions [delete] insert  | Explanation  |
|--|--|
| <p>Sec. [516]515. With respect to each project funded under the heading ["Major Repairs and Alterations" or "Judiciary Capital Security Program"] <i>capital projects</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 30 days after the date of enactment of this Act] <i>within 15 days prior to any obligation or change in the use of funds.</i></p> | <p>This provision requires GSA to submit spend plans for certain programs. <b>GSA requests to retain this provision with modification.</b> These changes are necessary to ensure the spend plan requirements properly cover both the FY 2016 request for all programs that have traditionally required a spend plan and also cover the FY 2017 advance appropriations request for the Federal Buildings Fund.</p> <p>The first modification requires a spend plan for all capital projects. As the FY 2017 advance 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 2017 advance appropriation.</p> <p>The second modification ensures that GSA will not need to submit a spend plan for the FY 2017 advance appropriations capital projects within 30 days of enactment of the FY 2016 appropriations bill.</p> |
| <p>[Sec. 517. Any consolidation of the headquarters of the Federal Bureau of Investigation must result in a full consolidation.]</p>   | <p>This provision requires any consolidation of the headquarters of the Federal Bureau of Investigation to result in a full consolidation. <b>GSA requests that this provision be removed.</b></p>   |

**U.S. General Services Administration**  
**MANAGEMENT CHALLENGES and GSA ACTIONS**  
**Fiscal Year 2016 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 2014 Annual Financial Report on November 12, 2014. In all cases, GSA’s budget addresses each management challenge by providing the necessary funding for the office charged with addressing the challenge.

| <b>Acquisition Program</b>  |   |
|---|---|
| <b>Management Challenge</b>   | <b>GSA Actions</b>  |
| <p>GSA continues to face challenges within the GSA Schedules Program.</p> | <p><u>Pricing</u></p> <p>GSA is committed to ensuring that the Multiple Award Schedules (MAS) Program delivers the best possible value in government acquisition. The agency is currently working to define appropriate standards for price variability at the Schedule contract level and intends to implement these standards to reduce variability in FY 2015. GSA continues to pursue collection of transactional data at the order level. GSA recognizes that variables, such as terms and conditions and volume commitments, have an impact on prices paid.</p> <p><u>Contractor Compliance</u></p> <p>GSA values the audits that the OIG performs for the MAS Program. The agency is in the process of implementing a new, risk-based contractor visit model. Particular attention will be paid to sales tracking and reporting, pricing overcharges to customers, and proper application of the prompt payment discount. We also published the correct interpretation of the I-FSS-125 clause, Requirements Exceeding the Maximum Order, and issued a mass modification to remove the clause from all Schedule contracts to ensure appropriate price reductions are passed on to customer agencies. While we agree with some of the OIG findings, some of the dollar figures may not be achievable. GSA appreciates our discussions on this with the OIG, as there have been times when updates to these numbers have been agreed upon by the OIG and Contracting Officer. GSA anticipates that the produced reports may be amended to reflect these discussions and updated numbers where appropriate</p> <p><u>Contract Workload Management</u></p> <p>GSA agrees with the OIG’s assessment of the challenge of administering a large number of Schedule contracts. While GSA continues to develop its position on cancelling contracts with \$0 sales, the agency believes that we can also alleviate contract workload more effectively by looking at additional ways to streamline the acquisition process and automate additional functions.</p> <p><u>Hiring, Development, and Retention of the Contracting Officer Workforce</u></p> <p>Recruiting, hiring, and retaining an agile and high-quality</p> |

|  |   |
|--|---|
|  | <p>Federal acquisition workforce is essential to the efficiency, effectiveness, and stewardship of agency program objectives and results. The development of the acquisition workforce is a top priority. As such, the agency will examine intern and rotation programs consistent with the Office of Personnel Management Human Capital Guidance. We are considering the following: the establishment of a “Virtual GSA Acquisition University” that would leverage curricula with colleges and universities; identification of critical competencies and skills for the non-1102 part of the acquisition workforce; and advancement of a workforce engagement strategy to improve employee satisfaction.</p> <p><u>Schedules Program Modernization</u></p> <p>GSA recognizes some of the complexities associated with standardizing part numbers and labor categories and is currently working with industry to clearly identify the issues. The agency is also working on system enhancements to ensure that any proprietary data that is collected from contractors as part of the prices paid effort is properly safeguarded. Our implementation plan for transactional data includes the development of policy guidance and training that will make clear that prices paid data is just the final component of a sale, and that specific terms and conditions, volume commitments, spending patterns, and performance requirements can influence the final price. Training will also include a new online course to be completed by the entire acquisition workforce.</p> <p><u>Proposed Changes to the General Services Administration Acquisition Regulation</u></p> <p>The agency remains committed to amending the General Services Administration Acquisition Regulation (GSAR) Part 538, Federal Supply Schedule Contracting. The decision was made to pursue this effort via multiple GSAR cases in early 2013 after extensive discussions with stakeholders. The rulemaking process takes approximately 18 months to complete, per case. GSA continues to make progress on the other GSAR cases that make up the GSAR 538 Rewrite initiative.</p> |
| <p>FAS needs to ensure its new multiple award contract vehicle adds value and be cognizant of the potential drain on its already overextended acquisition resources.</p> | <p>This portion of the OIG Report on Management Challenges specifically addresses the work to award the One Acquisition Solution for Integrated Services (OASIS) and OASIS Small Business (SB) multiple award contracts. The OIG identified risks in overburdening acquisition resources, ensuring value, and the many protests filed in response to the agency’s source selection decisions. To ensure adequate and effective resource utilization, GSA has consolidated responsibility for all professional services contracts, including OASIS. GSA agrees that any new contract vehicles should provide direct value to partner Federal agencies and the American people. The value provided by the OASIS program is exemplified by the US Air Force, which has made OASIS and OASIS SB preferred vehicles for requirements within scope of those contracts. The US Air Force recognized the value of the OASIS procurement</p>   |



*U.S. General Services Administration  
Management Challenges and GSA Actions*

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|   | <p>and chose to build upon its foundation rather than duplicate it through their contract vehicles. GSA is working with other partner agencies on further commitments to these vehicles. Since the release of this report, all protests of the OASIS and OASIS SB procurements and awards have been resolved in GSA's favor. There are no outstanding protests, and the OASIS acquisition team and program office have shifted to post-award responsibilities of managing these contracts.</p>  |
| <p>GSA continues to face challenges with the timely transition from FTS2001 crossover contracts to the Networkx contracts and the upcoming transition to Network Services 2020.</p> | <p>GSA agrees with the management challenges presented by the OIG with a different perspective on the focus for actions to be taken in FY 2015. The agency will implement a transition strategy that capitalizes on lessons learned from the previous transition. In March 2014, GSA responded to the GAO Final Report, TELECOMMUNICATIONS: GSA Needs to Share and Prioritize Lessons Learned to Avoid Future Transition Delays (GAO-14-63). GSA defined actions to address the five recommendations in the report and completed those actions as of August 2014.</p> <p>While GSA will support customers as they transition, agencies are ultimately responsible for moving to the new solution and any delays that necessitate additional contract extensions or other sole-source justifications for service continuity. GSA will continue to coordinate planning and implementation activities with a customer advisory group, the Office of Management and Budget (OMB), and the U.S. Congress.</p>  |
| <b>Organizational Structure</b>   |   |
| <b>Management Challenge</b>   | <b>GSA Actions</b>  |
| <p>As GSA continues to restructure its organization, it should reassess its controls and systems and evaluate the results achieved.</p>   | <p>Through the consolidation of Finance, Information Technology, Human Resources, Administration, and Communications (CXO) organization functions, GSA has taken deliberate steps to strengthen internal management controls while increasing efficiency and service delivery capabilities. By increasing centralized reporting and accountability and reducing redundancies through the elimination of "shadow" organizations in FAS and PBS, internal control and accountability risks have been minimized. The agency is developing a CXO balanced scorecard aligned to GSA's strategic blueprint to support the timely evaluation of performance results. The CXO balanced scorecard supports an integrated approach to enterprise accountability and the delivery of service. Through the measurement and tracking of CXO specific metrics, GSA will be able to directly track, evaluate, and make timely process improvements to GSA CXO operations.</p> <p>The Office of the Chief Financial Officer (OCFO) consolidation focused explicitly on standardizing operations, strengthening internal controls, improving customer service, and achieving efficiencies. As a result, most major functions related to funds certification and annual budgets are now performed within OCFO rather than split between OCFO and the programs, ensuring proper oversight and accountability over these key activities as well as additional flexibility to reallocate</p> |

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Management Challenges and GSA Actions*

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|  | <p>resources and cross train staff to ensure proper coverage as GSA's organization changes.</p> <p>As part of the OCFO transformation, the Office of Budget will include all budget functions, allowing OCFO to further streamline and optimize key processes related to budgets, including investment reviews and the creation of annual program budgets. This new structure will allow OCFO to be more responsive to program needs by having a single point of contact for budget and funding-related issues. Standardized operations and policies across organizations will help ensure that OCFO is able to adapt to changes in GSA's organizational structure.</p> <p>Similarly, the Office of the CIO consolidated all information technology (IT) functions, resources and budgets under the agency CIO's authority, allowing GSA to develop a zero-based IT budget for the first time, and strengthening controls and processes governing IT investment management. IT consolidation has already yielded many benefits, including increased reuse of common resources, reduction of staff needs and budgets, as well as increased IT security controls over all GSA investments. GSA IT is implementing common controls in its system development and IT investment management processes, such as single sign-on and compliance with Federal security guidelines, which will allow GSA to reduce duplication and increase the effectiveness of its IT investments over time.</p>                                    |
| <b><u>GSA's Real Property Operations</u></b>                                 |   |
| <b>Management Challenge</b>  | <b>Management Challenge</b>   |
| <p>PBS needs to improve the management and use of Federal real property.</p> | <p>With the support of Congress, GSA has taken action to help fund consolidation projects and better utilize existing assets. For instance, using \$70 million provided in FY 2014 for consolidation activities, we are executing 17 projects in 10 states plus the District of Columbia that will save Federal agencies \$16 million in rent payments annually, reduce the Federal footprint by 492,000 square feet, and reduce the government's leasing costs by \$38 million.</p> <p>Additionally, GSA has taken opportunities to reduce space when high-value leases expire, providing long-term savings to taxpayers. In the agency's prospectus-level lease program in FY 2014, for instance, GSA and partner Federal agencies have reduced overall space needs by approximately 13 percent, from a current requirement of 4.3 million square feet to a proposed 3.7 million square feet.</p> <p>We have an opportunity to reduce operating costs and rent by consolidating workspace, but taking advantage of this opportunity requires significant initial spending on building space and moving people. While GSA has made progress with funding provided in FY 2014, continued reductions to the Federal Buildings Fund limit our opportunities to take advantage of all existing opportunities to consolidate agencies, improve space utilization, and reduce the government's long-term real estate costs. Until GSA's full and consistent access to the Federal Buildings Fund is restored, the Government</p> |

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|  | will continue to miss opportunities for improved space utilization and consolidation   |
| PBS will continue to be impacted by the American Recovery and Reinvestment Act of 2009   | <p>The American Recovery and Reinvestment Act (Recovery Act) required that any funds obligated prior to September 30, 2010, must be expended by September 30, 2015. Likewise, the remaining funds that were obligated prior to September 30, 2011, must be expended by September 30, 2016. GSA, in turn, set up Recovery projects so that all project funds would be outlaid by September 30, 2015, allowing additional time for the remaining funds that were to be invested by September 30, 2016. As of October 10, 2014, the agency has outlaid \$5,332,502,349, or 96.7 percent of the original \$5,550,000,000 total amount we received. The remaining balance will largely be outlaid by September 30, 2015. Any remaining funds will be awarded using deobligation/reobligation authority, and those funds will be used to finish work on a very small set of projects.</p> <p>To ensure the funds closing deadlines are met, GSA closely tracks project schedules and the outlay of funds. We share the expressed concern regarding the potential for increased claims. We have actively monitored the incidence of claims on Recovery Act projects, and our data show that thus far the incidence of claims is significantly lower on the Recovery Act projects than in the annual capital program. We are continuing to monitor this activity while also working to determine the root causes driving this apparent result.</p> |
| PBS's construction program will face challenges as it works to complete remaining Recovery Act projects and takes on a significant increase in new workload. | <p>We agree that management challenges could exist and appreciate the OIG highlighting this issue. We are taking a multipronged approach to this challenge. First, in response to findings regarding contract award and administration issues identified on prior projects, GSA has developed and issued guidance and training to address these issues. Second, it is important to note that the agency has completed nearly all of the investments associated with the Recovery Act.</p> <p>We are successfully executing investments from the FY 2014 program. Nevertheless, we have assessed our staffing needs and currently plan to hire additional contracting officers, project managers, and technical staff in FY 2015 where needed.</p>  |
| Challenges persist to safeguard Federal infrastructure and provide a secure work environment for Federal employees and contractors.                          | In response to the Assessment of GSA's Major Management Challenges for FY 2015, GSA concurs with the OIG observations. The agency has been working and will continue to work collaboratively with the Government Accountability Office, the Department of Homeland Security, and the Federal Protective Service to provide effective and efficient security and risk management solutions. GSA will also continue to work collaboratively with interagency stakeholders and private partners to enhance these services while maintaining open, accessible, and safe public buildings.  |
| <b>Managing a Mobile Workforce</b>   |  |
| <b>Management Challenge</b>  | <b>GSA Actions</b>   |
| GSA's reduction in workspace will create challenges in managing a mobile workforce.  | 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 focus  |

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|   | <p>work, and improve employee well-being and performance. The FY 2013 consolidation of GSA headquarters was the first large-scale example of creating open-collaborative environments that support new ways of working in the Federal government, and serves as a model. GSA has created new policies, procedures and internal controls to mitigate the risks associated with reducing its internal workspace. Specifically, in FY 2014, GSA partnered with its national labor unions to create and implement a new Space Allocation, Management and Design policy that will serve as a model for the Federal government. Additionally, the agency drafted policies that will be implemented in FY 2015 to standardize Information Technology for internal GSA workplaces, and align the allocation and assignment of space in shared workspace environments.</p> <p>In FY 2012, we developed two online training programs to support our increasingly mobile workforce. Telework Works is mandatory training for all employees regardless of telework eligibility, position, or grade. The course introduces GSA's cultural transformation and describes the new Mobility and Telework Policy. Managing Distributed Teams is a virtual professional development seminar designed to enhance the knowledge, skills, and resources that will enable managers to successfully lead distributed teams and manage by results. This training is required for all agency supervisors.</p> <p>However, GSA will continue to assess the effectiveness of the mobile workplace strategy and the strength of the controls that have been put in place. GSA looks forward to working in partnership with the OIG and other stakeholders on any further improvements that can be made as the agency engages in a significant change that, while presenting financial benefits to taxpayers, also presents potentially new challenges that will need to be addressed.</p> |
| <b>Information Technology</b>   |  |
| <b>Management Challenge</b>   | <b>GSA Actions</b>   |
| <p>Improved planning, development, and implementation of IT systems are needed to ensure the availability of quality data to support business and investment decisions.</p> | <p>In FY 2014, GSA undertook key initiatives to improve its management and oversight of IT initiatives. The Investment Review Board was strengthened to ensure it maintains oversight over all IT investment decisions. A spend review process was introduced to ensure all IT spending is in line with the agency's strategy and policies. Various IT systems and resources were consolidated under a new, enterprise GSA IT organization, and a new IT policy was issued outlining nine key principles for GSA's IT investments moving forward. Through these measures and others, the agency has been able to reduce its IT budgets by close to \$100 million over the past two years, while continuing to invest in strategically important areas such as FAS' category management initiative, GSALink, and the modernization of our core financial and HR systems.</p> <p>GSA IT also established the Enterprise Data Management Office, and appointed the first Agency Chief Data Officer. This office is already working with various parts of the agency to develop mechanisms</p>   |

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|  | <p>whereby GSA offices can better leverage data to make business decisions. The office is also working to develop government-wide capabilities to allow external stakeholders to view, analyze, and process data using modern technologies. GSA has already worked to increase the number of publicly available data sets from 17 to over 120 during the last year alone.</p> <p>GSA will continue to work closely with the OIG to refine and enhance controls and capabilities within its IT organization to ensure it provides the maximum benefit to the American people through investments in Information Technology.</p>  |
| <p>Improvements are needed to protect sensitive GSA information and to address emerging risks.</p> | <p>As GSA continues to adopt strategies to enable a 21st century workforce, IT plays an increasingly central role enabling GSA employees, partners, and customers to seamlessly connect with each other regardless of location, with access to the data, systems and documents they need, and to collaborate on solutions. As the first agency to leverage Cloud computing for email and collaboration services, the agency is on track to save over \$15 million, while significantly enhancing collaboration and coordination within the agency. The implementation of virtual desktops, online meeting tools, and Customer Relations Management (CRM) software have allowed GSA to reduce travel costs by close to 80 percent, and consolidate space within GSA's headquarters, saving an additional \$24 million per year in lease costs. Moreover, the CRM tool has allowed GSA to harness the ideas and creativity of GSA employees across the nation to save over \$5 million through process improvements during 2013 and 2014, while reducing the cost to build and maintain business applications. These successes have rightfully placed GSA in a leading role as a model agency.</p> <p>We will continue to work closely with the OIG to identify and address challenges and risks inherent in this new way of working. More importantly, the agency has already taken significant steps to reduce risks in managing a mobile workforce. Agency mobile devices are encrypted and secured to ensure data remains safe, and mobile applications are managed through the consolidated GSA IT organization.</p> <p>Increased collaboration brings increased risk associated with the sharing of information beyond an individual's need to know. GSA IT, in partnership with the Office of Communications and Marketing (OCM), has implemented a number of controls within the digital collaboration space to ensure that sensitive documents are shared appropriately within the agency. The ability to share collaboration sites and documents agency-wide has been removed. Organizations must work through OCM to identify the best way to share information that needs to be available to all GSA employees. Automated tools have been deployed to ensure adherence to the agency information sharing policy and a new training class has been developed so that all GSA employees are made aware of that policy and the importance of safeguarding sensitive information.</p> |

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|  | GSA also understands that as an early adopter of many of these new technologies, we will face challenges in their implementation. With the support of the OIG in assessing areas of focus, GSA looks forward to continuing to make improvements to internal controls and sharing our agency's experiences with partner Federal agencies that can use this information to make their adoption of effective collaboration tools safe and secure   |
|--|---|
| <b>Financial Reporting</b>   |   |
| <b>Management Challenge</b>  | <b>GSA Actions</b>  |
| GSA continues to face challenges with its internal controls over financial management and reporting and its accounting and business processes. | <p>In FY 2014, the agency implemented a number of actions to improve its internal controls over financial management and reporting, accounting, and business processes. GSA has worked in particular to improve internal controls over financial reporting for property and equipment, recording of leases and occupancy agreements, and recording of obligations. The agency also reinvigorated the Management Controls Oversight Council (MCOC) to improve efforts in managing and monitoring the entity-level control environment.</p> <p>Additionally, GSA developed and implemented a new process for developing, monitoring, and communicating financial and accounting policy, and resolved several technical accounting issues. GSA will continue these effective efforts and expand them to deliver a more integrated internal control framework/program in FY 2015.</p> |
| Improvements are needed in the implementation of policies and procedures over the accounting and reporting of environmental liabilities        | <p>In FY 2014, GSA completed two significant steps to address this challenge. First, the agency refined the due care process for estimating probable future cleanup costs for environmental contamination related to asbestos containing materials. Second, GSA refined its estimate of probable future cleanup costs for environmental contamination, to include non-asbestos containing materials.</p> <p>In FY 2015, GSA will revise its due care process to routinely capture and estimate the probable future cleanup costs for non-asbestos containing materials. The steps completed in FY 2014 and the steps planned in FY 2015 will strengthen GSA's financial reporting of environmental liabilities.</p>   |
| <b>GSA's Greening Initiative</b>   |   |
| <b>Management Challenge</b>  | <b>GSA Actions</b>  |
| Challenges exist in achieving GSA's sustainability and environmental goals.  | <p>GSA has consistently achieved long-term sustainability and environmental goals. Continuing its progress this year, GSA achieved all of its sustainability goals and targets, reflected in the annual OMB scorecard released in January 2014.</p> <p>To meet these targets and consistent with Administrator's direction, the agency developed and has followed its Strategic Sustainability Performance Plan (sustainability plan). Following the Council on Environmental Quality (CEQ) and OMB review, the FY 2014 sustainability plan will be issued in the next few weeks. The plan references a series of evaluation measures and successes for FY 2013 and outlines planned actions for FY 2014 in all ten goal categories.</p>  |

|  |   |
|--|---|
|  | <p>GSA is demonstrating the benefits of investing in innovative technologies through its Green Proving Ground (GPG) program. GPG leverages GSA's national building portfolio to establish test bed locations for the third-party evaluation of promising technologies. Selected technologies are evaluated in a pilot installation at a Federally owned building and receive thorough measurement and verification. The GPG uses the agency's gift acceptance authority to obtain technologies at no cost for the purpose of measurement and verification, allowing it to reduce overall program costs. Project results are intended to help spur deployment of high impact technologies. In FY 2014, the GPG released results for ten technology evaluations. Evaluations for more than a dozen technologies are currently in progress. As a result of these efforts, GSA deployed two new technologies- advanced power strips and wireless sensor networks.</p> <p>GSA measures the benefits of high performance green buildings. Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance, requires that all new construction, major renovation, or repair and alteration of Federal buildings must comply with the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings (Guiding Principles). In addition, at least 15 percent of an agency's existing buildings (above 5,000 gross square feet) and building leases (above 5,000 gross square feet) must meet the Guiding Principles by FY 2015. GSA tracks energy, water, waste and indoor environmental quality data for buildings in which the Guiding Principles have been implemented. Finally, GSA tracks performance on reductions in energy use and water intensity, and waste diversion at the portfolio level for GSA-owned Federal buildings per statutory requirements.</p> |
|--|---|

# **U.S. GENERAL SERVICES ADMINISTRATION**



## **ANNUAL PERFORMANCE PLAN AND REPORT**

Fiscal Year 2016



**U.S. General Services Administration**  
**ANNUAL PERFORMANCE PLAN AND REPORT**  
**Fiscal Year (FY) 2016 Budget Request**

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## Agency Information

### Overview

The U.S. General Services Administration (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. 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 thousand fleet vehicles, and manages a building portfolio, which includes 8,721 owned or leased assets, more than 377 million rentable square feet of workspace, and 647 owned and leased historic properties. We have a continuing commitment to our federal 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. At a time when budgets are shrinking across the federal government, we are providing the value that our partner agencies need so that they can focus their resources on fulfilling their own important mission to the American people.

### Mission, Vision 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 were selected to 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

#### Vision

Providing government with the services and resources it needs to accomplish its work as effectively and efficiently as possible

#### Values

Integrity • Transparency • Teamwork

The scope of the work we do at GSA is vast and varied, but the mission is simple and to the point. We serve the government and the American people. Through implementing our mission, we aspire to achieve three 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 a good 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.

### **GSA Priorities**

We are committed to six priorities that guide us in meeting our mission.

1. **Delivering Better Value and Savings.** Using the purchasing power of the federal government we will reduce costs to our customer agencies, enabling them to focus on their core missions. We will further improve this area by finding more ways to solve our customers' problems in the coming year. We will look for new ways to help these agencies make their purchases smarter and more efficient. At the same time, we will look for new and innovative ways to maximize the value of our real estate assets.
2. **Serving Our Partners.** Every day the work that we do helps our customer agencies focus on their missions. Partnership on all levels is critical to the success of GSA. Strong partnerships with partner agencies and vendors alike are critical and lead to good business decisions that create value and savings for our customers and the American public. It is our commitment to ensure that doing business with GSA is an easy and reliable experience. We are continuously improving our processes and systems to make them as simple and streamlined as possible.
3. **Expanding Opportunities for Small Businesses.** Small businesses are the engines that power the American economy. Contracting with these entrepreneurs is a win-win for both the federal government and the small business community. The government receives great service at great value, while small businesses are provided opportunities to grow and create jobs. GSA offers opportunities to small businesses across the country through our contract vehicles and through the contracts we award for other agencies.
4. **Making a More Sustainable Government.** Going green saves green. Environmentally friendly practices are good for the environment and for business. GSA is committed to both. As we work toward implementing sustainable practices and making our buildings and our fleet more environmentally-friendly, we will continue to work with vendors to make sustainable products and services readily available and affordable.
5. **Leading with Innovation.** GSA is a leader of innovation in public service. Among many firsts, we were the first government agency to move to cloud computing, setting an example for others to follow. In the coming years, we will continue to develop innovative, cost saving solutions that will be shared across the government.
6. **Building a Stronger GSA.** We must make sure our own employees at GSA are getting the same high quality support that we give our partner agencies. Offering the very best training and resources to our employees will be the cornerstone of this effort. By doing so, the agency will better serve its employees, while continuing to ensure that our customers receive great service. We will guarantee that when we do something, we will do it once and do it well.

### **Organizational Structure**

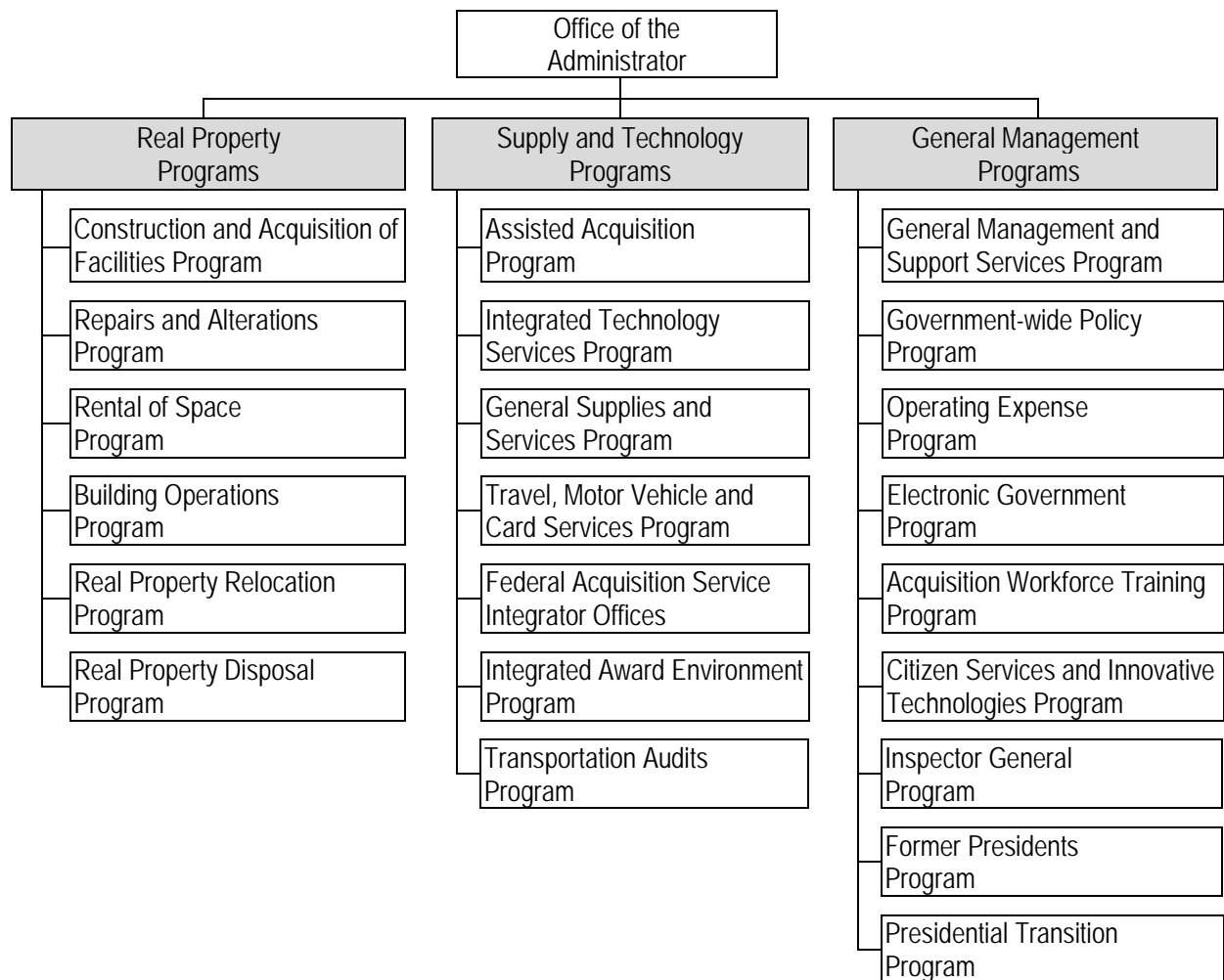
GSA provides the workspace, services, and goods required to operate the federal government. We provide workplaces by constructing, managing, and preserving government buildings and by leasing and managing commercial real estate. Our acquisition solutions offer private sector

professional services, equipment, supplies, telecommunications, and information technology to federal agencies and departments. Our policies promote management best practices and efficient government operations. We serve more than 60 federal agencies and departments through 11 regional offices and are organized into the 16 services and staff offices highlighted below.

- **Federal Acquisition Service (FAS)** - FAS provides federal agencies over 11 million different products and services, and annually delivers over \$54 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 thousand leased vehicles, more than 3.5 million charge cards, and provides personal property disposal services facilitating the reuse of \$1 billion in excess/surplus property annually. FAS leverages the buying power of the federal government by negotiating fair and reasonable prices on many products and services required by federal agencies for daily operations. By arranging 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.
- **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 for federal properties across the country. As the largest public real estate organization in the United States, PBS owns or leases 8,721 assets and maintains an inventory of more than 377 million square feet of rentable workspace for 1.1 million federal employees. Within this inventory, PBS has 647 owned and leased historic properties. PBS provides high quality facility and workspace solutions to more than 60 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 federal customers. PBS is working with its federal customers to design the workplace of the 21st Century, seeking to reduce overall workspace needs and associated costs. These services are also coordinated to obtain the best available pricing.
- **Office of Citizen Services and Innovative Technology (OCSIT)** - OCSIT makes federal government information and services more readily available to the public, and makes it easier for the public to conduct transactions with the federal government. OCSIT also identifies, tests and deploys innovative technologies for the government to provide shared, transparent and cost effective means to disseminate information and conduct business. OCSIT provides access to a wide range of government services as well as consumer protection information through the official web portals of the federal government, USA.gov and GobiernoUSA.gov. OCSIT works closely with other government agencies – federal, state, local, and international – to collect and consolidate information and make it available to the public, sharing experiences that lead to better solutions.
- **Office of Government-wide Policy (OGP)** - OGP uses policies, information and ideas to help agencies drive efficiency, savings and improved mission performance in key administrative areas: including asset management (real property, fleet, aviation and personal property), travel and transportation, acquisition, information technology, and green buildings. OGP helps drive agency behavior in these administrative areas through government wide policy-making, performance standards, analysis and benchmarking of data, and regular reporting to the agencies and key stakeholders.

- Staff Offices** - The GSA staff offices support the enterprise. They ensure GSA is prepared to meet the needs of customers, on a day-to-day basis and in crisis situations. GSA has two independent staff offices (Office of the Inspector General, Civilian Board of Contract Appeals), and eleven GSA staff offices (Office of Administrative Services, Office of Congressional and Intergovernmental Affairs, Office of the Chief Financial Officer, Office of the Chief Information Officer, Office of Human Resource Management, Office of General Counsel, Office of Mission Assurance, Office of the Chief Acquisition Officer, Office of Communications and Marketing, Office of Civil Rights and the Office of Small Business Utilization).

The GSA organizations support the 22 programs defined in the FY 2013 GSA Program Inventory published on [www.performance.gov](http://www.performance.gov) and summarized below. Each GSA service and staff office supports one or more of the programs listed below.



### Strategic Framework

The GSA strategic framework is defined in the GSA Fiscal Year 2014-2018 Strategic Plan and is presented below. The strategic and management objective strategies and next steps in this performance plan provide an update to the strategies presented in the Strategic Plan.

**FY 2016 GSA Strategic Framework**

|   |                                      |  |   |   |  |
|---|--------------------------------------|--|---|---|--|
| <i>The GSA Mission is to deliver best value in real estate, acquisition, and technology services to government and the American people</i>  |                                      |  |   |   |  |
| <b>STRATEGIC GOALS</b>  |                                      |  |   |   |  |
| <b>1. SAVINGS</b><br>Provide savings to federal departments and agencies  |                                      | <b>2. EFFICIENCY</b><br>Improve the efficiency of operations and service delivery  |   | <b>3. SERVICE</b><br>Deliver excellent customer service   |  |
| <b>PRIORITIES</b>   |                                      |  |   |   |  |
| 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 |
| <b>STRATEGIC OBJECTIVES AND PERFORMANCE GOALS</b>   |                                      |  |   |   |  |
| <b>1.1 Deliver contracting solutions to generate customer savings</b> <ul style="list-style-type: none"> <li>• Generate savings through Federal Strategic Sourcing Initiative (APG)</li> <li>• Reduce the Global Supply blended markup</li> <li>• Procure lease space at below industry market rates</li> <li>• Realize savings through Integrated Technology Service solutions</li> </ul> <b>1.2 Improve the federal utilization of space</b> <ul style="list-style-type: none"> <li>• Reduce the federal footprint (APG)</li> <li>• Reduce vacant space in the government-owned and leased inventory</li> </ul> <b>1.3 Reduce resource use and environmental impact</b> <ul style="list-style-type: none"> <li>• Green the federal supply chain</li> <li>• Reduce total energy purchased</li> <li>• <i>Reduce water consumption</i></li> <li>• Purchase alternative fuel vehicles</li> <li>• Reduce use of petroleum-based fuel</li> <li>• <i>Provide useful energy efficiency information and tools to federal agencies</i></li> </ul> |                                      | <b>2.1 Increase the efficiency of GSA operations</b> <ul style="list-style-type: none"> <li>• Improve the efficiency of GSA operations</li> <li>• Reduce indirect costs</li> <li>• Generate sufficient Funds from Operations to effectively operate GSA leased buildings</li> <li>• Complete capital projects on schedule (<i>new</i>)</li> <li>• Deploy civilian acquisition workforce training courses efficiently</li> <li>• Timely award of public sale properties and non-competitive sales and donations</li> </ul> <b>2.2 Enhance asset management</b> <ul style="list-style-type: none"> <li>• <i>Achieve an appropriate return on equity for government-owned properties</i></li> <li>• Provide building cleaning and maintenance at competitive costs</li> </ul> |   | <b>3.1 Enhance relationships with our customers, suppliers and stakeholders</b> <ul style="list-style-type: none"> <li>• Improve customer satisfaction with government-owned and leased space</li> <li>• Achieve customer loyalty and supplier satisfaction for acquisition services</li> <li>• Implement effective policy initiatives</li> <li>• Drive greater transparency and innovation in government</li> <li>• Increase citizen engagement with federal agencies</li> </ul> <b>3.2 Support small and disadvantaged business</b> <ul style="list-style-type: none"> <li>• Meet small business prime and subcontracting goals</li> <li>• Meet small business targets on Multiple Award Schedules</li> </ul> |  |
| <b>MANAGEMENT OBJECTIVES AND PERFORMANCE GOALS</b>  |                                      |  |   |   |  |
| <b>M.1 Deliver a mission ready workforce</b> <ul style="list-style-type: none"> <li>• Reduce the time to hire</li> <li>• Increase employee engagement</li> </ul>  |                                      |  | <b>M.2 Streamline information technology and improve data quality and reporting</b> <ul style="list-style-type: none"> <li>• Successfully implement enterprise information technology services</li> </ul> |   |  |

*Italicized text represents performance goals to be discontinued but shown here as part of FY2014 Annual Performance Report*  
APG denotes Agency Priority Goal

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**Performance Overview:**

| Strategic Objectives and Performance Indicators  | FY12 Actual | FY13 Actual | FY14 Plan/Actual | FY15 Plan | FY16 Plan |
|--|-------------|-------------|------------------|-----------|-----------|
| <b>Strategic Objective 1.1 Deliver contracting solutions to generate customer savings</b>                |             |             |                  |           |           |
| Federal Strategic Sourcing Initiative savings in millions ↑ *  | \$93        | \$108       | \$111/\$98.4     | \$144     | \$190     |
| Global Supply blended markup ↓ (new methodology for FY15)  | 28.5%       | 24.7%       | 22.5%/27.1%      | 17.0%     | 15.0%     |
| Cost of lease space relative to market rates ↓ (new methodology for FY15)                                | -5.7%       | -6.9        | -9.5%/-8.4%      | -2.5%     | -2.5%     |
| Integrated Technology Service cost savings in billions ↑   | \$1.36      | \$1.37      | \$0.99/\$1.16    | \$1.17    | \$1.20    |
| <b>Strategic Objective 1.2 Improve the federal utilization of space</b>                                  |             |             |                  |           |           |
| Reduction in amount of rentable square feet in replacement leases ↑ *                                    |             | Baseline    | 3%/16%           | 5.0%      | 7.0%      |
| Agencies with completed client portfolio plans ↑ *   | 6           | 9           | 12/12            | 15        | 18        |
| Percent of vacant space in inventory ↓   | 3.0%        | 3.8%        | 3.2%/3.6%        | 3.2%      | 3.2%      |
| <b>Strategic Objective 1.3 Reduce resource use and environmental impact</b>                              |             |             |                  |           |           |
| Percent green business volume ↑  | 6.9%        | 4.7%        | 6.0%/10.5%       | 8.0%      | 9.0%      |
| Total water consumption in billions of gallons ↑ (discontinued; addressed in agency sustainability plan) | 2.95        | 2.66        | 2.71/2.68        | 2.65      | n/a       |
| Total energy purchased in trillion BTUs ↑ (discontinued; addressed in agency sustainability plan)        | 18.17       | 16.28       | 18.13/17.41      | 18.03     | n/a       |
| Energy intensity in thousand BTUs per gross square foot ↓  | 24.5%       | 24.8%       | 27%/26.5%        | 30%       | 30%       |
| Annual use of petroleum-based fuel in millions of gallons ↓  | 380.40      | 366.90      | 372.60/365.51    | 365.15    | 357.85    |
| Percent alternative fuel vehicles purchased ↑  | 75%         | 82%         | 80%/80.9%        | 80%       | 80%       |
| Usefulness of energy efficiency information and tools provided to federal agencies ↑ (discontinued)      | 78%         | 70%         | 75%/78%          | 80%       | n/a       |
| <b>Strategic Objective 2.1 Increase the efficiency of GSA operations</b>                                 |             |             |                  |           |           |
| Operating costs as a percentage of goods and services provided ↓   | 10.03%      | 9.60%       | 9.40%/9.91%      | 9.20%     | 9.10%     |
| Reduction in total GSA indirect costs from the FY 2010 baseline in millions ↑                            | \$115       | \$132       | \$155/\$190      | \$210     | \$230     |

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| <b>Strategic Objectives and Performance Indicators</b>  | <b>FY12 Actual</b> | <b>FY13 Actual</b> | <b>FY14 Plan/Actual</b> | <b>FY15 Plan</b> | <b>FY16 Plan</b> |
|---|--------------------|--------------------|-------------------------|------------------|------------------|
| <b>Strategic Objective 2.1 Increase the efficiency of GSA operations (cont.)</b>                                    |                    |                    |                         |                  |                  |
| Percent of leased revenue available after administering program ↔   | -0.3%              | 0.1%               | 0 to 2%/-1.0%           | 0 to 2%          | 0 to 2%          |
| New construction projects on schedule ↑ <i>(discontinued)</i>   | 93%                | 100%               | 90%/100%                | 90%              | n/a              |
| Capital projects on schedule ↑ <i>(expanded to include major repairs and alterations)</i>                           | 85%                | 89%                | 90%/97%                 | 90%              | 90%              |
| Attendance levels for Federal Acquisition Institute training courses ↑  | 86%                | 89%                | 80%/92%                 | 85%              | 90%              |
| Percentage of public sale properties awarded within 135 days ↑  | 100%               | 98%                | 90%/94%                 | 90%              | 90%              |
| Percentage of non-competitive sales and donations awarded within 220 days ↑   | 91%                | 88%                | 90%/93%                 | 90%              | 90%              |
| <b>Strategic Objective 2.2 Enhance asset management</b>   |                    |                    |                         |                  |                  |
| Percent of government-owned properties achieving a return on equity of at least six percent ↑ <i>(discontinued)</i> | 71.8%              | 72.4%              | 78.9%/73.9%             | 78.9%            | n/a              |
| Cost of cleaning and maintaining space against private sector benchmarks ↔ <i>(revised as shown below)</i>          | 3.7%               | 3.1%               | +/- 5%/3.7%             | n/a              | n/a              |
| Operating costs within market range ↑ <i>(adjusted to present data in a new manner)</i>                             |                    | 72%                | 70%                     | 80%              | 80%              |
| <b>Strategic Objective 3.1 Enhance relationships with our customers, suppliers and stakeholders</b>                 |                    |                    |                         |                  |                  |
| Tenant satisfaction with government-owned and leased space ↑  | 73%                | 63%                | 75%/61%                 | 63%              | 65%              |
| Customer loyalty with acquisition services ↑  | 7.6                | 8.3                | 7.8/7.4                 | 8.0              | 8.0              |
| Supplier satisfaction with acquisition services ↑   | 3.0                | 3.05               | 3.10/3.04               | 3.05             | 3.10             |
| Percent of key policy stakeholders who rate policy initiatives effective ↑  | 86%                | 93%                | 85%/92%                 | 85%              | 85%              |
| Cumulative number of innovative solutions ↑   | Baseline           | 5                  | 10/10                   | 15               | 20               |
| Number of active citizen touch points in millions ↑ <i>(new methodology for FY15)</i>                               | 231                | 416                | baseline/425            | 433              | 476              |



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| Strategic Objectives and Performance Indicators  | FY12 Actual       | FY13 Actual | FY14 Plan/Actual | FY15 Plan | FY16 Plan |
|--|-------------------|-------------|------------------|-----------|-----------|
| <b>Strategic Objective 3.2 Support small and disadvantaged business</b>                                  |                   |             |                  |           |           |
| Percent of dollars awarded to small business prime contracting ↑   | 40.1%             | 37.0%       | 40.0%/TBD        | 32%       | TBD***    |
| Percent of dollars awarded to small business through subcontracting ↑                                    | 26.0 <sup>^</sup> | 24.6%       | 25%/TBD          | 29%       | TBD***    |
| Percent of MAS business volume from small businesses ↑   | 34.0%             | 33.0%       | 33.0%/37%        | 33.0%     | 33.0%     |
| <b>Management Objective m.1 Deliver a mission ready workforce</b>  |                   |             |                  |           |           |
| Time to hire (in days) ↓   | 96                | 86          | 80/88            | 80        | 80        |
| Employee Engagement Score ↑  | 71%               | 69%         | 71%/69%          | 71%       | 71%       |
| <b>Management Objective m.2 Streamline information technology and improve data quality and reporting</b> |                   |             |                  |           |           |
| Number of consolidated enterprise information technology services successfully implemented ↑             | Baseline          | 2           | 3/3              | 4         | 5         |
| Commodity information technology savings ↑**   |                   |             | NA/8.3%          | 7.9%      | 4.3%      |
| GSA IT cost reduction from FY2014 baseline ↑ (new)   |                   |             | Baseline         | 8%        | 12%       |

Desired direction: ↑ = increasing ↓ = decreasing ↔ = within range \* Priority Goal Indicator \*\* Contextual Indicator  
\*\*\* Target set later by Small Business Administration

### Cross-Agency Priority Goals

In accordance with the Government Performance and Results Act (GPRA) Modernization Act requirement to address Cross-Agency Priority (CAP) Goals in the agency strategic plan, the annual performance plan, and the annual performance report, please refer to [www.performance.gov](http://www.performance.gov) for the agency's contributions and progress towards CAP Goals, where applicable. GSA currently contributes to the following CAP Goals: Cybersecurity, Climate Change, Customer Service, Smarter IT Delivery, Strategic Sourcing, Benchmark and Improve Mission-Support Operations, and Open Data.

### Agency Priority Goals

GSA defined two priority goals for the FY 2014-2015 reporting period. These goal statements are presented below; details on the priority goal strategies, progress updates, indicators performance, next steps and contributing programs are reported on [www.performance.gov](http://www.performance.gov) and included in Appendix A.

1. **Generate savings through Federal Strategic Sourcing Initiative**

By September 30, 2015; GSA will save \$255M (\$111 million during FY 2014 and \$144 million during FY 2015) through the use of Federal Strategic Sourcing Initiative (FSSI).

2. **Reduce the federal footprint**

By September 30, 2015; GSA will reduce the aggregate amount of leased space by 5 percent for replacement leases. GSA will also work with agencies to complete a total of 15 client portfolio plans (three new plans each year) to identify opportunities for agencies to optimize their real estate portfolios.

**Strategic Goal 1: Provide savings to federal departments and agencies**

GSA will strengthen federal capabilities to leverage the purchasing power of the government to offer the most cost-effective solutions. Two areas of focus will be improving the federal utilization of space and increasing savings through strategic sourcing. GSA will continue to promote cost savings through the sustainable usage of space, travel, fleet, technology and resources. GSA will also continue to test new technologies, workplaces, and other solutions, and share the best practices with other agencies to generate savings.

**Strategic Objective 1.1: Deliver contracting solutions to generate customer savings**

**Strategies.** GSA will effectively leverage existing, and develop new, federal strategic sourcing initiatives to provide competitively priced solutions to drive savings in technology, real property and other acquisitions throughout the federal government. Through these solutions, GSA will be able to leverage government wide business volume for better pricing, and standardize contracting terms and conditions in order to reduce the cost of purchasing across government. External factors that could impact progress on this objective will be monitored and include changes to customers budgets, approval of new federal strategic sourcing offerings, and competition within industry for the goods and services we provide. These and other external factors are considered as new strategies are established. The planned strategies for this objective include:

1. Continue to assess government purchasing and supply markets to develop federal strategic sourcing initiatives that provide our customers with services and equipment, at an excellent value, from suitable suppliers using standard solution pricing menus.
2. Use standard solutions and pricing with qualified suppliers to make it easier for agencies to meet their acquisition needs with minimal administrative demands, and, in turn, allow agencies to focus their time and resources towards their core mission-critical operations.
3. Promote the use of strategic sourcing solutions by our customers and work with our federal partners and industry to develop solutions for a broader array of products and services.
4. Reduce the operating costs for providing supplies to customers, which in turn can lead to customer savings.
5. Continue to use solutions such as Smartbuy, Networx Services and Reverse Auctions to provide customers with significant savings for information technology and telecommunications services and equipment.
6. Continue to develop and refine real estate market analysis tools and leasing processes to offer our customers leased workspace, when needed, at an excellent value.
7. Work with agencies to replace expiring leases to avoid costly lease extensions.

**Strategic Objective Goal Leaders.**

- Tom Sharpe, Commissioner, Federal Acquisition Service (Lead Office)
- Norman Dong, Commissioner, Public Buildings Service

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- Assisted Acquisition
- Electronic Government
- General Supplies and Services
- Integrated Award Environment
- Integrated Technology Services
- Rental of Space
- Travel, Motor Vehicle and Card Services

**Strategic Objective Progress Update.** For this strategic objective GSA manages four savings performance goals: Integrated Technology Service (ITS) cost savings, Federal Strategic Sourcing Initiatives (FSSI), Global Supply blended markup, and lease cost relative to market. In FY 2014, GSA met its targets for some, but not all, of these savings indicators. GSA achieved \$1.16 billion in ITS cost savings, compared to a target of \$0.99 billion. However, GSA fell \$13 million short of its \$111 million FSSI savings goal, largely due to a lapse in coverage between office supply solutions triggered by a stay in performance from a contract protest (which was resolved favorably with no change in award). In addition, GSA expected \$12.2 million in savings due to the anticipated award of the FSSI Large Desktop Publisher solution in FY 2014 which was ultimately not awarded. The Global Supply blended markup of 27.1 percent was higher than the 22.5 percent target. Failing to meet this metric was partially due to a longer than expected transition time from a traditional warehousing business model to a direct vendor delivery model. The direct vendor delivery model will significantly reduce GSA's operating costs, allowing for a lower markup on goods, and an increased savings for customers. FSSI savings and Global Supply blended markup are expected to improve in FY2015. While GSA awarded leases below market rates (-8.4 percent) in FY 2014, the leases awarded were not as far below market as targeted (-9.5 percent).

**Strategic Objective Next Steps.** GSA will take the following actions in support of this strategic objective over the next two years:

- Continue to negotiate the lowest possible lease rates for its customer agencies;
- Pursue opportunities to backfill or buy-out vacant space leases
- Leverage information and existing data sources to negotiate better prices, analyze spending patterns to enhance business intelligence to apply to FSSI initiatives within GSA, and share information - such as prices paid under FSSI and other federal contracts - to increase savings opportunities.
- Work with the Strategic Sourcing Leadership Council (SSLC) to introduce several new FSSI solutions, such as Maintenance, Repair, & Operations (MRO), Janitorial and Sanitation Supplies (JanSan), and Continuous Diagnostics & Mitigation (CDM) & Cloud Management as a Service (CMaaS) to contribute additional customer savings.
- Continue to consolidate financial, information, and human resources operations to reduce costs of our services to federal client agencies.
- Increase adoption of industry and government agency best practices.
- Increase consolidations of leased vehicles.
- Transition to E-gov Travel Service 2 (ETS2) and increase the number of agencies deployed.
- Increase the use of reverse auctions for noncomplex commodities and simple services acquisitions.

A key external factor is, in many cases, federal agencies are not required to use GSA for their procurement. GSA will focus on providing the best, most cost-effective procurement solutions to attract business, and will support the Administration's priority to increase savings and adoption, reduce contract duplication, and maintain small business participation goals across the federal government.

## **Performance Goals.**

### **Performance Goal 1.1.1 - Generate Savings through Federal Strategic Sourcing Initiative**

**GSA will save customer agencies and departments \$144 million in FY 2015 and \$190 million in FY 2016 through the use of Federal Strategic Sourcing Initiative.**

Federal agencies purchase over \$500 billion of goods and services annually. The Federal Strategic Sourcing Initiative (FSSI) is a key vehicle used by GSA, and other top purchasing federal government agencies, to promote cost savings, improve management visibility and adopt best practices. Established in 2005, FSSI is designed to improve government management of commonly purchased goods and services. FSSI provides customers with significant savings, decreases administrative redundancy, and improves business intelligence while meeting or exceeding small business and sustainability goals. For more information on the policies governing FSSIs, go to [www.strategicsourcing.gov/policies-memos](http://www.strategicsourcing.gov/policies-memos).

GSA is focused on informing customers of the benefits of using FSSI solutions, including: savings opportunities, the ability to help meet socioeconomic goals and improved operating efficiencies. GSA is actively engaged in coordinated efforts to educate agencies regarding the benefits of FSSI solutions. In addition to increasing adoption, GSA will focus on generating savings by:

- Leveraging information available through existing data sources to negotiate better prices;
- Category Management practices are being implemented across GSA which will lead to a better understanding of customer needs, Federal spend, and how best to manage spend to deliver the best value to customer agencies;
- GSA is currently developing the Common Acquisition Platform (CAP) which is the technology platform that will help enable Category Management providing transparency into Federal spend. CAP is an interactive online portal that allows customers to access best in class solutions to procure what agencies need. It also provides a place to share best practices and learn from other acquisition professionals leading to better buying for the Federal customer.
- Streamlining business processes to reduce costs of services to agencies;
- Sharing information, such as prices paid under FSSI and other federal contracts to increase savings opportunities; and
- Increasing adoption of industry and government agency best practices.

Barriers and challenges related to usage of these solutions include:

- Agencies may have duplicative solutions in place or attempt to create duplicative solutions;
- Agencies may have trouble identifying usage or key users in order to spread information relating to the solutions; and
- Some agencies may have unique requirements or better pricing and this is considered a legitimate reason for not using Federal Strategic Sourcing Initiative solutions.
- New solutions require additional costs, which can impact overall savings during the transition period from the old solution to the new solution.

**Benefit to the Public.** GSA will effectively leverage existing FSSIs, and develop and promote additional FSSI solutions in coordination with the SSLC to provide competitively priced solutions that drive savings in both commoditized and service related categories.

**Performance and Contextual Indicators.**

Federal Strategic Sourcing Initiative Savings in millions. This performance indicator is defined as savings through any official GSA-led or GSA co-led awarded Federal Strategic Sourcing Initiative solution. Solutions include:

- Current solutions: Office Supplies, Domestic Delivery Services, Print Management, Wireless, Maintenance, Repair and Operation Supplies, Janitorial and Sanitation Supplies, and Janitorial and Sanitation Supplies; and
- Expiring solutions: The FSSI Telecommunications Expense Management Services expired in fiscal year 2014

**Progress Update.** GSA did not meet its FY 2014 target for savings generated by Federal Strategic Sourcing Initiatives (FSSI). The third generation of the Office Supplies solution (OS3) was awarded in August 2014. However, a lapse in coverage between OS2 and OS3, due to protest stay of performance, has resulted in the lower than anticipated savings figures. An additional shortcoming was due to the cancellation of the Large Desktop solicitation, which was expected to contribute \$12.2 million in savings in FY 2014

FSSI Savings in millions

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2012        | Baseline | \$93   |
| 2013        | Baseline | \$106  |
| 2014        | \$111    | \$98   |
| 2015        | \$144    |        |
| 2016        | \$190    |        |

**Lead Office.** Federal Acquisition Service

**Performance Goal 1.1.2 - Reduce the Global Supply blended markup**

***GSA will reduce the Global Supply blended markup to 17 percent in FY 2015 and to 15 percent in FY 2016.***

The Global Supply Program is transforming its business model to drive increased efficiencies and customer savings into the supply chain by moving away from the use of warehouses and toward vendor direct delivery.

**Benefit to the Public.** 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 people.

**Performance and Contextual Indicators.**

Global Supply blended markup. 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 performance indicator will track the reduction in fees charged to the customer as the Global Supply Program transitions to a new direct vendor delivery model. 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.

GSA updated the calculation methodology for this measure in FY 2013 remove pass-through transportation costs, which are not included in the cost of goods sold. Beginning in FY 2015, GSA will be further refining 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 COGS side. This new methodology is preferred as these items are flow through that are not assessed a markup.

The focus of the mark up measure is how much fee is assessed to the COGs over and above the acquisition cost of a given product.

In earlier years, an adjusted gross margin was used to calculate the blended mark-up to account for revenue and expense line items that are outside of general revenue and general costs of goods sold. As shown in the following tables, applying the updated methodology to past performance decreases the FY 2012 Actual to 26.3 percent, the FY 2013 Actual to 22.2 percent and the FY 2014 Actual to 23.0 percent.

**Progress Update.** GSA did not meet its Global Supply blended markup metric in 2014. This was partially the result of a longer than expected transition from a traditional warehousing business model to a direct vendor delivery model, as well as FAS management decisions impacting GSA markup. The direct vendor delivery model will significantly reduce GSA's operating costs, allowing for a lowering of the markup on goods, and increased savings for customers.

Global Supply blended markup  
*(old calculation)*

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2011        | 25.9%  | 30.6%  |
| 2012        | 27.0%  | 29.9%  |
| 2013        | 26.0%  | 28.1%  |
| 2014        | 22.5%  | 27.1%  |

Global Supply blended markup  
*(new calculation)*

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2011        | Baseline | 27.2%  |
| 2012        | Baseline | 26.3%  |
| 2013        | Baseline | 22.2%  |
| 2014        | Baseline | 23.0%  |
| 2015        | 17.0%    |        |
| 2016        | 15.0%    |        |

**Lead Office.** Federal Acquisition Service

**Performance Goal 1.1.3 - Procure lease office space at or below industry market rates**

***GSA will procure lease office space below market rates in fiscal years 2015 and 2016.***

GSA is committed to delivering cost savings to our client agencies and best value to the American public. By negotiating lease rates below market, GSA can realize savings for the American public. The goal is to negotiate the best deal possible.

**Benefit to the Public.** Consistently paying lease rates at or below comparable market rates ensures that GSA acquires federal office space at the best value for the taxpayer.

**Performance and Contextual Indicators.**

**Cost of lease space relative to market rates.** This performance indicator compares GSA leasing costs to private sector benchmarks for equivalent space for leases that are at least 75 percent office space. Negotiating lease rates below market rates for comparable space generates cost savings for the American people.

GSA has updated the methodology for this metric in order to better align with industry standards. The revised process provides a more timely, equitable, and accurate comparison to market by using a net present value (NPV) analysis that considers the entire costs over the life of the lease.

This modification provides insightful analysis based on three market sources instead of one. In addition to a rate from REIS, a rate from CBRE Econometric Advisors and CoStar are provided. Rather than an average submarket rate, as are provided by REIS and CBRE, the rental rate used from CoStar is obtained by conducting a search for properties that meet the specific requirements of that particular lease transaction including size, delineated area, and Energy Star label. Using a market rate tailored to specific requirements increases the accuracy of the comparison. GSA is also updating the indicator to include all leasing actions, including extensions and renewals beginning with FY 2015. This measure applies to those leases that are located in metropolitan areas which encompasses approximately one third of GSA's lease portfolio and two thirds of the value.

**Progress Update.** In FY 2014, GSA did not meet the target goal to procure lease space at 9.5 percent below industry market rates – negotiating leases that were on average 8.4 percent below industry market rates. Although GSA did not meet the target goal, the 8.4 percent below market rates that GSA achieved, resulted in significant savings to the taxpayer.

Cost of lease space relative to market  
(discontinued calculation)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006        | 8.5%   | 9.2%   |
| 2007        | 8.8%   | 10.6%  |
| 2008        | 9.0%   | 9.4%   |
| 2009        | 9.3%   | 9.7%   |
| 2010        | 7.5%   | 9.7%   |
| 2011        | 8.5%   | 12.9%  |
| 2012        | 9.5%   | 11.5%  |
| 2013        | 9.5%   | 10.1%  |
| 2014        | 9.5%   | 8.4%   |

(new calculation)

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2012        | Baseline | n/a    |
| 2013        | Baseline | n/a    |
| 2014        | Baseline | n/a    |
| 2015        | -2.5%    |        |
| 2016        | -2.5%    |        |

**Lead Office.** Public Buildings Service

**Performance Goal 1.1.4 - Achieve savings through Integrated Technology Service solutions**

**GSA will save customer agencies and departments using GSA Integrated Technology Services \$1.17 billion in FY 2015 and \$1.20 billion in FY 2016.**

GSA's focus is saving taxpayer dollars by negotiating and delivering lower cost solutions to our customer agencies through our Integrated Technology Services.

**Benefit to the Public.** Achieving this goal will result in savings generated through large nationwide information technology programs and enable customer agencies to meet mission critical needs at a lower cost.

**Performance and Contextual Indicators.**

Integrated Technology Service cost savings in billions of dollars. This performance indicator measures the Integrated Technology Service cost savings in billions and estimates the cost savings that customers realize by using Integrated Technology Service SmartBUY and Network Services programs as compared to their respective price benchmarks. SmartBUY is a strategic sourcing solution for purchasing software and related services. Savings are calculated as the difference between the GSA Schedule price and the SmartBUY negotiated price, multiplied by the total number of units ordered. Network Services is a business line that offers telecommunications and related services to federal agencies. Savings are calculated as the difference between commercial pricing for comparable services and terms and conditions with GSA contract pricing for all services GSA provided. This element is calculated by following a rigorous pricing benchmark that compares commercial pricing for comparable services and terms and conditions with GSA contract pricing. Because of the limits to commercial pricing data available in the public domain, GSA obtains up-to-date, proprietary pricing data from a third-party consultant.

**Progress Update.** GSA exceeded its target of providing \$1 billion in savings and delivered savings of \$1.16 billion to customers in FY 2014.

Integrated Technology Service cost savings in billions of dollars

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006        | 0.55   | 0.72   |
| 2007        | 0.73   | 0.77   |
| 2008        | 0.80   | 0.80   |
| 2009        | 0.82   | 0.88   |
| 2010        | 0.85   | 0.92   |
| 2011        | 0.96   | 1.05   |
| 2012        | 0.93   | 1.36   |
| 2013        | 0.96   | 1.37   |
| 2014        | 0.99   | 1.16   |
| 2015        | 1.17   |        |
| 2016        | 1.20   |        |

**Lead Office.** Federal Acquisition Service

**Strategic Objective 1.2: Improve the federal utilization of space**

**Strategies.** GSA is leading efforts to improve asset utilization, reduce agency space requirements, effectively manage real property, and pursue innovative proposals to leverage resources. We are a government-wide leader and expert in real estate solutions. We will assist



and educate federal departments and agencies to develop plans that will assist agencies with consolidating their space to reduce their footprint.

GSA is encouraging agencies to reduce space to minimize costs. We use a variety of tools, strategies, and portfolio planning options to determine the optimal housing solutions for agencies. We are also targeting our large, more costly new construction, major repairs and alterations, and leasing prospectus projects. By working with customer agencies, GSA will identify opportunities to optimize federal real estate portfolios by reducing space, improving utilization, disposing of underutilized assets, and leveraging market opportunities to reduce the footprint and investment and operating costs.

GSA supports the Office of Management and Budget's "Freeze the Footprint" policy – aimed at maintaining government wide square footage for offices and warehouses – by collecting government wide data and conducting analysis to assess the performance of each agency towards meeting the national goal. GSA also supports the President's Management Agenda Benchmarking Initiative for real property management. Planned strategies include:

1. Use client portfolio plans to develop and implement space saving opportunities with demonstrated value for both the client and GSA. These plans create value by proposing solutions which align Administration, Client Agency and GSA goals, and help optimize an agency's existing portfolio while more effectively anticipating, capturing, and advising on future portfolio needs.
2. Where it is advantageous to the federal government, work to house tenants in federally owned space, rather than leasing from the private sector.
3. Minimize the amount of vacant space in the inventory and increase the utilization of existing space.
4. Assist agencies in acquiring the needed technology to support a mobile workforce.
5. Establish a government wide real property benchmarking capability to support increased use of data and evidence to inform policy- and decision-making.

**Strategic Objective Goal Leaders.**

- Norman Dong, Commissioner, Public Buildings Service (Lead Office)
- Christine Harada, Associate Administrator, Office of Government-wide Policy

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- Assisted Acquisition
- Building Operations
- Construction and Acquisition of Facilities
- Government-wide Policy
- Integrated Technology Services
- Operating Expense
- Real Property Disposal
- Real Property Relocation
- Rental of Space
- Repairs and Alterations

**Strategic Objective Progress Update.** GSA, in collaboration with the Office of Management and Budget, has determined that performance toward this objective is making noteworthy progress. Since FY 2011, GSA has worked with customers to complete 12 real estate client portfolio plans (CPPs), consistently meeting annual targets of three new CPPs per year. In FY 2014, GSA completed plans for the Housing and Urban Development (HUD), Internal Revenue Service (IRS), and General Services Administration. Through portfolio planning, GSA develops business cases for cost saving opportunities that consider investment costs, savings, and return on investment calculations to assist in agency prioritization. GSA received \$70 million in FY

2014 to support agency consolidation activities within the GSA portfolio. This includes 17 anticipated consolidation projects expected to achieve a target of \$16 million in reduced agency rent payments and reduction of 492,000 rentable square feet.

GSA remains successful in keeping vacancy rates low in its owned and leased real property portfolio. Nationally, GSA's vacancy rate is 3.6 percent, far below the private sector average of 16.9 percent.

Agencies are looking to freeze or reduce their federal footprint as part of the administration's Freeze the Footprint initiative. As an agency priority goal, GSA will continue to work with its federal customers to optimize their use of space while meeting their changing needs.

GSA also provides Total Workplace solutions for customers that transform traditional official space into a dense, collaborative workspace environment with a high utilization rate. This program allows agencies to amortize the cost of furniture and IT for their space by leasing the equipment from GSA and making payments towards ownership over time as an additional payment with the rent.

The projects designed in the Total Workplace program during FY 2014 reflect an overall utilization rate reduction of 27 percent. Currently, GSA is implementing projects ranging in size from \$100,000 to \$12 million, for more than 36 agencies and bureaus. Furthermore, the Total Workplace program worked closely with customers in FY 2014 to finalize 8 utilization agreements, which establish a benchmark utilization rate for future projects and space actions.

GSA is also making great strides in improving space utilization for its own operations. In FY 2013, GSA transformed its headquarters from conventional office space into a collaborative, flexible work environment. GSA is saving over \$24 million a year by consolidating 3,300 of its own headquarters employees into one building that formerly housed 2,000 employees. GSA has set a limit of 136 useable square feet per person in workspaces on all new projects for housing GSA personnel, and identified opportunities throughout the country to reach that goal through the GSA Client Portfolio Plan. Smart occupancy, telework and/or hoteling strategies and protocols will serve as the means to meet utilization goals.

In FY 2014 GSA reduced the amount of square footage associated with replacement leases by 16 percent or 632,131 rentable square feet. Moving forward, GSA is working to reduce the amount of square footage associated with replacement leases in non-government owned buildings by five percent since leased space is more costly than government-owned space.

**Strategic Objective Next Steps.** GSA will take the following actions in support of this strategic objective over the next two years:

- Reduce the amount of rentable square feet by an aggregate of five percent for replacement leases.
- Complete and begin implementing client portfolio plans with six additional agencies to identify opportunities and develop action plans to optimize real estate portfolios.
- Work with agencies to develop policies and implement practices that freeze the federal building and warehouse space at FY 2012 levels.
- Improve the utilization of GSA occupied space through various innovative workplace strategies.
- Use government wide benchmarking information to support increased use of data and evidence to drive policy- and decision-making.

- Work with OMB and Federal Real Property Council to identify best practices for meeting the Freeze the Footprint target, standardize reporting processes, and improve data quality and availability.
- Leverage new and innovative workplace solutions to help agencies acquire the technology and workspace design to transform and consolidate workspaces.

## Performance Goals.

### Performance Goal 1.2.1 – Reduce the Federal Footprint

***GSA will reduce the amount of aggregate leased space by five percent in FY 2015 and seven percent in FY 2016 for replacement leases. GSA will continue to work with agencies to complete a total of 18 client portfolio plans (three plans in FY 2015 and three plans in FY 2016) to identify opportunities for agencies to optimize their real estate portfolios.***

GSA is leading efforts to improve asset utilization, reduce agency space requirements, effectively manage real property, and pursue innovative proposals to leverage resources. We will work with agencies to increase office space utilization, which will minimize operations, maintenance, and investment costs. GSA's efforts will assist the federal government in reducing its footprint and generating savings for the American people. Client portfolio plans identify opportunities and develop action plans to optimize the real estate portfolios of our customers.

GSA and customer agencies are striving to consolidate and improve workspace utilization through the use of Client Portfolio Plans, Local Portfolio Plans, Lease Portfolio Plans, workspace consolidation, and the Total Workplace Program. When feasible, GSA works with its customers to achieve an office-space utilization rate of 100 to 150 square feet per individual in new space actions. GSA also assists federal agencies to repurpose underutilized assets by disposing, exchanging, subleasing, or transferred assets to increase asset utilization.

**Benefit to the Public.** Improved real property planning will reduce cost and lower environmental footprint, and help customer agencies focus their planning and management resources on mission-related operations and programs. Better utilization of federal workspace lowers the federal 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 Contextual Indicators.

Reduction in amount of rentable square feet in replacement leases. This performance indicator measures the amount of rentable square feet reduction in replacement leases by calculating the space under the existing leases versus the space provided under the replacement leases.

Agencies with completed client portfolio plans. This performance indicator measures the number of client portfolio plans (CPP) that GSA has developed for customer agencies. These plans provide recommendations with action plans to reduce space, consolidate tenants, and lower leased costs by leveraging identified market opportunities. A "completed portfolio plan" is developed by GSA and validated by the customer agency. Each year's target represents the cumulative number of plans completed to date.

**Progress Update.** GSA reduced leases with requirements developed during FY 2014, by 16 percent rentable square feet from the expiring lease level, exceeding the three percent target

goal. This resulted in reductions of 632,131 rentable square feet, saving customers and taxpayers millions in rental costs.

GSA met the target goal for completing three additional client portfolio plans in FY 2014. In FY 2014, GSA completed plans for the Housing and Urban Development (HUD), Internal Revenue Service (IRS), and General Services Administration. The teams have worked with the agencies to validate high-impact opportunities supported by business cases and aligned with the agencies' mission, priorities, and goals.

GSA continued to work with client agencies to implement projects to achieve savings and space reductions that were identified in past years' completed portfolio plans. These projects aim to consolidate higher cost lease space into lower cost and underutilized federally owned space, manage leased space better through workplace strategies and improved office standards, and optimize rents in depressed markets to capture favorable tenant lease rates.

In FY 2014, GSA implemented twelve of these opportunities for seven agencies. Additionally, GSA implemented consolidation and lease opportunities in FY 2014 to save over \$20 million annually for seven agencies and reduce space by 580,000 square feet. Since instituting this program, GSA has saved over \$31 million in annual rent payments and reduced its real estate inventory by approximately one million square feet.

Reduction in amount of rentable square feet in replacement leases

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2014        | 3%     | 16%    |
| 2015        | 5%     |        |
| 2016        | 7%     |        |

Agencies with completed portfolio plans

| Fiscal Year | Target<br>(Cumulative Total) | Actual<br>(Cumulative Total) |
|-------------|------------------------------|------------------------------|
| 2011        | 3                            | 3                            |
| 2012        | 6                            | 6                            |
| 2013        | 9                            | 9                            |
| 2014        | 12                           | 12                           |
| 2015        | 15                           |                              |
| 2016        | 18                           |                              |

**Lead Office.** Public Buildings Service

**Performance Goal 1.2.2 – Reduce vacant space in the government-owned and leased inventory**

***GSA will keep vacant space at or below 3.2 percent in FY 2015 and FY 2016.***

GSA tracks the amount of vacant space in its owned and leased inventories monthly. Even though GSA vacancy has increased, it continues to remain well below the private sector where vacancy grew to 16.9 percent. When an agency releases space, GSA's vacancy increases until it is backfilled or released from the inventory. As agencies strive to reduce the federal footprint, GSA's vacancy can increase in the future as tenants release space.

**Benefit to the Public.** Better utilization of federal workspace lowers the federal government's operational cost.

**Performance and Contextual Indicators.**

Percent of vacant space in the government-owned and leased inventory. 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.

**Progress Update.** At the end of FY 2014, GSA did not achieve this building portfolio target goal. GSA's vacancy totaled 3.6 percent, which is higher than the 3.2 percent target. Although GSA did not meet the measure, there was an improvement of one percent from quarter one to the end of year, which is significant. Vacant space is impacted by the lack of funding to renovate space for future customers and agency space consolidations, as well as agencies releasing space to reduce their real property footprint. GSA continues its efforts to optimize the use of federal space while meeting the changing needs of customer agencies and adhering to presidential mandates.

Percent of vacant space in the government-owned and leased inventory

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006        | 4.4%   | 4.3%   |
| 2007        | 4.3%   | 3.3%   |
| 2008        | 3.2%   | 3.1%   |
| 2009        | 3.2%   | 2.6%   |
| 2010        | 3.2%   | 2.4%   |
| 2011        | 3.2%   | 3.4%   |
| 2012        | 3.2%   | 3.0%   |
| 2013        | 3.2%   | 3.8%   |
| 2014        | 3.2%   | 3.6%   |
| 2015        | 3.2%   |        |
| 2016        | 3.2%   |        |

**Lead Office.** Public Buildings Service

**Strategic Objective 1.3: Reduce resource use and environmental impact**

**Strategies.** GSA will reduce resource usage by installing and implementing energy and water efficiency improvements in its portfolio; procuring more fuel efficient vehicles; reducing waste generation and diverting waste from landfills; offering more sustainable products and services

on its schedules; reducing business travel and making remote meeting technologies more available and accessible; and increasing telework and designing workspaces that increase space utilization.

GSA also serves as a test-bed for innovative technologies and management practices that improve environmental performance while reducing costs. This will be accomplished by testing and, where proven effective, deploying Green Proving Ground building technologies and by making innovative products and services available and affordable to customer agencies. The planned strategies include:

1. Employ new technologies and building management practices that are both cost-effective and environmentally responsible.
2. Expand the use of alternative fuel vehicles government wide and ensure that low-cost, high-efficiency vehicle options are available to customer agencies.
3. GSA will continue to expand its offerings of sustainable products. Assist federal agencies in meeting environmental sustainability purchasing requirements by identifying and increasing the availability of green products and services.
4. Enhance the usefulness of energy efficiency research, strategies, practices, and tools provided to federal agencies by improving existing and deploying new resources that will enable better measurement of the use and impact of the resources provided; and obtaining user feedback, and disseminating research, strategies, practices and tools.
5. Continue to identify, select and evaluate innovative technologies that save energy and water, and reduce operational costs through the Green Proving Ground program. Provide guidance to accelerate deployment of proven technologies with the greatest potential to reduce annual operating costs and reduce energy use intensity; increase interagency coordination of investments in technology to market demonstrations

**Strategic Objective Goal Leaders.**

- Vacant, Senior Sustainability Officer (Lead)
- Norman Dong, Commissioner, Public Buildings Service
- Tom Sharpe, Commissioner, Federal Acquisition Service
- Christine Harada, Associate Administrator, Office of Government-wide Policy

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- Assisted Acquisition
- Building Operations
- Construction and Acquisition of Facilities
- General Supplies and Services
- Government-wide Policy
- Integrated Technology Services
- Repairs and Alterations
- Travel, Motor Vehicle and Card Services

**Strategic Objective Progress Update.** GSA exceeded the FY 2014 goals to increase green business volume to 6 percent, reduce total water consumption to 2.71 billion gallons, purchase 80 percent of new vehicles as Alternative Fuel Vehicles, and provide useful energy efficiency information to federal agencies. GSA also met the goal of reducing total energy purchased to 18.13 trillion British Thermal Units (BTUs): however, GSA did not meet the goal to decrease energy intensity by 27 percent from the 2003 baseline (the actual reduction was 26.5 percent in FY2014). GSA is continuing to reduce energy use by implementing new technologies and systems (e.g., advance metering), awarding Energy Savings Performance Contracts, installing on-site renewable energy at federal sites, and working with other agencies to create volume

discounts for increased renewable energy purchases. During FY 2015, GSA anticipates meeting the 30 percent reduction target established in 2003.

GSA is making substantial progress implementing smart building technologies used to sustain energy and reduce operating costs. GSALink continues to target approximately 200 of our most energy intensive facilities representing more than 100 million square feet of space, through the use of building analytics, fault detection and diagnostics. In FY 2014, GSALink connected 81 buildings representing approximately 47 million square feet. Since GSALink was launched more than 12,500 Sparks (system faults) have been identified and addressed, representing a total estimated cost savings of \$6.4 million.

GSA is also converging building monitoring and control systems infrastructure to enable smarter and more efficient operations. The GSALink project (building analytics), the national Computerized Maintenance Management System (CMMS) project (uniform building management), and the Shave Energy program (energy reduction through no/low cost initiatives) helped PBS reduce costs and natural resource consumption.

GSA has increased the sustainability of the federal supply chain by increasing the sales of green products and service offerings to 10.53 percent of total business volume in FY 2014 from the baseline of 2.4 percent in FY 2010. GSA expanded its offerings of green products through its Federal Strategic Sourcing Initiative offerings, including the first-ever use of the social cost of carbon in evaluating the offers for the Domestic Delivery Services, third generation, blanket purchase agreements. GSA also expanded the functionality of the Green Procurement Compilation -- the one-stop shop for federal agencies to identify green product requirements, options for purchasing those products, options for purchasing green services, and related information. GSA also created a focused communications email campaign to educate customers about buying green products through GSA. GSA will continue to identify additional sustainable product and service offerings and use focused communications to educate federal agencies about available green products and services and where they can be purchased.

GSA supported federal customers in purchasing alternative fuel vehicles to reduce the environmental impact of the federal fleet. Nearly 81 percent of the vehicles purchased by GSA this fiscal year were classified as alternative fuel vehicles.

**Strategic Objective Next Steps.** GSA will take the following actions in support of this strategic objective over the next two years:

- At least 80 percent of all vehicles procured by FAS will be alternative fuel vehicles.
- Continue to leverage alternative financing for cost saving energy efficiency and renewable energy technologies that reduce greenhouse gas emissions.
- Serve as a test bed for sustainable technology through continued operation of the Green Proving Ground Program.
- Work with businesses to make sustainable products and services readily available and affordable to our partner agencies.
- As part of Category Management, implement sustainable product, supplier sustainability reporting, and other sustainability initiatives in each FAS category.
- Continue to maintain and expand the Green Procurement Compilation, including expanding listings of agency-specific requirements.
- Improve GSA sustainable acquisition policies and programs, including tracking and measuring sustainable acquisition targets.
- Issue a final rule on electronic stewardship and identify electronic waste recycling

standards for the federal government to prevent potential harmful impacts that could result from electronic waste being disposed of in landfills.

**Performance Goals.**

**Performance Goal 1.3.1 – Green the federal supply chain**

***GSA will increase green purchasing as a percent of business volume to eight percent in FY 2015 and nine percent in FY 2016.***

Federal agencies have statutory and executive order requirements to

- Purchase products with preferred environmental or energy attributes,
- Engage in electronics stewardship,
- Reduce use of toxic and hazardous chemicals,
- Increase the energy and water efficiency of federal buildings,
- Increase the energy efficiency of fleet vehicles, and
- Reduce greenhouse gas (GHG) emissions.

GSA, as an intermediary in the market, provides an avenue through which commercially available products and services can be delivered cost effectively to federal agencies. In this role, GSA assists federal agencies in meeting environmental sustainability purchasing requirements by identifying the availability of green products and services. GSA, through education and outreach, is able to influence federal green purchasing. Considering statutory and executive order requirements, GSA applied the following criteria to identify green products and services:

- Green Products. Includes products that assist agencies to meet environmental purchasing requirements, products with an environmental icon, or products which adhere to environmental standards or certifications.
- Green Services. Services that involve the use of green products, or promote environmental sustainability goals, or including energy or environmental services.

**Benefit to the Public.** GSA, by raising awareness about tools such as the Green Products Compilation, will help agencies meet their sustainability goals and ultimately increase the sustainability of the federal supply chain.

**Performance and Contextual Indicators.**

Green Purchasing as a percent of business volume. 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 increased significantly in FY2014 to 10.5 percent, exceeding the 6 percent target. This was due in large part to the sale of alternative fuel vehicles. There also was an overall increase in FAS business volume from FY2013 to FY2014 of \$11 billion. In FY2015, sales through these two FSSI solutions, plus Domestic Delivery Services and Office Supplies, will contribute to green sales, as will other strategic sourcing solutions currently under development.



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%     |        |
| 2016        | 9.0%     |        |

**Lead Office.** Federal Acquisition Service

**Performance Goal 1.3.2 – Reduce water consumption** *(discontinued)*

***GSA will reduce potable water use intensity from FY 2007 level by 16 percent in FY 2015 and 18 percent in FY 2016.***

Water is an important natural resource that is increasingly depleted due to weather anomalies that result in droughts, lack of snowfall run off and replenishment of aquifers. Additionally, the quality of our water supply is threatened due to external factors. As a large consumer of potable water, GSA is responsible for consuming water efficiently and appropriately. GSA has identified opportunities for water conservation measures that provide quick payback where historically projects have had longer paybacks. The challenge is to fund water measures that are most cost effective but also result in significant reductions in consumption.

**Benefit to the Public.** Responsible management of water usage in federal workspace lowers cost to the American people, provides greater availability of water resources for other purposes, and contributes to community resiliency and agencies' ability to operate under extreme drought conditions.

**Performance and Contextual Indicators.**

Total water consumption. This performance indicator reports total water, in billions of gallons (bg), purchased by GSA in each fiscal year. Water utility bills frequently include adjustments to previously billed values requiring adjustments to previous data. Factors that contribute to inaccurate billing include utility metering problems as well as information on "reclaimed" water use which does not count as "potable" consumptions. Some of GSA's water bills are based on estimates and must be reconciled later. This indicator excludes leased space where utility costs are included in the rent that GSA pays.

**Progress Update.** GSA was successful in meeting its annual water consumption target for the second straight year. Our focus again this year was closely reviewing sites that were greater than four percent over the baseline and determined improvement plans or shared best practices to bring the national consumption within target. GSA has also reduced water consumption by completing energy efficient American Recovery and Reinvestment Act projects.

Total Water Consumption  
(discontinued)

| Fiscal Year | Target    | Actual    |
|-------------|-----------|-----------|
| 2008        | 3,091,740 | 2,824,077 |
| 2009        | 3,028,644 | 2,723,920 |
| 2010        | 2,965,547 | 3,208,404 |
| 2011        | 2,902,450 | 3,109,212 |
| 2012        | 2,839,353 | 2,954,658 |
| 2013        | 2,776,257 | 2,656,257 |
| 2014        | 2,713,160 | 2,680,717 |
| 2015        | 2,650,063 |           |

**Lead Office.** Public Buildings Service

**Performance Goal 1.3.3 – Reduce total energy purchased**

***GSA will reduce total energy intensity from FY 2003 level by 30 percent by FY 2015 and maintain that level in FY 2016.***

GSA manages energy consumption towards mandated percent reduction goals per gross square foot. To capture energy trends, tracking total purchased energy is measured between fixed time periods to more accurately trend performance of our portfolio, enabling us to reflect changes in density of employees.

**Benefit to the Public.** Responsible management of energy usage in federal workspace lowers cost to the American people, provides greater availability of domestic energy resources for other purposes, and contributes to better air quality.

**Performance and Contextual Indicators.**

Total energy purchased directly by GSA for GSA and its customer agencies (discontinued). This performance indicator reports the total energy purchased by GSA each fiscal year in owned and leased space where GSA makes payments directly to utility companies reported in trillions of British thermal units (tBTU). It excludes leased space where utility costs are included in the rent that GSA pays. GSA collects energy consumption data from invoices received from energy providers. Target values may fluctuate based on the total amount of square footage of space in the GSA inventory that must be heated and cooled in each year. The data used for this measure are net of energy sold back to the grid from GSA power generation facilities. This indicator is being discontinued because the reduce energy intensity indicator is a more accurate assessment of GSA's performance.

Energy Intensity. This contextual indicator is defined as the reduction in consumption by 30 percent by FY 2015 from the FY 2003 baseline. Section 431 of the Energy Independence and Security Act of 2007 requires all federal landholding agencies to meet this target for reducing energy consumption per gross square foot of space.

**Progress Update.** In FY 2014, GSA reduced energy intensity by 26.45 percent from a 2003 baseline but narrowly missed its goal for a 27 percent reduction. For the second straight winter, GSA experienced increased above average heating degree days (HDD). HDD is derived from measurements of outside air temperature and is designed to assess the demand for heating a building. HDD in 2014 was the highest level in the past seven years. GSA expects to meet its future energy usage goals as HDD returns to normal.

Total energy purchased by GSA for GSA and its customer agencies (mmBTU)  
(discontinued)

| Fiscal Year | Target     | Actual     |
|-------------|------------|------------|
| 2008        | Baseline   | 18,688,182 |
| 2009        | 18,594,741 | 18,656,553 |
| 2010        | 18,501,300 | 18,882,598 |
| 2011        | 18,407,859 | 18,360,461 |
| 2012        | 18,314,418 | 18,168,949 |
| 2013        | 18,220,977 | 16,280,888 |
| 2014        | 18,127,537 | 17,407,664 |
| 2015        | 18,034,096 |            |

Energy Intensity (BTU per gross square foot % reduction)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2010        | 15%    | 15.8%  |
| 2011        | 18%    | 18.9%  |
| 2012        | 21%    | 24.5%  |
| 2013        | 24%    | 24.8%  |
| 2014        | 27%    | 26.5%  |
| 2015        | 30%    |        |
| 2016        | 30%    |        |

**Lead Office.** Public Buildings Service

**Performance Goal 1.3.4 – Reduce use of petroleum-based fuel**

***GSA will reduce annual consumption of petroleum-based fuel to 365.2 million gallons in FY 2015 and 357.9 million gallons in FY 2016.***

Executive Order 13514: *Federal Leadership in Environmental, Energy, and Economic Performance* (2009) made the reduction of greenhouse gas emissions a priority and set specific targets for the reduction of petroleum consumption by agency fleets—a two percent annual reduction over a baseline year of FY 2005 through FY 2020. This reiterates the same two percent annual reduction target set through E.O. 13423 (2007) and the Energy Independence and Security Act of 2007.

**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 Indicators.**

Annual use of petroleum-based fuel in millions of gallons. 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 the GSA Federal Automotive Statistical Tool (FAST). This indicator is expressed as 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.

**Progress Update.**

Petroleum-based fuel use was 365.1 million gallons in FY 2014. This amount is 1.9 percent below the 372.60 million gallon target. This measure reports governmentwide data on petroleum-based fuel use.

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2007        | Baseline | 383.09 |
| 2008        | Baseline | 377.53 |
| 2009        | Baseline | 383.81 |
| 2010        | Baseline | 403.96 |
| 2011        | 395.88   | 405.47 |
| 2012        | 387.96   | 380.40 |
| 2013        | 380.20   | 366.90 |
| 2014        | 372.60   | 365.51 |
| 2015        | 365.15   |        |
| 2016        | 357.85   |        |

**Lead Office.** Office of Government-wide Policy

**Performance Goal 1.3.5 – Purchase alternative fuel vehicles**

***To reduce environmental impact of federal vehicle fleet, eighty percent of vehicles purchased by GSA in fiscal years 2015 and 2016 will be alternative fuel vehicles.***

Each fiscal year, FAS procures approximately thousands of vehicles for the federal government. A significant number of these new purchases are Alternative Fuel Vehicles (AFV) which run on alternative fuels or meet the EPA’s low greenhouse gas emitting vehicle requirements. This goal helps to ensure government operations are more sustainable and have a reduced environmental impact.

**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.

**Performance and Contextual Indicators.**

Alternative Fuel Vehicles purchased as percentage of total motor vehicles purchased. 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 – like electricity, natural gas, or biofuels – or meet the EPA’s low greenhouse gas emitting vehicle requirements. Total motor vehicles purchased include orders made by GSA for its fleet customers and motor vehicles orders made by other federal agencies.

**Progress Update.** GSA met its performance target for the second consecutive year. 46,977 out of 58,050 vehicles purchased in FY 2014 were AFVs (80.9 percent).

Alternative Fuel Vehicles purchased as a percentage of total motor vehicles purchased

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2006        | Baseline | 31.1%  |
| 2007        | Baseline | 39.6%  |
| 2008        | Baseline | 44.4%  |
| 2009        | Baseline | 51.6%  |
| 2010        | 52.6%    | 67.2%  |
| 2011        | 53.6%    | 80.3%  |
| 2012        | 80.0%    | 75.4%  |
| 2013        | 80.0%    | 82.1%  |
| 2014        | 80.0%    | 80.9%  |
| 2015        | 80.0%    |        |
| 2016        | 80.0%    |        |

**Lead Office.** Federal Acquisition Service

**Performance Goal 1.3.6 – Provide useful energy efficiency information and tools to federal agencies** *(discontinued)*

***GSA will annually achieve at least 75 percent of stakeholders rating energy efficiency information and tools provided to federal agencies as effective in FY 2014.***

Executive Order 13514: Federal Leadership in Environmental, Energy, and Economic Performance (2009) and the Energy Independence and Security Act of 2007 (EISA) made the advancement of sustainable federal buildings a priority. EISA established GSA's Office of Federal High-Performance Green Buildings to enable and enhance federal leadership in the field of sustainable real property portfolio management and operations. Among other responsibilities, the office provides best practices, tools, and resources to support federal agencies in advancing sustainability. This goal supports both government-wide and GSA goals for reducing resource and environmental impact. The Office of Federal High-Performance Green Buildings surveyed stakeholders on the usefulness of energy research, strategies, practices & tools.

**Benefit to the Public.** The GSA Office of Federal High-Performance Green Buildings helps agencies advance the environmental sustainability of their building operations by providing research, strategies, practices and tools to increase energy and water efficiency. This performance indicator measures federal agency ratings of the usefulness of the information provided by GSA to advance the sustainability of their building operations.

**Performance and Contextual Indicators.**

Usefulness of energy efficiency research, strategies, practices, and tools provided by OGP to federal agencies. *(discontinued)* This performance indicator measures the percentage of survey respondents who rate the research, new strategies, best practices, and tools related to energy efficiency issued by the GSA Office of Federal High-Performance Green Buildings as useful or very useful. The measure assesses how useful the research, strategies, practices, and tools are to federal agencies and groups. Future measures will assess the adoption of strategies and best practices, and their impact on increasing environmental and economic performance. This measure demonstrates progress toward meeting Energy Independence and Security Act requirements. The indicator focuses on users of the GSA Sustainable Facilities Tool, which is a

one-stop online resource available to any government or private sector user to identify and prioritize cost-effective green building and procurement strategies to improve environmental performance.

The GSA Office of Federal High-Performance Green Buildings helps agencies advance the environmental sustainability of their building operations by providing research, strategies, practices and tools to increase energy and water efficiency. This performance indicator measures federal agency ratings of the usefulness of the information provided by GSA to advance the sustainability of their building operations.

**Progress Update.** GSA exceeded the target of 75 percent of stakeholders rating energy efficiency information and tools provided to federal agencies as effective, with a 78 percent rate in FY 2014.

The Office of Federal High-Performance Green Buildings surveyed stakeholders on the usefulness of energy research, strategies, practices and tools. The Sustainable Facilities Tool (SFTool) team designed a 16 question survey to be distributed immediately to all attendees of our online Sustainable Facilities Tool overview sessions. 100 percent of stakeholders rated the SFTool overview useful. 95 percent would recommend a similarly structured overview session to a colleague. 95 percent felt the session provided information in a format they could share with their team. More than half the respondents expressed interest in attending additional, specialized demos of SFTool Modules. 78 percent of stakeholders rated SFTool information as relevant to their professional responsibilities.

Usefulness of energy efficiency research, practices, and tools provided to federal agencies

| <b>Fiscal Year</b> | <b>Target</b> | <b>Actual</b> |
|--------------------|---------------|---------------|
| 2011               | Baseline      | 65%           |
| 2012               | 65%           | 78%           |
| 2013               | 70%           | 70%           |
| 2014               | 75%           | 78%           |
| 2015               | 80%           |               |

**Lead Office.** Office of Government-wide Policy

## **Strategic Goal 2: Improve the efficiency of operations and service delivery**

GSA will build greater efficiency in its operations and service delivery. Operations will be streamlined and improved to ensure that we provide our services efficiently to our customers. GSA will continue to invest in improving our real property assets to meet the short and long term needs of our customers. GSA will improve internal operations by enhancing real property asset quality, and streamlining operations, processes and technology delivery. GSA will assist the federal government in improving the efficiency of fleet operations government-wide by pursuing the consolidation of customer managed fleets into GSA's fleet operations.

### **Strategic Objective 2.1: Increase the efficiency of GSA operations**

**Strategies.** GSA will build greater efficiency in meeting customer needs in the areas of acquisition services and real property leasing, construction, and disposal. To accomplish this, GSA will reduce administrative costs, improve oversight and strengthen internal controls to drive efficiency in our operations. Zero-based budgeting practices will be employed to allocate and reduce travel, information management infrastructure and management support contracts based on agency priorities. The planned strategies for this objective include:

1. Streamline and standardize processes, maintain cost-beneficial controls and improve financial and performance data analytics and reporting;
2. Mitigate financial risks by developing, implementing and overseeing rigorous and consistent internal controls on budgetary and financial processes and transactions;
3. Reduce indirect costs through consolidation and streamlining of financial, information, and human resources management organizations;
4. Achieve greater efficiency in delivering products and services by implementing category management best practices;
5. Increase percent of leased revenue available after administering the leasing program by improving billing practices for rent and building services;
6. Design, construct and manage buildings that efficiently meet our customers' requirements;
7. Change the use of space and reduce the average space allocation by implementing innovative workplace solutions and adoption of a "smart occupancy" approach to GSA occupied space.

#### **Strategic Objective Goal Leaders.**

- Gerard Badorrek, Chief Financial Officer (Lead Office)
- Tom Sharpe, Commissioner, Federal Acquisition Service
- Cynthia Metzler, Chief Administrative Services Officer
- Norman Dong, Commissioner, Public Buildings Service
- Christine Harada, Associate Administrator, Office of Government-wide Policy

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- 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
- Integrated Technology Services

- Operating Expense
- Real Property Disposal
- Real Property Relocation
- Rental of Space
- Repairs and Alterations
- Travel, Motor Vehicle and Card Services

**Strategic Objective Progress Update.** GSA achieved mixed results in meeting its financial performance goals for improving organizational efficiency. GSA achieved a total of \$190 million savings in indirect costs from the FY 2010 baseline, far exceeding its goal of \$155 million. However, GSA did not meet its target to improve operational efficiency to reduce GSA operating costs to 9.4 percent of revenue from goods and services provided. The primary reason for not meeting the target is due to the lower than expected revenue from goods and services provided. GSA savings are being realized through consolidation and realignment of key support functions and organizations, and by reviewing, improving and standardizing internal processes and controls. Three efficiency initiatives of note include data center consolidation, the print management program, and consolidation of GSA's information technology, human resources, administrative, and financial functions.

- GSA is consolidating its data centers to increase efficiency through economies of scale. GSA recently eliminated and/or re-purposed 12,000 square feet of floor space, decommissioned over 230 servers, and moved over 200 servers to other data centers. By the end of FY2015, GSA projects a net five years savings of \$24 million.
- GSA also reduced its inventory of printers to increase resource efficiency from 5 to 25 employees per printer. GSA has also developed seven Print-Wise tips to guide employees to make cost-cutting print decisions. Wide spread adoption of Print-Wise behaviors by other agencies, such as double-sided printing, can save the government hundreds of millions of dollars annually.
- GSA determined from a top-to-bottom review that the best way to build a stronger GSA would be to consolidate the IT, HR, administrative, and financial functions of GSA. By consolidating each of these administrative functions, GSA will improve efficiency with greater clarity around responsibility and accountability. In the past year, GSA has consolidated each of the four functions, and will continue to consolidate other functions such as communications and marketing, as discussed in the Congressional Justification. Each functional organization is going through realignment to ensure the most efficient use of resources to fully meet their area of responsibility.

GSA has significantly improved the on-time activation of occupancy agreements (OAs) in owned space to 98 percent and leased space to 90 percent. Exceeding the FY 2014 target of 90 percent in owned space and the 82 percent in leased space. This is a substantial improvement from the on-time activation rates of 86 percent for owned space and 75 percent for leased space in FY 2013. At the same time, GSA is having considerable success supporting agencies in their efforts to consolidate their footprints and implement more cost effective workplace solutions. In part as a result of these consolidation actions, which in some cases lead to vacant leased space that GSA is obligated to continue to pay for, GSA faces challenges achieving full cost recovery in the leasing program.

GSA exceeded its cycle time goals for real property disposal services. GSA continued to effectively award public sales properties within 135 days. GSA also exceeded its performance target for non-competitive sales and donations within 220 days. GSA continues to efficiently



provide training courses through the Federal Acquisition Institute with course attendance levels consistently exceeding 80 percent.

**Strategic Objective Next Steps.** GSA will take the following actions in support of this strategic objective over the next two years:

- Utilize the data from the President's Management Agenda Benchmarking initiative to continue to drive efficiencies and performance in administrative functions;
- Continue to consolidate indirect activities to reduce overhead and administrative costs and implement more effective systems and processes and ensure cost-beneficial controls;
- Mitigate financial risks by developing, implementing and overseeing rigorous and consistent internal controls on budgetary and financial processes and transactions;
- Enhance reporting and analytics capability to measure and manage costs across the agency, improve transparency in the financial and operational reporting of GSA data and support data-based decisions;
- Develop agency-wide process improvement capability to inform streamline and standardize processes, maintain cost-beneficial controls and improve financial and performance data analytics and reporting;
- Develop a fully integrated, performance based decision-making process to link budget to performance and improve resource allocation and organizational efficiency;
- Implement action plan that focuses on: 1) strategies for the largest blocks of vacant space for backfill or buy-out opportunities, 2) requiring a cost/benefit analysis before vacating future space that will drive strategies to minimize losses, and 3) improving the process of timely lease billing and payments;
- Implement corrective action plan to ensure full cost recovery in the GSA leasing program;
- Manage operations in the Federal Acquisition Service to control costs and ensure full cost recovery in the Acquisition Service Fund;
- Work with our customer agencies to further educate them on how to efficiently identify and dispose of unneeded real property assets; and
- Reduce space allocation by implementing innovative workplace solutions and adopt a "smart occupancy" approach to GSA occupied space.
- Finalize the FY15 capital project prospectuses, and show an improvement in space utilization in our proposed space projects (excluding building system projects without space alterations);

## **Performance Goals.**

### **Performance Goal 2.1.1 – Increase the efficiency of GSA operations**

***GSA will improve operational efficiency so operating expenses are no more than 9.2 percent of revenues in FY 2015 and no more than 9.1 percent of revenues in FY 2016.***

GSA will increase operational efficiency through consolidation and standardization of business processes. GSA will strengthen agency-wide process improvement capabilities to design efficient and standardized processes across the agency. GSA will improve data transparency and data analytics capabilities to support fully integrated, performance-based decision-making. GSA tracks the overall efficiency of GSA operations by dividing the total operating costs by the total value of goods and services provided.

**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 Indicators.**

Total operating costs as a percentage of total goods and services provided. 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. The purpose of this indicator is to monitor overall GSA efficiency and track efficiency improvements while accounting for changes in the customer demand for GSA goods and services. This indicator is calculated by taking operating expenses, inclusive of allocated corporate indirect expenses, in the Federal Acquisition Service (FAS) and Public Buildings Service (PBS) as a percentage of the total goods and services provided by FAS and PBS. The FAS operating expenses includes all FAS expenses except flow-through and customer direct benefit activities, which include fleet related expenses and outbound transportation costs. PBS operating posts 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.

**Progress Update.** GSA did not meet its target of reducing operating costs to 9.4 percent for goods and services provided in FY 2014. Although GSA exceeded its target to reduce indirect costs as discussed below, GSA did not meet this target due to lower than expected revenue from 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%    |        |
| 2016        | 9.10%    |        |

**Lead Office.** Office of the Chief Financial Officer

**Performance Goal 2.1.2 – Control indirect costs**

***GSA will reduce indirect costs from the FY 2010 baseline by \$210 million in FY 2015 and \$230 million in FY 2016.***

In FY 2013, GSA began reorganizing to consolidate functions. Budget and finance management, information technology, and human resource functions were transferred from the Acquisition Service Fund and Federal Buildings Fund to the Working Capital Fund. Monitoring indirect costs will track efficiency improvements in GSA’s administrative and support activities and quantify the savings achieved from organizational consolidations and reorganizations. Operating costs are composed of direct and indirect costs and exclude the costs of goods and services sold. Indirect operating costs are expenses that are allocated across revenue generating activities. This indicator will track savings and efficiencies due to the consolidations and other improvements in the indirect activities.

**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 Indicators.**

Reduction in total GSA indirect costs from the FY 2010 baseline. This performance indicator measures GSA indirect operating costs as compared to the FY 2010 baseline. Indirect costs include: (1) corporate management, (2) business executive direction, and (3) business support and is calculated as the total cost of corporate indirect costs plus FAS indirect costs plus PBS indirect costs. Corporate indirect include headquarter management costs and business support: comprised of indirect costs that are variable to the business activity they support and includes finance centers, and 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 its FY 2014 target of \$155 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 from the FY 2010 baseline

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2010        | Baseline | 0      |
| 2011        | n/a      | \$136M |
| 2012        | n/a      | \$115M |
| 2013        | \$130M   | \$130M |
| 2014        | \$155M   | \$190M |
| 2015        | \$210M   |        |
| 2016        | \$230M   |        |

**Lead Office.** Office of the Chief Financial Officer

**Performance Goal 2.1.3 – Generate sufficient Funds from Operations to effectively operate GSA leased buildings**

***GSA will improve the efficiency of the leasing program so that revenue available after administering the program is between zero and two percent in FY 2015 and FY 2016***

The leasing program provides lease space to meet customer needs timely and at best value. GSA strive to generate sufficient program revenue to break even in the leasing program after covering all administrative costs to operate.

**Benefit to the Public.** Maintaining lease revenue available after program administration costs at between zero and two percent of revenues demonstrates that the leasing program can efficiently operate within the fees collected from customer agencies. Efficient delivery of leased

workspace gives agencies greater flexibility in housing their workforce and operations and managing their resources.

**Performance and Contextual Indicators.**

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 its target of lease revenue available between 0 - 2 percent once again in FY 2014. The end of year performance for FY 2014 of -1.0 percent, 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 collaboratively across the organization to focus on this metric, and hopes to have an upward trend for results in FY 2015.

Percent of leased revenue available after administering the leasing program

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006        | 0-2%   | 1.5%   |
| 2007        | 0-2%   | 0.0%   |
| 2008        | 0-2%   | -0.9%  |
| 2009        | 0-2%   | -2.1%  |
| 2010        | 0-2%   | -1.4%  |
| 2011        | 0-2%   | -0.3%  |
| 2012        | 0-2%   | -0.3%  |
| 2013        | 0-2%   | -0.1%  |
| 2014        | 0-2%   | -1.0%  |
| 2015        | 0-2%   |        |
| 2016        | 0-2%   |        |

Funds from Operations - Leased (\$ in millions)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2012        | n/a    | -30    |
| 2013        | n/a    | -4     |
| 2014        | n/a    | -69    |
| 2015        | 0      |        |
| 2016        | 0      |        |

**Lead Office.** Public Buildings Service

**Performance Goal 2.1.4 – Complete capital projects on schedule**

***GSA will complete at least 90 percent of capital projects on schedule annually in FY 2015 and FY 2016.***

This measure monitors the schedule performance of all prospectus level construction and major repair and alteration projects in the capital program. GSA tracks performance by month,

providing project managers and program directors with timely project status information to actively manage projects driving on-time completion of construction projects.

Prospectus level construction and major repair and alteration projects are, on average, the largest projects by dollar value that are executed by GSA. By tracking the performance of prospectus level projects separately from other projects, GSA can focus on the projects that carry the most weight in the portfolio.

**Benefit to the Public.** Delivering space when the customer needs it enables customers to most effectively carry out their mission. 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 Indicators.**

Capital construction projects on schedule. This measure reports the percentage of prospectus level construction projects completed on schedule, weighted by the value of work in place. 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 mission with minimal distractions.

This performance indicator was expanded to include Repair and Alteration projects. Inclusion of Repair and Alteration projects enables the performance measure to fully encompass all capital construction projects. Weighting projects based on total current contract value allows the measure to place more emphasis on large, important projects critical to the GSA project portfolio.

**Progress Update.** GSA exceeded its 90 percent target in FY 2014 by delivering 100 percent of new construction projects on schedule. GSA attributes this improvement to increased adoption of improved project and performance management processes. GSA used project management processes to improve the accuracy and quality of project reporting. GSA also used key performance indicators to track project teams' compliance with construction schedules, invoice payments, and issues that could cause project delays.

New capital construction projects on schedule  
(discontinued)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006        | 86%    | 84.0%  |
| 2007        | 87%    | 78.8%  |
| 2008        | 88%    | 80.4%  |
| 2009        | 89%    | 88.4%  |
| 2010        | 90%    | 84.6%  |
| 2011        | 90%    | 83.4%  |
| 2012        | 90%    | 93.4%  |
| 2013        | 90%    | 100%   |
| 2014        | 90%    | 100%   |

Capital projects on schedule  
(new)

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2012        | Baseline | 85%    |
| 2013        | Baseline | 89%    |
| 2014        | Baseline | 97%    |
| 2015        | 90%      |        |
| 2016        | 90%      |        |

**Lead Office.** Public Buildings Service

**Performance Goal 2.1.6 – Timely award of public sale properties and non-competitive sales and donations**

***GSA will award at least 90 percent of public sale properties within 135 days in FY 2015 and FY 2016.***

In the current real estate market, the goal for the public sale properties awarded within 135 days is to maximize returns through fair and transparent competition. GSA invests the time needed to market the property via mass media outlets (including social media), hold an open house, to answer questions from interested bidders, and to hold the auction. GSA uses a “soft close process”. A soft close process provides an auction end time, however the auction extends until only the highest bid survives without challenge. At times it may be advantageous to the agency to allow an auction to extend over the 135 day target in order to bring the greatest return to the federal Government if there is active bidding.

**Benefit to the Public.** Decreasing the cycle time for public sales increases the speed with which surplus federal properties can 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 Indicators.** Percentage of public sale properties awarded within 135 days. 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. Award refers to the date the offer to purchase is completed by GSA and the purchaser. This performance indicator is being replaced with GSA’s reduction in federal inventory through disposals, exchanges, or sub-leases indicator because GSA consistently exceeds this indicator. GSA will continue to track this measure internally

**Progress Update.** GSA exceeded the target goal of awarding 90 percent of competitive public sales within 135 days. The percent of projects awarded within the measurable period at the end of FY 2014 was 94 percent, with 263 out of 280 sales awarded within 135 days. The streamlined bidding process of the Invitation for Bids process, which GSA uses to market properties for disposal, and aggressive marketing along with online auctions, continues to attract buyers, and propel GSA to be successful in achieving this target and saving taxpayers money.

Percentage of public sale properties awarded within 135 days

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2008        | Baseline | 82%    |
| 2009        | 90%      | 97%    |
| 2010        | 90%      | 99%    |
| 2011        | 90%      | 100%   |
| 2012        | 90%      | 100%   |
| 2013        | 90%      | 98%    |
| 2014        | 90%      | 94%    |
| 2015        | 90%      |        |
| 2016        | 90%      |        |

**Lead Office.** Public Buildings Service

**Performance Goal 2.1.6b – Timely award of public sale properties and non-competitive sales and donations**

***GSA will award at least 90 percent of non-competitive sales and donations within 220 days in FY 2015 and FY 2016.***

**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 of and supports the management of a financially self-sustaining portfolio. Maintaining a viable, self-sustaining inventory of real properties ensures that federal agencies have appropriate facilities at the best possible cost.

**Performance and Contextual Indicators.** Percentage of non-competitive sales and donations awarded within 220 days. 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. Award refers to the date the property is transferred to another agency, assigned to a sponsoring agency or deeded to a public body. This performance indicator is being replaced with GSA’s reduction in federal inventory through disposals, exchanges, or sub-leases indicator because GSA consistently exceeds this indicator. GSA will continue to track this measure internally.

**Progress Update.** GSA exceeded the target goal of awarding 90 percent of competitive sales and donations within 220 days. The percent of projects awarded in FY 2014 was 93 percent, with 43 out of a total of 46 projects awarded within 220 days. To achieve the 220 day measure, it is our standard operating practice to run tasks concurrently when practicable. Those projects that did not meet the measure had a variety of unique circumstances delaying the disposal process including local community issues, environmental cleanup obligations by GSA, legislatively mandated right of first refusal processes for lighthouses, political interest and prolonged explanatory statement processes. In FY 2015, we will continue our management process of running screening and other review periods concurrently to meet our competitive sales and donations targets.

Percentage of non-competitive sales and donations awarded within 220 days

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2008        | 90%    | 86%    |
| 2009        | 90%    | 97%    |
| 2010        | 90%    | 94%    |
| 2011        | 90%    | 95%    |
| 2012        | 90%    | 91%    |
| 2013        | 90%    | 88%    |
| 2014        | 90%    | 93%    |
| 2015        | 90%    |        |
| 2016        | 90%    |        |

**Lead Office.** Public Buildings Service

**Performance Goal 2.1.7 – Deploy civilian acquisition workforce training courses efficiently**

***GSA will achieve at least 85 percent attendance levels for Federal Acquisition Institute training courses in FY 2015 and 90 percent for FY 2016.***

Established in 1976 under the Office of Federal Procurement Policy Act, the Federal Acquisition Institute (FAI) has been charged with fostering and promoting the development of a federal acquisition workforce. FAI, housed within OGP, facilitates and promotes career development and strategic human capital management for the acquisition workforce. One of its core responsibilities is to provide training to the civilian acquisition workforce in the interest of improving government-wide capacity for exceptional acquisition performance. In the provision of training, FAI seeks to do so in an efficient and effective way. One indicator of efficiency is ensuring high attendance levels in courses offered.

**Benefit to the Public.** Maintaining high attendance levels ensures GSA efficiently delivers acquisition workforce training to the federal acquisition workforce.

**Performance and Contextual Indicators.**

Attendance levels for Federal Acquisition Institute (FAI) training courses. This performance indicator assesses the percentage of available classroom training seats filled in FAI sponsored classes. This performance indicator measures 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 that FAI provides training courses in an efficient manner. Consolidating the provision of acquisition training across government also eliminates duplication and reduces costs by providing a shared training program for the federal government.

**Progress Update.** GSA exceeded the target of 80 percent attendance levels in FY 2014 by filling 92 percent: 2,942 of 3,210 seats.



Attendance Levels for Federal Acquisition Institute 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%      |        |
| 2016        | 90%      |        |

**Lead Office.** Office of Government-wide Policy

**Strategic Objective 2.2: Enhance asset management**

**Strategies.** GSA continues to invest in improving our real property assets and operating systems to meet the needs of its federal customers. We use asset evaluation tools to determine the financial performance in the real property inventory. By applying leading and innovative building operations management principles, we provide services in an efficient and effective manner for the American taxpayer.

GSA supports customers in meeting their fleet needs through the efficient management of our fleet operations. Since GSA is responsible for approximately one half of the federal motor vehicle fleet, we leverage economies of scale in delivering fleet solutions to customers that include working with customers to find the best solutions to meet their mission critical needs at the lowest cost possible. The planned strategies for this objective include:

1. Maintain a viable, self-sustaining inventory of real properties providing federal agencies with optimum facilities at the best possible cost.
2. Ensure customer agencies are paying competitive, market rates for building support services.
3. Actively manage the GSA motor vehicle fleet across the federal customer base and maximize asset utilization to the greatest extent possible.
4. Leverage the information systems and infrastructure across the federal government to reduce per unit cost of vehicle operations.
5. Work with our customer agencies to further educate them on how to efficiently identify and dispose of unneeded real property assets.

**Strategic Objective Goal Leaders.**

- Norman Dong, Commissioner, Public Buildings Service (Lead Office)
- Tom Sharpe, Commissioner, Federal Acquisition Service

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- Building Operations
- Repairs and Alterations
- Travel, Motor Vehicle and Card Services

**Strategic Objective Progress Update.** During FY 2014, GSA improved asset management and building operations and saved taxpayers money by improving operations, and leveraging buying power. GSA has struggled to meet certain building operations measures without the funding needed for repairs and upgrades. Despite these challenges, GSA fell only one percent short of meeting its goal of achieving a 70 percent “good” rating on the Facility Condition Index.

In FY 2014, GSA achieved a cost of cleaning and maintaining space within its +/- five percent target at 3.7 percent above private sector benchmarks, and reduced operating costs to bring 70.1 percent of buildings within market range. In FY 2015, GSA's goal is to maintain cleaning and maintenance costs within +/-5 percent of private sector benchmarks, as well as reduce operating costs to bring 80 percent of office-like buildings within market range. GSA will continue to improve in this area by looking at innovative new strategies for operation and maintenance contracts to minimize costs.

Additionally, GSA calculates the return on equity of its assets to evaluate the overall financial performance of GSA's real property assets and assesses the viability of the Federal Buildings Fund. In FY 2014, GSA achieved a six percent return on equity on 73.9 percent of assets (below the 78.9 percent goal). Over the past few years, average asset values and construction costs have increased making it slightly more difficult to reach the six percent threshold.

During FY 2015, GSA will continue to improve asset management and building operations, update, right-size and sustain the federal vehicle and aviation fleets, optimize and reduce internal vehicle fleet and consolidate and streamline facility-related contracts.

**Strategic Objective Next Steps.** GSA will take the following actions in support of this strategic objective over the next two years:

- Ensure customer agencies are paying competitive, market rates for building support services
- Monitor vacant space for backfill opportunities.
- Improve timely collection of revenue and better management of expenses.
- Analyze financials of each asset during Asset Business Plan Reviews and identify cost reduction opportunities

## **Performance Goals.**

**Performance Goal 2.2.1 – Achieve a positive return on equity for government-owned assets** *(Discontinued)*

***GSA will achieve a 6 percent return on equity on 78.9 percent of government owned assets in FY 2015.***

The GSA return on equity evaluates the overall financial performance of PBS's real property assets and assesses the viability of the Federal Buildings Fund return on equity is calculated by comparing an asset's net operating income to its value. In FY 2014, GSA's goal was to achieve a six percent return on equity on 78.9 percent of government assets; however, GSA only achieved this level of return on 73.9 percent of assets. This was a slight improvement over GSA's FY 2013 performance of 72.4%.

Benefit to the Public. Maintaining a viable, self-sustaining inventory of real properties provides Federal agencies with optimum facilities at the best possible cost

## **Performance and Contextual Indicators.**

Percent of government-owned assets achieving a return on equity of at least six percent *(discontinued)*. This performance indicator measures the ratio of the annual net operating income to the value of an asset, typically fair market value. Assets with a return

of equity of at least six percent fulfill the long-term needs of our customers and generate enough revenue to fund the asset's operations, repairs and capital needs.

**Progress Update.** GSA did not meet the target of 78.9 percent of government-owned buildings maintaining a 6 percent return on equity; only 73.9 percent of GSA's owned buildings met this target. Over the past few years, average asset values and construction costs have increased making it slightly more difficult to reach the 6 percent threshold. To improve return on equity, GSA has identified actions to improve performance in owned assets not meeting the target. Actions include ensuring timely and accurate billing through monthly monitoring of late occupancy agreements, reducing building operating expenses, and backfilling vacant space by using client and local portfolio plans to identify backfill opportunities. Additionally, GSA has performed a review of all assets that are close to meeting the 6 percent threshold or at risk of dropping below the threshold.

Percent of Government-owned assets achieving a Return on Equity of Six Percent  
(discontinued)

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2006        | baseline | 76.4%  |
| 2007        | 74.0%    | 77.0%  |
| 2008        | 76.5%    | 80.5%  |
| 2009        | 74.9%    | 77.3%  |
| 2010        | 78.0%    | 78.4%  |
| 2011        | 78.6%    | 76.1%  |
| 2012        | 78.9%    | 71.8%  |
| 2013        | 78.9%    | 72.4%  |
| 2014        | 78.9%    | 73.9%  |
| 2015        | 78.9%    |        |

**Lead Office.** Public Buildings Service

**Performance Goal 2.2.2 – Provide building cleaning and maintenance at competitive costs**

***GSA will provide cleaning and maintenance of space so at least 80 percent of government-owned buildings are within private sector benchmarks in FY 2015 and FY 2016.***

This measure compares GSA's building operations and maintenance costs with private sector costs for buildings that are similar in size and location. This measure evaluates GSA's ability to offer the services at competitive prices. GSA will continue to leverage our market position to reduce our building operations and maintenance costs.

**Benefit to the Public.** This goal ensures that customer agencies are paying competitive, market rates for building support services.

**Performance and Contextual Indicators.**

**Cost of cleaning and maintaining space against private sector benchmarks.** *(discontinued reporting format)* This performance indicator compares GSA cleaning and maintenance costs for owned buildings to industry benchmark rates in the same geographic area. Benchmarks are provided by local private sector performance data from the Building Owners and Managers Association for each city, location, and building size group. GSA compares its cost per rentable square foot to the Building Owners and Managers Association lists of the median and mean cost per square foot for cleaning, maintenance, roads, and grounds. Medians are used for buildings smaller than 50,000 square feet and means are used for larger buildings.

**Operating costs within market range** *(new reporting format)*. GSA will utilize the same methodology for determining the private sector benchmark, however rather than aggregating the results to determine percentage of the portfolio, GSA will be analyzing each building individually. GSA estimates \$30 million in annual savings if 80 percent of its buildings meet the market range criteria.

**Progress Update.** GSA was successful in meeting its FY 2014 operating cost goal. GSA is reviewing all buildings that have costs above the private sector. GSA will seek to renegotiate contracts for the buildings with higher cost.

Costs of cleaning and maintaining space against private sector benchmarks  
*(discontinued reporting format)*

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2006        | Baseline | -0.6%  |
| 2007        | Baseline | 4.0%   |
| 2008        | +/- 5%   | 0.6%   |
| 2009        | +/- 5%   | 0.9%   |
| 2010        | +/- 5%   | -2.6%  |
| 2011        | +/- 5%   | 0.1%   |
| 2012        | +/- 5%   | 3.7%   |
| 2013        | +/- 5%   | 3.1%   |
| 2014        | +/- 5%   | 3.7%   |

Operating costs within market range  
*(new reporting format)*

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2013        | N/A    | 72%    |
| 2014        | N/A    | 70%    |
| 2015        | 80%    |        |
| 2016        | 80%    |        |

**Lead Office.** Public Buildings Service

### **Strategic Goal 3: Deliver Excellent Customer Service**

GSA will deliver excellent customer service to federal agencies and departments by making it easier for them to meet their real estate, acquisition and technology needs. We will strengthen communications, processes, and offerings, and generate new ideas through collaboration with customers and industry. This goal will be achieved through a commitment to service, teamwork, problem-solving and continual improvement.

#### **Strategic Objective 3.1: Enhance relationships with customers, suppliers and stakeholders**

**Strategies.** GSA will improve customer knowledge through increased use of business intelligence, furthering strategic partnerships and improved financial stewardship. To make it easier for federal agencies to acquire goods and services, GSA will use customer data to drive continuous improvement. GSA assesses the quality, reliability, value, timeliness and responsiveness of its services through the use of annual customer satisfaction surveys. GSA will stand up a new Customer Experience Office to lead agency-wide data analysis and customer service improvement initiatives.

GSA continues to develop tools and processes to make it easier for suppliers to efficiently meet the needs of government customers. We analyze market and vendor data to negotiate better rates, discounts, improved services and other benefits for federal agencies. GSA will increase vendor outreach and communications to strengthen trust with suppliers.

GSA will enhance federal government interaction with the American people by providing innovative tools and solutions that better enable the American people to access and use federal information, data and services anywhere, anytime, on any device; increasing federal use of existing public engagement tools, technology, and expertise; improving access and increasing the American public's use of communication channels to more effectively interact with government. The planned strategies for this objective include:

1. Increase customer loyalty through strategic partnerships with customers and an agency-specific team approach to provide federal customers with access to customized support at all levels, from the agency executive through procurement decision makers. Offer a multi-layered team of people and programs to capture the voice of the customer, map customer journeys, identify and improve gaps, deliver customized analytics and recommendations, and further improve the value GSA offers for customer agencies.
2. Establish focused account strategies to ensure customers receive coordinated and consistent information, dedicated client representation that understands their strategies and needs, and an improved appreciation for how important their business and satisfaction are to GSA.
3. Ensure consistency with our building services delivery by improving communication with national managers and staff, and providing training courses.
4. Expand our smart building program to include consideration for building systems, occupants, the environment, energy sources, operating policy, capital and operating expenses, while meeting customer workforce expectations.
5. Continue to administer the Supplier Relationships Survey and act on survey results to improve our processes and make it easier for suppliers to do business with us, while maintaining rigorous business controls and improving purchasing transparency for federal customers.
6. Leverage data and customer insights to improve programs.

7. Create tools and resources (reverse auctions, IT Solutions Navigator, etc) and offer regular training sessions to make it easier for agencies to identify and purchase GSA-contracted information technology solutions.
8. Meet with government agency senior leaders to promote GSA solutions and new awards, and help agencies identify ways to save money.
9. Demonstrate the viability and scalability of new government wide shared solutions and expand the use of solutions to deliver value, cost avoidance and excellent customer experiences to federal agencies.

**Strategic Objective Goal Leaders.**

- Tom Sharpe, Commissioner, Federal Acquisition Service (Lead Office)
- Norman Dong, Commissioner, Public Buildings Service
- Christine Harada, Associate Administrator, Office of Governmentwide Policy
- Phaedra Chrousos, Chief Customer Officer and Associate Administrator, Office of Citizen Services and Innovative Technologies

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- Acquisition Workforce Training
- Assisted Acquisition
- Building Operations
- Citizen Services and Innovative Technologies
- Construction and Acquisition of Facilities
- General Supplies and Services
- Government-wide Policy
- Integrated Award Environment
- Integrated Technology Services
- Rental of Space
- Repairs and Alterations
- Travel, Motor Vehicle and Card Services

**Strategic Objective Progress Update.** GSA, in consultation with the Office of Management and Budget, has highlighted this objective as a focus area for improvement. GSA did not meet its FY 2014 performance targets for three of its satisfaction surveys. 61.2 percent of tenants reported satisfaction with buildings services, well below the goal of 75 percent. Respondents average ratings (7.4 on ten point scale) for customer loyalty with acquisition services fell short of the 7.8 performance target. Similarly, average ratings for supplier satisfaction (3.04 on five point scale) fell short of the 3.10 performance target.

To address these results head-on, GSA hired a new Chief Customer Officer (one of the first in the federal government) to coordinate agency-wide customer data collection and analysis, and help program offices use customer insights to drive program improvements. GSA's new Office of Customer Experience has interviewed dozens of agencies, customer groups, and program offices to map a big picture view of the GSA customer journey. They implemented a Voice of the Customer program to weave customer-centric thinking into the agency's DNA. GSA is also tackling several high-impact projects to improve customer service, including consolidating our call centers, creating a more customer-centric online experience, and designing a mobile tool for tenants to easily report service issues.

GSA continues to provide innovative tools to federal agencies that facilitate greater citizen engagement. New innovations included website platforms for agencies to manage and develop their own websites (sites.usa.gov), more easily create on-line enterprise data inventories

(inventory.data.gov), and invite the public to submit ideas and solutions to specific problems (challenge.gov ideation platform). GSA also developed an application in USA.gov to allow the public to search for unclaimed money through a single website. These and other new solutions contribute to an open, citizen-centric government. They enhance access and use of valuable government information, data and services by facilitating the exchange of ideas and knowledge between the government and the public, and improve the public's experience with the federal government.

GSA also played a key role in supporting the President's Management Agenda Benchmarking Initiative, which was designed to provide agency decision makers with cost and quality data on core mission-support functions. Functions include: Acquisition, Financial Management, Human Capital, IT Management, and Real Property. GSA worked with the 24 CFO Act agencies to collect data on approximately 40 metrics and assisted OMB in conducting a series of 24 benchmarking meetings with agencies across the summer to discuss results and brainstorm solutions. Agencies are using the benchmarks as a tool to jumpstart data-driven discussions with bureaus, measure performance against peer agencies and bureaus, and improve visibility into shared services, among other uses.

**Strategic Objective Next Steps.** GSA will take the following actions in support of this strategic objective over the next two years:

1. Increase tenant satisfaction with leased and owned space by developing action plans for each individual building to address issues highlighted in the tenant satisfaction survey.
2. Increase customer loyalty to FAS through improved offerings and better customer service while increasing supplier satisfaction with the federal acquisition process.
3. Expand the use of established government-wide shared solutions that deliver value and cost avoidance and excellent customer experiences to partners by:
  - Increasing the number of organizations using digital analytics on their websites, Challenge.gov and sites.usa.gov; and
  - Enable agencies to easily create initial on-line enterprise data inventories so that data.gov can maintain an up-to-date, on-line catalog of all agencies' data holdings. This will help entrepreneurs, small businesses, academic institutions, organizations and individuals to find and use government data to develop innovative products and services to improve society.
4. Increase digital delivery of government publications using the USA.gov platform. Enable our partner agencies to transform delivery of Digital Services to achieve open, transparent government and drive innovation by improving performance of federal websites by expanding the government-wide Digital Analytics program to include customer satisfaction metrics and analysis while continuing to increase its use across government.
5. Enhance quality and customer experience for Citizen Services by:
  - Improving access for citizens to get governmental information and services anytime, anywhere, from any device;
  - Providing integrated, quality experience to all citizens accessing government information and services; and
  - Measuring the customer experience with these innovative solutions using the Government Customer Experience Index.

## **Performance Goals.**

### **Performance Goal 3.1.1 – Improve customer satisfaction with government-owned and leased space**

**GSA will increase overall tenant satisfaction to 63 percent in FY 2015 and 65 percent in FY 2016.**

This survey measures how well GSA provides work spaces and building services; improves tenant communications; encourages collaboration among regions and customers; and ultimately helps determine the best value provided to agencies and the American people.

The survey assesses how well GSA is meeting occupant expectations concerning building management services, and helps ensure that federal employees occupy well-managed workspaces that support their work productivity.

**Benefit to the Public.** This measure assesses how well GSA lessors (i.e., property owners/managers) are meeting federal workforce expectations concerning building management services and that federal employees occupy well managed workspace that supports their work productivity.

**Performance Indicators.**

Customer 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 a “4” or “5” on a five-point scale.

**Progress Update.** In recent years, GSA’s tenant satisfaction results have been declining; GSA did not meet its FY 2014 performance targets for tenant satisfaction surveys. 61 percent of tenants reported satisfaction with buildings services, well below the goal of 75 percent.

GSA believes there are several reasons for this downward trend. GSA’s reduced operations, maintenance, and repair and alterations budget may impact tenants’ satisfaction rates as GSA has less money to allocate to needed facility repairs and infrastructure improvements. Efforts to consolidate tenants and reduce the amount of space allocated to each Federal employee may also have an impact on these results. Since we replaced the traditional paper survey with an electronic survey, GSA anticipated a lower response and satisfaction rate. FY 2014 was the second year GSA offered only an electronic survey. GSA also expanded the FY 2014 sample universe from a third of our building portfolio to 100% of GSA’s buildings.

In FY2014, the survey result was a 61 percent combined satisfaction score for government owned and leased buildings, with owned buildings reporting 62 percent satisfaction and leased reporting 61 percent satisfaction. GSA is aggressively working to increase tenant satisfaction. GSA developed a national action planning process requiring every GSA owned or leased building with a score to identify steps for improvement and address tenant concerns highlighted in the survey. GSA is also ensuring consistency with our building services delivery by improving communication with national managers and staff, and providing training courses. We will also continue our smart building program, which will improve building operations by allowing GSA to more closely monitor building performance, reduce costs and reduce energy usage, while working to better meet customers’ expectations. By combining these efforts, GSA hopes to increase tenant satisfaction and customer delivery.

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%      |     |
| 2016 | 65%      |     |

**Lead Office.** Public Buildings Service

**Performance Goal 3.1.2 – Achieve customer loyalty and supplier satisfaction with acquisition services**

***GSA will increase customer loyalty average ratings to 7.5 in FY 2015 and 7.6 in FY 2016.***

Customer loyalty is highly correlated to the likelihood that customers will continue to use and recommend an organization's products and services to others. Providing a means for customers to meet their mission critical product and service needs enables agencies to focus on achieving their missions and providing the maximum value to the American people. GSA will achieve supplier satisfaction with acquisition services, and will measure supplier satisfaction through a survey first issued in FY 2012. This survey will provide a baseline of performance and identify areas for improvement.

**Benefit to the Public.** Achieving customer loyalty allows GSA to take action to achieve greater customer intimacy with its customers by using survey results to improve program operations. The network of suppliers and vendors that GSA leverages to provide customer agencies with goods and services are essential to service delivery. Through positive working relationships with suppliers, GSA is able to provide better service to customers through relationships that are mutually beneficial for the supplier and customer.

**Performance and Contextual Indicators.**

Customer loyalty. This performance indicator was established to track customer loyalty and ensure that GSA Federal Acquisition Service is effective at meeting customer requirements. GSA customers are identified and the 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="Not at all likely" and 10="Very likely". The three questions are:

- "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]?"

Supplier satisfaction. This contextual indicator measures the average score across twenty-three survey questions. Responses are rated on a 5-point scale where 1="Much worse than other business partners," 3= "About the same as other business partners," and 5="Much better than other business partners".

**Progress Update.** GSA fell short of achieving its customer loyalty and supplier satisfaction with acquisition services. GSA achieved a customer loyalty score of 7.4, which did not meet the FY 2014 target of 7.8. This target was based on the survey results for FY 2012 and FY 2013, where a score of 7.6 in both years was achieved. There has been a gradual downturn in the survey

results over recent years.. GSA has seen the supplier satisfaction score plateau from 3.05 in FY 2013 to 3.04 in FY 2014 and will look to leverage the lessons learned and findings to make performance improvements.

Customer loyalty

| 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      |        |
| 2016        | 8.0      |        |

Supplier satisfaction

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2012        | Baseline | 3.0    |
| 2013        | 3.05     | 3.05   |
| 2014        | 3.10     | 3.04   |
| 2015        | 3.15     |        |
| 2016        | 3.15     |        |

**Lead Office.** Federal Acquisition Service

**Performance Goal 3.1.3 – Drive greater transparency and innovation in government**

***GSA will develop five new innovative, cost effective information technology solutions in FY 2015 and five additional in FY 2016.***

The GSA Office of Citizen Services and Innovative Technologies will develop new, innovative solutions that enable federal agencies to better deliver their missions and enhance citizen engagement. An innovative solution is a new method, tool, or platform that solves a new or existing problem. By providing these shared government-wide solutions, GSA helps agencies save valuable resources while improving operational efficiency. These solutions contribute to an open, citizen-centric government, and they enhance access to valuable government information and services by facilitating exchange of ideas and knowledge between the government and the public.

**Benefit to the Public.** Innovative solutions are cost effective information technology solutions that increase government openness, including solutions that enable citizens and businesses to more easily and effectively find and use government services, provide the public information about federal performance, engage the public in providing expertise on specific problems to federal agencies, provide management of government web sites and improve their performance, and leverage security assessments of innovative cloud computing services and solutions.

**Performance and Contextual Indicators.**

Number of innovative solutions. Innovative solutions are cost effective information technology solutions that increase government openness, including solutions to serve businesses with one-stop access to federal services, 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.** GSA achieved an additional five innovative solutions in FY 2014 which meets its target goal of five innovative solutions for the year. In order to deliver the best value and service to the American people and our partners, GSA is committed to providing greater transparency and openness in government. To support this goal, GSA is developing and implementing five new, innovative, and cost-effective technology-enabled solutions that improve government effectiveness and create to government-wide cost savings.

Innovation 1. Sites.USA.gov is a shared, secure, hosted, mobile-friendly content management system for public websites. It enables agencies to focus on creating great content rather than on building systems to deliver that content and reduces duplicative investments across government. Through open content and syndication, it enables content sharing across public websites. It supports the goal of the digital strategy to enable the American people to access high-quality digital government information and services anywhere, anytime, on any device.

Innovation 2. Digitalgov.gov is a platform that supports agencies as they provide digital services and information to the public. This site will be used throughout the government to find and share resources, accelerate learning and innovation, provide insight on policy issues, and interact with the private and non-profit sectors, as well as state and local government.

Innovation 3. Inventory.data.gov is a no cost tool available to all federal agencies to help them meet the requirements of the Open Data Policy. Inventory.data.gov allows agencies to easily create their initial on-line enterprise data inventories in the data.json format required by the Open Data Policy. The Data.gov catalog then harvests the data.json files to maintain an up-to-date, on-line catalog of all agencies' data holdings.

Innovation 4. The Challenge.gov Ideation platform provides agencies a single, government-wide no-cost tool under challenge.gov to conduct ideation crowdsourcing competitions. Agencies crowdsource problems and invite the public to submit ideas and solutions to specific problems. Prizes can be given for the best or most popular ideas, including recognition or small financial incentives. Ideation contests can be the first stage of a multi-phase challenge competition and are used frequently by agencies across government to obtain innovative ideas from a diverse range of sources that extend beyond those typically reached through traditional procurements.

Innovation 5. Unclaimed Money is a new application that will be available on USA.gov to allow the public to search for unclaimed money through a single website. The Unclaimed Money application aggregates search results from multiple databases across the federal government to help people search for millions of dollars in unclaimed money that the government may owe them. Unclaimed money is consistently among the top terms searched by the public on USA.gov.

Number of Innovated Solutions

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2013        | 5      | 5      |
| 2014        | 10     | 10     |
| 2015        | 15     |        |
| 2016        | 20     |        |

**Lead Office.** Office of Citizen Services and Innovative Technologies

**Performance Goal 3.1.4 – Increase Citizen Engagement**

***GSA will increase the number of citizen touchpoints to 433 million in FY 2015 and 476 million in FY 2016.***

GSA will increase citizen engagement by increasing the number of citizen touchpoints.

**Benefit to the Public.** Citizen touchpoints deliver value for GSA and the public by providing easier access to essential government information, services, and engagement via the internet, phone, email, social media, and print.

**Performance and Contextual Indicators.**

**Citizen touchpoints.** This performance indicator estimates use of OCSIT properties (information channels). It includes, but is not limited to, usage of websites such as usa.gov, gobiernousa.gov, and others; automated and assisted telephone contacts; e-mail and web chat inquiries; publications ordered in print medium or electronically viewed; search queries using DigitalGov Search; and URLs shortened with GO.USA.gov and 1.USA.gov.

**Progress Update.** OCSIT refined its methodology for FY15 to include only active citizen interactions as part of its overall touchpoint calculation. An "active touchpoint" is defined as a citizen-initiated interaction with an OCSIT property. It includes visit to our websites, searches performed on DigitalGov search engines, visits to our Frequently Asked Questions, customer inquiries via phone, email, or web chat, and publication orders and digital viewing. It does not include OCSIT- initiated interactions like social media, bulk mailings, email subscriptions, etc.

Our citizen touchpoints count will now focus on those interactions that reflect meaningful public engagement. The primary difference will come from excluding social media feeds to fans and followers, which represent potential access to our content, but likely overestimate actual usage due to the large volume of information distributed on social media. Consequently, we expect limited growth in FY15 and gradual growth in FY16 and beyond.

Active Citizen Touchpoints

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2011        | N/A    | 143M   |
| 2012        | N/A    | 231M   |
| 2013        | N/A    | 416M   |
| 2014        | N/A    | 425M   |
| 2015        | 433M   |        |
| 2016        | 476M   |        |

**Lead Office.** Office of Citizen Services and Innovative Technologies

**Performance Goal 3.1.5 – Implement effective policy initiatives**

***GSA will implement effective policy initiatives that result in 85 percent of key policy stakeholders and agency users rating GSA Office of Government-wide policy initiatives as effective in FY 2015 and FY 2016.***

As a result of specific analysis, coordination with OMB, or collaboration with agency partners, OGP pursues specific policy initiatives to advance government wide efficiency and effectiveness.

**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 Indicators.**

Percentage of key policy stakeholders and agency users who rate policy initiatives effective. This performance indicator calculates the percentage of survey respondents who rate specific Office of Government-wide Policy 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 to drive evidence-based policy to enable the delivery of effective and efficient government.

**Progress Update.** In FY 2014, OGP continued to develop policies and conduct analysis across a wide portfolio—including acquisition, real property, travel & relocation, transportation, high-performance green buildings. In surveying nearly three hundred federal agency partners, 92% of respondents rated OGP’s policies as very effective, effective, or somewhat effective.

Percentage of key stakeholders and agency users who rate policy initiatives effective

| <b>Fiscal Year</b> | <b>Target</b> | <b>Actual</b> |
|--------------------|---------------|---------------|
| 2006               | 60%           | 54%           |
| 2007               | 60%           | 70%           |
| 2008               | 60%           | 79%           |
| 2009               | 63%           | 81%           |
| 2010               | 66%           | 77%           |
| 2011               | 78%           | 84%           |
| 2012               | 80%           | 86%           |
| 2013               | 80%           | 93%           |
| 2014               | 85%           | 92%           |
| 2015               | 85%           |               |
| 2016               | 85%           |               |

**Lead Office.** Office of Government-wide Policy

**Strategic Objective 3.2: Support small and disadvantaged business**

**Strategies.** GSA will collaborate with industry on federal acquisition requirements and best practices to promote opportunities for small, disadvantaged (SDB’s), women-owned (WOSB),

historically underutilized business zones (HUBZone), and service-disabled veteran–owned small businesses (SDVOSB). GSA will continue to educate the acquisition workforce on the importance of meeting socio-economic goals and assure small business considerations are made throughout the acquisition life-cycle in accordance with the Federal Acquisition Regulation (FAR) and General Services Acquisition Manual (GSAM) to maximize small business opportunity in procurements. The planned strategies for this objective include:

1. Increase participation in acquisition planning, internal small business compliance reviews, and prime contractor/subcontractor compliance reviews.
  - a. Acquisition planning – conduct quarterly forecast line-by-line analysis meetings/stakeholder discussions with GSA business line senior leadership.
  - b. Small business procurement compliance reviews – review contract files, from cradle to grave, to ensure regional small business compliance with FAR Part 19 and GSAM Part 519, along with applicable Executive Orders, Acquisition Alerts, Acquisition Letters and supplemental guidance.
2. Advise on revision of small business policies.
3. Enhance analytic, performance monitoring and reporting capabilities.
4. Streamline outreach program efficiency and effectiveness.
5. Increase participation in the Mentor Protégé Program for business development.
6. Track agency progress for compliance with subcontracting goals.

**Strategic Objective Goal Leaders:**

- A. Jerome Fletcher, II, Associate Administrator, Office of Small Business Utilization (Lead Office)

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- |  |   |
|--|---|
| • Acquisition Workforce Training               | • General Management and Support Services |
| • Assisted Acquisition                         | • General Supplies and Services           |
| • Building Operations                          | • Government-wide Policy                  |
| • Citizen Services and Innovative Technologies | • Integrated Award Environment            |
| • Construction and Acquisition of Facilities   | • Integrated Technology Services          |
| • Electronic Government                        | • Operating Expense                       |
| • Federal Acquisition Service – Integrators    | • Rental of Space                         |
|  | • Transportation Audits                   |
|  | • Travel, Motor Vehicle and Card Services |

**Strategic Objective 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 2013 GSA received its third consecutive A rating from the Small Business Administration (SBA).

In FY 2014, GSA continues to focus on the HUBZone goal. GSA participates in many HUBZone outreach events at the regional and national levels; identifies HUBZone concerns in each buying activity and gives HUBZone businesses direct access to buyers and contracting officers. GSA’s Office of Small Business Utilization conducts internal training sessions with buyers and project managers to educate them about market research resources and to clarify the use of HUBZone set-asides under the new “parity” guidelines. GSA collaborates with the SBA to host HUBZone and other small business contracting webinars to provide facts and

resources to the acquisition workforce. These webinars provide education on contracting with HUBZones in an effort to assist with meeting the three percent HubZone small business goal.

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 goal achievement for the regional buying activity for which they are responsible.

In FY 2013, over 37 percent conducted through the Multiple Award Schedules were awarded to small and disadvantaged businesses compared to an annual target of 33 percent. GSA exceeded all small business prime contracting goals with the exception of HUBZone. Final numbers for small business performance for FY2014 will be reported by the Small Business Administration in March of 2015.

In March 2013, GSA's Administrator, Dan Tangherlini, issued a memorandum encouraging the agency to expand contracting opportunities for small businesses. The memorandum reinforced that meeting and exceeding agency-wide small business goals is a priority at GSA. In June 2014, he reiterated to senior management that contracting with small businesses is a win-win for both the federal government and the small business community. In July 2014 GSA released a form to be filled out by contracting officers when not using socio-economic set-asides, in order to encourage socio-economic growth. This form raises awareness and promotes use of small and disadvantaged businesses.

**Strategic Objective Next Steps.** GSA plans to take the following actions in support of this strategic objective:

1. Monitoring, oversight, and accountability:

- Enhance level of detail in reports GSA uses to track and monitor progress against subcontracting goals to show greater visibility into specific buying activities.
- Develop reporting dashboards for GSA's Public Buildings Service (PBS) and the Office of Administrative Services (OAS) to assist with tracking subcontracting goals and reporting progress as well as aid in monitoring of prime contractor compliance with reporting requirements.
- Continue to include weekly updates on subcontracting progress to agency leadership via the Agency Weekly Report and team briefings for senior management.
- Issue guidance from the Administrator regarding the importance of meeting small business goals, including all subcontracting goals.
- Conduct targeted conversations with regional and business line leadership where subcontracting goals are not being met.
- Perform targeted monitoring and spot-checks via the Electronic Subcontracting Reporting System (sears), and follow-up with prime contractors that are not meeting their subcontracting goals.
- Partner with SBA to conduct Subcontracting Compliance Review site visits for major, high-dollar contracts, with a focus on Federal Strategic Sourcing Initiative (FSSI), and National Broker Contracts; conduct select reviews by desk audit.
- Include in annual Procurement Management Reviews (PMRs), or conduct individual Small Business Compliance Reviews (SBCRs), an evaluation of contracting officer monitoring of subcontracting plans, and the reporting of contractors' performance against, and efforts to achieve, small business goals in the Past Performance Information Retrieval System (PPIRS); nine PMRs and/or SBCRs are scheduled for FY 2014.

- Continue to publish subcontracting goals and progress to the internal Office of Small Business Utilization (OSBU) Subcontracting website on a weekly basis.
  - Continue to encourage teams to promote and negotiate aggressive subcontracting plan goals as appropriate for individual projects.
  - Collaborate with program offices and provide guidance and oversight when new requirements are developed to determine if small business can be utilized either in partial or a total capacity; i.e.: Business Cases, Bundling Analysis, Consolidation Analysis and the Small Business Analysis Record.
  - Utilize GSA's social media platforms to communicate current small business goal status and offer encouragement to continue working towards reaching those goals.
2. Acquisition workforce training and guidance:
- Develop guidance, tools, and templates to support plan development and acquisition monitoring.
  - Conduct subcontracting training (online and classroom) for the GSA Acquisition Workforce, providing instruction on accepting or rejecting Individual Subcontracting Reports (ISRs) and Summary Subcontract Reports (SSRs) in the Electronic Subcontracting Reporting System (eSRS).
  - Train small business Specialists/Advocates on how to conduct Subcontracting Compliance Reviews.
  - Issue reminders which reference GSA's Subcontracting Desk Guide with information on subcontracting policies, procedures, common practices, how-to instructions, and pitfalls to avoid.
  - Encourage use of GSA's Model Subcontracting Plan to assist prime contractors in developing plans that meet all regulatory requirements.
  - Issue an Acquisition Alert from GSA's Senior Procurement Executive as a reminder about subcontracting plan reporting deadlines.
  - Collaborate with GSA's Senior Procurement Executive, Federal Acquisition Service (FAS), PBS, and OAS to identify ways to strengthen internal policies and procedures to ensure adherence to subcontracting plans.
  - Redesign and regularly update the online subcontracting directory ([www.gsa.gov/subdirectory](http://www.gsa.gov/subdirectory)) to provide current information regarding opportunities available to small businesses
  - Work in conjunction with Office of Government-wide Policy to develop and present training in Small Business Analysis.
3. To maintain our focus on HUBZone awards, GSA plans to execute, and continue implementing the following initiatives in Fiscal Year 2015:
- Increase acquisition planning collaboration:
    - Strengthen the forecast process for contracting opportunities by conducting quarterly line-by-line forecast review sessions and stakeholder discussions with senior leadership and contracting officials; use these sessions to identify key HUBZone procurements and targets coming up in FY 2014.
    - Conduct quarterly procurement forecast reviews with senior leadership
    - Assess weekly regional small business forecast reports and adjust engagement activities as necessary
    - Create a Market Research Visualization Tool
    - Conduct weekly reviews of projections for goal achievement from service areas
  - Revise policies:



- Issue an Acquisition Alert with key reminders: prioritize HUBZone consideration; focus on meeting all small business goals; fill GSA-funded orders or requirements via GSA Schedules/BPAs and IDIQs only if it contributes to meeting a targeted socio-economic goal, a competition goal, a sustainability goal, or another exception; ensure Small Business Technical Advisors are sufficiently involved in the acquisition process.
  - Issue GSAM 519 and GSA Form 2689 revisions: lower threshold for SBTA and Associate Administrator of OSBU review and clarify SBTA review for general small business set-asides
  - Issue a desk guide for the acquisition workforce regarding GSA's Mentor Protégé program.
  - Enhance acquisition workforce training:
    - Conduct "Back to Basics" training that includes acquisition planning, market research, and small business.
    - Conduct quarterly HUBZone Contracting webinar training.
  - Issue specific guidance to the acquisition workforce regarding availability of HUBZone market research sources, how to better identify qualified HUBZone small businesses, and ways OSBU can assist.
  - Issue memo from the Administrator regarding the importance of meeting small business goals, including the three percent HUBZone small business goal.
  - Continue to share market research tips and other proven practices to solicit discussion of best practices from buying activities that have been particularly successful awarding to HUBZone small businesses and meeting or exceeding their goal.
4. Outreach:
- Target HUBZone outreach for top North American Industrial Classification System (NAICs).
  - Recruit more HUBZones on Schedules to meet GSA needs.
  - Target virtual and in-person events to:
    - Increase awareness of HUBZone certification steps;
    - Increase awareness of HUBZone and SDVOSB procurement opportunities;
    - Provide free training which includes subcontracting opportunities in GSA, like the GWAC and OASIS programs, with prime vendors, as well as on how to participate in the Mentor Protégé Program to improve business development.
  - Recruit more HUBZone firms in the Mentor-Protégé program for key NAICs, and encourage teaming.
  - Target social media postings based on small business goal status throughout the year.
  - Solicit buyers to share feedback on proposal improvements, and solicit success examples from vendors.
  - Focus on event attendance where HUBZone is the target.
  - Create a HUBZone/ service-disabled veteran-owned small business Center of Expertise
  - Conduct targeted HUBZone outreach

## **Performance Goals.**

### **Performance Goal 3.2.1 – Meet small business contracting and subcontracting goals**

***Award 40.52 percent of eligible dollars to small businesses in FY 2015 and award the FY 2016 target of eligible dollars to small businesses negotiated with the Small Business Administration in FY 2016.***

The GSA small business goals are set based on guidance from the Small Business Administration (SBA). Each major procuring business line at GSA contributes to achieving its share of the agency-wide small business goals to enable GSA to meet its agency-wide prime small business contracting 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 Indicators.**

Percent of dollars awarded to small business prime contracting. This performance indicator measures the overall percentage of eligible procurement dollars awarded to: (1) small business, (2) woman owned small business, (3) small disadvantaged business, (4) service disabled veteran owned small business, and (5) historically underutilized business zone business. This indicator excludes mandatory sources, contracts not governed by the Federal Acquisition Regulations, and product service codes for leasing. Targets for the goal categories are negotiated annually between the SBA and the GSA Office of Small Business Utilization based on analysis of historic and projected trends in procurement spend. Performance data for this indicator is generated from a snap-shot of the Federal Procurement Data System (FPDS). For more information about the data, data sources, and data timeliness, please see <http://smallbusiness.data.gov/learn?tab=Sources%20of%20Data>.

**Progress Update.** GSA awarded 37.0 percent of eligible dollars to small businesses in FY 2013 and exceeded the target for this goal of 30 percent. On August 2, 2014, FY2013 final performance numbers were posted on the Small Business Administration’s scorecards at [https://www.sba.gov/sites/default/files/files/FY13\\_GSA\\_SB\\_Procurement\\_Scorecard\\_Public\\_View\\_2014-04-28.pdf](https://www.sba.gov/sites/default/files/files/FY13_GSA_SB_Procurement_Scorecard_Public_View_2014-04-28.pdf). GSA received an “A” on its FY2013 Small Business Procurement Scorecard.

Percent of dollars awarded to small business prime contracting

| Fiscal Year | Target*  | Actual |
|-------------|----------|--------|
| 2011        | Baseline | 34.2%  |
| 2012        | Baseline | 40.1%  |
| 2013        | 30%      | 37%    |
| 2014        | 40%      | TBD    |
| 2015        | 20%      |        |
| 2016        | n/a*     |        |

\* Targets set by Small Business Administration

**Lead Office.** Office of Small Business Utilization

**Performance Goal 3.2.2 – Meet small business subcontracting goals**

***GSA prime contractors will award at least 29 percent of eligible dollars to small business subcontractors in FY 2015 and award the FY 2016 target of eligible dollars small businesses negotiated with the Small Business Administration in FY 2016.***

The GSA small business goals are set based on guidance from the SBA. Each major procuring business line at GSA contributes to achieving its share of the agency-wide small business goals to enable GSA to meet our agency-wide subcontracting 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 Indicators.**

Percentage of dollars awarded to small business through subcontracting. This performance indicator measures the overall percentage of eligible subcontracting procurement dollars award to: (1) small business, (2) woman owned small business, (3) small disadvantaged business, (4) veteran owned small business, and (5) historically underutilized business zone business. Service-disabled veteran-owned small business, a subset of veteran owned small business, is also reported. This indicator excludes mandatory sources, contracts not governed by the Federal Acquisition Regulations, and product service codes for leasing. Targets for the goal categories are negotiated annually between the Small Business Administration and the GSA Office of Small Business Utilization based on analysis of historic and projected trends in procurement spend. Performance data for this indicator is generated from a snap-shot of the Electronic Subcontracting Reporting System (eSRS).

**Progress Update.** GSA may not meet the FY 2014 prime target of 40.52 percent set by SBA, an increase of over 10 percent from the previous year. As of March, GSA awarded 39 percent of the FY 2014 prime contracts to small business, with only 2.59 percent awarded to HUBZone small businesses (as compared to a target of 3 percent). The overall small business prime award percentage will decrease once PBS awards the FY 2014 construction contracts. As of March (Q2), 22.8 percent of awards went to small business subcontracts.

For FY 2013, 2.57 percent of contracts were HUBZone awarded and for FY 2014 2.59 percent, as of March. Expanding opportunities for HUBZone small businesses is a priority at GSA and we are focused on meeting the three percent goal. To support this, OGP developed an interactive dashboard that allows GSA's acquisition workforce to easily match product and service requirements to HUBZone vendors by geographic proximity or product service codes.

Percentage of dollars awarded to small business through subcontracting

| Fiscal Year | Target*        | Actual |
|-------------|----------------|--------|
| 2011        | Baseline       | 32.1%  |
| 2012        | Baseline       | 26.0%  |
| 2013        | 25%            | 30.0%  |
| 2014        | 25%            | TBD    |
| 2015        | 29%            |        |
| 2016        | not available* |        |

\* Targets set by Small Business Administration

**Lead Office.** Office of Small Business Utilization

**Performance Goal 3.2.3 – Achieve small business targets on the Multiple Award Schedules**

**33 percent of business on the Multiple Award Schedules will be awarded to small business in FY 2015 and FY 2016.**

GSA establishes long-term government wide contracts with commercial firms to provide access to millions of commercial products and services at volume discount pricing. These Multiple Award Schedules advance the socio-economic business goals of the Administration by providing channels through which GSA and customer agencies can access the small business segment of the market.

**Benefit to the Public.** Meeting this goal will provide opportunities for small businesses to create jobs and drive the economy forward.

**Performance and Contextual Indicators.**

Percent of MAS business volume coming from small businesses. This performance indicator reports the percentage of Multiple Award Schedule business volume that is attributed to small businesses each year by calculating the GSA Multiple Award Schedules total business volume attributed to small businesses and dividing it by the total business volume.

**Progress Update.** The GSA Multiple Award Schedules continues to be one of the ways GSA provides small and disadvantaged businesses access to the federal marketplace. In FY 2014, 37 percent of the business conducted through the Multiple Award Schedules was awarded to small and disadvantaged businesses compared to an annual target of 33 percent.

Percent of MAS business volume coming from small businesses

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2011        | Baseline | 33.5%  |
| 2012        | Baseline | 34.0%  |
| 2013        | 33%      | 34.7%  |
| 2014        | 33%      | 37.2%  |
| 2015        | 33%      |        |
| 2016        | 33%      |        |

**Lead Office.** Federal Acquisition Service

## Management Objectives

GSA is committed to building its capabilities to deliver its mission at the best possible value to its customers and the American people. To meet this challenge, we are building a stronger GSA by making sure our own employees at GSA are getting the same high quality support that we give 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

**Strategies.** The Office of Human Resources Management (OHRM) is working towards a future state that provides meaningful HR data and analysis and consultative support to help customers make informed business decisions. We provide the tools and advice that create a diverse, agile and high-performing GSA workforce characterized by people who embody GSA's core values and effectively deliver the best value in real estate, acquisition, and technology services to government and the American people. GSA will deliver a high performing workforce by focusing on the following key strategic priorities: enhancing GSA performance management, culture, and employee engagement; enhancing workforce readiness; and improving operational efficiency and cost to enhance the GSA customer experience. We will do this by focusing on the core competencies required across GSA to achieve the agency mission, and developing enterprise-wide workforce plans that include identification of GSA employee training needs. We will continue to invest in an overarching strategy for employee engagement, strengthening performance management, recruitment strategies, succession planning, and enhancing learning and development opportunities, particularly for leaders and supervisors. We will become a more efficient and results oriented workforce by utilizing data analytics and improving human resource service delivery models to help leaders drive their business and deliver results. The current strategies for this objective include:

1. Providing an evolving portfolio of partner-centric products and services;
2. Optimizing HR service delivery models;
3. Maintaining quality leadership and a diverse, high-performing workforce

### Management Objective Goal Leader.

- Antonia T. Harris, Chief Human Capital Officer, Office of Human Resource Management

**Contributing Programs.** The following program, defined in the Federal Program Inventory, contribute to this objective.

- Acquisition Workforce Training
- Assisted Acquisition
- Building Operations
- Citizen Services and Innovative Technologies
- 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
- Integrated Technology Services
- Operating Expense
- Rental of Space
- Transportation Audits
- Travel, Motor Vehicle and Card Services

**Management Objective Progress Update.** During FY2014, GSA completed a number of initiatives aimed at delivering a mission ready workforce. Completion of these initiatives has laid the groundwork for developing enterprise-wide workforce plans for GSA in FY15 that will support the agency in marrying business strategy and human capital strategy. GSA's FY14 achievements also position GSA to improve employee engagement. Specifically, OHRM worked with subject matter experts in GSA's five mission critical occupations (Building Managers, Leasing Specialists, Contract Specialists, Budget/Financial Analysts and IT Specialists) to develop competency models and assess employees in those occupations against the models. Identification of skill levels, as well as skill gaps, for these critical roles will help the organization develop action oriented plans for closing competency gaps and improve our overall ability to deliver the GSA mission. Additionally, GSA established and implemented an agency-wide framework for annual staffing plans that will enhance internal controls around salary and staffing resource allocations.

GSA also implemented a GSA Learning and Development framework to include a new policy, governing body (the Learning and Development Council) and key electronic tools. This overarching framework is the foundation for effectively and efficiently allocating training resources and thus improving the skills of all GSA employees.

To support GSA's efforts to become increasingly data driven in its approach to developing a mission ready workforce, GSA created an analytics organization within the Office of Human Resource Management that produces agency-wide and organization specific workforce analysis that will drive future business decisions. We continued to streamline operations while maintaining a high level of accuracy. During this year of transition, GSA did not meet its hiring cycle time goal as hiring time increased from 86 days to 88 days in FY2014. However, the Hiring Exception Request (HER) review time was reduced by 50 percent (to 7 days) and GSA achieved an accuracy rate of 92 percent for retirement action (exceeding government wide rate of 87 percent). In FY2014, GSA did not meet its goal for employee engagement results on the Federal Employee Viewpoint Survey, yet scored above average for federal agencies. GSA is beginning the process to transform the agency's performance management culture by researching and developing new proposals for performance management for non-SES employees.

GSA also developed Service Level Agreements (SLAs) between GSA's Office of Human Resources Management (OHRM) and its internal business partners that will allow GSA to measure the delivery of key service attributes, the effectiveness of our services, and ultimately the satisfaction of business partners, ensuring the OHRM is helping GSA meet the needs of the Federal government.

While delivering the initiatives outlined above, GSA also made significant progress towards the organizational transformation of its Office of Human Resources Management. Based on both public and private sector benchmarking, GSA designed an organizational structure that will allow us to efficiently and effectively meet the needs of our business partners. We've identified the leadership for this new organization and are in the process of migrating employees to their new positions. Employees have been assessed against the competency demands for this new organization and a comprehensive learning and development program was put in place to address core skill requirements. A significant component of this new operational model is the move to "self service" for GSA employees and managers. In support of this effort, GSA began the divestiture of our current Human Resource Line of Business (HRLOB), developed requirements and a robust set of quantitative and qualitative assessment criteria with a

corresponding automated tool to measure providers and began the selection of a new vendor. These organizational improvements will position GSA to deliver a mission-ready workforce by providing meaningful data and analysis and consultative support.

**Strategic Objective Next Steps.** GSA will focus on the following key initiatives in support of this strategic objective:

1. Enhance GSA performance management, culture and employee engagement by:
  - Executing an overarching strategy for employee engagement
  - Improving GSA's performance management systems including aligning supervisory performance goals to agency performance goals
  - Implementing leadership development programs
  - Implementing agency-level supervisory programs and training
  - Aligning enterprise-wide core competencies with human capital management strategies
2. Enhance workforce readiness by:
  - Developing enterprise-wide workforce plans including identification of GSA employee training needs
  - Developing an enterprise-wide recruitment strategy in coordination with CFO
  - Implementing a Human Capital Management Collaborative
3. Improving operational efficiency and cost to enhance the GSA customer experience by:
  - Defining the Next Gen Human Resources Information Technology (HRIT)
  - Implementing the complete scope of the OHRM Service Level Agreements
  - Developing capability to identify cost drivers and to provide cost per various stratifications (e.g. functional area, project, program, commitment, etc)

## **Performance Goals.**

### **Performance Goal M.1.1 – Reduce time to hire**

***GSA will achieve a time to hire of not to exceed 80 days in FY 2015 and FY 2016.***

GSA will improve operational efficiency and cost to enhance the GSA customer experience in part by reducing the time to hire. The Administration has issued a call to agencies to put in place common-sense hiring processes and to reduce the complexity of agency hiring.

**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 Contextual Indicators.**

Reduce the time to hire 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. Once the 'time to hire' data is calculated for each vacancy, the hire days are added together and then divided by the total number employees to arrive at the average time to hire in days.

**Progress Update.** We continued to streamline HR operations while maintaining a high level of quality. In FY2014, the hiring cycle time was reduced to 88 days (from a high of 98 days and vs. a goal of 80 days), but which was slightly higher than FY 2013 performance of 86 days. This

performance can be attributed to GSA establishing new and effective tracking mechanisms and enhancing the management engagement in the process. Challenges to meeting this goal include 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.. In FY 2015, GSA is developing an enterprise-wide recruitment strategy based on the staffing plans developed in FY14 that will enhance internal controls around PC&B and FTE resource allocations.

| Time to hire |          |         |
|--------------|----------|---------|
| Fiscal Year  | Target   | Actual  |
| 2011         | Baseline | 89 days |
| 2012         | Baseline | 96 days |
| 2013         | 80 days  | 86 days |
| 2014         | 80 days  | 88 days |
| 2015         | 80 days  |         |
| 2016         | 80 days  |         |

**Lead Office.** Office of Human Resource Management

**Performance Goal M.1.2 – Increase EVS employee engagement score**

***GSA will increase the employee engagement score to 71 percent in FY 2015 and to 72% in FY 2016.***

GSA will maintain quality leadership and increase employee engagement.

**Benefit to the Public.** 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 un-engaged employees. Creating an engaged workforce support improved operational efficiency, effectiveness and enhance service delivery.

**Performance and Contextual Indicators.**

EVS employee engagement score All agencies are accountable for ensuring that 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. The 2013 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, of 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. An agency can look at the various items that comprise each index to get a richer understanding of the areas in which they are doing well and areas that need improvement. The Employee Engagement Index is made up of three subfactors: Leaders Lead, Supervisors, and Intrinsic Work Experiences.

**Progress Update.** GSA did not meet its EVS Engagement Index target. In FY15, GSA is executing an overarching strategy for employee engagement to serve as a catalyst to initiate discussions and action planning. Under this initiative, the EVS will become a tool that is used to validate that organizations are addressing the right topics and to identify any areas that may be



overlooked. The initiative is a collaborative effort of the OHRM, the Administrator's Office, and leaders within each GSA organization, especially their managers and leaders. The initiative also includes engaging in interagency engagement efforts through coordination with OPM, OMB, and the CHCO.

Employee engagement score

| Fiscal Year | Target   | Actual |
|-------------|----------|--------|
| 2011        | Baseline | 71%    |
| 2012        | Baseline | 71%    |
| 2013        | Baseline | 69%    |
| 2014        | 71%      | 69%    |
| 2015        | 71%      |        |
| 2016        | 72%      |        |

**Lead Office.** Office of Human Resource Management

**Management Objective M.2: Streamline information technology and improve data quality and reporting**

**Strategies.** GSA will deliver quality information technology (IT) to efficiently support our internal operations and to provide high-valued products and services to our external business partners. To meet that challenge, we will change the way we deliver technology to our agency by integrating GSA IT services into a unified IT organization supported by a superior workforce. We will shift our culture from a decentralized business model to one with an enterprise-wide focus that makes transparent, data-driven decisions enabling innovative and collaborative solutions.

GSA will be a trusted advisor and partner, leveraging IT to deliver best value and innovative solutions for high quality outcomes. Our core values and guiding principles drive our decision making and our operational models. We will work as a team to deliver on commitments to our stakeholders as we support the GSA mission. In our execution of IT services, we incorporate our business knowledge and technology expertise to choose the best solution available. Consolidating enterprise IT services will leverage our resources, while efficiently providing capabilities needed across the GSA enterprise. We will focus on designing and delivering "simpler" IT which means improved access to IT, making IT easier to understand and use, and providing effective IT tools for GSA stakeholders.

GSA understands not only how fiscal constraints affect both our internal and external customers, but also how technology can be leveraged to best support mission needs. Through our governance processes, we will make structured, evidence-based investment decisions. While we continue to remain invested in technology innovation, we will balance innovation with the use of mature, standard processes and technologies that effectively meet user needs and create value. We are leveraging the technology surge of the social era to innovate the way we work together; we are standardizing on an agency-wide social networking platform and using other technologies that allow our employees to connect virtually from anywhere. Smart application of technologies saves money and allows for collaboration to generate good ideas.

The planned strategies for this objective include:

1. Improve the quality of our data and reporting by creating a list of categories to enable the search, discovery and reuse of enterprise data.

2. Develop data management services to improve the quality of GSA IT data, reporting and business analytics.
3. Improve business systems by consolidating applications, increasing cloud usage, and improving strategic customer engagement;
4. Modernize the GSA IT environment by providing key application access from mobile devices while improving environment security; and
5. Consolidate the GSA IT portfolio to better manage the Agency's investment in information technology.

**Management Objective Goal Leader.**

- Sonny Hashmi, Associate Administrator, Office of the Chief Information Officer

**Contributing Programs.** The following programs, defined in the Federal Program Inventory, contribute to this objective.

- 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
- Integrated Technology Services
- Rental of Space
- Travel, Motor Vehicle and Card Services

**Strategic Objective Progress Update.** GSA consolidated all infrastructure operations, multiple help desks, networks, end user support, and email support; combined multiple IT support contracts; and reduced overhead by abolishing regional CIO structures. GSA modernized IT platforms, delivered greater mobility, implemented cloud adoption (resulting in savings for email and cost avoidance for enterprise applications), supported Open Workplace, and made great strides in virtualization/data center consolidation. GSA is committed to Voice over Internet Protocol (VOIP) and is in the process of rolling out virtual desktops agency wide. GSA reduced IT spending by 8.3% between 2013 and 2014 through these initiatives, and continues to innovate and modernize primarily through cloud computing.

GSA has completed the transition and consolidation of enterprise planning and governance, IT infrastructure operations, and IT security. Consolidation and integration have allowed GSA to identify efficiencies and eliminate duplication in the areas of platforms, security, and contract services. More than 98% of the Agency's systems are continuously monitored for security. GSA has achieved a 93.1% virtualization optimization which means a more efficient and green operation through energy savings and data center space reduction. Governance has achieved a regular and anticipated place within the agency and at the agency executive levels. FY15 will be the first full year that the Enterprise IT Governance model with supporting governance boards will fully participate in the strategic alignment of GSA's IT investments.

GSA IT utilized the Zero Based Budgeting (ZBB) methodology for the second year. Adjustments and refinements made this year have created a stable and predictable process that GSA IT now considers a standard. The implementation of ZBB allows GSA IT to closely examine and review planned spending, ensuring it aligns with agency and IT strategies and priorities.

GSA IT designed and implemented the Data-to-Data (D2D) Architecture, deployed the D2D DoD Domain, and successfully conducted initial user training for DoD Modernization. The D2D

program established a data strategy, architecture, and standards across GSA that will improve the availability and sharing of data.

**Management Objective Next Steps.** GSA will take the following actions in support of this strategic objective over the next two years:

1. Streamline information technology and provide enterprise solutions to create a simplified end user environment; and
2. Create a comprehensive view of the GSA information technology portfolio to provide a better understanding of the total information technology spend.

### **Performance Goals.**

#### **Performance Goal M.2.1 – Successfully implement consolidated enterprise information technology services**

***GSA will increase the cumulative number of consolidated enterprise information technology services successfully implemented to four in FY 2015 and five in FY 2016.***

GSA Information Technology (IT) is assessing the consolidated IT services and functions. We are changing reporting lines, and identifying ways to consolidate funding, services and portfolios. To streamline IT and provide enterprise solutions, we will create a simplified environment. We aim to meet the needs of our customers by providing standardized technology, commodity IT, and enterprise information technology services. Consolidated services provide an opportunity to increase innovation, enhance effectiveness, improve efficiency and reduce risk.

**Benefit to the Public.** This approach will 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.**

Number of enterprise information technology services successfully implemented. This performance indicator tracks the cumulative number of enterprise information technology services successfully implemented.

Commodity information technology savings (Contextual Indicator). This performance indicator is defined as the reduction in commodity information technology purchases from previous year spend. 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.

GSA IT cost reduction from FY2014 baseline *(new)*. This performance indicator measures total IT spend against 2014 baseline.

**Progress Update.** GSA successfully implemented two consolidated enterprise information technology services in FY 2013. We consolidated multiple internal intranet sites into a single enterprise portal (InSite), and started the migration of enterprise services onto a single consolidated Enterprise Service Bus (ESB) solution. The timely identification and institutionalization of an ESB standard was critical to the success of this deployment. GSA plans to continue to add at least one enterprise information technology service per year over the next few years.

GSA reduced commodity IT purchases by 8.3 percent in FY 2014 from FY 2013. This reduction was achieved through a cost management focus via a zero-based budget methodology, and is projecting continued reductions in commodity IT as a result of enterprise consolidation. The GSA IT Investment Review Board tasked the newly formed Business IT Board to propose reductions and reinvestments that focus on the external customer and making it easier to do business with GSA.

Cumulative number of enterprise IT services successfully implemented

| <b>Fiscal Year</b> | <b>Target</b> | <b>Actual</b> |
|--------------------|---------------|---------------|
| 2012               | Baseline      | 0             |
| 2013               | 2             | 2             |
| 2014               | 3             | 3             |
| 2015               | 4             |               |
| 2016               | 5             |               |

Commodity IT savings (% reduction in purchases from previous year)

| <b>Fiscal Year</b> | <b>Target*</b> | <b>Actual</b> |
|--------------------|----------------|---------------|
| 2014               | Baseline       | 8.3%          |
| 2015               | 7.9%           |               |
| 2016               | 4.9%           |               |

\* Denotes contextual indicator

GSA IT cost reduction from FY 2014 baseline

| <b>Fiscal Year</b> | <b>Target</b> | <b>Actual</b> |
|--------------------|---------------|---------------|
| 2014               | Baseline      | 0             |
| 2015               | 8%            |               |
| 2016               | 12%           |               |

**Lead Office.** Office of the Chief Information Officer

### **Management Challenges**

GSA major management challenges and actions are included as a separate section in GSA's FY 2016 Congressional Justification. The Inspector General's report is available upon request.

### **Evidence Building**

In FY 14, OMB's M-14-06 noted the importance of "...high-quality and reliable statistics" in providing the "foundation for the research, evaluation, and analysis that help the federal government understand how public needs are changing, how well federal policy and programs are addressing those needs, and where greater progress can be achieved." This built upon previously issued memoranda which emphasized the need to use "evidence and rigorous evaluation in budget, management, and policy decisions to make government work effectively" (M-12-14) and the need to strengthen "agencies' capacity to build and use evidence" (M-13-17). In response, GSA is building capacity for evidence, analysis, and evaluation sciences to drive improved policy- and decision-making.

GSA will strengthen initiatives to improve effectiveness (mission delivery) and efficiency (cost savings) of federal government operations, while increasing government information sharing, accountability, and transparency. In FY 14, GSA played a key role in implementing the President's Management Agenda Benchmarking Initiative, which utilized administrative data to establish benchmarks and to drive improved agency performance and service delivery in five key areas: human resources, information, technology, acquisition, real property, and finance. GSA will continue to build upon these efforts in FY 16.

Furthermore, GSA is building upon the White House Office of Science and Technology Policy's Social and Behavior Sciences initiative to build the capacity for utilizing evaluation techniques from social and behavioral sciences to promote evidence-based policy. Findings from these fields can be used to design public policies that work better, cost less, and better serve citizens. GSA has established and will continue to build the capacity for utilizing evaluation techniques from social and behavioral sciences to drive improved policy efficacy and government performance.

### **Data Validation and Verification**

The GSA Chief Financial Officer certified the FY 2014 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 include (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 2015 Cuts, Consolidations, and Savings (CCS) Volume of the President's Budget identifies the lower-priority program activities 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>.