U.S. GENERAL SERVICES ADMINISTRATION

FY 2019
Congressional Justification

February 12, 2018

U.S. General Services Administration
SUMMARY of the FY 2019 REQUEST
Fiscal Year 2019 Budget Request
CONTENTS

Effective and Efficient Government for the American People

Much has changed in the nearly 70 years since GSA was established, on July 1, 1949. The nation's population has more than doubled, the price of real estate in major cities has skyrocketed, and super-computers have gone from filling three-story rooms to fitting in our pockets. The world has become vastly more interconnected. Federal agencies are striving to match the pace of change, evolving to meet new domestic and global challenges and better serve the American public.

What has not changed is GSA's steadfast commitment to support our Federal customers and stakeholders by providing cost-effective, high-quality services. Our entire focus is on delivering value to our partner agencies so they can focus their resources on fulfilling their own important missions.

The FY 2019 President's Budget request for GSA supports our vision of providing effective and efficient Government to the American people. Our request for the Federal Buildings Fund sets New Obligational Authority (NOA) at $10.13 billion, equal to the level of collections; this zero-net budget authority request enables important investments in the Federal real property portfolio to ensure GSA continues to deliver the best value in real estate to our partners across government.

In addition to zero-net budget authority for the FBF, the FY 2019 budget requests $551.8 million in discretionary budget authority for GSA's appropriated accounts. Most notably, this budget request supports four FY 2019 Administration priorities: the President's Management Council Workforce Fund, in support of the Federal government efforts to recruit and retain top talent and re-skill the workforce to meet 21st century needs; seed funding for the Technology Modernization Fund, a full cost recovery fund authorized by the Modernizing Government Technology Act that finances the transition of Federal agencies from antiquated legacy IT systems to more effective, secure, and modern IT platforms; appropriations to the Asset Proceeds and Space Management Fund to support implementation of the Federal Assets Sale and Transfer Act of 2016; and appropriations to the Environmental Review and Improvement Fund to support the work of the Federal Permitting Improvement Steering Council to modernize the Federal permitting and review process for major infrastructure projects. This request also includes new investments in GSA's annual direct appropriations to strengthen cyber security of the Federal information technology environment through establishment of an office dedicated to modernizing identity management; centralize funding and streamline management of programs supporting government-wide shared services and performance management; and support Data Center Optimization.

The Acquisition Services Fund (ASF), a mandatory revolving fund that supports the Federal Acquisition Service (FAS), continues to support efficient and effective acquisition solutions across the Federal government. In FY 2018 and FY 2019, FAS is focused on ways to expand management support across the government, including initiatives to reduce fleet management

costs across the Federal government, streamline travel management, and expand support to agencies for acquisition of IT, professional services and facilities.

Summary of Appropriations

(Dollars in Thousands)

	FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
Federal Buildings Fund (FBF), New Obligational Authority			
Construction and Acquisition	$ 205,749	$ 204,352	$ 1,338,387
Repairs and Alterations	$ 676,035	$ 671,444	$ 909,746
Rental of Space	$ 5,628,363	$ 5,590,141	$ 5,430,345
Building Operations	$ 2,335,000	$ 2,319,143	$ 2,253,195
Installment Acquisition Payments	$ -	$ -	$ 200,000
Sub-Total, New Obligational Authority	**$ 8,845,147**	**$ 8,785,080**	**$ 10,131,673**
Annual Appropriations, Budget Authority			
Government-wide Policy	$ 60,000	$ 59,593	$ 65,835
Operating Expenses	$ 49,266	$ 48,931	$ 49,440
Former Presidents	$ 3,632	$ 4,754	$ 4,796
Civilian Board of Contract Appeals	$ 9,275	$ 9,212	$ 9,301
Federal Citizen Services Fund	$ 55,894	$ 55,514	$ 58,400
Office of the Inspector General	$ 65,000	$ 64,559	$ 67,000
Sub-Total, Annual Appropriations	**$ 243,067**	**$ 242,563**	**$ 254,772**
Additional Programs, Budget Authority			
Presidential Transition Appropriation	$ 9,500	$ -	$ -
Environmental Review Improvement Fund Appropriation	$ -	$ -	$ 6,070
Asset Proceeds and Space Management Fund Appropriation	$ -	$ -	$ 31,000
President's Management Council Workforce Fund	$ -	$ -	$ 50,000
Technology Modernization Fund Appropriation	$ -	$ -	$ 210,000
Sub-Total, Additional Programs, Budget Authority	**$ 9,500**	**$ -**	**$ 297,070**
Total, BA and NOA	**$ 9,097,714**	**$ 9,027,643**	**$ 10,683,515**
Total, FBF Revenues	$ 10,298,680	$ 9,950,519	$ 10,131,673
Total, GSA Net Budget Authority	$ (1,200,966)	$ (922,876)	$ 551,842

Mission

Deliver value and savings in real estate, acquisition, technology,
and other mission-support services across Government.

Strategic Goals

- ***Savings – Save taxpayer money through better management of Federal real estate***
  We will deliver cost savings and value for taxpayers through smart asset management while also providing cutting-edge workplace solutions that help agencies fulfill their important missions.

- ***Efficiency – Establish GSA as the premier provider of efficient and effective acquisition solutions across the Federal Government.*** We will lead acquisition and procurement strategies that help agencies access inventive and effective commercial solutions, make it easier to do business with Government, and use our buying power to drive cost savings.

- ***Innovation - Improve the way Federal agencies buy, build and use technology***
  We will lead the charge to modernize Government's approach to technology services. We will guide agencies through innovative and efficient technology deployment to meet their missions and fulfill the needs of Americans in a rapidly evolving and complex world.

- ***Service – Design and deliver expanded shared services within GSA and across the Federal Government to improve performance and save taxpayer money***
  We will transform administrative services in Government by leading the consolidation of common mission-support processes and services across the Government. Implementing this best practice will make these services better, faster and more affordable while allowing Government agencies to dedicate more resources to their missions.

Managing Federal Real Estate

Federal Buildings Fund

The President's Budget proposes $10.13 billion in New Obligational Authority (NOA) for the Federal Buildings Fund (FBF), equal to the anticipated revenue collections. A zero net budget authority request supports a robust capital program, allowing the Public Buildings Service (PBS) to fund mission-critical construction and repair and alterations projects and improve the safety and condition of Government-owned assets. Full funding of the FBF is integral to sound portfolio management. Anything less means the agency will be unable to fund necessary repairs and improvements to the GSA inventory, which reduces the value of the public's assets over time, results in unnecessary costs due to repairs, and missed opportunities to improve efficiency through the consolidations of space. The FY 2019 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.

GSA's FY 2019 request is driven by the strategic goal to save taxpayer money through better management of Federal real estate. This will include delivering cost savings and value for taxpayers through smart asset management while GSA also provides cutting-edge workplace solutions that help agencies fulfill their important missions.

In order to deliver cost savings for taxpayers, GSA will continue to lead efforts to reduce the overall cost of both the owned and leased space portfolios. This will be done by increasing usage of automated lease systems and private sector brokers, where appropriate, to improve our efficiency in awarding leases. In addition, GSA continues to maintain its owned building inventory as the agency improves space utilization and optimization of the inventory while bringing focus to the total cost to the Federal government. GSA's priorities include disposing of underperforming assets and increasing the proportion of owned assets with positive funds from operations.

GSA will continue to remain an efficient and effective provider of Federal real estate services for all agencies by offering integrated turn-key services, providing high-quality facility and workspace solutions and continuing to increase responsiveness and value to customers. To more fully assess customer experience, GSA will implement an improved methodology to gauge the Federal customer's experience and satisfaction with services.

GSA intends to build upon efforts to save taxpayer money by continuing to improve operations and leverage its buying power through standardized contracts as well as GSA procurement tools.

Efficient and Effective Acquisition Solutions

Acquisition Services Fund

GSA is committed to delivering service, innovation, and value through efficient operations, market expertise, and proactive partnerships with customer agencies and private sector vendors. Generating economies of scale is the cornerstone of our acquisition solutions, enabling us to negotiate better prices. Every day, we help our customers make smart purchasing decisions to acquire the goods and services they need.

GSA is dedicated to improving the contract vehicles, services, and products we provide to Federal agencies, military, and state/local entities. We make access to the Government market easier, faster, and less costly to socio-economic providers. We are achieving this by designing and delivering solutions that meet current needs and anticipate future requirements.

The Federal Acquisition Service (FAS) is focused on ways to increase its reach and expand management support across the government, and will be pursuing the initiatives below in support of the Agency Reform Plan as required in the Office of Management & Budget (OMB) memo *Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce* (M-17-22):

● Expand the GSA Fleet leasing program to save money for agencies where GSA can offer a lower cost option compared to agency-owned and operated vehicles.
● Establish a commercial platform to give agencies a consumer-style buying experience for products and provide more detailed data.
● Expand assisted acquisition services to support agencies and build centers of excellence for the acquisition of IT, professional services, and facilities.
● Create a Federal marketplace to simplify the government acquisition for customers and suppliers.

FAS will continue its emphasis on the modernization of the internal IT systems and ensure the systems support the needs of the FAS workforce in 2018 and 2019.

The service continues to modernize its Multiple Award Schedules Program, which accounted for over $33 billion in federal spend in FY 2017. The most transformational activity to Schedules was the implementation of the Transactional Data Rule (TDR) pilot which is intended to reduce unnecessary burdens on contractors and small businesses and provide the data on federal spend to save millions of dollars for the American taxpayer through better pricing and buying strategies. In FY 2017, FAS made an adjustment to TDR making it optional for contractors as it continued to evaluate of the pilot.

In addition, FAS will pursue additional efforts to transform its global supply business model to be more efficient, cost-effective, and responsive to customers. In FY 2017 and FY 2018, Global Supply will continue to identify operational efficiencies while also growing support of DoD

overseas through the Enterprise Supply Chain Solutions (ESCS) Fourth Party Logistics (4PL) solution model and other sourcing strategies.

Innovative Technology

Federal Citizen Services Fund
The FAS Office of Technology Transformation Services' (TTS) Office of Products and Programs (OPP) provides direct citizen services as well as shared services for agencies to spur innovation and ensure policy compliance.

Products and services in OPP enable agencies to migrate systems to the cloud, improve access to Federal government services, and help agency partners modernize and improve digital interactions.

For example, one key initiative is to make cloud computing an easy, secure, and default IT solution for Federal agencies. The Federal Risk and Authorization Management Program (FedRAMP) is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services. FedRAMP improves cybersecurity performance and management in cloud environments through ongoing awareness of information security, vulnerabilities, and threats, ensuring that only authorized service providers are trusted with government resources and information.

Additionally, Login.gov and the proposed Modernizing Identity Proofing PMO will improve public access to Federal government services through secure accounts and user-centered tools. Together, these services will offer a diverse set of modern approaches to digital identity management. OPP will work with agencies to identify public-facing systems that are vulnerable to fraud and ripe for new approaches to digital identity proofing, then pilot new and innovative methods of secure identity proofing.

Finally, through active, government-wide communities of practice, digital and in-person training, and an intense focus on user-centered design, OPP will work with agencies to enhance the customer experience in government. In FY 2019, OPP will drive the movement toward omni-channel service design, customer journey and experience mapping, meaningful and accessible service-delivery analytics, and continuous process improvement for services across the Federal government.

Technology Business Management

The FY 2019 budget request includes resources to establish a Technology Business Management (TBM) program management office (PMO), responsible for coordinating TBM implementation across the Federal government. TBM provides technology leaders with standards and validated best practices to communicate the cost, quality, and value of IT investments. This tool will help the government benchmark IT spending utilizing a standard

framework. In addition it will allow the government to leverage its buying power to ensure it is delivering the best value while delivering quality services.

Technology Modernization Fund

IT modernization can generate significant long-term cost savings and improvements in security, but agencies are not always able to fund the investments up front. The FY 2019 budget requests $210 million for the Technology Modernization Fund, a new full-cost recovery revolving fund established by the Modernizing Government Technology Act, designed to improve management and oversight of IT modernization investments, allowing agencies to move to more secure and efficient IT systems and infrastructure, such as cloud and shared services.

The TMF will strengthen the ability of the Federal government to strategically prioritize investments across government, ensuring that projects with the greatest government-wide impact are pursued.

Acquisition Services Fund

Technology is critical to how every agency accomplishes its mission and serves the public. It is at the core of running mission-support operations, safeguarding critical information, and analyzing program data for agency decision making. However, the Federal government continues to struggle with legacy IT systems, IT modernization hurdles, and procurement challenges, as well as keeping pace with the public's expectation for digital services.

The Federal IT procurement process includes requirements development and acquisition practices that can be burdensome and time-consuming. GSA is helping agencies adopt new approaches for buying commercial-off-the shelf and as-a-service solutions. The agency is leading the development of modular contracting approaches to enable agile and efficient development of complex new requirements. GSA's goal is to assist agencies through the entire life cycle of procurement and system development.

The joining of the Technology Transformation Service and FAS brings together technology and acquisition to strengthen both organizations. The award of the Enterprise Infrastructure Services (EIS) contracts will allow government agencies to transition to a modern infrastructure at lower cost. The work on the government-wide IT Modernization plan provides a roadmap for agencies to modernize and strengthen their IT.

FAS continues to focus on facilitating the adoption of cloud services across the government and providing best practices, consulting, and access to qualified cloud solution providers. FAS continues to pursue ways to provide government agencies, program offices, developers, and contractor partners the ability to easily deploy systems to a cloud infrastructure with required federal security controls and embedded compliance.

FAS is focused on saving agencies money through improved software license management, providing services that will enable agencies to optimize their license inventory through increased data transparency and improved terms and conditions.

FAS also continues to lead the creation of mechanisms and pathways for agencies to buy more mobile devices and services quickly, easily, and consistently in a way that drives down costs.

In addition, FAS is working to provide agencies with access to cybersecurity, information assurance, privacy, and risk management and analysis support services which will help ensure that the government's use of technology remains safe and secure.

Finally, FAS will improve public access to Federal Government services through secure accounts and user-friendly tools. Our goal is to make Federal benefits, services, and applications easier to access and more secure Government-wide.

Expanded Shared Services

The FY 2019 budget supports GSA's fourth strategic goal, to design and deliver expanded shared services within GSA and across the Federal Government, with investments in the Office of Shared Solutions and Performance Improvement and establishment of the new President's Management Council (PMC) Workforce Fund. The budget also continues to strive for excellence and efficiency in GSA's internal shared services, through the GSA Working Capital Fund (WCF).

Support for Government-wide Shared Services

In FY 2018, OGP merged the Office of Executive Councils and the Unified Shared Services Management Office into a single organizational structure--the Shared Solutions and Performance Improvement Office (SSPI). SSPI leverages data, subject matter expertise and its authority to convene key stakeholder groups to improve the delivery of shared services which save taxpayer money, enable evidence-based performance management; and build strategies for optimization of management services.

SSPI continues to serve as the integration body for the shared services environment, working across functions, providers, and consumers. The office enables the delivery of high quality, high value shared services that improve performance and efficiency throughout government. This office is the first ever government-wide management and oversight operating model for mission support functions including financial management, human resources, acquisitions, grants, and information technology. Stakeholders from across the government are working together to manage and oversee these shared services with the goal of making the government more effective and efficient.

This will transform administrative services by leading the consolidation of common mission-support processes and services across the Government. Implementing this best practice will

make these services better, faster and more affordable while allowing Government agencies to dedicate more resources to their missions.

PMC Workforce Fund

The FY 2019 President's Budget request provides $50.0 million, and 5 FTE for the President's Management Council (PMC) Workforce Fund. This new fund will improve the Federal government's ability to recruit and retain top talent as well as re-skill the workforce to meet 21st century needs by providing one-time funding for targeted initiatives to:

- recruit hard-to-fill occupations such as cyber security professionals or data scientists;
- retain groups of top performers with specialized or in-demand skill sets where the agency expects to see possible attrition in the next year; and
- relocate and re-skill employees due to changes in mission, automation, or other factors that saves the government funding over a period of years and ensure Federal employees have the opportunity for continued employment in areas of need.

Working Capital Fund

GSA has consolidated administrative services within the overhead and administrative offices funded through the Working Capital Fund (WCF) in order to standardize operations and leverage best practices that improve customer service while driving down costs. GSA WCF will continue to invest in infrastructure, cybersecurity, and agency reform initiatives while identifying over $22 million in reductions and savings to contracts in FY 2019. GSA's WCF estimate in FY 2019 will accomplish these improvements with an estimate level that is below the FY 2018 revised level.

Request for New Obligational Authority

(Dollars in Thousands)

	FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
Total Revenues	$10,298,680	$9,950,519	$10,131,673
Federal Buildings Fund (FBF), New Obligation Authority			
Construction and Acquisition	$ 205,749	$ 204,352	$ 1,338,387
Repairs and Alterations	$ 676,035	$ 671,444	$ 909,746
Rental of Space	$ 5,628,363	$ 5,590,141	$ 5,430,345
Building Operations	$ 2,335,000	$ 2,319,143	$ 2,253,195
Installment Acquisition Payments	$ -	$ -	$ 200,000
Total New Obligation Authority	$ 8,845,147	$ 8,785,080	$ 10,131,673
FBF Net Budget Authority	$ (1,468,533)	$ (1,165,439)	$ -

FY 2019 Capital Investment Program

(Dollars in Thousands)

CONSTRUCTION AND ACQUISITION Program (in priority order):		
Executive Agencies…………………………………………	$	1,062,487
Land Ports of Entry…………………………………………	$	275,900
New Courthouses…………………………………………..	$	-
New Obligational Authority, CONSTRUCTION AND ACQUISION Program	$	1,338,387

REPAIRS AND ALTERATIONS Program (in priority order):		
Nonprospectus (Basic) Repairs and Alterations Program…………..	$	373,556
Special Emphasis Programs……………………………………	$	111,500
Major Repairs & Alterations……………………………………	$	418,712
R&A Design Program…………………………………………..	$	5,978
New Obligational Authority, REPAIRS AND ALTERATIONS Program	$	909,746

Total New Obligational Authority, Capital Investment Program	$	2,248,133

GSA Annual Appropriations
Annual Appropriations, Request for New Budget Authority
(Dollars in Thousands)

	FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
Regular Annual Appropriations, Budget Authority			
Government-wide Policy	$ 60,000	$ 59,593	$ 65,835
Operating Expenses	$ 49,266	$ 48,931	$ 49,440
Former Presidents	$ 3,865	$ 4,754	$ 4,796
Civilian Board of Contract Appeals	$ 9,275	$ 9,212	$ 9,301
Federal Citizen Services Fund	$ 55,894	$ 55,514	$ 58,400
Office of the Inspector General	$ 65,000	$ 64,559	$ 67,000
Sub-Total, Regular Annual Appropriations	**$ 243,300**	**$ 242,563**	**$ 254,772**
Additional Annual Appropriations, Budget Authority			
Presidential Transition	$ 9,500	$ -	$ -
Environmental Review Improvement Fund	$ -	$ -	$ 6,070
Asset Proceeds and Space Management Fund	$ -	$ -	$ 31,000
President's Management Council Workforce Fund	$ -	$ -	$ 50,000
Technology Modernization Fund	$ -	$ -	$ 210,000
Subtotal, Additional Annual Appropriations	**$ 9,500**	**$ -**	**$ 297,070**
Total Appropriated BA	**$ 252,800**	**$ 242,563**	**$ 551,842**

Total Obligations by Object Classification

(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
11.1 Full-time permanent……………………………..	$	1,176,219	$	1,202,113	$	1,231,584
11.3 Other than full-time permanent	$	6,897	$	8,613	$	8,766
11.5 Other personnel compensation………………………	$	23,965	$	20,623	$	20,087
11.8 Special personnel service payments……………..	$	1,796	$	1,165	$	1,668
12.1 Civilian personnel benefits…………………………	$	403,854	$	408,497	$	409,797
13.0 Benefits for former personnel…………………….	$	1,506	$	1,120	$	1,149
21.0 Travel and transportation of persons…………….	$	24,910	$	27,641	$	28,887
22.0 Transportation of things………………………….	$	18,159	$	7,113	$	7,326
23.1 Rental payments to GSA	$	63,998	$	58,044	$	64,875
23.2 Rental payments to others………………………..	$	5,690,935	$	5,591,369	$	5,431,573
23.3 Communications, utilities, and misc. charges…..	$	1,817,736	$	1,898,754	$	1,582,700
24.0 Printing and reproduction…………………………	$	2,714	$	2,891	$	3,097
25.1 Advisory and assistance services………………..	$	8,853,268	$	7,739,901	$	8,466,583
25.2 Other services from non federal sources………..	$	49,271	$	40,306	$	38,569
25.3 Other goods and services from federal sources….	$	854,235	$	797,654	$	835,685
25.4 Operation and maintenance of facilities………….	$	1,824,015	$	1,313,347	$	1,313,543
25.6 Medical Care	$	68	$	-	$	-
25.7 Operation and maintenance of equipment……….	$	215,376	$	148,225	$	152,199
25.8 Subsistence and Support of Persons	$	-	$	-	$	-
26.0 Supplies and materials……………………………	$	1,160,670	$	1,057,700	$	1,100,221
31.0 Equipment………………………………………..	$	2,520,910	$	2,713,258	$	2,958,001
32.0 Land and structures………………………………..	$	1,407,692	$	1,696,000	$	1,640,464
33.0 Investment and Loans	$	-	$	-	$	-
41.0 Grants, subsidies, and contributions…………….	$	(6)	$	26	$	26
42.0 Insurance claims and indemnities………………..	$	3,053	$	1,575	$	1,576
43.0 Interest and dividends…………………………….	$	33,984	$	25,802	$	225,802
44.0 Refunds……………………………………………..	$	1,828	$	-	$	-
94.0 Financial Transfers	$	-	$	-	$	13,864
99.0 Total Obligations………………………………	**$**	**26,157,053**	**$**	**24,761,738**	**$**	**25,538,043**
Subtotal, PC&B……………………………	$	1,614,237	$	1,642,132	$	1,673,052
Subtotal, Non-labor………………………..	$	24,542,816	$	23,119,606	$	23,864,991
Pre-Election Presidential Transition	$	4,070				
Presidential Transition	$	9,720	$	-	$	-
Total GSA Obligations	**$**	**26,170,843**	**$**	**24,761,738**	**$**	**25,538,043**

GSA Total FTE

	FY 2017 Actual			FY 2018 Full Year CR			FY 2019 Request		
	Direct	Reimb.	Total	Direct	Reimb.	Total	Direct	Reimb.	Total
Annual Appropriations									
Office of Government-wide Policy	134	34	168	147	40	187	154	33	187
Operating Expenses	202	16	218	213	16	229	218	16	234
Federal Citizen Services Fund	59	0	59	70	0	70	76	0	76
Former Presidents	0	0	0	0	0	0	0	0	0
Civilian Board of Contract Appeals	34	0	34	41	0	41	41	0	41
Environmental Review Improvements Fund	0	0	0	0	0	0	10	0	10
President's Management Council Workforce Fund	0	0	0	0	0	0	5	0	5
Office of Inspector General	309	2	311	310	3	313	322	3	325
Subtotal, Annual Appropriations	738	52	790	781	59	840	826	52	878
Revolving Funds									
Federal Buildings Fund	5,254	360	5,614	5,241	270	5,511	5,241	270	5,511
Acquisition Services Fund	0	3,169	3,169	0	3,322	3,322	0	3,454	3,454
Working Capital Fund	0	1,932	1,932	0	2,017	2,017	0	2,030	2,030
Technology Modernization Fund	0	0	0	0	0	0	6	0	6
Subtotal, Revolving Funds	5,254	5,461	10,715	5,241	5,609	10,850	5,247	5,754	11,001
Transportation Audits	33	0	33	37	0	37	37	0	37
Subtotal, Permanent Budget Authority	33	0	33	37	0	37	37	0	37
GSA TOTAL	**6,025**	**5,513**	**11,538**	**6,059**	**5,668**	**11,727**	**6,110**	**5,806**	**11,916**

Explanation of Changes, Federal Buildings Fund

(New Obligational Authority, Dollars in Thousands)

	Construction and Acquisition	Repairs and Alterations	Rental of Space	Building Operations	Installment Acquisition Payments	TOTAL
FY 2018 Full Year CR	$204,352	$671,444	$5,590,141	$2,319,143	$0	$9,950,519
Change in Construction for Executive Agencies	$858,135					$858,135
Change in Construction of Courts	$275,900					$275,900
Change in Construction of LPOE	$0					$0
Change in Basic R&A program		$63,585				$63,585
Change in Line-Item R&A program		$57,746				$57,746
Change in Design and Construction		$5,978				$5,978
Change in Special Emphasis programs		$110,993				$110,993
FY 2018 Program Changes			$40,127			$40,127
Annualization of remaining FY 2018 Program Changes			($119,431)			($119,431)
FY 2018 Unobligated Balance Used to Fund FY 2019 Requirements			($108,403)			($108,403)
Rental Rate Increases			$20,609			$20,609
Lump Sum Payments for real estate taxes and lease buyouts			$106,951			$106,951
Lease Cancellations			($74,331)			($74,331)
Lease Expansions (other than indefinite)			$4,682			$4,682
Redcuction for FY 2018 Estimated Prior Year Recoveries			($30,000)			($30,000)
Change in Base Building Cost				$5,863		$5,863
Change in Other/ Miscellaneous Building Cost				($4,677)		($4,677)
Change in PBS Administrative Cost				($224)		($224)
Change in Other / Miscellaneous PBS Administrative Cost				($424)		($424)
Change in Other Fundng Sources				($66,681)		($66,681)
FY 2019 Program Changes					$200,000	$200,000
FY 2019 Request	$1,338,387	$909,746	$5,430,345	$2,253,000	$200,000	$10,131,478

Explanation of Changes, GSA Annual Appropriations

(Budget Authority, Dollars in Thousands)

	Government-wide Policy		Operating Expenses		Civilian Board of Contract Appeals		Former President		Federal Citizen Services Fund		Inspector General		Technology Modernization Fund		Council Workforce Fund		Environmental Review Improvement Fund		Asset Proceeds and Space Management Fund		Total	
	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request	FTE	Request
FY 2018 Request	147	59,593	213	49,931	41	9,212	0	4,754	70	65,514	310	64,559	0	244	0		0		0		781	242,563
Program Increases:																						
Transfer USDA's 7 FTE from Reimbursable to Direct	7	1,503																			7	1,503
Digital Services										724											-	724
Acquisition Services Fund Allocation/Transfer										19											-	19
Travel and Transportation				156		5															-	180
WCF Bill		1,938																			-	1,938
Personnel Compensation and Benefits						80		26								5	725	10	1,777			10	2,638
Rent				1,054		143															-	1,197
Benefits for Former Presidents								29													-	29
Rental Payment								6													-	6
Printing and Communications				7																	-	7
President's Management Council Program Increases																49,275					-	49,275
Operation and maintenance of equipment						13															-	13
Operation and maintenance of facilities						9															-	9
Supplies, Materials, and Equipment						60				10											-	79
Contracts and Contract Support																		3,068			-	3,068
Other Costs of Operation/Program Overhead													6	1,392				1,225			6	2,617
Public Reporting of IT Data (Federal IT Dashboard)				3,500																	-	3,500
Data Center Optimization Initiative PMO				1,500																	-	1,500
Technology Business Management PMO			4	1,500																	-	1,500
Code.gov										550											-	550
Pulse.cio.gov (tracks compliance with IT security policies)				800																	-	800
Modernizing Identity Proofing PMO									6	6,000											-	6,000
GOV Domain Contractual Services										1,000											-	1,000
GSA Executive Direction Staffing (ED)			4	669																	-	669
Realty Specialist to Support Increase in Regional Workload (RPD)			1	60																	-	60
Other Increases to Labor Costs				19																	-	19
Additional Oversight (FTE)											12	1,974									-	1,974
Non Pay Inflation												223									-	223
Program Decreases:																						
Contractual Services						(221)		(23)													-	(244)
Overhead Cost										(3,634)											-	(3,634)
Realignment of SSPI Contract Support from Direct to Reimbursable		(1,503)																			-	(1,503)
Info. Integrity and Access Contract Red. Content Mgmt. Sup.		(2,996)																			-	(2,996)
Reduction in Hosting and Infrastructure Services										(1,773)											-	(1,773)
Travel and Transportation								(4)													-	(4)
Management and Administration				(1,483)																	-	(1,483)
Communications, Printing, and Reproduction								(2)													-	(2)
FY 2019 Request	158	65,835	218	49,440	41	9,301	0	4,756	76	58,400	322	67,000	6	210,000	5	50,000	10	6,070	0	31,000	836	591,842

Information Technology Resources

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

The FY 2019 budget request includes key investments that will strengthen GSA's IT enterprise architecture. Modernizing the IT enterprise architecture will allow GSA IT to shift more resources from running legacy applications and infrastructure to investing in efforts to grow and transform GSA's business IT systems. When applicable, GSA uses incremental development practices in these efforts.

As part of the GSA Governance Process, the Chief Information Officer and Chief Financial Officer have reviewed and approved all major IT investments in the FY 2019 budget request ensuring sufficient IT resources and appropriate budget estimates. The agency has developed and implemented its plan to ensure that all baseline Federal Information Technology Acquisition Reform Act (FITARA) responsibilities are in place.

Information Technology Budget by Fund

(Dollars in thousands)

GSA Budgets	FY 2017 Enacted		FY 2018 Full Year CR		FY 2019 Request	
Working Capital Fund	$	355,538	$	319,902	$	325,273
Acquisition Services Fund	$	290,419	$	237,955	$	227,578
Operation Expenses	$	793	$	797	$	797
Federal Buildings Fund	$	55,238	$	52,952	$	51,265
Office of Government-wide Policy	$	14,191	$	9,493	$	17,195
Federal Citizens Services Fund	$	32,473	$	45,242	$	34,106
Acquisition Workforce Training Fund	$	4,973	$	4,219	$	4,202
Office of Inpsector General	$	563	$	923	$	652
Transportation Audits	$	782	$	798	$	451
Sub-Tota GSA's Budgets	$	**754,970**	$	**672,281**	$	**661,520**
External Budgets	$	72,579	$	77,835	$	107,497
Total GSA and External Budgets	$	**827,548**	$	**750,116**	$	**769,017**

U.S. General Services Administration

FEDERAL BUILDINGS FUND

Fiscal Year 2019 Budget Request

CONTENTS

Summary of the Request

The General Services Administration (GSA) Public Buildings Service (PBS) FY 2019 budget request of $10.13 billion in New Obligational Authority (NOA), including $2.45 billion for capital investment, supports GSA's long-term plan for federal real estate. The request supports the Administration's priorities of securing our Nation's borders and reducing real estate costs, and improves the safety and condition of government-owned assets. While fully supporting critical capital construction and renovation programs, the request stabilizes PBS's building services and administrative costs without compromising service and support to tenant agencies. Although PBS has achieved programmatic reductions in recent years by continuously managing its procurement, staffing, space management, and utility activities, inflation and labor increases have outpaced programmatic reductions. The FY 2019 budget request provides a one percent increase for building operations above the FY 2018 request level, to $2.25 billion, to maintain service and support for federal tenants at current levels. The budget request further provides $5.43 billion to meet the government's commitments in leased space to fund payments to lessors in space that PBS leases from private industry on behalf of Federal customers.

Summary of Request for New Obligational Authority

	FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
New Obligational Authority:			
Construction and Acquisition	205,749	204,352	1,338,387
Major Repairs and Alterations	363,945	361,473	536,190
Basic Repairs and Alterations	312,090	309,971	373,556
Installment Acquisition Program (FCRF)	0	0	200,000
Rental of Space	5,628,363	5,590,141	5,430,345
Building Operations - Building Services	1,184,240	1,176,198	1,130,814
Building Operations - Salaries and Expenses	1,150,760	1,142,945	1,122,381
Total New Obligational Authority	$ 8,845,147	$ 8,785,080	$ 10,131,673

When Congress established the Federal Buildings Fund (FBF), it provided dedicated resources through market-driven rent collections to maintain the nation's public buildings. This is a common sense approach that emulates private sector real estate best practices. This income funds the activities of PBS, including minor and major repairs and alterations, new construction activities, all building operations, and the administrative costs associated with these programs. As a quasi-revolving fund, the FBF is subject to annual Congressional enactment of NOA, a limitation on the use of revenues collected. As shown in the table below, the appropriations process generally provided appropriations at or above the level of collections prior to FY 2011.

Net Budget Authority 12 Year History

(Dollars in Thousands)

	Presidents Budget Revenue Estimate	Enacted NOA	Net Budget Authority
FY2006	$ 7,808,785	$ 7,827,745	$ 58,950
FY2007	$ 7,844,979	$ 7,598,426	$ (203,215)
FY2008	$ 7,916,272	$ 8,012,414	$ 146,219
FY2009	$ 8,134,239	$ 8,427,771	$ 350,397
FY2010	$ 8,222,539	$ 8,443,585	$ 287,406
FY2011	$ 8,870,933	$ 7,597,540	$ (1,202,123)
FY2012	$ 9,302,761	$ 8,017,967	$ (1,205,174)
FY2013	$ 9,777,590	$ 8,024,967	$ (1,665,003)
FY2014	$ 9,950,560	$ 9,370,042	$ (580,518)
FY2015	$ 9,917,667	$ 9,238,310	$ (679,357)
FY2016	$ 9,807,722	$ 10,196,124	$ 388,402
FY2017	$ 10,178,339	$ 8,845,147	$ (1,348,192)
FY2018 CR	$ 9,950,519	$ 8,785,080	$ (1,165,439)

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

This budget requests zero net budget authority, providing GSA access to the full value of collected rents to reinvest in the maintenance and improvement of Federal real property assets. A lower authorized level reduces GSA's ability to fund the necessary repairs and improvements to the Federal inventory, resulting in unnecessary costs due to delayed repairs and missed opportunities to consolidate space. When GSA is unable to adequately invest in its facilities, the inventory deteriorates in quality and decreases in value. Without full funding, the government is unable to capitalize on opportunities to make smart investments in the Federal real estate portfolio that will result in greater efficiencies and lower operating costs.

The FBF allows PBS to provide workplace solutions for Federal personnel 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 leases facilities and, repairs, alters, and renovates existing facilities. The agency remains a leader in energy efficiency and historic preservation. PBS continues to support agency efforts to reduce the Federal Government's footprint by improving office space utilization, rightsizing the use of leases, and disposing of unneeded or underutilized facilities. PBS meets the workspace requirements of Federal agencies and more than 1 million Federal employees with an inventory of approximately 350 million square feet of workspace in communities across the country.

Investing all revenue collected through agency rents into the FBF activities (including a robust capital investment program) creates efficiency, improves outcomes, and reduces costs. The FY 2019 request allocates FBF resources to address key capital requirements.

The requested funding includes:

(1) $1.34 billion for New Construction and Acquisition,

CONSTRUCTION AND ACQUISITION Program
(Dollars in Thousands)
(In Priority Order)

		FY 2019 NOA
New Construction:		
Washington, DC Southeast Federal Center Remediation	$	9,000
Kansas City, MO Former Hardesty Federal Complex	$	27,268
Washington, DC DHS Consolidation at St. Elizabeths	$	229,000
Lakewood, CO FDA Laboratory	$	29,319
Washington, DC Department of Transportation Lease, Exercise of Purchase Option	$	767,900
Subtotal, Executive Agencies	$	**1,062,487**
Calexico, CA Calexico West Land Port of Entry Phase II	$	275,900
Subtotal, Land Ports of Entry	$	**275,900**
Total FY 2019 Construction and Acquisition of Facilities Program	$	**1,338,387**

(2) $909.8 million for Repairs and Alterations including $385 million for Basic Repairs and Alterations, and to provide funding for the following projects:

REPAIRS AND ALTERATIONS Program
(Dollars in Thousands)
(In Priority Order)

		FY 2019 NOA
Nonprospectus (Basic) Repairs and Alterations Program	$	373,556
Major Repairs and Alterations		
Salt Lake City, UT Frank E. Moss U.S. Courthouse	$	103,646
Lakewood, CO DFC Building 48	$	47,035
Lakewood, CO DFC Building 53	$	44,527
Washington, DC Lyndon Baines Johnson Federal Building	$	32,522
Cincinnati, OH Potter Stewart U.S. Courthouse	$	32,885
Austin, TX Austin Finance Center	$	28,722
Philadelphia, PA U.S. Customhouse	$	95,470
Cleveland, OH Carl B. Stokes U.S. Courthouse	$	19,964
Indianapolis, IN Minton Capehart Federal Building	$	13,941
Subtotal, Major Repair and Alterations	$	**418,712**
Repair and Alteration - Design Program		
Washington, DC Herbert C. Hoover Phase V & VI	$	5,978
Special Emphasis Programs		
Consolidation Activities Program	$	70,000
Fire Protection and Life Safety Program	$	30,000
Judiciary Capital Security Program	$	11,500
Subtotal, Special Emphasis Programs	$	**111,500**
Total FY 2019 Repairs and Alterations Program	$	**909,746**

(3) $5.43 billion for Rental of Space to acquire and administer leasehold interests in privately owned facilities where federally owned space is not available. This amount funds annual rent for current leases, real estate tax and other one-time payments, and rent increases associated with replacement leases and expansion space.

(4) $2.25 billion 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, $1.13 billion will be allocated to Building Services to fund current services and cost increases for cleaning, utilities, maintenance, and building services in new space, and; $1.12 billion will be allocated to Salaries and Expenses to maintain the 5,241 full time equivalents (FTE), excluding reimbursable FTE. PBS specific information technology (IT) applications and PBS's contribution to the GSA Working Capital Fund (WCF) also are funded within this activity.

(5) $200 million for Installment Acquisition Payments (IAP) for repayments to the proposed Federal Capital Revolving Fund. The Federal Capital Revolving Fund (FCRF) is a new fund proposed within the Administration's Infrastructure Initiative that will be housed within GSA and function effectively as a capital budget for investment in high cost federally-owned civilian capital assets and implement budget enforcement rules that exclude the up-front acquisition cost from the discretionary caps and instead charge the cost to discretionary funding over several years. This proposal is designed to enable a more effective capital planning process that is similar to capital budgets used by private companies and State and local governments. The Department of Justice Federal Bureau of Investigations headquarters will be proposed as the inaugural project financed through the CRF; this request is the first installment payment for this project.

In addition to the new obligational authority requested in FY 2019, PBS projects $1.18 billion in reimbursable authority for services provided to other agencies, including funding for 270 FTE. PBS also projects $204 million in permanent indefinite authority from leased expansion space, outleasing, energy rebates, and revenue from the sale of recyclable materials.

Resources, New Obligational Authority, and Fund Balance

(Dollars in Thousands, excludes Indefinite Authority)

	FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
Resources:			
Available from prior year for reauthorization	$ 3,189,675	$ 4,628,206	$ 5,793,645
Revenue from operations:			
Rent	$ 9,799,754	$ 9,924,592	$ 10,108,000
Miscellaneous	$ 430,059	$ -	$ -
Outleasing	$ 6,604	$ 6,782	$ 7,000
Retention of Proceeds (Sale of Real Property)	$ 42,935	$ 3,700	$ 3,700
SSA/CDC/CMS Payments	$ 19,329	$ 15,445	$ 12,973
Subtotal, Revenue	$ 10,298,680	$ 9,950,519	$ 10,131,673
Total Resources Available	$ 13,488,353	$ 14,578,725	$ 15,925,318
New Obligational Authority:			
Construction and Acquisition	$ 205,749	$ 204,352	$ 1,338,387
Major Repairs and Alterations	$ 363,945	$ 361,473	$ 536,190
Basic Repairs and Alterations	$ 312,090	$ 309,971	$ 373,556
Installment Acquisition Program (FCRF)	$ -	$ -	$ 200,000
Rental of Space	$ 5,628,363	$ 5,590,141	$ 5,430,345
Building Operations - Building Services	$ 1,184,240	$ 1,176,198	$ 1,130,814
Building Operations - Salaries and Expenses	$ 1,150,760	$ 1,142,945	$ 1,122,381
Total New Obligational Authority	$ 8,845,147	$ 8,785,080	$ 10,131,673
Fund Balance:			
Total Resources Available	$ 13,488,353	$ 14,578,725	$ 15,925,318
Total New Obligational Authority	$ (8,845,147)	$ (8,785,080)	$ (10,131,673)
Changes to Prior Year Authority	$ (15,000)	$ -	$ -
Fund Balance (Available for Reauthorization)	$ 4,628,206	$ 5,793,645	$ 5,793,645
Net Budget Authority	$ (1,468,533)	$ (1,165,439)	$ -
Fund Balance w/o Redemption of Debt (Available for Reauthorization)	$ 4,628,206	$ 5,793,645	$ 5,793,645
Net Budget Authority w/o Full Repayment of Debt	$ (1,468,533)	$ (1,165,439)	$ -

Crosswalk of FY 2017 New Obligational Authority

(Dollars in Thousands)

	P.L. 115-31 Enacted 5/05/2017		Approved Reprogramming		FY 2017 Enacted Legislation		Indefinite Authority		FY 2017 Enacted Authority	
New Obligational Authority:										
Construction and Acquisition	$	205,749	$	31,079	$	236,828	$	-	$	236,828
Major Repairs and Alterations	$	363,945	$	-	$	363,945	$	18,621	$	382,566
Minor Repairs and Alterations	$	312,090	$	-	$	312,090	$	-	$	312,090
Installment Acquisition Pymts	$	-	$	-	$	-	$	-	$	-
Rental of Space	$	5,628,363	$	-	$	5,628,363	$	76,427	$	5,704,790
Building Operations - Building Services	$	1,184,240	$	-	$	1,184,240	$	33,524	$	1,217,764
Building Operations - Salaries and Expenses	$	1,150,760	$	-	$	1,150,760	$	627	$	1,151,387
Total, New Obligational Authority		**$ 8,845,147**		**$ 31,079**		**$ 8,876,226**		**$ 129,199**		**$ 9,005,425**

Note: FY 2017 transfer from Building Services to Construction and Acquisition provided funding for the Belle Mead Army Depot in Belle Mead, NJ ($46,1 million).

P.L. 115-31 rescinded $15,000 thousand from Construction and Acquisition for the Civilian Cyber Campus in Washington, DC. This rescission of funds resulted in a net reprogramming of $31.1 million.

Indefinite Authority

(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
Repairs and Alterations:						
Historical Outleasing	$	9,592	$	10,000	$	10,000
Energy Rebates	$	4,709	$	10,000	$	10,000
International Trade Center	$	3,871	$	4,080	$	4,080
Recycling	$	449	$	700	$	700
Total, Repairs and Alterations	**$**	**18,621**	**$**	**24,780**	**$**	**24,780**
Rental of Space: Leased Expansion Space	**$**	**76,427**	**$**	**140,034**	**$**	**137,408**
Building Operations:						
International Trade Center - Building Services	$	33,524	$	34,500	$	35,190
International Trade Center - Salaries and Expenses	$	627	$	650	$	663
Cooperative Use Act - Outleasing	$	3,854	$	4,810	$	3,773
National Antenna Program	$	2,523	$	2,495	$	1,903
Total, Building Operations	**$**	**40,528**	**$**	**42,455**	**$**	**41,529**
Total Indefinite Authority	**$**	**135,576**	**$**	**207,269**	**$**	**203,717**

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

Obligations by Object Class

(Dollars in Thousands)

		FY 2017 Actual	FY 2018 Full Year CR	FY 2019 Request
11.1	Full-time, permanent...	$ 538,963	$ 532,665	$ 528,875
11.3	Other than full-time permanent........................	$ 2,856	$ 2,874	$ 2,807
11.5	Other personnel compensation........................	$ 12,615	$ 13,273	$ 12,525
11.8	Special personnel services payments..............	$ 66	$ 75	$ 76
12.1	Civilian personnel benefits..............................	$ 179,609	$ 177,155	$ 174,339
13.0	Benefits for former personnel..........................	$ -	$ -	$ -
21.0	Travel and transportation of persons...............	$ 12,639	$ 11,181	$ 11,371
22.0	Transportation of things..................................	$ 108	$ 179	$ 179
23.1	Rental payments to GSA	$ 3	$ -	$ -
23.2	Rental payments to others...............................	$ 5,690,935	$ 5,591,369	$ 5,431,573
23.3	Communications and utilities...........................	$ 389,530	$ 430,850	$ 431,766
	Subtotal, Rent, communications & utilities...	$ 6,080,468	$ 6,022,219	$ 5,863,339
24.0	Printing and reproduction................................	$ 241	$ 204	$ 220
25.1	Advisory and assistance services....................	$ 896,795	$ 689,420	$ 684,956
25.2	Other services..	$ 39,263	$ 30,611	$ 30,654
25.3	Goods & services from Gov't accounts.............	$ 409,384	$ 408,738	$ 422,939
25.4	Operation and maintenance of facilities...........	$ 1,823,936	$ 1,313,282	$ 1,313,469
25.5	Other contractual services - Research and Development	$ -	$ 2	$ 2
25.6	Medical care...	$ 68	$ -	$ -
25.7	Operation and maintenance of equipment.........	$ 31,786	$ 31,662	$ 31,650
	Subtotal, Contractual services..................	$ 3,201,232	$ 2,473,715	$ 2,483,670
26.0	Supplies and materials	$ 6,856	$ 8,687	$ 8,701
31.0	Equipment..	$ 59,711	$ 68,419	$ 65,286
32.0	Land and structures.......................................	$ 1,407,135	$ 1,696,000	$ 1,614,464
41.0	Grants, subsidies, and contributions................	$ (6)	$ 26	$ 26
42.0	Insurance claims and indemnities....................	$ 1,551	$ 1,500	$ 1,500
43.0	Interest and dividends....................................	$ 33,984	$ 25,798	$ 225,798
99.9	**Total Obligations.......................................**	**$ 11,538,028**	**$ 11,033,970**	**$ 10,993,176**
	Subtotal, PC&B..	$ 734,109	$ 726,042	$ 718,622
	Subtotal, Non-labor......................................	$ 10,803,919	$ 10,307,928	$ 10,274,554

Obligations by Program

(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request		Increase/(Decrease) FY 2018 Request	
	FTE	Obligations	FTE	Obligations	FTE	Obligations	FTE	Obligations
FTE and Obligations:								
1. Construction and Acquisition		$ 743,260		$ 860,443		$ 788,892		$ (71,551)
2. Repairs and Alterations		$ 642,604		$ 836,133		$ 826,148		$ (9,985)
3. Installment Acquisition Payments		$ -		$ -		$ 200,000		$ 200,000
4. Construction of Lease Purchase Facilities		$ -		$ -		$ -		$ -
5. Pennsylvania Avenue Activities								
a) Repairs and Alterations		$ 275		$ -		$ -		$ -
b) Building Operations - Building Services		$ -		$ -		$ -		$ -
c) Building Operations - Salaries and Expenses		$ -		$ -		$ -		$ -
6. International Trade Center								
a) Repairs and Alterations		$ 76		$ -		$ -		$ -
b) Building Operations - Building Services		$ 32,206		$ -		$ -		$ -
c) Building Operations - Salaries and Expenses		$ 593		$ -		$ -		$ -
7. Rental of Space		$ 5,698,323		$ 5,590,141		$ 5,430,345		$ (159,796)
8. Building Operations								
a) Building Services		$ 1,402,332		$ 1,413,533		$ 1,414,719		$ 1,186
b) Salaries and Expenses	5,254	$ 1,148,556	5,241	$ 1,153,720	5,241	$ 1,153,072	-	$ (648)
9. Reimbursable	360	$ 1,869,803	270	$ 1,180,000	270	$ 1,180,000	-	$ -
Total FTE and Obligations	**5,614**	**$ 11,538,028**	**5,511**	**$ 11,033,970**	**5,511**	**$ 10,993,176**	**-**	**$ (40,794)**

Appropriations Language

Amounts in the Fund, including revenues and collections deposited into the Fund, shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation, and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings, including grounds, approaches, and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $10,131,923,000, of which—

(1) $1,338,387,000 shall remain available until expended for construction and acquisition (including funds for sites and expenses, and associated design and construction services):

Provided, 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 notice is transmitted to the Committees on Appropriations of a greater amount;

(2) $909,746,000 shall remain available until expended for repairs and alterations, including associated design and construction services, of which—

(A) $424,690,000 is for Major Repairs and Alterations;
(B) $373,556,000 is for Basic Repairs and Alterations; and
(C) $111,500,000 is for Special Emphasis Programs:

Provided, That amounts identified in the spend plan for major repair and alterations required by section 515 of this division may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in a transmitted prospectus, if required, unless advance notice is transmitted to the Committees on Appropriations of a greater amount: Provided further, That additional projects for which prospectuses have been transmitted may be funded under this category only if advance notice is transmitted to the Committees on Appropriations:

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

(3) $5,430,345,000 for rental of space to remain available until expended;
(4) $2,253,195,000 for building operations to remain available until expended; and
(5) $200,000,000 for installment acquisition payments to remain available until expended:

Provided, That the total amount of funds made available from this Fund to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required to be submitted pursuant to 40 U.S.C. 3307, has not been transmitted to the Committees referenced therein, 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 notice is transmitted to the Committees on Appropriations: Provided further, That amounts necessary to provide reimbursable special services to other agencies under 40 U.S.C. 592(b)(2) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such

revenues and collections: Provided further, That revenues and collections and any other sums accruing to this Fund during fiscal year 2019, 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.

FY 2019 Capital Program – Construction and Acquisition of Facilities

Program Description

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

Summary of Request

The $1.34 billion request for new construction and the list of new construction projects was determined through PBS reviewing each project and rating its priority relative to other potential projects based on:

- Serving Our Partners: Factors considered include agency priority and existing master plans;
- Responsible Asset Stewardship: Factors considered include the condition of facility being replaced including the building systems, security and functionality of the space, funds received to date, existing occupancy status and housing plan, and support of local and national portfolio plans;
- Delivering Better Value and Savings: Factors considered include lease cost avoidance and return on investment; and
- Reducing the Federal Footprint: Factors considered include space recapture and utilization rate improvement.

The FY 2019 Construction and Acquisition program request is $1.34 billion and reflects GSA's support of investments in border and homeland security projects, projects to improve the safety and condition of government-owned assets, and activities in support of the Administration's direction to reduce the cost of operating the Federal government.

- At the request level, GSA will invest an additional $229 million for the continued consolidation of the Department of Homeland Security (DHS) in the National Capital Region at the St. Elizabeths Campus. By bringing DHS headquarters components into a single government-owned campus, DHS will avoid incurring additional costs for commercial leases and enable its employees to collaborate more readily in a secure working environment. The DHS headquarters consolidation commenced with master planning in 2005 and full funding of the USCG headquarters following Master Plan approval in 2009. To date appropriations to GSA for this consolidation have exceeded $1.5 billion but since the FY 2017 request was not funded and the FY 2018 request only addressed infrastructure issues such as site utilities, perimeter security, and restoration of roads on site, the original project timeline has been delayed several years. Continued support of this vital project will result in halting further delays.
- GSA's request includes $275.9 million for the land port of entry (LPOE) project at

Calexico West, CA. This request will fund the second and final phase of this project. The refurbishment and replacement of LPOE facilities, which currently lack the infrastructure capacity to fulfill traffic demands and meet the latest security requirements, are critical for the Federal inspection agencies as they complete their missions of securing our Nation's borders. The proposed investment also supports the President's goals to improve border security.

- In addition, GSA supports additional construction funding of $65.89 million for the following projects:
    - Washington, DC Southeast Federal Center Remediation ($9 million);
    - Kansas City, MO Former Hardesty Federal Complex Remediation ($27.27 million); and,
    - Lakewood, CO FDA Laboratory which is located on the Denver Federal Center complex ($29.32 million).
- GSA also proposes to acquire, through an existing purchase option, the Department of Transportation (DOT) Headquarters Building in Washington, DC, currently under lease to the Federal government. The execution of this purchase option, estimated at $767,900 will provide a permanent, federally-owned solution for the DOT and result in the elimination of costly lease obligations of nearly $50 million in annual lease payments, excluding operating costs.

Construction and Acquisition of Facilities

(Dollars in Thousands)

	FUNDED TO DATE	ESTIMATED TOTAL PROJECT COST					FY 2019 REQUEST				
		SITE	DESIGN	CONSTRUCTION	M&I	TOTAL	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL
New Construction:											
Washington, DC Southeast Federal Center Remediation	$ 75,857	$ 9,000	$ -	$ -	$	$ 9,000	$ 9,000	$ -	$ -	$ -	$ 9,000
Kansas City, MO Former Hardesty Federal Complex	$ -	$ -	$ 500	$ 25,743	$ 1,525	$ 27,768	$ -	$ -	$ 25,743	$ 1,525	$ 27,268
Washington, DC DHS Consolidation at St. Elizabeths	$ 1,591,000	$ 6,722	$ 232,828	$ 2,040,665	$ 134,794	$ 2,415,009	$ -	$ 12,000	$ 205,000	$ 12,000	$ 229,000
Lakewood, CO FDA Laboratory	$ -	$ -	$ 3,570	$ 23,335	$ 2,414	$ 29,319	$ -	$ 3,570	$ 23,335	$ 2,414	$ 29,319
Washington, DC Department of Transportation Lease, Exercise of Purchase Option	$ -	$ 767,900	$ -	$ -	$ -	$ 767,900	$ 767,900	$ -	$ -	$ -	$ 767,900
Subtotal, Executive Agencies	$ 1,666,857	$ 783,622	$ 236,898	$ 2,089,743	$ 138,733	$ 3,248,996	$ 776,900	$ 15,570	$ 254,078	$ 15,939	$ 1,062,487
Calexico, CA Calexico West Land Port of Entry Phase II	$ 121,849	$ 5,000	$ 19,757	$ 346,498	$ 26,494	$ 397,749	$ -	$ 970	$ 255,660	$ 19,270	$ 275,900
Subtotal, Land Ports of Entry	$ 121,849	$ 5,000	$ 19,757	$ 346,498	$ 26,494	$ 397,749	$ -	$ 970	$ 255,660	$ 19,270	$ 275,900
Total FY 2019 Construction and Acquisition of Facilities Program	$ 1,788,706	$ 788,622	$ 256,655	$ 2,436,241	$ 165,227	$ 3,646,745	$ 776,900	$ 16,540	$ 509,738	$ 35,209	$ 1,338,387

New Construction Project Descriptions

California

Calexico, CA Calexico West Land Port of Entry Phase II...................................... $275,900,000

GSA proposes $275.9 million for construction of Phase II of a two-phase project to reconfigure and expand the existing land port of entry (LPOE) in downtown Calexico, CA. The project includes new pedestrian processing and privately owned vehicle (POV) inspection facilities, a new head house to provide supervision and services to the non-commercial vehicle inspection area, new administration offices, and a parking structure. The expanded facilities will occupy both the existing inspection compound and the site of the former commercial inspection facility, decommissioned in 1996 when commercial traffic was redirected to the newly completed LPOE six miles east of downtown Calexico.

The existing LPOE is a pedestrian and vehicle inspection facility constructed in 1974. It comprises a main building and a decommissioned commercial inspection building. The project includes the creation of new pedestrian and POV inspection facilities and expansion of the port onto the site of the former commercial inspection facility. The commercial inspection operation was moved to Calexico East in 1996. POV inspection facilities will include expanded northbound inspection lanes, new southbound inspection lanes, and a parking structure. There will be new administration space, a new head house and design guide-mandated secondary inspection stations serving both northbound and southbound traffic. The project will be constructed in two phases.

The first phase included a head house, ten of the project's northbound POV inspection lanes, all southbound POV inspection lanes with temporary asphalt paving, and a bridge across the New River for southbound POV traffic. The second phase will include the balance of the project, including the remaining northbound POV lanes, southbound POV inspection islands, booths, canopies and concrete paving, an administration building, an employee parking structure, a pedestrian processing building with expanded northbound pedestrian inspection stations, and a photovoltaic generation facility.

The FY 2019 request is for Design ($970 thousand), Construction ($255.66 million) and Management and Inspection ($19.27 million).

Colorado

Lakewood, CO Denver Federal Center FDA Laboratory....................................... $29,319,000
GSA proposes $29.32 million for construction of a new laboratory facility of approximately 68,000 gross square feet (gsf) to provide a long-term housing solution for the Food and Drug Administration (FDA) at the Denver Federal Center (DFC), at West 6th Avenue & Kipling Street in Lakewood, CO. This project will allow FDA to occupy a laboratory building that meets modern standards for functional laboratory space that will accommodate a floor plan with the

most optimal layout in support of its mission on a secure campus. The facility will be built to meet biosafety level 2 specifications. Laboratory layout will be modular and designed to create higher efficiency of workflow while maintaining agency chain-of-custody regulations. The office space will primarily be open workstations and a collaborative environment.

FDA is currently housed in laboratory and laboratory support space at the DFC in Building 20, a converted ammunitions plant building that also houses multiple Federal operations and offices. Building 20 is well past its useful life and experiencing major building system deficiencies. Due to current conditions, failing building systems are projected to cause a shutdown of its current space within 1-5 years.

The building uses excessive amounts of energy and struggles to maintain proper humidity and pressurization levels due to inadequacies in the heating, ventilation and air conditioning system and building enclosure, which are critical components to prevent contamination within the laboratories. FDA processes evidence in court cases that must be tested and stored appropriately, some samples must be stored for up to eight years. These samples are irreplaceable and failing infrastructure could place them at risk for contamination and spoilage. Costly laboratory equipment is at risk of being damaged due to severe roof leaks.

The current space is compartmentalized with hard wall offices and no capability of changing space to accommodate workflow or to facilitate collaboration. FDA has storage spaces and conference rooms that were built to accommodate program areas that no longer exist and later built laboratory space around those areas. For sections of the country west of the Mississippi River and east of Nevada, this facility is responsible for managing food borne illness outbreaks. FDA uses this facility to analyze food samples to determine the source of the illness so the food can be immediately recalled to prevent further illness or deaths. This laboratory analyzes foods crossing state boundaries, as well as foods that are flown in from other countries to ensure it is safe for consumption.

The FY 2019 request is for Design ($3.57 million), Construction ($23.34 million) and Management and Inspection ($2.41 million).

District of Columbia

Washington, DC DHS Consolidation at St. Elizabeths....................................... $229,000,000
GSA proposes $229 million for the continued consolidation of the Department of Homeland Security (DHS) in the National Capital Region at the St. Elizabeths Campus. By bringing DHS headquarters components into a single government-owned campus, DHS will avoid incurring additional costs for commercial leases and enable its employees to collaborate more readily in a secure working environment. The FY2019 request includes funding to consolidate the Federal Emergency Management Agency, currently located in several leases throughout the National Capital Region.

The FY 2019 request is for Design ($12 million), Construction ($205 million) and Management and Inspection ($12 million).

Washington, DC Department of Transportation Lease Purchase..................... $767,900,000
GSA proposes $767.9 million, to acquire, through an existing purchase option, the building located at 1200 New Jersey Avenue, SE, Washington, DC. The 1,900,000 gross square foot (gsf) facility, currently leased by GSA, provides 1,350,000 rentable square feet (rsf) of space, 936 indoor parking spaces and is occupied entirely by the Department of Transportation (DOT) for their Headquarters function. The proposed purchase will reduce the Government's rental payment to the private sector by approximately $49,400,000 annually.

GSA leased the building on behalf of the DOT upon construction completion in 2006. The current lease agreement expires October 19, 2021. GSA has an option to negotiate the purchase of the building and site for approximately $760,000,000 at the end of the current lease term on October 19, 2021, provided a 24 months notification is given to the Lessor. A Notification of Intent to consider exercising the purchase option is required 36 months prior to the lease expiration. This estimated purchase price is an estimate based on a current fair market value appraisal of the property, escalated to the purchase date, multiplied by 95 percent. The actual purchase price will be negotiated, in accordance with the contract terms.

The DOT is a cabinet level agency with a long term requirement for their Headquarters facility. Exercising the purchase option will provide for a permanent, owned housing solution for their mission execution, lowering the cost to the taxpayer. Upon purchase, GSA will work with DOT to improve the utilization of the space.

The FY 2019 request is for Site and Facility ($767.9 million).

Washington, DC Southeast Federal Center Remediation....................................... $9,000,000
GSA proposes $9 million for the continued remediation of the Southeast Federal Center (SEFC). SEFC is a 53-acre site, in the southeast quadrant of the District of Columbia along the Anacostia River. Congress previously authorized the GSA to redevelop this property by entering into agreements with private entities to enhance the value of the site to the Federal Government.

The site consists of two parcels. The first parcel, which contains 11 acres, was redeveloped into a new, 1.35-million square foot facility that currently serves as the Department of Transportation headquarters. The second parcel is approximately 42 acres and under redevelopment by Forest City Washington pursuant to a development agreement for a mixture of uses.

Remediation of extensive environmental contamination has been underway at this site for several years to comply with a Consent Decree from the U.S. District Court in Washington, DC. GSA will continue to fund mitigation requirements related to a Consent Order from the

Environmental Protection Agency pursuant to section 3013 of the Solid Waste Disposal Act, commonly referred to as the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. § 6934, and the provisions of the development agreement with Forest City Washington. Compliance with the remediation requirements of the Consent Decree, the Consent Order and the development agreement are necessary to enable the site to be redeveloped and will continue until all of the remediation requirements have been satisfied.

The FY 2019 request is for Site Remediation ($9 million).

Missouri

Kansas City, MO Former Hardesty Federal Complex Remediation..................... $27,268,000
GSA proposes $27.27 million for remediation of soil and sediment on the former Hardesty Federal Complex, an 18-acre parcel located at 607 Hardesty Avenue, Kansas City, MO. While under Federal control, underground storage tanks deteriorated and fluids leaked into the soil and groundwater on the property and onto the adjoining residential parcels. The chemical trichloroethylene, commonly referred to as TCE, is the current source of the groundwater pollution.

The Kansas City Quartermaster Depot occupied this property from 1940 to 1953. In 1960, the Department of Defense transferred jurisdiction, custody and control over the property to GSA. Thereafter, the site housed several federal agencies until the complex was vacated in the early 2000s. In September 2011, GSA sold the property through a public auction to the Hardesty Renaissance Economic Development Corporation, a Missouri non-profit corporation. While the United States no longer owns the property, GSA is still responsible for the environmental remediation pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 *et seq*. Additionally, GSA's obligations for the environmental remediation of the property are memorialized in an April 2014 Administrative Order on Consent and Agreement, Order No. HWP-2014-001, with the State of Missouri.

The FY 2019 request is for Construction ($25.74 million) and Management and Inspection ($1.53 million).

Repair and Alterations -- Program Description

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

Summary of Request

The FY 2019 request of $909.75 million in Repairs and Alterations funding is necessary to address the identified needs of PBS's Federal inventory, which has an average age of 47 years. Basic and Major repairs and alterations have been repeatedly deferred, including repairs to malfunctioning elevators, replacement of obsolete electrical systems, updates to outdated fire alarm systems, and needed asbestos abatement. GSA's FY 2017 estimate for the total cost of deferred maintenance and repairs to be approximately $1.4 billion, for activities categorized as work needing to be performed immediately to restore or maintain acceptable condition of the building inventory. Investing in the maintenance of our public facilities today allows PBS to address much needed repairs and improvements that if allowed to go unfunded, will negatively impact agency operations, impact building occupants, and result in costly and potentially emergency repairs in the future.

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

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

The FY 2019 request funds repair activities, at the lowest possible cost to the taxpayer necessary, to ensure that existing infrastructure receives the investment needed to support partner agencies and cost saving consolidation activities within existing Federal facilities.

- PBS will invest $418.71 million in the existing GSA portfolio of facilities through major repairs and alterations projects and design. Funding for these capital improvements in owned facilities, including the repair/replacement of outdated mechanical, electrical, fire and life safety, conveyance, heating, ventilation and air conditioning (HVAC) systems and the correction of exterior and structural deficiencies, are critical to maintaining safe, secure and functional facilities where partner agencies can perform their mission. Proposed repairs and alterations will also facilitate improved asset utilization and lower

costs for the American taxpayer.

- PBS will invest $385.06 million in the Basic Repairs and Alterations program, investing in projects with a total cost below the prospectus threshold of $3.095 million. This program ensures that emerging needs are met, mitigating the need for more costly projects. Over 70 percent of these funds are annually allocated to basic serviceability items to keep chillers and boilers running, elevators in working order, and facilities safe for occupancy.
- PBS requests $111.5 million for the Special Emphasis Programs 'Consolidation Activities', 'Fire and Life Safety' and 'Judicial Capital Security'.

Repairs and Alterations
(Dollars in Thousands)

	FUNDED TO DATE	ESTIMATED TOTAL PROJECT COST				FY 2019 Request			
		DESIGN	CONSTRUCTION	M&I	TOTAL	DESIGN	CONSTRUCTION	M&I	TOTAL
Nonprospectus (Basic) Repairs and Alterations Program	$ -	$ -	$ 373,556	$ -	$ 373,556	$ -	$ 373,556	$ -	$ 373,556
Major Repairs and Alterations									
Salt Lake City, UT Frank E. Moss U.S. Courthouse	$ 13,247	$ 9,650	$ 100,016	$ 7,227	$ 116,893	$ 9,650	$ 86,769	$ 7,227	$ 103,646
Lakewood, CO DFC Building 48	$ -	$ 3,821	$ 40,516	$ 2,698	$ 47,035	$ 3,821	$ 40,516	$ 2,698	$ 47,035
Lakewood, CO DFC Building 53	$ -	$ 3,464	$ 38,306	$ 2,757	$ 44,527	$ 3,464	$ 38,306	$ 2,757	$ 44,527
Washington, DC Lyndon Baines Johnson Federal Building	$ 4,200	$ 5,466	$ 30,431	$ 825	$ 36,722	$ 1,266	$ 30,431	$ 825	$ 32,522
Cincinnati, OH Potter Stewart U.S. Courthouse	$ -	$ 3,086	$ 27,229	$ 2,570	$ 32,885	$ 3,086	$ 27,229	$ 2,570	$ 32,885
Austin, TX Austin Finance Center	$ -	$ 2,070	$ 24,994	$ 1,658	$ 28,722	$ 2,070	$ 24,994	$ 1,658	$ 28,722
Philadelphia, PA U.S. Customhouse	$ -	$ 7,440	$ 78,025	$ 10,005	$ 95,470	$ 7,440	$ 78,025	$ 10,005	$ 95,470
Cleveland, OH Carl B. Stokes U.S. Courthouse	$ -	$ 1,855	$ 16,515	$ 1,594	$ 19,964	$ 1,855	$ 16,515	$ 1,594	$ 19,964
Indianapolis, IN Minton Capehart Federal Building	$ -	$ 904	$ 12,165	$ 872	$ 13,941	$ 904	$ 12,165	$ 872	$ 13,941
Subtotal, Major Repair and Alterations	$ 17,447	$ 37,756	$ 368,197	$ 30,206	$ 436,159	$ 33,556	$ 354,950	$ 30,206	$ 418,712
Repair and Alteration - Design Program									
Washington, DC Herbert C. Hoover Phase V & VI	$ 346,859	$ 45,479	$ 929,407	$ 50,831	$ 1,025,717	$ 5,978	$ -	$ -	$ 5,978
Special Emphasis Programs									
Consolidation Activities Program	$ -	$ -	$ 70,000	$ -	$ 70,000	$ -	$ 70,000	$ -	$ 70,000
Fire Protection and Life Safety Program	$ -	$ -	$ 30,000	$ -	$ 30,000	$ -	$ 30,000	$ -	$ 30,000
Judiciary Capital Security Program	$ -	$ -	$ 11,500	$ -	$ 11,500	$ -	$ 11,500	$ -	$ 11,500
Subtotal, Special Emphasis Programs	$ -	$ -	$ 111,500	$ -	$ 111,500	$ -	$ 111,500	$ -	$ 111,500
Total FY 2019 Repairs and Alterations Program	$ 364,306	$ 83,235	$ 1,782,660	$ 81,037	$ 1,946,932	$ 39,534	$ 840,006	$ 30,206	$ 909,746

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Repair and Alteration Project Descriptions

Colorado

Lakewood, CO Denver Federal Center Building 48................................. $47,035,000
GSA proposes $47.04 million for a repair and alteration project for a full modernization of Building 48 at the Denver Federal Center (DFC), located at West 6th Avenue & Kipling Street in Lakewood, CO. The project will convert Building 48 from a vacant warehouse building into a fully occupied Class A office building. The proposed project will upgrade building systems and the fire suppression system, repair structural and architectural deficiencies, install an elevator, abate hazardous materials, and improve landscaping and underground utilities. This project will provide an efficient office layout that both reduces agency utilization rates and allows for the backfill of approximately 149,000 rentable square feet (rsf) of vacant federally owned space. The renovated space will be occupied by the Department of the Interior (DOI) - Interior Business Center (IBC), which is currently housed in leased space. Relocation of IBC to Building 48 provides an annual lease cost avoidance of approximately $4,600,000 and an annual agency rent savings of approximately $1,200,000.

The FY 2019 request is for Design ($3.82 million), Construction ($40.52 million) and Management and Inspection ($2.7 million).

Lakewood, CO Denver Federal Center Building 53................................. $44,527,000
GSA proposes $44.53 million for a repair and alteration project for a partial modernization and backfill of Building 53 at the Denver Federal Center (DFC) located at West 6th Avenue & Kipling Street in Lakewood, CO. The proposed project will upgrade building systems and backfill vacant space. This project will provide a more efficient layout that both reduces agency utilization rates and allows for the recapture of and backfill of approximately 164,000 rentable square feet (rsf) of vacant federally owned space. The vacant space will be occupied by the Department of the Interior (DOI) – Business Integration Office (BIO), DOI – Fish & Wildlife Service (FWS) and DOI – Office of Chief Information Officer (OCIO). Relocation of FWS and OCIO to Building 53 provides an annual lease cost avoidance of approximately $3,000,000 and an annual agency rent savings of approximately $600,000.

This project will allow for a higher density open office environment and the relocation of FWS and OCIO from leased space. BIO also will be relocating from other government-owned space at the DFC.   In addition to vacant space recapture, the following work will take place in the vacant space to be backfilled, as well as the common spaces: replace electrical power devices, cables and telephone and data systems; replace light fixtures, lighting controls, and related cable; upgrade the cooling and heating system equipment, controls, and air distribution; and fire protection upgrades, including fire sprinklers and alarms. The plumbing systems for hot water and chilled water plumbing fixtures will be replaced.

The project includes paving and landscaping for a parking lot to accommodate approximately 65

vehicles and relocation of utilities to provide lighting for the parking lot.

The foundation and floor slab will be repaired throughout the building, as required. The project includes replacement of the sanitary sewer system for the entire building, the roof and the exterior windows, which replacement will include efficient insulated glazing. Exterior walls will be insulated and repaired, the masonry will be re-caulked and repointed and some exterior doors will be replaced. All restrooms will be upgraded with new finishes. The existing elevators will be upgraded and one new elevator will be installed at the main entrance.

The FY 2019 request is for Design ($3.46 million), Construction ($38.31 million) and Management and Inspection ($2.76 million).

District of Columbia

Washington, DC Lyndon Baines Johnson Federal Building.............................. $32,522,000
GSA proposes $32.52 million for a repair and alteration project for the Lyndon Baines Johnson (LBJ) Federal Building located at 400 Maryland Avenue, SW, Washington, DC. The proposed project will realign and reconfigure approximately 286,000 usable square feet (usf) of Department of Education (Education)-occupied space and upgrade or replace multiple building systems. The proposed renovation will support GSA and Education's ongoing efforts to improve Education's utilization of space and generate an annual lease cost avoidance of approximately $6,500,000 and an annual agency rent savings of approximately $3,000,000.

The project proposes to renovate and reconfigure floors 3, 4, 6, & 7 of the existing building resulting in open office environment with sufficient work and meeting space to meet Education's programmatic requirements in a much more efficient manner while consolidating personnel from leased space. Upgrades will be made to the HVAC controls, new power distribution circuits, and breaker ties, open mobile workspace construction, and a new generator. The proposed project also includes life safety items such as new fire alarm annunciators and replacement of equipment in fire control rooms, and items to improve energy efficiency. Additionally, the switchgear replacement project will replace the medium and low voltage switchgear, and network transformers and protectors, and upgrade the monitoring devices within the switchgears to be compatible with GSA requirements for the advanced metering systems.

The FY 2019 request is for Design ($1.27 million), Construction ($30.43 million) and Management and Inspection ($825 thousand).

Indiana

Indianapolis, IN Minton-Capehart Federal Building **$13,941,000**

GSA proposes $13.94 million for a repair and alteration project to undertake structural and related system upgrades of the parking garage at the Minton-Capehart Federal Building located at 575 North Pennsylvania Street Indianapolis, IN.

The garage is over 40 years old and is in urgent need of a major renovation. The garage is suffering from multiple concrete related failures including: delamination on the floor slabs and beams and slab reinforcement with extensive section loss; concrete spalling, and delamination at some column facades; water leakage on the underside of the supported level; and, deteriorated expansion joints. Interim short-term repairs have been undertaken with minor repair and alteration program funds over the past decade in an attempt to address immediate safety measures. The corrosion, spalling, and delamination of the structure are threatening tenant and property safety. Sections of the garage have been closed down due to the risk.

The proposed project scope includes concrete repairs and upgrades to lateral load resistance which will extend the life of the parking structure for several decades. The upper level slab will be replaced and a new membrane for vehicle bearing surfaces will be installed over the top of the new slab. Existing beams will be repaired or replaced at locations where concrete has spalled. New concrete shear walls will be constructed. The project also includes improvements to the supporting columns, shear walls and exterior stairwells, as well as improvements to the lighting and fire protection and installation of bollards at the garage entrance and exits.

The FY 2019 request is for Design ($904 thousand), Construction ($12.17 million) and Management and Inspection ($872 thousand).

Ohio

Cincinnati, OH Potter Stewart U.S. Courthouse…..................................... **$32,885,000**

GSA proposes $32.89 million for a consolidation project that will relocate the U.S. Bankruptcy Court (USBC) from over 38,000 usable square feet (usf) of leased space to approximately 21,000 usf in the Potter Stewart U.S. Courthouse. The project will meet the long term housing needs of the USBC, decrease the Federal Government's reliance on leased space, reduce federally owned vacant space, and improve space utilization in the Potter Stewart Courthouse. Approximately $1.6 million in annual lease costs will be avoided with savings of approximately $160,000 in annual agency rent payments.

The project proposes alterations to consolidate the USBC's space into the Potter Stewart Courthouse from leased space. The alterations will provide the construction of two USBC courtrooms and chambers, clerk space, and shared support spaces. HVAC, electrical, plumbing, and life safety system upgrades required to house USBC in the courthouse will also

be completed.   To provide contiguous space for the USBC, some of the existing   customer agency space may be relocated within the courthouse.

The FY 2019 request is for Design ($3.09 million), Construction ($27.23 million) and Management and Inspection ($2.57 million).

Cleveland, OH Carl B. Stokes U.S. Courthouse $19,964,000
GSA proposes $19.96 million for a repair and alteration project to complete, repair, and expand the plaza system at the Carl B. Stokes U.S. Courthouse (Stokes Courthouse) located at 801 W. Superior Avenue in Cleveland, OH.   The project proposes to repair the plaza at the Stokes Courthouse to eliminate water leaks and infiltration into the lower levels of the building.   The scope includes refinishing and reinforcing the structural steel that supports the plaza, along with repairs to fireproofing and upgrading the surface parking lot. The project also includes the completion of the plaza toward Superior Avenue, which has remained unfinished since construction of the courthouse.

The FY 2019 request is for Design ($1.86 million), Construction ($16.52 million) and Management and Inspection ($1.59 million).

Pennsylvania

Philadelphia, PA U.S. Custom House.. $95,470,000
GSA proposes a repair and alteration project for the U.S. Custom House (Custom House) located at 200 Chestnut Street in Philadelphia, PA. The proposed project will repair/replace the building's domestic and stormwater systems and upgrade/replace the heating, ventilation and air conditioning (HVAC) system to a more efficient, modern design.

The building is suffering from recurrent flooding caused by the aged domestic water piping system and significant temperature and indoor air quality issues caused by the insufficient and outdated HVAC system. Electrical system components will be replaced to support the HVAC systems. Mitigation of hazardous materials and associated sprinkler modifications will be accomplished in disturbed areas as part of the project.

To repair the buildings domestic water system, the piping will need to be exposed, abated of asbestos, inspected, and repaired. Concurrently, the building's induction unit system will be removed, abated of asbestos and upgraded to a four-pipe fan coil system. Due to the invasive nature of this work and the presence of hazardous materials, the majority of building tenants will be moved into internal swing space. The less invasive aspects of the project include repairing the stormwater system, replacing the building automation system, replacing the air handling units, partial conversion to variable air volume serving interior zones, replacing the heating and chilled water systems, and replacing the boilers.

As noted above, this renovation is in an occupied building so the proposed project includes allowances for internal swing space. The project minimizes tenant impact by using internal

swing space and hazardous materials enclosures, as well as by completing the scope items together.

The FY 2019 request is for Design ($7.44 million), Construction ($78.03 million) and Management and Inspection ($10.01 million).

Texas

Austin, TX Austin Finance Center.. $28,722,000
GSA proposes $28.72 million for a repair and alteration project to modernize the existing Austin Finance Center (AFC), located at 1619 Woodward Street in Austin, TX. The project will replace building systems and improve energy efficiency. The project includes HVAC replacement, separation of storm and sanitary lines, domestic water line replacement, main electrical switchboard replacement, window replacement, and power distribution system replacement. Treasury's transition to electronic transfer of funds resulted in the removal of all check printing and distribution functions and has significantly altered the type and amount of space the agency requires.

The 48-year-old building has undergone various renovation projects over the years, but never a complete modernization, including upgrades. The space, converted from light industrial to office use, does not include the appropriate lighting, HVAC, ceilings, or finishes for office space. Window replacement will provide energy efficiency and costs savings. The building systems are outdated and have reached the end of their useful lives. The old main switchboard needs replacement to comply with the National Electric Code. The control system and related electronic components need frequent repairs and parts are no longer available. The original power distribution system is inadequate for the electrical loads that are now required. The HVAC equipment has reached or surpassed its life expectancy. The storm water and sanitary lines do not meet current code and need to be separated. Runoff from heavy rains often floods the loading dock's storm drain, causing flooding in the building when floor drains back up. All the domestic water lines are old, corroded, and need to be replaced.

The FY 2019 request is for Design ($2.07 million), Construction ($24.99 million) and Management and Inspection ($1.66 million).

Utah

Salt Lake City, UT Frank E. Moss U.S. Courthouse... $103,646,000

GSA proposes $103.65 million for a repair and alteration project to address seismic deficiencies, undertake targeted building systems modernizations, and to reconfigure, alter, and backfill vacant space at the Frank E. Moss U.S. Courthouse (Moss Courthouse) located at 350 South Main Street, Salt Lake City, Utah. GSA's Seismic Rating System Report, released on March 31, 2016, lists the Moss Courthouse as having one of the highest seismic risk in the GSA portfolio. Once renovated, relocation of agencies currently in leased space into the Moss

Courthouse provides an annual lease cost avoidance of approximately $4,400,000 and an annual agency rent savings of approximately $2,400,000.

The proposed project will address seismic deficiencies by utilizing shear walls and seismic bracing. The project will address structural deficiencies, upgrade mechanical systems, provide new and repaired floor, wall, and ceiling finishes in areas impacted by seismic retrofits, replace fixtures and improve access to comply with Architectural Barriers Act Accessibility Standards (ABAAS), upgrade plumbing, provide a new boiler, upgrade heating ventilation and air conditioning (HVAC), upgrade elevators, and complete fire and life safety upgrades. Backfill of vacant space provides a long-term housing solution for various tenants in the historic Central Business District of Salt Lake City and lease cost avoidance. Additionally, this project will repair and upgrade building systems that are at risk of failing and bring the building to current code compliance.

The FY 2019 request is for Design ($9.65 million), Construction ($86.77 million) and Management and Inspection ($7.23 million).

Major Repairs and Alterations Design

District of Columbia

Washington, DC Herbert C. Hoover Building …………………………………….... $5,978,000

GSA proposes $5.98 million for the design of Phases V and VI of the on-going, multi-phase Major Repair and Alteration project of the Herbert C. Hoover Building (HCHB), the headquarters of the Department of Commerce (DOC). HCHB, a National Historic Landmark, located at 1401 Constitution Avenue, NW, Washington, DC consists of approximately 1.9 million usable square feet (usf) of space for the DOC. The eight phase repair and alterations project will address outdated systems and include interior renovations to improve the building's inefficient and outdated workplace layout.

The FY 2019 request is for Design ($5.98 million).

Minor Repairs and Alterations

Nationwide

Basic Repairs and Alterations Program………………………………………….. $373,556,000
The FY 2019 repairs and alterations program request includes $373.56 million 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. All projects are executed below the FY 2019 prospectus threshold of $3.095 million.

The Program serves as the source of funds to ensure the daily operational continuity in 1,603 buildings with approximately 183 million owned rentable square feet of space. Funds are

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

The majority of obligations address below prospectus level serviceability work items to maintain a facility's suitability to its original intended function. These are repairs to prevent deterioration and damage to buildings, their support systems, and operating equipment. The balance of funds received address space alterations, health and safety, physical security and special programs.

Postponing repairs and system upgrades leads to higher operating and maintenance costs and subsequent increased repair or replacement costs.

Special Emphasis Programs

Nationwide

Consolidation Activities Program... **$70,000,000**
GSA proposes $70 million for the reconfiguration and renovation of space within Government-owned and leased buildings during Fiscal Year (FY) 2019 to support GSA's ongoing consolidation efforts to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the Government's environmental footprint.

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 customer agencies and through agency initiatives. Projects will vary in size by location and agency mission and operations; however, no single project will exceed $20 million GSA costs. Funds will support consolidation of customer agencies and will not be available for GSA internal consolidations. Preference will be given to projects that result in an Office Utilization Rate of 130 usable square feet per person or less and a total project payback period of 10 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); and

- Incidental alterations and system upgrades, such as fire sprinklers or heating, ventilation and air conditioning, needed as part of relocation and consolidation.

Since inception of the Consolidation Activities Program in FY 2014, GSA has received $263 million in support of the program. Through FY 2017, the Consolidation activities program has funded 78 projects. When complete, the 78 projects will result in more than a 1.67 million usable square foot reduction, reduce agency rental payments to GSA by $66 million annually, and provide $132 million in annual government lease cost avoidance.

Fire Protection and Life Safety Program……………...………………………..... $30,000,000
GSA proposes $30 million for alterations to upgrade, replace and improve fire protection systems and life safety features in Government-owned buildings during Fiscal Year (FY) 2019.

Since FY 2010, GSA has received $96 million in support of this program. These funds supported 87 projects in over 72 Government-owned buildings.

As part of its fire protection and life safety efforts, GSA currently is identifying projects in Federal buildings throughout the country through surveys and studies. These projects will vary in size, location and delivery method. The approval and appropriation requested in this prospectus is for a diverse set of retrofit projects with engineering solutions to reduce fire and life safety

hazards. Typical projects include:

- 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, as necessary, 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 facilitate the safe and timely evacuation of building occupants in the event of an emergency.

Judiciary Capital Security Program.. **$11,500,000**
GSA proposes $11.5 million for alterations to improve physical security in government-owned buildings occupied by the Judiciary and the U.S. Marshals Service (USMS) during FY 2019. This program provides a vehicle for addressing security deficiencies in a timely and less costly manner when constructing a new courthouse is unlikely in the foreseeable future. The projects in this program are based on studies undertaken by the Judiciary. The Judiciary's asset management planning process serves to help compile a preliminary assessment of potential projects that identify courthouses with poor security ratings nationwide.

Since FY 2012, GSA has received $106.7 million in support of this program. These funds have supported 11 projects nationwide.

Leasing

(Dollars in Thousands)

FY 2017 Actual	FY 2018 Full Year CR	FY 2019 Request
$5,628,363	$5,590,141	$5,430,345

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

Program Description – Leasing

This activity provides for the leasing of privately owned buildings. Including space occupied by Federal agencies in U.S. Postal Service facilities, GSA provided 184 million square feet of rental space in 2017. GSA expects to provide 180 million square feet of rental space in 2018 and 179 million in 2019.

The FY 2019 Rental of Space is $5.43 billion, or 1.2 percent below the FY 2018 full year CR level.

GSA recognizes that historical trends alone are not accurate indicators of projected lease costs. As a result, PBS's FY 2019 Rental of Space budget request is based upon the improved rent estimation process instituted in FY 2016 which GSA continues to refine. This request provides for more accurate requirements to build the rental of space budget by linking directly to leasing inventory and project tracking system.

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

PBS's Rental of Space NOA request reflects an overall reduction of 5.0 million RSF in anticipated leased square footage from FY 2017 to FY 2019. This projected reduction includes delegated leases that agencies will turn back to GSA and independent lease where the agency has asked GSA to provide space. This increases NOA RSF by 841 thousand in 2019.   As the Federal government continues to implement strategies to identify savings through efficient space use, the cost to lease new space is expected to decrease in aggregate as GSA replaces, consolidates, or terminates expiring leases,. While 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. This activity provides the Federal government with a portfolio approach to managing leasing requirements for space. One of the benefits provided by this portfolio approach is flexibility for individual agencies to cancel most occupancy on short notice based on mission needs. In these situations, PBS will look to fill a requirement for another agency with this recently vacated space. Having a centralized portfolio

approach for leasing enables this type of holistic approach to meeting needs across all Federal agencies.

The FY 2019 Rental of Space request consists of the following requirements:

- $5,510,836 thousand for annual rent for leases already in the inventory;
- $20,609 thousand for rent increases, usually associated with replacement leases, operating cost escalations, and step rents;
- $106,951 thousand for real estate taxes and one-time payments, such as claims and buyouts;
- $4,682 thousand for temporary 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; and
- ($74,331) thousand for cancellations, the amount of space leaving the inventory

Rental of Space, Explanation of Changes
(Dollars in Thousands)

	New Obligational Authority (NOA)
Fiscal Year 2018 Request	$ 5,590,140
FY 2018 Program Changes	40,127
Annualization of remaining FY 2018 Program Changes	(119,432)
Fiscal Year 2019 Base	$ 5,510,836
FY 2018 Unobligated Balance Used to Fund FY 2019 Requirements	(108,403)
Rent Changes (Step Rent, CPIs, Escalations)	20,609
Lump Sums (Taxes, IBAAs, RWAs, Double Rent, Others)	106,951
Cancellations	(74,331)
Expansions	4,682
Reduction for FY 2019 Estimated Prior Year Recoveries	(30,000)
Fiscal Year 2019 Request	$ 5,430,345

Building Operations

While maximizing resources for new construction and acquisition activities, and repairs and alteration programs, the FY 2019 request of $2.25 billion for Building Operations continues to optimize the internal operations of PBS supporting the key building operation needs requested by our partners.   This request reflects a continued effort toward building operations that seek to reduce spending on building services and administrative costs, maintaining building services at a standardized level to meet partner needs while limiting increased spending to fund PBS's workforce.

Building Operations, Explanation of Changes
(Dollars in Thousands)

	FY 2017 Actual	FY 2018 Full Year CR	FY 2019 Request
BASE BUILDING	$ 1,109,202	$ 1,111,297	$ 1,117,160
Maintenance	$ 420,602	$ 410,747	$ 418,088
Cleaning	$ 370,747	$ 376,483	$ 373,005
Utilities	$ 261,633	$ 266,866	$ 268,866
Security	$ 56,220	$ 57,201	$ 57,201
OTHER / MISC BUILDING	$ 120,120	$ 129,225	$ 124,548
Misc Bldg Support	$ 88,997	$ 98,575	$ 97,269
Studies	$ 26,756	$ 27,000	$ 22,863
Building Moves	$ 4,367	$ 3,650	$ 4,416
TOTAL BUILDING SERVICES REQUIREMENT	$ 1,229,322	$ 1,240,522	$ 1,241,708
OTHER FUNDING SOURCES	$ (45,082)	$ (64,324)	$ (111,089)
TOTAL BUILDING SERVICES NOA	$ 1,184,240	$ 1,176,198	$ 1,130,619
PBS ADMINISTRATIVE	$ 1,138,215	$ 1,140,997	$ 1,140,773
Personnel Compensation and Benefits	$ 681,703	$ 682,463	$ 675,053
GSA Working Capital Fund	$ 352,232	$ 350,123	$ 357,432
Management Support	$ 57,013	$ 59,952	$ 59,952
PBS Information Technology	$ 45,527	$ 44,500	$ 44,500
Administrative Services	$ 11,974	$ 13,029	$ 13,029
Heating Operation and Transmission Division	$ (10,234)	$ (9,070)	$ (9,193)
OTHER / MISC PBS ADMINISTRATIVE	$ (212)	$ 2,068	$ 1,644
Travel	$ 12,312	$ 10,580	$ 10,770
Training	$ 6,529	$ 7,600	$ 6,800
Telephones	$ 5,464	$ 5,500	$ 6,000
Equipment	$ 1,318	$ 1,212	$ 1,084
Supplies	$ 801	$ 968	$ 982
Printing	$ 236	$ 194	$ 210
Transportation	$ 8	$ 30	$ 30
RWA Sliding Scale Fee	$ (26,880)	$ (24,016)	$ (24,232)
TOTAL SALARIES AND EXPENSES REQUIREMENT	$ 1,138,003	$ 1,143,065	$ 1,142,417
OTHER FUNDING SOURCES	$ 12,757	$ (120)	$ (20,036)
TOTAL SALARIES AND EXPENSES NOA	$ 1,150,760	$ 1,142,945	$ 1,122,381
TOTAL BUILDING OPERATIONS NOA	$ 2,335,000	$ 2,319,143	$ 2,253,000

Note: Other Funding Sources includes funds from projected prior year recoveries, National Antenna Program, Cooperative Use Act, and carryover.

Building Services

(Dollars in Thousands)

FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
$1,184,240	$1,176,198	$1,130,619

Note: Figures do not include indefinite authority

Program Description – Building Services

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

The FY 2019 Building Services portion of the Building Operations request is $1.13 billion.

The FY 2019 request continues efforts to operate PBS's building inventory as efficiently as possible by keeping requested funding levels at the lowest possible level. In FY 2015, PBS implemented additional national oversight of operating budgets in an effort to examine the management, contract provisions, contracting practices, and other activities that contribute to better value in PBS's operating services. Coupled with reductions in the FY 2018 full year CR funding, the FY 2019 request provides for a continuation of these strategies, only minor increases in funding are needed to sustain operations moving forward based on the FY 2018 funding levels. This investment is associated with a longer term plan to completely transition all of PBS's severable service contracts to full funding. The FY 2019 request also sustains a $34.7 million increase in Collective Bargaining Agreement (CBA) wage levels that impact cleaning and maintenance contracts across PBS operations, $6.2 million space inventory requirements and the $22.2 million inflation estimate within building operations contracts.

Cleaning: The cleaning budget consists of the interior cleaning, exterior cleaning, trash removal, landscaping, and snow removal operations of the facilities within GSA's control. The FY 2019 request includes $373 million, a decrease of approximately one percent from the FY 2018 full year CR funding for cleaning.

Utilities: The utility budget consists of the cost of energy needed to heat, cool, and power the operations of the facilities and the cost of water and sewage. The FY 2019 request includes $268.8 million an increase of less than one percent from the FY 2018 full year CR funding level. The annual costs of Energy Saving Performance Contracts and Utility Energy Service Contracts are funded from the utilities budget. However, GSA anticipates that these costs will be offset in future fiscal years by reductions to utility payments by PBS and cost avoidance within the Maintenance and Basic Repairs and Alterations budgets.

Maintenance: The maintenance budget consists of the electrical, plumbing, HVAC, elevator/escalator operations, and labor in support of the operations of the facilities within GSA's control. The FY 2019 request includes $418.1 million, which is a 1.8 percent increase from the

FY 2018 full year CR level for maintenance. This increase provides for additional wage rate increases and inflation on current maintenance contracts as well as maintenance support for facilities that will come into PBS's inventory.

Security: The security budget provides funding for the work the Department of Homeland Security - Federal Protective Service performs for GSA, including building security and clearances. The FY 2019 request includes $57.2 million, which is the same level as the FY 2018 full year CR level.

Miscellaneous Building Support: The FY 2019 request includes $97.27 million, a decrease of 1.3 percent from the FY 2018 full year CR level, for miscellaneous building support. In FY 2019 the request will fund operations at the appropriate level to support customer needs. This category includes various programs that support improved operations. The Fire Protection and Life Safety Program identifies fire and safety hazards in GSA-controlled facilities. The Space Alterations and Changes Program funds Federal space requirements development, including expansion space and alterations. The Energy and Environmental Program oversees environmental testing and hazardous material abatement, as well as improving efficiencies by diagnosing, metering, and enhancing building systems with advanced automation systems. This program supports Realty Services including leased space requirements development, market surveys and appraisals, brokerage commissions, and assigning and backfilling space. In addition this funding supports Special Programs that include cafeteria and child care operations and the historic preservation program; and Miscellaneous Building Support that funds various support functions not chargeable elsewhere such as key making, purchasing signage, renting operating equipment and tools, and raising and lowering flags.

Building Moves: This category funds costs associated with moving an agency into or out of space, or moving GSA offices. The FY 2019 request includes $4.42 million, an increase of $766 thousand, or 21 percent, from the FY 2018 full year CR funding level for building moves.

Studies: The FY 2019 request includes $22.86 million, a decrease of approximately 15 percent from the FY 2018 full year CR funding level for studies. Studies supporting the FY 2019 Capital Project request are fully funded in this Building Services request. However, building studies in other areas were reduced in the request. This category includes building studies such as environmental studies and assessments, project development studies, building engineering reports, and planning studies; energy audits are not included in this category. $3 million is included in the FY 2019 request to support Land Port of Entry cost estimation and greater planning for these projects. Studies are the first phase in successfully completing a capital project and are vital to the formulation of the Five-Year Capital Plan, as such it is imperative that funding be provided at the request level.

Salaries and Expenses

(Dollars in Thousands)

FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
$1,150,760	$1,142,945	$1,122,381

Program Description – Salaries and Expenses

This activity provides for 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 WCF.

The FY 2019 Salaries and Expenses portion of the Building Operations request is $1.12 billion.

Personnel Compensation and Benefits (PC&B): The FY 2019 request included $675.05 million, a decrease of 1.1 percent from the FY 2018 full year CR levels. The FY 2019 request funds approximately 5,511 FTE of which 270 of these FTE will be funded from reimbursable authority and not the FBF New Obligational Authority. The anticipated reimbursable authority to fund PC&B in FY 2019 is $43.58 million.

GSA Working Capital Fund: The FY 2019 request includes $357.43 million, for the PBS portion of the Working Capital Fund, an increase of $7.31 million from the FY 2018 level. The majority of this increase is the result of FY 2018 requirements being funded with carry over balances in the WCF reducing the amount of FBF NOA needed to fund the requirements for PBS in FY 2018. This category provides funding for GSA's overhead and administrative functions including Budget and Finance, Human Resources, and GSA IT services as well as select PBS specific requirements.

PBS IT Services: The FY 2019 request includes $44.5 million, which is the same level of funding in the FY 2018 full year CR for PBS IT Services. This category provides funding for PBS-specific IT investments, including operation, maintenance, and enhancements of national applications. This request supports the top priority IT enhancements and investments in the PBS IT portfolio.

Management Support: The FY 2019 request includes $59.95 million which is the same level of funding provided in the FY 2018 full year CR. 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.

Other/Miscellaneous PBS Administrative: This category provides funding for PBS's administrative costs, such as transportation, telephones, printing, supplies, equipment, and

travel, as well as programmatic spending not associated with Management Support. This category also funds training, which is funded at $6.9 million, which represents 1.5 percent of base salaries to fund discretionary and mandatory training requirements such as PBS's Acquisition and Project Management personnel training and the Facilities Management certification program.

Installment Acquisition Payments
(Dollars in Thousands)

	New Obligational Authority (NOA)	
Fiscal Year 2018 Full Year CR	$	-
Increase in Basline Program Requirements	$	200,000
Decrese in Capitalized Interest Payments	$	-
Decrese in Interest Payments	$	-
Fiscal Year 2019 Request	$	200,000

Program Description – Installment Acquisition Program:

This activity provides for transfers of repayment amounts to the Federal Capital Revolving Fund (FCRF) to repay amounts previously invested by that fund.

The initial project that will be funded through the IAP is the Federal Bureau of Investigations headquarter project, $200 million represents the first repayment installment on this project. The FCRF will transfer funds to GSA as the purchasing agencies to cover the total upfront project cost of acquiring this capital asset, and GSA will repay the FCRF in equal installments over a period not to exceed 15 years. Repayments to the FCRF would revolve and be available to fund additional purchases. The FCRF will transfer funds to a purchasing agency only if the acquisition is first approved in an appropriations Act and the Act includes funding for the agency's first annual repayment to the CRF.

Program Description – Reimbursable Program

	FTE	Reimbursable Authority
REIMBURSABLE PROGRAM EXPLANATION OF BUDGET CHANGES (Dollars in Thousands)		
FY 2018 Request	270	$1,363,666
Workload Decreases	0	$1,186
FY 2019 Request	270	$1,362,480

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

Schedule of Indefinite Authorities

Program	Source	Explanation
Recycling and Energy Rebates	40 U.S.C. § 592	The Administrator may obligate amounts received and deposited in the FBF for energy management improvement and recycling programs.
Historic Properties	54 U.S.C. § 306121	The proceeds of any outlease for a historic property 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 U.S.C. § 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 U.S.C. § 6701(a)(1)	The Administrator may make and perform transactions as necessary to carry out the trade center plan at the Federal Triangle Project. See also 40 U.S.C. § 6701(b) (1), noted above.
Cooperative Use Act and National Antenna Program	40 U.S.C. § 581(h)(3)	The Administrator may deposit into the FBF amounts received under Cooperative Use Act leases or rentals, and amounts deposited shall be credited to the appropriation from the Fund applicable to the operation of the building.
Telecommuting	40 U.S.C. § 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.
Rental of Space	40 U.S.C. § 586 (d)	An agency may make rent payments to GSA for lease space relating to expansion needs of the agency. Payment rates shall approximate commercial charges for comparable space. Payments shall be deposited into the FBF. GSA may use amounts received under this subsection, in addition to amounts received as New Obligational Authority, in the Rental of Space activity of the FBF.

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 approximately $2 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

Fiscal Year	Project Name	City	State	Project Type	Project Description	Prior Funding to Date ($000's)	Additional Funding Required ($000's) (FY Request Amount)	Estimated Total Project Costs ($000's)
FY17 ENACTED	FBI Headquarters Consolidation	National Capital Region	NC	New Construction	New Construction	$ 75,000	$ 200,000	$ 2,515,754
FY17	APHIS Building	Pembina	ND	NC	New Construction	$ -	$ 5,749	$ 5,749
FY17	Judiciary Court Security Program	Nationwide		R&A	Special Emphasis	$ -	$ 26,700	$ 26,700
FY17	Consolidation Activities Program	Nationwide		R&A	Special Emphasis	$ -	$ 48,000	$ 48,000
FY17	985 Michigan Avenue	Detroit	MI	R&A	Exterior/Structural Repairs/Consolidation	$ 8,277	$ 81,303	$ 89,580
FY17	911 Federal Building	Seattle	WA	R&A	Consolidation/Systems Upgrades/Structural Repairs	$ -	$ 22,500	$ 22,500
FY17	William J. Green, Jr. Federal Building	Philadelphia	PA	R&A	Space Renovation/Consolidation/Phased II of II	$ 51,500	$ 52,300	$ 103,800
FY17	Edward Hebert Federal Building	New Orleans	LA	R&A	Full Modernization	$ -	$ 66,608	$ 66,608
FY17	2306/2312 Bannister Road	Kansas City	MO	R&A	Full Modernization	$ -	$ 66,534	$ 66,534
FY17 TOTAL						$ 134,777	$ 569,694	$ 2,945,225
FY18 PRESIDENT'S BUDGET	DHS Consolidation at St. Elizabeths	Washington	DC	NC	Phased Construction	$ 1,591,000	$ 135,440	$ 2,415,009
FY18	FBI Field Office Building Purchase	New Orleans	LA	NC/Acq	Acquisition	$ -	$ 28,982	$ 28,982
FY18	U.S. Courthouse	Harrisburg	PA	NC	U.S. Courts Construction	$ 55,510	$ 137,242	$ 192,752
FY18	Alexandria Bay U.S. LPOE Phase II of II	Alexandria Bay	NY	NC	LPOE Construction	$ 126,160	$ 132,979	$ 259,139
FY18	Otay Mesa U.S. LPOE	San Diego	CA	NC	LPOE Construction	$ -	$ 121,848	$ 121,848
FY18	San Luis I U.S. LPOE	San Luis	AZ	NC	LPOE Construction	$ -	$ 234,000	$ 234,000
FY18	Nonprospectus (Basic) Repairs and Alterations Program	Nationwide		R&A	Minor Repairs and Alterations	$ -	$ 384,956	$ 384,956
FY18	Judiciary Court Security Program	Nationwide		R&A	Special Emphasis	$ -	$ 20,000	$ 20,000
FY18	Consolidation Activities Program	Nationwide		R&A	Special Emphasis	$ -	$ 100,000	$ 100,000
FY18	Fire and Life Safety Program	Nationwide		R&A	Special Emphasis	$ -	$ 45,000	$ 45,000
FY18	Seismic Mitigation Program	Nationwide		R&A	Special Emphasis	$ -	$ 40,000	$ 40,000
FY18	James C. Corman Federal Building	Van Nuys	CA	R&A	Systems Upgrades	$ -	$ 12,690	$ 12,690
FY18	Major General Emmett J. Bean Federal Center	Indianapolis	IN	R&A	Space Renovation/Consolidation	$ -	$ 45,950	$ 45,950
FY18	911 Federal Building	Portland	OR	R&A	Systems Upgrades	$ -	$ 8,153	$ 8,153
FY18	Lewis F. Powell, Jr. U.S. Courthouse & U.S. Courthouse Annex	Richmond	VA	R&A	Exterior/Structural Repairs	$ -	$ 11,677	$ 11,677
FY18	IRS Service Center	Ogden	UT	R&A	Systems Upgrades/Exterior/Structural Repairs	$ -	$ 51,241	$ 51,241
FY18	Jacob K. Javits Federal Building	New York	NY	R&A	Exterior/Structural Repairs	$ -	$ 65,712	$ 65,712
FY18	Anthony J. Celebrezze Federal Building	Cleveland	OH	R&A	Space Renovation/Consolidation	$ -	$ 74,224	$ 74,224
FY18	Harry S. Truman Federal Building	Washington	DC	R&A	Systems Upgrade	$ -	$ 13,200	$ 13,200
FY18	Pacific Highway U.S. LPOE	Blaine	WA	R&A	Exterior/Structural Repairs	$ -	$ 17,960	$ 17,960
FY18	Potter Stewart U.S. Courthouse	Cincinnati	OH	R&A	Systems Upgrades	$ -	$ 10,872	$ 10,872
FY18	Prince J. Kuhio Kalanianaole Federal Building	Honolulu	HI	R&A	Systems Upgrades	$ -	$ 100,982	$ 100,982
FY18	John F. Seiberling Federal Building & U.S. Courthouse	Akron	OH	R&A	Exterior/Structural Repairs	$ -	$ 17,938	$ 17,938
FY18	Federal Building & U.S. Courthouse	Milwaukee	WI	R&A	Exterior/Structural Repairs	$ -	$ 12,991	$ 12,991
FY18	Federal Office Building	Seattle	WA	R&A	Exterior/Structural Repairs	$ -	$ 24,234	$ 24,234
FY18	Abraham A. Ribicoff Federal Building & U.S. Courthouse	Hartford	CT	R&A	Exterior/Structural Repairs	$ -	$ 15,220	$ 15,220
FY18	Thomas P. O'Neill, Jr. Federal Building	Boston	MA	R&A	Exterior/Structural Repairs	$ -	$ 9,636	$ 9,636
FY18	William J. Holloway, Jr. U.S. Courthouse/PO & U.S. Courthouse	Oklahoma City	OK	R&A	Phased Construction	$ -	$ 141,575	$ 141,575
FY18	Joseph F. Weis, Jr. U.S. Courthouse	Pittsburgh	PA	R&A	Systems Upgrades	$ -	$ 31,036	$ 31,036
FY18	IRS Service Center	Memphis	TN	R&A	Exterior/Structural Repairs	$ -	$ 35,009	$ 35,009
FY18	James A. Byrne U.S. Courthouse	Philadelphia	PA	R&A	Systems Upgrades	$ -	$ 41,800	$ 41,800
FY18	John Paul Hammerschmidt Federal Building and U.S. Courthouse	Fayetteville	AR	R&A	Systems Upgrades	$ -	$ 20,013	$ 20,013
FY18	Robert F. Kennedy Federal Building	Washington	DC	R&A	Systems Upgrades	$ -	$ 27,800	$ 27,800
FY18	IRS Service Center	Holtsville	NY	R&A	Systems Upgrades	$ -	$ 6,434	$ 6,434
FY18	Alexander Hamilton U.S. Custom House	New York	NY	R&A	Exterior/Structural Repairs	$ -	$ 53,991	$ 53,991
FY18	Lyndon Baines Johnson Federal Building	Washington	DC	R&A	Design	$ -	$ 4,200	$ 36,722

Fiscal Year	Project Name	City	State	Project Type	Project Description	Prior Funding to Date ($000's)	Additional Funding Required ($000's) (FY Request Amount)	Estimated Total Project Costs ($000's)
FY18 TOTAL						$ 1,772,670	$ 2,234,985	$ 4,728,746
FY19	DHS Consolidation at St. Elizabeths	Washington	DC	NC	Phased Construction	1,726,440	229,000	2,415,009
FY19	Calexico West Phase II	Calexico	CA	NC	LPOE Construction	121,849	275,900	397,749
FY19	Southeast Federal Center Remediation	Washington	DC	NC/Remediation	Remediation	75,857	9,000	91,707
FY19	Former Hardesty Federal Complex	Kansas City	MO	NC/Remediation	Remediation	500,000	27,268	27,768
FY19	FDA Laboratory	Lakewood	CO	NC	New Construction	-	29,319	29,319
FY19	Department of Transportation Lease Purchase	Washington	DC	NC/Acq	Acquisition	-	767,900	767,900
FY19	Basic (Minor) Repairs and Alterations Program	Nationwide		R&A	Minor Repairs and Alterations	-	373,556	373,556
FY19	Consolidation Activities	Nationwide		R&A	Special Emphasis	-	70,000	70,000
FY19	Fire and Life Safety Program	Nationwide		R&A	Special Emphasis	-	30,000	30,000
FY19	Judiciary Court Security Program	Nationwide		R&A	Special Emphasis	-	11,500	11,500
FY19	Frank E. Moss U.S. Courthouse	Salt Lake City	UT	R&A	Exterior/Structural Repairs	13,247	103,646	116,893
FY19	DFC Building 48	Lakewood	CO	R&A	Space Renovation/Consolidation	-	47,035	47,035
FY19	DFC Building 53	Lakewood	CO	R&A	Space Renovation/Consolidation	-	44,527	44,527
FY19	Lyndon Baines Johnson Federal Building	Washington	DC	R&A	Space Renovation/Consolidation	4,200	32,522	36,722
FY19	Potter Stewart U.S. Courthouse	Cincinnati	OH	R&A	Space Renovation/Consolidation	-	32,885	32,885
FY19	Austin Finance Center	Austin	TX	R&A	Space Renovation/Consolidation	-	28,722	28,722
FY19	U.S. Custom House	Philadelphia	PA	R&A	Systems Upgrades	-	95,470	95,470
FY19	Carl B. Stokes U.S. Courthouse	Cleveland	OH	R&A	Exterior/Structural Repairs	-	19,964	19,964
FY19	Minton-Capehart Federal Building	Indianapolis	IN	R&A	Exterior Repairs	-	13,941	13,941
FY19	Herbert C. Hoover Building Phases V and VI Design	Washington	DC	R&A	Design	346,859	5,978	TBD
FY19 TOTAL						$ 2,788,452	$ 2,248,133	$ 4,650,667
Outyear	DHS Consolidation at St. Elizabeths	Washington	DC	NC	Phased Construction	1,955,440	439,561	2,415,009
Outyear	Southeast Federal Center Remediation	Washington	DC	NC	Remediation	84,857	6,850	91,707
Outyear	New LPOE - TBD per CBP Five Year Plan	TBD		NC LPOE	LPOE Construction	-	150,000	150,000
Outyear	U.S. Courthouse	TBD		NC Judiciary	U.S. Courts Construction	-	150,000	150,000
Outyear	New Federal Building	Laguna Niguel	CA	NC	New Construction	-	282,240	282,240
Outyear	FBI Field Office	St. Louis	MO	NC	New Construction	-	120,000	120,000
Outyear	Nonprospectus (Basic) Repairs and Alterations Program	Nationwide		R&A	Minor Repairs and Alterations	-	390,000	390,000
Outyear	Special Emphasis Programs	Nationwide		R&A	Special Emphasis	-	245,000	245,000
Outyear	Patrick V. McNamara Federal Building	Detroit	MI	R&A	Exterior/Structural Repairs	-	16,292	16,292
Outyear	Edward T. Gignoux U.S. Courthouse	Portland	ME	R&A	Systems Upgrades	-	17,474	17,474
Outyear	Minton-Capehart Federal Building	Indianapolis	IN	R&A	Exterior/Structural Repairs	-	14,673	14,673
Outyear	Robert Denney Federal Building and U.S. Courthouse	Lincoln	NE	R&A	Systems Upgrades	-	36,404	36,404
Outyear	John F. Kennedy Federal Building	Boston	MA	R&A	Exterior/Structural Repairs	-	81,356	81,356
Outyear	GSA Headquarters	Washington	DC	R&A	Phased Construction	161,293	236,002	397,295
Outyear	J.J. Pickle Federal Building	Austin	TX	R&A	Exterior/Structural Repairs	40,261	17,376	17,376
Outyear	FDA Forensic Chemistry Center	Cincinnati	OH	R&A	Full Modernization	-	18,117	18,117
Outyear	Major General Emmett J Bean Federal Center	Indianapolis	IN	R&A	Systems Upgrades/Exterior/Structural Repairs	-	35,898	35,898
Outyear	E.M. Dirksen U.S. Courthouse	Chicago	IL	R&A	Systems Upgrades	-	6,649	6,649
Outyear	General Alterations Design	Nationwide		R&A	Multiple Buildings - Design	-	40,655	40,655
Outyear	DHS Consolidation at St. Elizabeths	Washington	DC	NC	Phased Construction	2,395,001	300,000	2,695,001
Outyear	New LPOE - TBD per CBP Five Year Plan	TBD		NC	LPOE Construction	-	200,000	200,000
Outyear	U.S. Courthouse	TBD		NC	U.S. Courts Construction	-	200,000	200,000
Outyear	Nonprospectus (Basic) Repairs and Alterations Program	Nationwide		R&A	Minor Repairs and Alterations	-	390,000	390,000
Outyear	Special Emphasis Programs	Nationwide		R&A	Special Emphasis	-	245,000	245,000
Outyear	J. Will Robinson Federal Building	Provo	UT	R&A	Systems Upgrades/Seismic	-	10,000	10,000
Outyear	Herbert C. Hoover Building Phase V of VIII Construction	Washington	DC	R&A	Phased Construction	352,837	TBD	TBD
Outyear	Degetau Federal Building & Ruiz-Nazario U.S. Courthouse	Hato Rey	PR	R&A	Full Modernization/Consolidation/Seismic	-	125,565	125,565

Fiscal Year	Project Name	City	State	Project Type	Project Description	Prior Funding to Date ($000's)	Additional Funding Required ($000's) (FY Request Amount)	Estimated Total Project Costs ($000's)
Outyear	J.A. Redden U.S. Courthouse	Medford	OR	R&A	Systems Upgrades/Seismic	$ -	$ 14,400	$ 14,400
Outyear	Tacoma Union Station	Tacoma	WA	R&A	Full Modernization	$ -	$ 32,000	$ 32,000
Outyear	John J. Moakley U.S. Courthouse	Boston	MA	R&A	Systems Upgrades/Exterior/Structural Repairs	$ -	$ 65,448	$ 65,448
Outyear	Daniel P. Moynihan U.S. Courthouse	New York	NY	R&A	Systems Upgrades/Exterior/Structural Repairs		$ 26,343	$ 26,343
Outyear	Federal Building and U.S. Courthouse	Paducah	KY	R&A	Systems Upgrades/Seismic	$ -	$ 20,000	$ 20,000
Outyear	U.S. Post Office and Courthouse	Charleston	SC	R&A	Systems Upgrades/Seismic	$ -	$ 30,000	$ 30,000
Outyear	Melvin Price Federal Courthouse	East St. Louis	IL	R&A	Exterior/Structural Upgrades/Seismic	$ -	$ 22,712	$ 22,712
Outyear	8930 Ward Parkway Federal Building	Kansas City	MO	R&A	Full Modernization	$ -	$ 29,317	$ 29,317
Outyear	Haynesworth Federal Building and U.S. Courthouse	Greenville	SC	R&A	Consolidation/Systems Upgrades	$ -	$ 15,399	$ 15,399
Outyear	James V. Hansen Federal Building	Ogden	UT	R&A	Systems Upgrades/Exterior/Structural Repairs	$ -	$ 18,663	$ 18,663
Outyear	Ralph H. Metcalfe Federal Building	Chicago	IL	R&A	Systems Upgrades	$ -	$ 81,076	$ 81,076
Outyear	Bozeman Federal Building and U.S. Post Office	Bozeman	MT	R&A	Space Renovations/Consolidation	$ -	$ 9,740	$ 9,740
Outyear	Mississippi River Commission Building	Vicksburg	MS	R&A	Systems Upgrades/Exterior/Structural Repairs	$ -	$ 15,213	$ 15,213
Outyear	Jacob K. Javits Federal Building	New York	NY	R&A	Systems Upgrades/Space Renovations/Consolidation	$ 19,957	$ 172,966	$ 192,923
Outyear	John C. Kluczynski Federal Building /U.S. Post Office Loop Station	Chicago	IL	R&A	Systems Upgrades	$ -	$ 21,179	$ 21,179
Outyear	Frank Carlson Federal Building and U.S. Courthouse	Topeka	KS	R&A	Full Modernization	$ -	$ 51,267	$ 51,267
Outyear	General Alterations Design	Nationwide		R&A	Multiple Buildings - Design	$ -	$ 26,723	$ 26,723
Outyear	New LPOE - TBD per CBP Five Year Plan	TBD		NC	LPOE Construction	$ -	$ 150,000	$ 150,000
Outyear	U.S. Courthouse	TBD		NC	U.S. Courts Construction	$ -	$ 150,000	$ 150,000
Outyear	Eagle Pass II Land Port of Entry	Eagle Pass	TX	NC	Acquisition	$ -	$ 6,420	$ 6,420
Outyear	Nonprospectus (Basic) Repairs and Alterations Program	Nationwide		R&A	Minor Repairs and Alterations	$ -	$ 390,000	$ 390,000
Outyear	Special Emphasis Programs	Nationwide		R&A	Special Emphasis	$ -	$ 245,000	$ 245,000
Outyear	Harry S. Truman Federal Building Phase VI of IX Construction, Phase VII Design	Washington	DC	R&A	Phased Construction	$ 176,800	$ 149,205	$ 1,126,167
Outyear	U.S. Custom House	Charleston	SC	R&A	Systems Upgrades/Seismic	$ -	$ 30,000	$ 30,000
Outyear	Robert C. Nix U.S. Courthouse	Philadelphia	PA	R&A	Space Renovations/Consolidation	$ -	$ 11,873	$ 11,873
Outyear	201 Varick Street Federal Office Building	New York	NY	R&A	Full Modernization	$ -	$ 172,917	$ 172,917
Outyear	Silvio Mollo Federal Building	New York	NY	R&A	Systems Upgrades/Exterior/Structural Repairs	$ 5,175	$ 75,810	$ 80,985
Outyear	Regional Office Building	Washington	NY	R&A	Full Modernization/Consolidation	$ 11,578	$ 313,645	$ 325,223
Outyear	Alexander Hamilton U.S. Custom House	New York	NY	R&A	Exterior/Structural Repairs	$ -	$ 51,473	$ 51,473
Outyear	Denver Federal Center Building 67	Lakewood	CO	R&A	Systems Upgrades	$ -	$ 22,500	$ 22,500
Outyear	William Kenzo Nakamura U.S. Courthouse	Seattle	WA	R&A	Exterior/Structural Repairs	$ -	$ 30,000	$ 30,000
Outyear	Estes Kefauver Federal Building and U.S. Courthouse Annex	Nashville	TN	R&A	Full Modernization	$ -	$ 150,000	$ 150,000
Outyear	Sioux City Federal Building and U.S. Courthouse	Sioux City	IA	R&A	Systems Upgrade	$ -	$ 33,855	$ 33,855
Outyear	U.S. Post Office/Courthouse/Federal Building	Burlington	VT	R&A	Systems Upgrade	$ -	$ 8,062	$ 8,062
Outyear	11000 Wilshire Federal Building	Los Angeles	CA	R&A	Systems Upgrades/Seismic	$ 9,500	$ 121,231	$ 130,731
Outyear						**$ 5,212,699**	**$ 6,539,548**	**$ 12,179,319**

U.S. General Services Administration
GOVERNMENT-WIDE POLICY
Fiscal Year 2019 Budget Request
CONTENTS

Appropriations Language

For expenses authorized by law, not otherwise provided for, for Government-wide policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; Government-wide policy support responsibilities relating to acquisition, travel, motor vehicles, information technology management, and related technology activities; and services as authorized by 5 U.S.C. 3109; $65,835,000, of which $8,000,000 shall remain available until September 30, 2020.

Program Description

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

Amounts Available for Obligation
(Dollars in Thousands)

	2017 Actuals	2018 Full Year CR	2019 Request
Discretionary authority:			
Annual appropriation	$ 60,000	$ 59,593	$ 65,835
Unobligated balance, start of year	$ -	$ 1,000	$ 1,000
Unobligated balance, expiring	$ (105)	$ -	$ -
Subtotal, direct authority	$ 59,895	$ 60,593	$ 66,835
Reimbursable authority:			
Unobligated balance, start of year	$ 20,260	$ 22,417	$ 26,668
New authority	$ 2,551	$ 7,351	$ 7,351
Transfers in for Inter-Agency Councils/Cross-Agency Priority Goals	$ 26,589	$ 35,351	$ 35,351
Transfers out for Inter-Agency Councils/Cross-Agency Priority Goals	$ 2,713	$ 900	$ 1,100
Change in uncollected payments	$ (428)	$ -	$ -
Unobligated balance, expiring	$ -	$ -	$ -
Subtotal, reimbursable authority	$ 51,685	$ 66,019	$ 70,470
Reimbursable Unobligated balance, end of year	$ 22,417	$ 26,668	$ 28,619
Obligations, Reimbursable	$ 26,589	$ 39,351	$ 41,851
Obligations, appropriated (annual)	$ 58,895	$ 59,593	$ 65,835
Direct Unobligated balance, end of year	$ 1,000	$ 1,000	$ 1,000
Total obligations	$ 85,484	$ 98,944	$107,686
Net Outlays	$ 76,936	$ 89,050	$ 96,917

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2017 Actuals	FTE	FY 2018 Full Year CR	FTE	FY 2019 Request
	134.0	$58,895	147.0	$ 59,593	154.0	$65,835
Program Increases:						
Transfer 7 FTE in SSPI from Reimbursable to Direct					7.0	$ 1,503
Technology Business Management PMO					4.0	$ 1,500
Data Center Optimization Initiative PMO						$ 1,500
Transfer from EOP of Public Reporting of IT Data (Federal IT Dashboard)						$ 3,500
Transfer from EOP of IT Policy Library						$ 635
Transfer from EOP of IT policy compliance tracking (Pulse.cio.gov)						$ 800
Working Capital Fund increase (Direct only)						$ 1,938
Subtotal, Program Increases…………………………………………….………………...............					11.0	$ 11,376
Program Decreases:						
Reductions to Information Integrity and Access Program Management Support					(4.0)	$ (3,631)
Realignment of SSPI Contract Support from Reimbursable to Direct						$ (1,503)
Subtotal, Program Decreases……………………………………….………………..............					(4.0)	$ (5,134)
Total Adjustments………………………………………………………..............................					7.0	$ 6,242

Explanation of Changes by Office, Dollars and FTE

(Dollars in Thousands)

	FY 2017 Actuals		FY 2018 Full Year CR		FY 2019 Request	
	FTE	Obligations	FTE	Authority	FTE	Authority
1. Administration						
Annual appropriation	7	$ 12,340	7	$ 13,792	7	$ 15,649
Subtotal, Administration	7	$ 12,340	7	$ 13,792	7	$ 15,649
2. Evidence and Analysis						
Annual appropriation	7	$ 3,600	9	$ 3,276	9	$ 3,100
Subtotal, Evidence and Analysis	7	$ 3,600	9	$ 2,776	9	$ 3,100
3. Evaluation Sciences						
Annual appropriation	7	$ 1,209	7	$ 1,511	7	$ 1,011
Reimbursable authority	0	$ 345	0	$ 1,000	0	$ 1,000
Subtotal, Evaluation Sciences	7	$ 1,209	7	$ 1,011	7	$ 1,011
4. Asset and Transportation Management						
Annual appropriation	42	$ 11,454	45	$ 11,118	45	$ 11,118
Reimbursable authority	0	$ -	0	$ -	0	$ -
Subtotal, Asset and Transportation	42	$ 11,454	45	$ 11,118	45	$ 11,118
5. Information Integrity and Access						
Annual appropriation	32	$ 16,175	34	$ 15,801	34	$ 20,518
Reimbursable authority	0	$ 830	0	$ 1,000	0	$ 3,500
Subtotal, Information, Integrity, and Access Management	32	$ 17,005	34	$ 14,801	34	$ 24,018
6. Federal High Performance Buildings						
Annual appropriation	11	$ 4,652	11	$ 2,808	11	$ 2,862
Subtotal, Federal High Performance Buildings	11	$ 4,652	11	$ 2,808	11	$ 2,862
7. Acquisition Policy						
Annual appropriation	28	$ 8,465	34	$ 9,287	34	$ 9,577
Reimbursable authority	10	$ 1,960	12	$ 2,851	12	$ 2,851
Subtotal, Acquisition Policy	38	$ 10,425	46	$ 12,138	46	$ 12,428
8. Shared Solutions and Performance Improvement						
Annual appropriation	0	$ 1,000	0	$ 2,000	7	$ 2,000
Reimbursable authority, shared solutions initiatives	7	$ 1,920	7	$ 2,500	0	$ 2,500
Reimbursable authority, management councils/CAP Goals	17	$ 21,534	21	$ 32,000	21	$ 32,000
Subtotal, Shared Solutions and Performance Improvement	24	$ 24,454	28	$ 36,500	28	$ 36,500
Total, Annual Appropriated	134	$ 58,895	147	$ 59,593	154	$ 65,835
Total, Reimbursable	34	$ 26,589	40	$ 39,351	33	$ 41,851
Total, Budget Authority	**168**	**$ 85,484**	**187**	**$ 98,944**	**187**	**$107,686**

Summary

The FY 2019 appropriated budget request provides $65.8 million for the Office of Government-wide Policy (OGP), a net increase of $6.2 million from the FY 2018 Full Year CR.

In FY 2019 OGP will continue to develop and analyze administrative policies for the Federal government in multiple functional areas, including real and personal property; aircraft and motor vehicles; travel and transportation of goods and people; acquisition of goods and services; information technology and cybersecurity policy; shared services management; and high performance Federal buildings, among others.

The FY 2019 Budget provides the funding required to assist agencies in developing and utilizing the best and most cost effective management practices to meet their programmatic goals. OGP works with other Federal agencies, the private sector, interested parties, and other stakeholders from the very onset of policy review and formulation.

OGP consists of seven policy offices including the Office of Asset and Transportation Management; the Office of Evidence and Analysis; the Office of Information Integrity and Access; the Office of Federal High Performance Buildings; the Office of Evaluation Sciences; the Office of Acquisition Policy; and the Shared Solutions and Performance Improvement Office.

Program Financing

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

Program Increases

The President's Budget request for OGP includes increases in appropriations to support the activities of the Office of Information Integrity and Access and OGP's contribution to the GSA Working Capital Fund.

The Office of Shared Solutions and Performance Improvement (SSPI), (which combines the former Unified Shared Service Management Office and the Office of Executive Councils) is at the forefront of the Federal Government's efforts to reduce costs and improve effectiveness and efficiency by leveraging shared service platforms and common solutions. In FY 2017 Congress provided $2 million in appropriations for this activity, which had previously been exclusively funded through reimbursable collections. The FY 2019 request includes the same level for

salaries and core expenses of SSPI, as well as an estimated $2.5 million in reimbursable authority to fund shared service priorities that may result from government-wide management agenda or Federal-wide reform efforts identified by OMB resulting from *M-17-22: Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce.*

OGP's Office of Information Integrity and Access will continue work on several key initiatives, including execution of the Data Center Optimization Initiative program management office (PMO) with $1.5 million*.* The funding will ensure OGP's continued support as the Data Center Optimization Managing Partner coordinating the government-wide data center strategy in collaboration with OMB.

The FY 2019 budget request includes resources to establish a Technology Business Management (TBM) PMO with $1.5 million and 4 FTE. TBM PMO coordinates implementation of the program across the Federal government. TBM provides technology leaders with standards and validated best practices to communicate the cost, quality, and value of IT investments. This tool will help the government benchmark IT spending utilizing a standard framework, in addition it will allow the government to leverage its buying power to ensure it is delivering the most business value while delivering quality services.

OGP will fund Pulse.cio.gov with $800 thousand. Pulse measures how U.S. government domains are following best practices for federal websites, tracking compliance with OMB policies to include, M-15-13, *A Policy to Require Secure Connections across Federal Websites and Web Services* and M-17-06, *Policies for Federal Agency Public Websites and Digital Services*.

In addition, this office will take on two existing functions transferred from the Executive Office of the President (EOP).

> *Reporting and Collection of Federal IT Budget and Performance Data (IT Dashboard)*
> With $3.5 million, OGP will manage the collection, analysis, and public presentation of IT budget and performance data that is currently associated with the Federal IT Dashboard (www.itdashboard.gov) and the Capital Planning and Investment Control (CPIC) data collection process. In doing this OGP, will assist OMB in fulfilling the statutory requirements set forth in the Federal Information Technology Acquisition Reform Act (FITARA) on enhanced transparency and risk reporting in IT investments. OGP will manage the operational responsibilities of the initiative, with close coordination and oversight from the OMB Office of E-Government and Information Technology (also known as the Office of the Federal Chief Information Officer). OMB will provide the overarching vision and product direction for the Federal IT Dashboard and will continue to issue guidance and reporting requirements for agencies.

IT Policy Library

With $635 thousand, OGP will continue the design and development of the OMB Policy Library. The OMB Policy Library includes excerpts from Federal-wide policies issued by OMB and is part of ongoing efforts to make it easier for agency leaders and the Federal workforce to find and understand policy.

Finally, OGP's Working Capital Fund direct contribution increases by $1.9 million in FY 2019, in support of investments in agency-wide strategic priorities, as well as adjustments to the cost allocation model used to determine office contributions. OGP will partially offset these enhancements with $3.6 million in Program Management Support reductions.

Reimbursable Programs

In FY 2019 OGP anticipates providing reimbursable services to other Federal agencies and councils in the amount of $41.9 million and 33 FTE.

The Federal Acquisition Institute (FAI) plans $2.9 million and 12 FTE in reimbursable activity through an agreement with the Acquisition Workforce Training Fund to support implementation of the FAI Improvement Act (41 U.S.C. §1201 Pub. L. 112-81), which promotes career development and strategic human capital management for the Federal acquisition workforce. The FAI deploys a civilian agency training consortium board that uses innovative tools and technology to reduce redundancies, leverage resources, and align acquisition workforce development training objectives across Federal agencies.

The government-wide Executive Councils budget includes up to $17 million in transfer authority and 21 FTE for continued support of innovations, initiatives, and activities designed to achieve greater efficiency and effectiveness in mission-support operations across government.

Up to $15 million in transfer authority is budgeted for crosscutting goals. This funding enables crosscutting goal leaders throughout Government to support key implementation activities for achieving and accelerating progress on the goals. These activities are discussed in more detail in the Executive Office of the President's FY 2019 Congressional Justification.

Finally, the budget request includes $10 million in reimbursable authority for the Office of Information, Integrity, and Access; the Office of Evaluation Sciences; the Office of Acquisition Policy and the Shared Solutions and Performance Improvement office.

Obligations by Object Class
(Dollars in Thousands)

		2017 Actuals	2018 Full Year CR	2019 Request
11.1	Full-time permanent	$17,553	$ 18,778	$ 20,278
11.3	Other than full-time permanent	$ 156	$ 194	$ 250
11.5	Other personnel compensation	$ 281	$ 200	$ 300
11.8	Special personnel services payments	$ 687	$ 650	$ 1,100
12.1	Civilian personnel benefits	$ 5,369	$ 6,445	$ 6,895
21.0	Travel and transportation of persons	$ 224	$ 202	$ 202
23.3	Communications and utilities	$ 39	$ 38	$ 38
24.0	Printing and reproduction	$ 175	$ 447	$ 447
25.1	Advisory and assistance services	$17,427	$ 19,848	$ 20,089
25.2	Other services from non-Federal sources	$ 264	$ 270	$ 270
25.3	Other goods & services from Federal sources	$16,528	$ 12,461	$ 15,906
26.0	Supplies and materials	$ 38	$ 45	$ 45
31.0	Equipment	$ 21	$ 15	$ 15
42.0	Insurance claims and indemnities	$ 133	$ -	$ -
99.0	**Obligations, Appropriated (Annual)**	**$58,895**	**$ 59,593**	**$ 65,835**
	Subtotal, PC&B	*$24,046*	*$ 26,267*	*$ 28,823*
	Subtotal, Non-labor	*$34,849*	*$ 33,326*	*$ 37,012*
99.2	Obligations, reimbursable	$26,589	$ 39,351	$ 41,851
99.9 Obligations Total		**$85,484**	**$ 98,944**	**$107,686**

OGP Policy Offices

Office of Asset and Transportation Management

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

policy that enable effective and efficient Government-wide asset and transportation management.

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

Office of Information Integrity and Access
The Office of Information Integrity and Access supports and enables agency implementation of government-wide information technology (IT) policies and programs, and uses data, analysis, and collaboration to improve Federal IT service delivery.

The office works directly with the OMB Office of Electronic Government and the Chief Information Officers Council (CIOC), to support CIOs, IT procurement personnel, and other IT decision makers address both the most common and the most complex Federal IT challenges, including:

- Cybersecurity;
- Domain Services and internet connectivity;
- Identity, Credential, and Access Management;
- IT Accessibility and Section 508 compliance; and
- IT Infrastructure Modernization and data center optimization.

The office carries out these initiatives through several lines of business: CIO Engagement, Digital Government, Information Security, and IT Infrastructure Modernization. Under these business lines, OGP manages several government-wide programs and Communities of Practice (CoPs).

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

Office of Evaluation Sciences
The Office of Evaluation Sciences (OES) deploys diverse scientific expertise to Federal agencies and translates research insights into concrete recommendations for how to improve Federal programs, policies, and operations. OES then collaborates with agencies to implement, rigorously test, and evaluate the impact of these changes, building a portfolio of evidence for

decision makers. OES pairs teams of experts directly with agency collaborators to learn quickly what works and what doesn't, and what is cost-effective to improve upon priority outcomes more efficiently.

A typical project involves:

- Identifying existing administrative data sets that can be used to measure outcomes that matter;
- Designing operationally feasible, no-cost or low-cost changes using proven insights;
- Integrating rigorous evaluations within current program implementation and agency constraints;
- Providing technical services and capacity building on how to implement and analyze rigorous evaluations and calculating cost savings; and
- Disseminating results and learnings to government audiences and the public.

Office of Acquisition Policy
The Office of Acquisition Policy performs a number of key government-wide acquisition policy roles.
- Serves as one of the architects of the Federal Acquisition Regulation (FAR), the rule book that governs all Federal agency procurements and directs acquisition policy in areas related to small business participation, competition, sustainable acquisition, labor policy, cost control, risk management, integrity, and ethics;
- Coordinates with the Office of Federal Procurement Policy and other agencies, through its role as the Chair of the Civilian Acquisition Council, to implement laws, executive orders, agency regulations, and other initiatives to support the Federal Government's acquisition system;
- Hosts the Federal Acquisition Institute (FAI), which facilitates and promotes acquisition career development and strategic human capital management for the acquisition workforce;
- Manages the Regulatory Information Service Center (RISC) Division, which provides cost effective regulatory planning services for more than 65 Federal agencies.
- 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.

Shared Solutions and Performance Improvement Office
In FY 2018 OGP merged the Office of Executive Councils and the Unified Shared Services

Management Office into a single organizational structure--the Shared Solutions and Performance Improvement Office (SSPI). SSPI leverages data, subject matter expertise and its

authority to convene key stakeholder groups to improve the delivery of mission by: convening the Federal C-suite to advise on policy and transformation opportunities; informing and shaping policy; enabling evidence-based performance management; and building strategies for optimization of management services.

The office continues to provide analytical management, and administrative services to the following Federal management councils:

- Chief Acquisition Officers Council
- Chief Financial Officers Council
- Chief Information Officers Council
- Performance Improvement Council
- President's Management Council
- Chief Human Capital Officers Councils

The office also continues to serve as the integration body for the shared services environment, working across functions, providers, and consumers. The office enables the delivery of high quality, high value shared services that improve performance and efficiency throughout government. This office is the first ever government-wide management and oversight operating model for mission support functions that cross functional communities to include financial management, human resources, acquisitions, grants, and information technology. Stakeholders from across the government are working together to manage and oversee these shared services with the goal of making the government more effective and efficient.

U.S. General Services Administration
OPERATING EXPENSES
Fiscal Year 2019 Budget Request
CONTENTS

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; and services as authorized by 5 U.S.C. 3109; $49,440,000, of which not to exceed $7,500 is for official reception and representation expenses.

Analysis of Language Provisions and Changes

The FY 2019 Request continues the changes to the appropriations text in the FY 2018 President's Budget, removing the language creating separate limitations for the Office of the Administrator and Real and Personal Property Management and Disposal and proposing a separate appropriation for the Civilian Board of Contract Appeals (CBCA). This language provides GSA the flexibility it needs to allocate resources between the various programs in the most efficient manner and reflects the independent nature of the CBCA. GSA will continue to look for opportunities to reduce administrative overhead costs but needs the ability to adapt to unforeseen circumstances.

Program Description

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

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
Unobligated balance, start of year..	$	772	$	772	$	772
Discretionary authority:						
Annual appropriation..	$	49,266	$	48,931	$	49,440
Reimbursable authority:						
New authority……………………..	$	4,451	$	18,990	$	14,740
Change in uncollected payments…………………...................	$	2,923	$	-	$	-
Subtotal, reimbursable authority………………….....................	$	7,374	$	18,990	$	14,740
Reimbursable authority, expiring..	$	(273)	$	-	$	-
Appropriations authority, expiring..	$	(2,114)	$	-	$	-
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…………………..	$	54,253	$	67,921	$	64,180
Obligations, appropriated (annual)...	**$**	**47,152**	**$**	**48,931**	**$**	**49,440**
Obligations, reimbursable...	$	7,101	$	18,990	$	14,740
Net Outlays	$	53,175	$	61,129	$	57,762

Notes:
- The beginning unobligated balance of $772 thousand is associated with the Governors Island and Lorton Correctional Complex disposal projects.
- The FY 2019 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2017 appropriation and FY 2018 CR are not included in the totals shown here.
- The estimated reimbursable obligations in FY 2019 are reduced by $4.3 million from the FY 2018 CR level, reflecting establishment of the Environmental Review Improvement Fund, which will fund the Federal Permitting Improvement Steering Council (Permitting Council).

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2017 Actual	FTE	FY 2018 Full Year CR	FTE	FY 2019 Request
	218.0	$ 47,152	213.0	$ 48,931	218.0	$ 49,440

Program Increases

	FTE	$
Personnel Compensation and Benefits		
GSA Executive Direction Staffing (ED)	4.0	$ 669
Realty Specialist to Support Increase in Regional Workload (RPD)	1.0	$ 60
Other Increases to Labor Costs (PPM)		$ 19
Rent (RPD, ED)		$ 1,054
Travel and Transportation		$ 155
Communications and Printing (RPD , ED)		$ 7
Contractual Services (RPD)		$ 464
Supplies, Materials, and Equipment (ED)		$ 9
Subtotal, Program Increases.........	5.0	$ 2,436

Program Decreases:

		$
Contractual Services (PPM, ED)		$ (1,927)
Subtotal, Program Decreases.......		$ (1,927)

	FTE	$
Total Adjustments..........................	**5.0**	**$ 509**

Note: The FY 2019 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2017 appropriation and FY 2018 CR are not included in the totals shown here.

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

	PPM		RPD		EXEC DIRECTION		TOTAL	
	FTE	Authority ($000)	FTE	Authority ($000)	FTE	Authority ($000)	FTE	Authority ($000)
FY 2018 Full Year CR	53.0	$ 9,385	82.0	$ 16,308	78.0	$ 23,238	213.0	$ 48,931
Program Increases								
Personnel Compensation and Benefits	-	$ 19	1.0	$ 60	4.0	$ 669	5.0	$ 747
Travel and Transportation		$ 30		$ 23		$ 102		$ 155
Rent		$ -		$ 611		$ 443		$ 1,054
Communications, Printing, and Reproduction		$ -		$ 5		$ 2		$ 7
Contractual Services		$ -		$ 464		$ -		$ 464
Supplies, Materials, and Equipment		$ -		$ -		$ 9		$ 9
Subtotal, Program Increases:		$ 49		$ 1,163		$ 1,225		$ 2,436
Program Decreases								
Contractual Services		$ (15)		$ -		$ (1,912)		$ (1,927)
Subtotal, Program Decreases:	-	$ (15)	-	$ -	-	$ (1,912)	-	$ (1,927)
FY 2019 Request	**53.0**	**$ 9,419**	**83.0**	**$ 17,471**	**82.0**	**$ 22,550**	**218.0**	**$ 49,440**

Note: The FY 2019 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2017 appropriation and FY 2018 CR are not included in the totals shown here.

Summary of the Request

The FY 2019 proposed budget provides a total of $49.4 million and 218 FTE for the base program for Operating Expenses (OE). This request is a net increase of $509 thousand from the FY 2018 CR level of $48.9 million.

Obligations by Object Classification

(Dollars in Thousands)

		FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
11.1	Full-time, permanent..	$	21,202	$	22,236	$	22,805
11.3	Other than full-time permanent..................................	$	1,206	$	1,759	$	1,755
11.5	Other personnel compensation.................................	$	300	$	227	$	256
11.8	Special personnel services payments.......................	$	5	$	-	$	-
12.1	Civilian personnel benefits..	$	6,822	$	7,570	$	7,723
13.0	Benefits for former personnel...................................	$	-	$	-	$	-
21.0	Travel and transportation of persons.......................	$	789	$	624	$	779
22.0	Transportation of things..	$	-	$	-	$	-
23.1	Rental payments to GSA..	$	425	$	-	$	1,054
23.2	Rental payments to others...	$	-	$	-	$	-
23.3	Communications and utilities.....................................	$	97	$	131	$	138
24.0	Printing and reproduction..	$	3	$	-	$	-
25.1	Advisory and assistance services.............................	$	3,780	$	2,029	$	833
25.2	Other services from non-Federal sources.................	$	14	$	1,986	$	36
25.3	Other goods & services from Federal sources..........	$	12,394	$	12,256	$	13,939
25.4	Operation and maintenance of facilities....................	$	-	$	-	$	-
25.6	Medical care..	$	-	$	-	$	-
25.7	Operation and maintenance of equipment................	$	12	$	-	$	-
26.0	Supplies and materials..	$	87	$	95	$	104
31.0	Equipment..	$	16	$	17	$	17
32.0	Land and structures..	$	-	$	-	$	-
33.0	Investments and loans..	$	-	$	-	$	-
41.0	Grants, subsidies, and contributions........................	$	-	$	-	$	-
42.0	Insurance claims and indemnities............................	$	-	$	-	$	-
99.0	**Obligations, Appropriated (Annual).....................**	**$**	**47,152**	**$**	**48,931**	**$**	**49,440**
	Subtotal, PC&B...	*$*	*29,535*	*$*	*31,793*	*$*	*32,540*
	Subtotal, Non-labor..	*$*	*17,617*	*$*	*17,138*	*$*	*16,900*
99.2	Obligations, reimbursable...	$	7,101	$	18,990	$	14,740
99.9	Total obligations..	$	54,253	$	67,921	$	64,180

Notes:
- The FY 2019 President's Budget proposes a separate appropriation for the Civilian Board of Contract Appeals (CBCA). For ease of comparison, amounts provided for CBCA in the FY 2017 appropriation and FY 2018 CR are not included in the totals shown here.
- The estimated reimbursable obligations in FY 2019 are reduced by $4.3 million from the FY 2018 CR level, reflecting establishment of the Environmental Review Improvement Fund, which will fund the Federal Permitting Improvement Steering Council (Permitting Council).

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;

- Executive Direction, which provides top-level, agency-wide direction and supports government-wide mission assurance activities.

Reimbursable Program: In FY 2019, the programs of the Operating Expenses appropriation anticipate providing reimbursable services to other federal agencies in the amount of $14.7 million, a level which supports 16 FTE. This amount includes:

(1) $3.2 million and 9 FTE for the Personal Property Center, which serves as a repository of unwanted federal personal property. The excess personal property is available for screening by Federal, state and other eligible donees at the facility.

(2) $11.5 million 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) $75 thousand for emergency support function #7 (ESF-7) under the national response framework. Office of Mission Assurance personnel are responsible for coordinating ESF-7 activities on behalf of GSA. This support is provided pursuant to 44 C.F.R. §206.208(d), and all personnel hours (overtime), travel, and other costs for activities in support of the response and recovery efforts are reimbursable under a Mission Assignment issued by the Federal Emergency Management Agency.

The FY 2019 President's Budget continues the FY 2018 proposal establishing the Environmental Review Improvement Fund, which will fund the Federal Permitting Improvement Steering Council (Permitting Council). Accordingly, anticipated reimbursable obligations in the Operating Expenses appropriation are reduced by $4.3 million from the FY 2018 CR level.

Federal Acquisition Service, Personal Property Utilization and Donation

FY 2019 Budget Request

The FY 2019 budget request provides $9.4 million for the Personal Property Utilization and Donation program.

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: The Utilization and Donation program saves money for the Federal Government and recipient organizations by promoting the efficient utilization and disposal of government property. When federally owned personal property is determined to be "excess," it is first offered to other federal agencies and transferred at no cost upon request. All federal agencies must use excess personal property as the first source of supply in lieu of new procurements. If the property is not needed by any federal agency, it is declared "surplus" and is offered for donation to state and local governments, and other eligible donees. The division is also responsible for the disposal of foreign gifts received by executive branch employees as part of their official duties.

Sales: When excess personal property cannot be disposed of through reutilization or donation, the FAS Personal Property Sales Program provides sales services to federal agencies for sale of property directly to the public. This part of the program is not funded through the Operating Expense appropriation, and is instead funded through the Acquisition Services Fund (ASF). More information on this program can be found in the ASF section of the FY 2019 Congressional Justification.

Public Buildings Service, Office of Real Property Utilization and Disposal

FY 2019 Budget Request

The FY 2019 Budget request provides $17.5 million for the Office of Real Property Utilization and Disposal (RPUD), an increase of $1.2 million from the FY 2018 Full Year CR level.

The program's activities are vital to the government-wide effort to reduce real estate expenses by improving the utilization of real property assets and disposing of surplus assets in a timely manner. RPUD plays an integral role in the implementation of the Federal Assets Sale and Transfer Act of 2016 and the Federal Property Management Reform Act of 2016, recent legislation focused on the disposal of Federal real estate. Furthermore, GSA anticipates an increase in workload as ongoing agency reform efforts throughout the Federal Government will likely result in a greater number of properties declared excess or surplus.

The budget request includes an increase of $611 thousand that is required to pay the program's rent bill, an increase of $464 thousand in contractual services for additional real property utilization and disposal activity in support of Administration real property reform efforts, and other small program increases. In prior years, the RPUD program received a rent waiver from the Commissioner of the Public Building Service.

Program Description

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

RPUD employs the following programs/tools, among others:

Public Benefit Conveyances (PBCs): When property is no longer needed by the Federal Government, RPUD partners with Federal sponsoring agencies to make surplus real property available to eligible entities for certain public purposes such as public health, homeless assistance, education, law enforcement, emergency management, and recreation, as authorized by statute. RPUD conducts compliance inspections to ensure properties are used as

intended. In FY 2017, RPUD conveyed 33 properties with an estimated market value of $37.9 million.

Early Transfer Authority: Early Transfer Authority (ETA) allows the Federal Government to transfer property to non-federal entities before the completion of environmental cleanup as long as safeguards are in place to protect human health and the environment.

Lighthouse Program: The National Historic Lighthouse Preservation Act (NHLPA) authorizes RPUD to divest historic lighthouses in partnership with the Coast Guard and the National Park Service. NHLPA recognizes the cultural, recreational, and educational value associated with these historic resources by allowing lighthouses to be conveyed at no cost to federal agencies, state and local governments, and non-profit organizations that have the resources and expertise to preserve and manage the asset. In the event a suitable steward is not identified, RPUD is authorized to divest of the property through a competitive public sale. In FY 2017, RPUD conveyed 5 lighthouses, four via public sale and one via no-cost transfer to a public entity.

Utilization Studies: RPUD provides objective real property reviews for landholding agencies. These asset reviews can be targeted toward an individual asset or a portfolio of assets depending on the needs of the landholding agency. These studies provide the critical information to drive viable realty strategies.

Online Auctions: For over a decade RPUD has been efficiently selling surplus properties via a dedicated auction website (realestatesales.gov). This sales method maximizes the sale price because it reaches a larger base of buyers at a lower cost than traditional outcry auctions. In the five year period ending in FY 2017, RPUD sold 732 properties via auction for more than $305.9 million in gross proceeds.

Reimbursable Services: Certain federal landholding agencies have their own real estate authority, but utilize RPUD to perform realty services on their behalf. RPUD provides these services through inter-agency agreements, on a reimbursable basis. Services range from the management and execution of all aspects of a disposition project to specific tasks to inform a utilization decision or implement a disposition strategy.

Executive Direction

FY 2019 Proposed Budget

The FY 2019 request for Executive Direction provides $22.6 million. Within this level, GSA has identified nearly $2 million in contract reductions to offset planned enhancements in staffing and other requirements.

The FY 2019 request includes modest increases to better align the plan for staffing and travel to how GSA leadership in Executive Direction offices will deliver their important mission functions. This request includes increases of $669 thousand to support additional permanent staff and $102 thousand for increased travel and training for Executive Direction offices (including the Administrator and Regional Administrators). The proposed staffing level of 82 FTE represents a reduction of 4 FTE from the FY 2016 actual level of 86 FTE, a better baseline for reduction comparisons because FY 2017 execution was heavily affected by the change in Administration.

Included in the FY 2019 Budget request is an increase of $443 thousand that is required to pay the program's rent bill; in prior years, the Executive Direction program received a rent waiver from the Commissioner of the Public Building Service.

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, (4) the Office of Strategic Communication and (5) the Executive Direction Corporate Account.

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

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

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

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

The Executive Direction Corporate Account funds WCF payments and regional rent and security for the organizations under Executive Direction.

U.S. General Services Administration

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Fiscal Year 2019 Budget Request

CONTENTS

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, $4,796,000.

Program Description

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

Explanation of Changes
(Dollars in Thousands)

	FY 2017 Actual	FY 2018 Full Year CR	FY 2019 Request
	$ 3,632	$ 4,754	$ 4,796

Program Increases:

Personnel Benefits	$	26
Benefits for Former Personnel	$	29
Supplies, Materials, and Equipment	$	10
Rental Payments	$	6
Subtotal, Program Increases…………………………………	$	71

Program Decreases:

Printing and Communications	$	(2)
Contractual Services	$	(23)
Travel and Transportation of Persons	$	(4)
Subtotal, Program Decreases………………………………	$	(29)

Total Adjustments…………………………………………	**$**	**42**

Note: FY 2018 CR level includes an enacted provision to fund the pension and office of Former President Obama for the full year and other necessary increases.

Summary of the Request

The FY 2019 President's Budget request provides $4.8 million for the annual pensions of the former Presidents and compensation of their office staffs and related expenses. GSA has a statutory requirement to support these activities under the Former Presidents Act of 1958, as amended (3 U.S.C. 102 note).

The FY 2019 Request level includes full year support for five Former Presidents. This budget request includes increases of $42 thousand for rent, supplies, and other operating expenses for Presidents Carter, G. W. Bush, Clinton, G. H. W. Bush, and Obama to fulfill GSA's responsibilities under the statute.

- Net increase of $42 thousand as follows:

    o $29 thousand increased cost in pensions for Presidents Carter, G. H. W. Bush, Clinton, G. W. Bush, and Obama.

    o $26 thousand increased cost in Civilian Personnel Benefits Compensation for Presidents G. H. W. Bush, Clinton, G. W. Bush, and Obama.

    o -$2 thousand net decreased cost in Printing and Communication for Presidents Carter, G. H. W. Bush, Clinton, and G. W. Bush.

    o -$4 thousand net decreased cost in Travel and Transportation of Persons for Presidents G. W. Bush and Obama.

    o $6 thousand net increased cost in Rental Payments to GSA for Presidents Carter, Clinton, G. W. Bush, and Obama.

    o $10 thousand for increased cost in supplies and equipment purchases for Presidents Carter, G. H. W. Bush, and G. W. Bush.

    o -$23 thousand net decreased cost in contractual services for Presidents Carter, G. H. W. Bush, Clinton, G. W. Bush, and Obama.

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
Discretionary authority:						
Annual appropriation....................................	$	3,865	$	4,754	$	4,796
Unobligated balance, rescinded........................	$	-	$	-	$	-
Unobligated balance, sequestered....................	$	-	$	-	$	-
Unobligated balance, end of year.....................	$	233	$	-	$	-
Total, obligations...	$	3,632	$	4,754	$	4,796
Net Outlays...	$	*3,589*	$	*4,706*	$	*4,748*

Obligations by Object Classification

(Dollars in Thousands)

		FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
11.8	Special personnel services payments......................	$	315	$	438	$	438
12.1	Civilian personnel benefits.....................................	$	270	$	423	$	449
13.0	Benefits for former personnel................................	$	1,004	$	1,120	$	1,149
21.0	Travel and transportation of persons.....................	$	66	$	85	$	81
23.1	Rental payments to GSA..	$	1,415	$	1,952	$	1,958
23.3	Communications and utilities.................................	$	214	$	168	$	164
24.0	Printing and reproduction......................................	$	41	$	76	$	78
25.1	Advisory and assistance services..........................	$	96	$	210	$	204
25.3	Other goods & services from Federal sources........	$	65	$	53	$	35
25.4	Operation and maintenance of facilities..................	$	62	$	47	$	48
26.0	Supplies and materials..	$	42	$	60	$	67
31.0	Equipment..	$	42	$	122	$	125
99.0	**Obligations, Appropriated (Annual)**.....................	**$**	**3,632**	**$**	**4,754**	**$**	**4,796**
	Subtotal, PC&B...	$	*1,589*	$	*1,981*	$	*2,036*
	Subtotal, Non-labor...	$	*2,043*	$	*2,773*	$	*2,760*

FY 2019 Budget Request by Former President

(Dollars in Thousands)

	CARTER	GHW BUSH	CLINTON	GW BUSH	OBAMA	TOTAL
Personnel Compensation	$ -	$ 96	$ 96	$ 96	$ 150	$ 438
Personnel Benefits	$ -	$ 76	$ 123	$ 110	$ 140	$ 449
Benefits for Former Presidents (pensions)	$ 219	$ 219	$ 237	$ 231	$ 243	$ 1,149
Travel	$ -	$ 68	$ -	$ 8	$ 5	$ 81
Rental Payments to GSA	$ 117	$ 286	$ 513	$ 500	$ 542	$ 1,958
Communications, Utilities, and Misc.	$ 19	$ 58	$ 1	$ 71	$ 15	$ 164
Printing	$ 7	$ 12	$ 17	$ 22	$ 20	$ 78
Other Services	$ 92	$ 79	$ 39	$ 48	$ 29	$ 287
Supplies	$ 2	$ 19	$ 7	$ 32	$ 7	$ 67
Equipment	$ -	$ 39	$ 26	$ 35	$ 25	$ 125
FY 2019 Request	**$ 456**	**$ 952**	**$ 1,059**	**$ 1,153**	**$ 1,176**	**$ 4,796**

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

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U.S. General Services Administration

CIVILIAN BOARD OF CONTRACT APPEALS

Fiscal Year 2019 Budget Request

CONTENTS

Appropriations Language

For expenses authorized by law, not otherwise provided for, for the activities associated with the Civilian Board of Contract Appeals, $9,301,000.

Analysis of Language Provisions and Changes

GSA continues the FY 2018 President's Budget Request proposal to create a separate appropriation for the Civilian Board of Contract Appeals (CBCA) in its FY 2019 President's Budget Request. In prior year appropriations, funding for the CBCA was included in the Operating Expenses appropriation. This change better reflects the independent nature of the CBCA and keeps the GSA programmatic and administrative organizations within the Operating Expenses appropriation. This change will standardize this practice across GSA's independent offices. In addition, this change will increase transparency to Congress and stakeholders by providing additional detail within GSA's budget documents. This change is supported by both the CBCA and GSA in order to more appropriately reflect the independent nature of the board throughout all phases of budget formulation, execution, and reporting.

Program Description

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

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
Discretionary authority:						
Annual appropriation..	$	9,275	$	9,212	$	9,301
Reimbursable authority:						
New authority..	$	500	$	150	$	100
Change in uncollected payments................................	$	-	$	-	$	-
Subtotal, reimbursable authority..................................	$	500	$	150	$	100
Appropriation's authority, expiring................................	$	-	$	-		
Total, obligations..	$	9,114	$	9,362	$	9,401
Obligations, appropriated (annual)........................	$	9,093	$	9,212	$	9,301
Obligations, reimbursable..	$	21	$	150	$	100
Net Outlays...	*$*	*8,955*	*$*	*9,120*	*$*	*9,208*

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

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2017 Actual	FTE	FY 2018 Full Year CR	FTE	FY 2019 Request
	32.6	$ 9,275	41.0	$ 9,212	41.0	$ 9,301
Program Increases:						
Personnel Compensation and Benefits					-	$ 80
Travel and Transportation						$ 5
Rent						$ 143
Operation and maintenance of facilities						$ 9
Operation and maintenance of equipment						$ 13
Supplies, Materials, and Equipment						$ 60
Subtotal, Program Increases..........................					-	$ 310
Program Decreases:						
Contractual Services						$ (221)
Subtotal, Program Decreases.......................					-	$ (221)
Total Adjustments..					**-**	**$ 89**

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

Summary of the Request

The FY 2019 budget provides $9.3 million and 41 FTE for the CBCA, an increase of $89 thousand from the FY 2018 full year continuing resolution level of $9.2 million. In addition, the budget includes $100 thousand for reimbursable services to external customers, and mediation and arbitration services provided by CBCA in accordance with 5 U.S.C. 573.

The CBCA adjudicates contract disputes between Government contractors and all civilian executive agencies other than the National Aeronautics and Space Administration, the United States Postal Service, the Postal Rate Commission, and the Tennessee Valley Authority. The CBCA also hears and decides other types of cases, including: cases arising under the Indian Self-Determination Act; disputes between insurance companies and the Department of Agriculture's Risk Management Agency involving actions of the Federal Crop Insurance Corporation; claims by Federal civilian employees from all executive branch agencies (including Department of Defense agencies) for reimbursement of expenses incurred while on official temporary duty travel or in connection with relocation to a new duty station; claims by carriers or freight forwarders involving actions of the General Services Administration regarding payment for transportation services; and applications by prevailing private parties for recovery of litigation costs under the Equal Access to Justice Act.

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

Obligations by Object Classification

(Dollars in Thousands)

		FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
11.1	Full-time, permanent…………………………..……	$	3,964	$	4,254	$	4,305
11.3	Other than full-time permanent…………………..……	$	432	$	160	$	132
11.5	Other personnel compensation……………….…..……..	$	30	$	26	$	26
11.8	Special personnel services payments……….…..………	$	-	$	-	$	-
12.1	Civilian personnel benefits………………..…………	$	1,223	$	1,141	$	1,198
13.0	Benefits for former personnel……………….…………	$	-	$	-	$	-
21.0	Travel and transportation of persons………………………	$	17	$	25	$	30
22.0	Transportation of things……………………….....……	$	-	$	-	$	-
23.1	Rental payments to GSA……………….……….....……	$	2,398	$	2,348	$	2,491
23.2	Rental payments to others………….……………………	$	-	$	-	$	-
23.3	Communications and utilities………………………………	$	65	$	47	$	47
24.0	Printing and reproduction…………………………………	$	-	$	-	$	-
25.1	Advisory and assistance services……………………………	$	71	$	40	$	45
25.2	Other services from non-Federal sources………..…………	$	26	$	20	$	20
25.3	Other goods & services from Federal sources………..………	$	499	$	977	$	751
25.4	Operation and maintenance of facilities………………………	$	16	$	17	$	26
25.6	Medical care……………………………..……………	$	-	$	-	$	-
25.7	Operation and maintenance of equipment………..…………	$	9	$	37	$	50
26.0	Supplies and materials………………………………………	$	162	$	80	$	130
31.0	Equipment………………………………………….…..	$	181	$	40	$	50
32.0	Land and structures………………….…….………………	$	-	$	-	$	-
33.0	Investments and loans…………………….…………………	$	-	$	-	$	-
41.0	Grants, subsidies, and contributions………..……………	$	-	$	-	$	-
42.0	Insurance claims and indemnities……………….…………	$	-	$	-	$	-
43.0	Interest and dividends……………….……..………………	$	-	$	-	$	-
44.0	Refunds………………….……………..…………………	$	-	$	-	$	-
99.0	**Obligations, Appropriated (Annual)………..…..………**	**$**	**9,093**	**$**	**9,212**	**$**	**9,301**
	Subtotal, PC&B…………………………..…………..……	*$*	*5,649*	*$*	*5,581*	*$*	*5,661*
	Subtotal, Non-labor…………………….....…………..…	*$*	*3,444*	*$*	*3,631*	*$*	*3,640*
99.2	Obligations, Reimbursable......................................	$	21	$	150	$	100
99.9	Total obligations..	$	9,114	$	9,362	$	9,401

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

U.S. General Services Administration

FEDERAL CITIZEN SERVICES FUND

Fiscal Year 2019 Budget Request

CONTENTS

Appropriations Language

For necessary expenses of the Office of Products and Programs, including services authorized by 40 U.S.C. 323 and 44 U.S.C. 3604; and for necessary expenses in support of interagency projects that enable the Federal Government to enhance its ability to conduct activities electronically, through the development and implementation of innovative uses of information technology; $58,400,000 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: 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 (FCSF) appropriation provides for the salaries and expenses of GSA's Office of Products and Programs (OPP). OPP serves as a center of excellence that develops and maintains user-centric shared services, solutions, platforms and practices to improve information and service delivery across the Government, enabling more efficient, effective, citizen-centered Government.

The FCSF enables public access and engagement with the Government through an array of operational programs and direct public facing products, as well as agency supporting programs. The FCSF initiatives allow individuals, businesses, other governments, and the media to easily find and use Federal information, services, benefits, and business opportunities via the internet, phone, email, and print. The Fund supports agency facing programs that drive Government-wide transformation to secure digital government through shared services, platforms, and solutions. OPP also provides products, programs, and technical expertise to agencies to improve their operations and ultimately the public's experience. Extensive communities of practice in key areas including social media, cloud and mobile computing, user experience, security, prize and challenge competitions, and contact centers drive adoption and improvement of digital services, and help agencies develop and share best practices and training, and participate in 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 the quality of Government services.

The FCSF is financed from annual appropriations to pay for the salaries and expenses of OPP staff and programs. Reimbursements from Federal agencies pay for the direct costs of information services OPP provides on behalf of the agencies. The FCSF also allows for user fees for publications ordered by the public and is authorized to accept gifts from the public for

purposes of defraying the cost of printing, publishing, and distributing consumer information and educational materials and undertaking other consumer information activities. All income is available without regard to fiscal year limitations. OPP is a part of GSA's Office of Technology Transformation Services, within the Federal Acquisition Service. TTS also includes the Office of 18F, the Office of Acquisitions, and the Presidential Innovation Fellows Program (PIF). Those programs are funded on a reimbursable basis outside the FCSF by the Acquisition Services Fund.

Amounts Available for Obligation
(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
Unobligated balance, start of year………………….	$	18,206	$	20,348	$	20,348
Discretionary authority:						
Annual appropriation…………………………….	$	55,894	$	55,514	$	58,400
Total Collections:						
Reimbursable Services:						
From Federal Agencies……………………..	$	3,275	$	7,353	$	7,353
From the Private Sector…………………….	$	-	$	-	$	-
User Fees……………………………………..	$	-	$	-	$	-
Gifts from the Private Sector………………….	$	19	$	11	$	11
Change in Unfilled Customer Orders…………….	$	(2,121)	$	-	$	-
Subtotal, reimbursable authority……………………….	$	1,172	$	7,364	$	7,364
Recovery of prior-year obligations……..…………….	$	4,053				
Net transfer	$	248				
Unobligated balance, reimbursable……………	$	(664)				
Unobligated balance, direct…………………….	$	(19,683)	$	(20,348)	$	(20,348)
Total, obligations………………………………………..	$	59,225	$	62,878	$	65,764
Obligations, appropriated (no year)…………………	**$**	**56,574**	**$**	**55,514**	**$**	**58,400**
Obligations, reimbursable…………………...…………….	$	2,652	$	7,364	$	7,364
Net Outlays	*$*	*48,878*	*$*	*54,959*	*$*	*57,816*

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

	FTE	FY 2017 Actual	FTE	FY 2018 Full Year CR	FTE	FY 2019 Request
	59.0	$ 56,574	70.0	$ 55,514	76.0	$ 58,400

Program Changes:

					FTE	
Modernizing Identity Proofing PMO					6.0	$ 6,000
DotGov Domain Contractual Services					-	$ 1,000
Digital Services					-	$ 724
Code.gov Contractual Services					-	$ 550
Acquisition Services Fund Allocation/Transfer					-	$ 19
Reduction in Hosting/Infrastructure Services Across OPP Portfolios					-	$ (1,773)
Net Reductions to Overhead Costs					-	$ (3,634)
Subtotal, Program Changes…………………………………..………					6.0	$ 2,886
Total Adjustments………………………………………………					**6.0**	**$ 2,886**

Summary of the Request

The FY 2019 proposed budget provides a total of $58.4 million for the Federal Citizen Services Fund (FCSF). The program request includes $51.8 million to support the activities of the Office of Products and Programs and $6.624 million for non-reimbursable Digital Services initiatives.

The OPP activities funded through the FCSF enable public access and engagement with the Government through an array of operational programs and direct public-facing services. These initiatives allow individuals, businesses, other governments, and the media to easily find and use Federal information, services, benefits, and business opportunities via the internet, phone, email, and print. The Fund supports agency-facing programs that drive Government-wide transformation to secure digital Government through shared services, platforms, and solutions, and by providing technical expertise to agencies on projects that leverage digital technologies. Extensive communities of practice in key areas including social media, cloud and mobile computing, user experience, security, 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 continue to drive innovation in Government operations, using IT to improve the transparency, security, and efficiency of Federal operations, and increase the quality of Government services.

Key Changes

The FY 2019 request continues the FY 2018 President's Budget Request proposal that the cap on the total annual activities of the FCSF be removed from the appropriations language, so that the appropriations, revenues, reimbursements, and collections deposited into the Fund shall be available to expand reimbursable services of Federal Citizen Services and other activities that enable the Federal Government to enhance its ability to conduct activities electronically without limitation other than customer agency demand.

Within Digital Services, the FY 2019 Request level includes an additional $724 thousand to fund low-cost exploratory activities to identify and prototype promising technology investments.

The FY 2019 Request includes $6 million and 6 FTE for a Modernizing Identity Proofing Project Management Office (PMO) and pilot projects with highly impacted agencies to accelerate the implementation of a diverse set of modern approaches to digital identity management including: public-private partnerships, new technologies, new acquisition approaches, and new processes.

In FY 2018, the Office of Products and Programs retired Sites.USA.gov and launched Code.gov, as a means of supporting the Federal Open Source Code Policy. The FY 2019 Request reflects this change, and increases funding for Code.gov by $550 thousand for contractual support activities previously funded by the Executive Office of the President.

In FY 2018, the Office of Products and Programs assumed financial responsibility for the DotGov Domain Program from the Office of Government-wide Policy. The FY 2019 Request includes an additional $1 million for this program, to support contractual cost escalations.

Program Financing

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

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

Obligations by Object Classification
(Dollars in Thousands)

		FY 2017 Actual	FY 2018 Full Year CR	FY 2019 Request
11.1	Full-time, permanent……………………………	$ 7,294	$ 8,359	$ 9,629
11.3	Other than full-time permanent……………….	$ 43	$ -	$ -
11.5	Other personnel compensation………………...	$ 112	$ 104	$ 119
11.8	Special personnel services payments………..…	$ (113)	$ -	$ -
12.1	Civilian personnel benefits…………………….	$ 2,177	$ 2,672	$ 2,889
21.0	Travel and transportation of persons………….	$ 106	$ 65	$ 65
22.0	Transportation of things……………………….	$ -	$ -	$ -
23.1	Rental payments to GSA……………………….	$ 193	$ -	$ -
23.3	Communications and utilities………………….	$ 113	$ 146	$ 146
24.0	Printing and reproduction………………………	$ 225	$ 226	$ 226
25.1	Advisory and assistance services……………...	$ 24,387	$ 30,627	$ 35,141
25.3	Goods & services from Gov't accounts……….	$ 22,031	$ 13,300	$ 10,185
26.0	Supplies and materials………………………….	$ 1	$ 8	$ -
31.0	Equipment………………………………………	$ 4	$ 7	$ -
42.0	Insurance claims and indemnities……………….	$ -	$ -	$ -
99.0	**Obligations, appropriated……………………**	**$ 56,574**	**$ 55,514**	**$ 58,400**
	Subtotal, PC&B…………………………	*$ 9,513*	*$ 11,135*	*$ 12,637*
	Subtotal, Non-labor………………………	*$ 47,061*	*$ 44,379*	*$ 45,763*
99.0	Obligations, reimbursable………………………	$ 2,652	$ 7,364	$ 7,364
99.9	Total obligations………………………………..	$ 59,225	$ 62,878	$ 65,764
	Full-Time Equivalents (FTE)	*59.0*	*70.0*	*76.0*

Office of Products and Programs FCSF-Funded Activities

The Office of Products and Programs serves as a center of excellence that develops and maintains user-centric shared services, solutions, platforms, and practices to improve information and service delivery across Government, enabling citizen access and engagement with the Government.

The FY 2019 Budget request will support OPP projects, programs, and/or initiatives in the following portfolios:

Secure Cloud Portfolio
The Secure Cloud Portfolio's mission is to make cloud computing the easy, secure, and default IT solution for Federal agencies. The Secure Cloud Portfolio does this through creating (1) a broad marketplace of approved Government and private sector products and platforms, (2) guidance for best practices for using the cloud, and (3) promotion of collaboration through the creation of a strong cross-Government cloud community center of excellence. Both the marketplace of cloud providers and agency use of cloud are expected to grow exponentially in the next several years.

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

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

Industry Incubation
The central role cloud technology serves in agency transformation and modernization priorities requires active collaboration to ensure a strong partnership with industry and the availability of products for Government. The portfolio's activities ensure that industry has a Federal advocate to help in understanding and streamlining legacy Federal practices. This includes engagement in areas of terms of service, IT Modernization, and cloud technologies in support of exchanging lessons learned to align the Federal Government with Industry best-practices. At the end of FY 2017, this included a collection of over 80 companies recognized as compliant to Federal terms of services. In addition, the program engages with other industry groups to ensure that the standards available for commercial services continue to support the security of interconnected

systems, particularly as agencies continue to identify innovative solutions for critical systems from industry. Additionally, the portfolio is heavily engaged as a conduit between commercial cloud service providers and the Federal Government to identify innovative IT solutions for their critical mission/business needs.

Federal Engagement
The Office's Federal engagement positions the portfolio as a recognized center of excellence in accelerating cloud adoption across the Government. This includes compliance with comprehensive policy and architecture as well as service modernization initiatives. This program also informs how the deployment of cloud technologies aligns with an agency's fiscal and management responsibilities to provide a more secure and integrated executive branch enterprise. In addition, the portfolio provides support and training for a variety of skills including contracting and acquisition, as well as security subject matter expertise. Collectively, these activities help agencies achieve higher levels of delivery and management for their IT services by promoting collaboration and best practices across the cloud community.

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

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

USA.Gov
USA.gov and Gobierno.usa.gov make it easy for the public to find and consume U.S. Government information and services on the web. In FY 2018, the USA.gov platform connected people more than 100 million times with Government information through its websites, social media, publications, email, phone calls, and chats through its USA.gov Contact Center.

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

Labs.USA.gov
OPP will perform research for products stemming from the FY 2016 Federal Front Door research, including introducing an information exchange product as well as other potential products with the intent to improve customer service across Government

services. OPP also intend to update the Federal Front Door research to stay ahead of changes in public sentiment and expectations about Government services.

Shared services supporting contact centers

USAGov is exploring and developing multiple shared services that bring the benefits of large scale to smaller Government contact centers, including customer/public sentiment analysis, artificial intelligence tools that can reduce call time, and other shared services.

Curated, topic-based Application Programming Interfaces (APIs)

USAGov is working with the Department of Transportation, EPA, and other agencies to provide a single API for product recalls (which are the responsibility of multiple agencies). The program are exploring other opportunities for similar topic-based APIs (e.g. crime or financial data) supported through reimbursable funding agreements.

Data and Analytics Portfolio

The Data and Analytic Portfolio's mission is to empower both the public and agencies by making Government information more open and leveraging data to enable more effective decision-making The portfolio focuses on providing agencies with analytics and data management capabilities that help them better understand and serve the needs of the public while giving the public better access to Government resources.

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

Data.gov

Data.gov is the hub to access and use open Government data sets. Under the Open Data Policy, Federal agencies must maintain public listings of all of their datasets. Citizens, entrepreneurs, researchers and others can discover and access the data. Data.gov provides the unified catalog for the public to search and browse across the whole Government, but the Data.gov program office also provides shared tools for agencies to manage their metadata, respond to requests from the public, perform quality assurance, and improve access to their data through APIs.

Digital Analytics Program (DAP)

The Digital Analytics Program offers advanced Web analytics to Federal agencies. This allows the Government to determine what content is most effective when communicating with the public on over 4,500 websites. It also allows agencies to track and measure opportunities for streamlining and improving the usability of Government websites.

Feedback Analytics

The newly formed Feedback Analytics program is piloting a number of tools and potential shared services to collect and analyze feedback from transactions with the public across multiple channels of service delivery (digital, phone, paper, in-person).

This includes the Feedback USA kiosk program that is working to fill the gap for capturing customer experience metrics in-person as well as user friendly shared tools to collect and analyze feedback from transactions on websites. This office is also exploring a new methodology and potential shared tools that combine user centric journey mapping, business process modeling, and automated analytics across multiple channels to provide actionable daily intelligence for program staff and a common operating picture for a range of stakeholders and decision-makers.

Smarter IT Delivery

The Smarter IT Delivery Portfolio's mission is to improve technology outcomes with Federal services through the efficient development and delivery of modern consumer services. These products eliminate the need for Federal agencies to create redundant solutions to common IT challenges.

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

DigitalGov Search

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

Code.gov

Code.gov, part of the implementation of the Open Source Software Policy, contains code inventories from 25 Federal agencies. Code is searchable by agency and intended use, encouraging sharing and time/cost savings. All of this will continue to grow, as agencies are required to make 20% of their code open source every year to comply with OMB Memorandum M-16-21, *Federal Source Code Policy: Achieving Efficiency, Transparency, and Innovation through Reusable and Open Source Software*. Code.gov also allows the open source community to provide feedback and make contributions to code. The site will also contain licensing information, best practices, definitions, checklists, case studies, and contract language. This will improve the skill of the Federal workforce in the code and open source arenas. Currently, over 28 agencies have contributed projects to Code.gov.

Innovation Portfolio

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

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

Challenge.gov

Challenge.gov is a program and digital platform for Federal agencies to develop, launch, and manage incentivized challenge competitions. These include technical, scientific, ideation and creative competitions where the U.S. Government seeks innovative ideas and solutions from the public. The use of incentive prizes and challenges has accelerated since the program was established in 2010. More than 100 agencies have run over 784 challenges as of August 2017. Prize competitions have enabled Federal agencies to pay only for success and establish an ambitious goal without having to predict which team or approach is most likely to succeed. Competitions reach beyond the "usual suspects" to increase the number of solvers tackling a problem and to identify novel approaches, without bearing high levels of risk. They bring out-of-discipline perspectives to bear, increasing cost-effectiveness to maximize the return on taxpayer dollars.

Innovation.gov and Better Government Toolkit

Innovation.gov is a program and platform to foster the awareness, adaptation, and adoption of a core set of innovative principles to solve problems and promote a culture of experimentation both within the Government and beyond. It fosters networks and communities of contributors and Federal practitioners, who share skills, collaborate on projects and resources that support agency missions, and identify new target areas for advancement.

The Better Government Toolkit is part of Innovation.gov and provides a how-to approach to innovative approaches core to Government functions that can help deliver significantly better Government for the American people at a lower cost. The toolkit provides practical explanations of innovative approaches and techniques, policies, implementation strategies, and other relevant information to help agencies deploy new practices. It shares the evidence base for innovation with metrics-driven, impact-focused case studies. Examples of proven tools include agile IT contracting approaches to pay only for what works, incentive prizes and challenges to harness the efforts of outside innovators,

open Federal data to catalyze marketplace innovation, fellowships and accelerated hiring approaches to tap outside talent, and tiered-evidence grant programs to test and scale what works.

Digital.gov
Digital.gov provides agencies with centralized methods, policies, and tools needed to create effective digital services in Government. The program helps agencies learn, build, deliver, and measure digital services and tell stories of how agencies are changing the way technology is used to better deliver information and services to the public. The program also includes Digital.gov University which provides focused trainings and events that help teams learn and adopt new concepts and collaborate with others across Government who are working on the same problems.

Emerging Citizen Technology Program
The Emerging Citizen Technology Program collaborates with agencies, startups, small businesses, civic organizations, and inter-agency communities to implement Government-wide public service modernization initiatives such as artificial intelligence, blockchain, virtual and augmented reality and social technologies. The program works with experts on all aspects of compliant use of modern technologies--privacy, security, accessibility, transparency, accountability and performance--and finds practical use cases for their application.

Government Domain Registry (DotGov)
In FY 2018, OPP assumed financial responsibility for the Government domain registry system from GSA's Office of Government-wide Policy. The registry will provide reliable, secure DNS service for the DotGov domain. In FY 2019, GSA will continue efforts to modernize DotGov's technical infrastructure, increase ecosystem security and improve the experience of domain owners and the public. Specific program goals include: strengthening user authentication to the platform, expanding and automating DotGov's scanning services, and improving vulnerability disclosure to DotGov systems.

Modernizing Identity Proofing
The Modernizing Identity Proofing PMO will pilot projects with highly impacted agencies to accelerate the implementation of a diverse set of modern approaches to digital identity management including: public-private partnerships, new technologies, new acquisition approaches, and new processes. The PMO will work with key agencies (such as SSA, IRS, and the VA) to scope public facing systems vulnerable to fraud and ripe for new approaches to digital identity proofing as defined by NIST 800-63. With appropriate coordination across GSA, including OGP, GSA will evaluate solutions, and coalesce lessons learned from these identity proofing implementations to be rolled out to agencies with their current IT modernization and SSN Reduction related efforts. These identity proofing pilots will be developed in partnership with industry, will tackle discreet identity proofing problems, and be coordinated with broader identity management tools (such as

Login.gov) and issues such as authentication.

To cultivate a diversity of identity sources and approaches, agencies will need to test and adopt a variety of approaches to identity proofing, using proofing that is scaled to the sensitivity of the services being accessed, and using novel combinations of corporate and public data sources.

OPP will work with the agencies to evaluate these approaches for user experience, risks, cost effectiveness, and other tradeoffs, and integrate (via Application Programming Interface, or APIs) with shared service solutions like Login.gov. This PMO will foster a diverse marketplace of identity proofing solutions that protect the American people's privacy, as well as prevent the misuse of their taxpayer dollars in improper payments due to fraud.

Non-Reimbursable Digital Service Initiatives

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

These investments are selected through a competitive process that evaluates proposals and selects the most promising investments for small-dollar funding. In FY 2017, OPP launched 10X, a gated investment strategy which solicits ideas for new good-for-Government projects from around Government, and funds work through a series of approval phases. In FY 2018, this funding seeded successful projects like the U.S. Bug Bounty, Data Federation Standards, the relaunch of Plainlanguage.gov, and others. In FY 2019, the program will continue the incubator incremental investment process in order to find, fund, and eventually scale new technology products and services that serve the Office's Federal agency partners and the public.

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U.S. General Services Administration
Office of Inspector General

Fiscal Year 2019 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, **$67,000,000**: *Provided*, that not to exceed **$50,000** shall be available for

payment for information and detection of fraud against the Government, including payment

for recovery of stolen Government property: *Provided further*, that not to exceed **$2,500**

shall be available for awards to employees of other Federal agencies and private citizens

in recognition of efforts and initiatives resulting in enhanced Office of Inspector General

effectiveness.

Program Description

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

5-Year Appropriation History Table

	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
Estimate to Congress:	**$66,978,000**	**$67,803,000**	**$66,000,000**	**$64,558,585**	**$67,000,000**
Appropriated:					
Annual Funds	$63,000,000	$63,000,000	$65,000,000		
Rescissions					
Sequestration					
No-Year Funds	$2,000,000	$2,000,000			
Rescissions					
Total…………………	**$65,000,000**	**$65,000,000**	**$65,000,000**		

Amounts Available for Obligation
(Dollars in Thousands)

	FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
Unobligated balance[1], start of year…..…..….	$6,000	$5,597	$3,097
Discretionary authority:			
Appropriation (annual)………..……………	$65,000	$64,559	$67,000
Appropriation (no-year)……………………			
Reimbursable authority:			
Offsetting collections……………………………	$600	$600	$600
Subtotal amount available for obligation	**$71,600**	**$70,756**	**$70,697**
Discretionary authority:			
Unobligated balance, expiring…………………	($559)	$0	$0
Unobligated balance, end of year……………..	($5,597)	($3,097)	$0
Reimbursable authority:			
Unobligated balance, expiring……………….	($246)	$0	$0
Total obligations	**$65,198**	**$67,659**	**$70,697**
Obligations, appropriated (annual)………………	$64,441	$64,559	$67,000
Obligations, appropriated (no-year)………….	$403	$2,500	$3,097
Obligations, reimbursable………………………	$354	$600	$600
Net outlays, appropriated………………………	$64,525	$67,152	$69,741

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[1] Unobligated balance reflects no-year funds appropriated in FY 2014 through FY 2016.

Explanation of Changes, Appropriated Dollars, and FTE

(Dollars in Thousands)

	FTE	Budget Authority	
2018 Request	310	$	64,559
2019 Request	322	$	67,000
Net Change……………………………………..	12	$	2,441

	FTE	Budget Authority	
Maintaining Current Levels:			
FY 2018 Pay Increase (1.9%), Effective Jan. 2018		$	244
Non-Pay Inflation (1.7%)		$	223
Program Initiatives:			
Additional Oversight FTE	12	$	1,974
Net Change……………………………………..	12	$	2,441
Reimbursable Resources	3	$	600

Summary of Request

The FY 2019 budget requests a total of **$67,000 thousand** for the Office of Inspector General. This represents a net increase of **$2,441 thousand** from the FY 2018 request level, including the following:

$244 thousand for FY 2018 pay increase (1.9%), effective January 2018

$223 thousand for inflation (1.7%)

$1,974 thousand for additional oversight FTE

Reimbursable Programs: The FY 2019 OIG reimbursable request includes
$600 thousand for the following reimbursable work: (1) $350 thousand for the Fleet Card Program; and (2) $250 thousand for on-going reimbursable work with other agencies and independent commissions.

FY 2019 Annual CIGIE Assessment	**$134,000**
FY 2019 Annual Training Request: Certified by the Inspector General	**$525,000**

U.S. General Services Administration
Office of Inspector General

Obligations by Object Classification

(Dollars in Thousands)

		FY 2017 Enacted	FY 2018 Full Year CR	FY 2019 Request
11.1	Full-time permanent	$33,826	$35,480	$36,863
11.3	Other than full-time permanent	$183	$185	$186
11.5	Other personnel compensation	$2,347	$2,467	$2,486
11.8	Special personal services payments	$2	$2	$0
11.9	**Total personnel compensation**	**$36,358**	**$38,134**	**$39,535**
12.1	Civilian personnel benefits	$13,181	$13,321	$14,073
21.0	Travel and transportation of persons	$1,268	$1,325	$1,374
22.0	Transportation of things	$16	$0	$0
23.1	Rental payments to GSA	$4,579	$4,701	$4,797
23.2	Rental payments to others	$0	$0	$0
23.3	Communications, utilities and miscellaneous charges	$372	$400	$408
24.0	Printing and reproduction	$7	$10	$10
25.1	Advisory and assistance services	$1,904	$1,909	$1,945
25.2	Other services	$9	$8	$8
25.3	Purchases of goods and services from government accounts	$3,965	$2,915	$2,973
25.4	Operation and maintenance of facilities	$1	$0	$0
25.7	Operation and maintenance of equipment	$1,493	$1,072	$1,093
26.0	Supplies and materials	$154	$175	$179
31.0	Equipment	$929	$589	$605
42.0	Insurance claims and indemnities	$205	$0	$0
99.0	**Subtotal**	**$64,441**	**$64,559**	**$67,000**
99.0	Reimbursable obligations	$354	$600	$600
99.9	**Total Obligations**	**$64,795**	**$65,159**	**$67,600**

FY 2019 OIG Request

For FY 2019, the General Services Administration (GSA) Office of Inspector General (OIG) requests $67,000 thousand to execute our mission to detect and deter waste, fraud, abuse, and misconduct and to promote economy and efficiency in GSA's multibillion dollar programs and operations including contracts. This funding will provide a positive return to American taxpayers since our work routinely results in large financial recoveries each year that exceed our appropriation. For example, our recoveries totaled $121 million in FY 2017, $72 million in FY 2016, and $243 million in FY 2015. Additionally, our recommended cost savings and identification of funds put to better use yielded $287 million in additional potential savings during FY 2017.

The OIG's success in carrying out our mission is directly tied to the expertise of auditors, special agents, inspectors, and attorneys on staff. This is especially important as GSA implements new programs and initiatives. For FY 2019, sufficient funding and the ability to replenish departing staff are imperative to maintaining our high level of productivity— which is evidenced by our significant audit, inspection, and investigative work in FY 2017.

Our audit and inspection efforts produced 87 reports and identified more than $287 million in potential savings during FY 2017. This work included preaward contract audits that examined 52 GSA contracts with an estimated value of $3.9 billion. In March 2017, our audit work resulted in a civil settlement in which Computer Associates Inc. agreed to pay $45 million to resolve allegations that it did not fully and accurately disclose to GSA its discounting practices. Our investigative efforts led to a $16 million settlement of allegations under the False Claims Act that a military tactical equipment supplier cheated in obtaining and performing federal contracts through small business fraud and bid rigging schemes. Our auditors and inspectors also reviewed the performance of several GSA programs. For example, evaluations of GSA's digital services organization, 18F, found that 18F struggled financially between 2014 and 2016 with a net loss of almost $32 million and routinely disregarded or circumvented fundamental GSA IT security policies and guidance. In response to these evaluations, GSA committed to implement our recommendations in order to improve 18F's financial performance and IT security. Also, our audit of GSA's use of real property exchanges found that inadequate financial analyses caused GSA to abandon several such projects and left GSA at risk for funding shortages in others. This work was referenced by Congress in examining GSA's management of its proposed exchange for the construction of a new headquarters for the Federal Bureau of Investigations. Our reports include recommendations to help significantly improve the agency's performance in these programs.

In FY 2017, our special agents opened 134 new investigations, closed 205 investigative cases, produced 62 criminal indictments, and had 35 successful prosecutions on criminal matters. Notably, our special agents used proactive data analysis to uncover a scheme in which contractors obtained federal contracts in violation of federal exclusion rules; exposed a senior GSA contracting officer's conspiracy with others to fraudulently obtain federal employment for her husband and other family members; and revealed a

construction firm's fraudulent overbilling scheme, leading to the recovery of $9.2 million. Additionally, our special agents successfully investigated numerous other cases involving false claims, theft of government property, and GSA gas credit card misuse. Finally, in a significant whistleblower investigation, our investigators and inspectors substantiated a claim by the former Federal Acquisition Service Commissioner that the former GSA Administrator retaliated against him for making protected disclosures about mismanagement in GSA's Technology Transformation Service. Special agents also continued to respond to allegations of waste, fraud, abuse, and misconduct received through our hotline, which received 4,909 contacts in FY 2017.

The budget requested for FY 2019 reflects the need to sustain the OIG's major audit, investigation, inspection, and other work critical to successful oversight of GSA programs and operations.

FTE Level Increase for Program Initiatives: Our appropriated funding levels have remained stagnant between FY 2014 and FY 2018 to fulfill the mission of the OIG. That mission expanded with GSA's creation of a new component to address technology transformation. That component currently is located within the Federal Acquisitions Service. The OIG has already issued several reports about this new component, and more work is needed as the component evolves. The OIG has also been developing its capabilities to oversee GSA's cybersecurity. In FY 2016, the OIG established an Information Technology (IT) audit group to scan and analyze GSA IT systems for security vulnerabilities. Our initial work in this area exposed vulnerabilities in GSA systems and highlighted the need for continued work of this type. To enhance this capability, the OIG needs to support highly skilled staff dedicated to this initiative with training as well as with computer hardware and software licenses. Additionally, the OIG has begun to invest resources for a data analytics team to proactively identify indicators of fraud, systemic vulnerabilities, and program deficiencies for purposes of targeting audits, investigations, and inspections. Our initial efforts in analyzing information contained in GSA databases already has proven the worth of this initiative by identifying a fraud scheme that has been referred for criminal prosecution. Without the requested increase in our annual appropriation, we will not be able to achieve a FTE level of 322 needed to sustain these initiatives and the oversight we believe that GSA's programs, operations, and activities require. Particularly with GSA's increased focus on technology, we must continue to hire a highly skilled workforce in order to perform our mission; such experience comes with a price. The American taxpayer can only stand to benefit more when savings are achieved and funds are recovered through executing our mission in audit, inspection, and investigative work. We are requesting an increase of $1,974 thousand and 12 FTE.

Business Component Justifications

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

Office of Audits

Program Description

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

- Program audits provide GSA management with independent assessments and input on potential solutions to issues, when appropriate.
- Information technology and systems audits evaluate whether GSA's information systems are designed to enable efficient and effective operations, contain adequate systems controls, are properly secured, and meet user requirements.
- Regulatory audits evaluate whether GSA complies with applicable laws and regulations.
- Internal control audits test the controls built into GSA's programs and systems to determine whether those controls are operating as intended and providing reasonable assurance of achieving effective and efficient operations, reliable financial and performance reporting, and compliance with applicable laws and regulations.
- Contract audits examine selected contractors' records and develop the financial information necessary for GSA contracting officers to negotiate favorable pricing arrangements on contract awards and administer existing contracts. These engagements include preaward and postaward examinations of Multiple Award Schedule contracts, as well as audits of construction claims, requests for equitable adjustment, and close-out audits.
- Oversight of GSA's contracts for the annual financial statements audit required under the 1990 Chief Financial Officer's Act, and the independent evaluation of GSA's information security program and practices required under the Federal Information Security Modernization Act of 2014.

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

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

Our auditors provide extensive oversight of billions of dollars in contracts awarded by GSA for products, services, and real property. During FY 2017, our audits recommended over $287 million in cost avoidances and recoveries; our construction contract audits resulted in avoidances and recoveries of over $20 million; and our evaluations of 18 contractor self-disclosures resulted in over $18 million in recoveries to the government.[2]

Contract auditors also provide key assistance to the Department of Justice in False Claims Act investigations. For example, in March 2017, as a result of our joint investigation with the Department, CA, Inc. (CA) agreed to pay $45 million to resolve False Claims Act allegations that it made false statements and claims in the negotiation and administration of a GSA contract. This settlement resolves allegations that CA did not fully and accurately disclose its discounting practices to GSA contracting officers.

In addition to our contract audit workload, our internal audit work provides significant benefits to GSA and the federal taxpayer. For example, our audit of the Public Buildings Service's (PBS) planning and funding for real estate exchange projects revealed that PBS did not adequately factor risk into its financial analyses, causing it to overvalue its properties. As a result, PBS cancelled or did not pursue four exchange projects. We also found that contrary to its exchange guidance, PBS did not always identify, plan for, and report the additional funding that exchanges might require, leaving itself at risk for funding shortages or using operational funds to meet capital project needs. Additionally, PBS's guidance was outdated and did not encompass many aspects of the exchange process. Based on our audit findings, we recommended updating the exchange guidance and revising the quarterly exchange reports to congressional appropriations committees to include projects through completion and to identify support costs.

Additionally, our audit of the $1.2 billion Energy Savings Performance Contract for the Food and Drug Administration's White Oak facility found that the PBS National Capital

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

Region did not comply with the Competition in Contracting Act of 1984 and the competition requirements in the Federal Acquisition Regulation. Specifically, we found that PBS made a cardinal change to the contract by adding $309 million in operations and maintenance services that substantially increased the contract's scope of work. As a result, price competition was eliminated and other contractors were not offered the opportunity to bid. Also, PBS did not award and administer the task order in compliance with contract requirements, acquisition regulations, and internal policy.

Based on our audit findings, we recommended several improvements to the PBS National Capital Region's internal controls over the award and administration of this and future Energy Savings Performance Contract task orders, including expediting the procurement of a new operations and maintenance contract, instituting management controls, and implementing training.

In another significant internal audit, we found that the Federal Acquisition Service (FAS) did not establish price reasonableness, as required by federal regulations, for 44 new contracts when it consolidated pre-existing service contracts into the Professional Services Schedule (PSS). As a result, FAS and customer agencies do not have assurance that the prices for these contracts, which account for over $2 billion in annual schedule sales, are fair and reasonable. Our audit also found that the template used by PSS contracting officers to document pre-negotiation objectives and results of negotiations does not comply with federal regulations and FAS policy. Lastly, contract files were missing necessary documentation to support contracting officers' price reasonableness determinations, also required by federal regulation and FAS guidance. In this audit, we recommended FAS ensure that pricing for PSS migrated contracts is fair and reasonable, templates are in compliance with federal regulations and FAS policy, and guidance is developed for contracting staff on documenting detailed analyses.

Our internal audits also highlighted areas for GSA to improve its handling of environmental concerns in leased space. For example, we reported that GSA's decision to vacate the 1 North Palafox Street (Palafox) courthouse in Pensacola, Florida, and to place tenants into temporary leased space was based on a finding of "widespread" mold in the building. However, 19 environmental surveys performed in the building found no evidence that mold was "widespread" and that tenants should be relocated. Our audit also found that GSA's choice of temporary leased space was unnecessary, did not meet the tenants' needs, increased security risks, and left the vacated Palafox courthouse at risk for further deterioration. In another audit, we found that PBS did not enforce the terms of the full service lease at the Kress Building in Tampa, Florida, and may have exposed tenants to health risks. Specifically, PBS did not hold the lessor accountable for maintenance and repair issues in a timely fashion nor did it notify the tenants about the presence of black mold in a training room. In these audits, we recommended that GSA reanalyze the housing options for its tenants and take steps to address environmental concerns.

Office of Investigations

Program Description

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

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

- Investigations of alleged criminal violations and civil fraud by contractors, employees, and others relating to GSA acquisition programs;

- Criminal investigations relating to the integrity of GSA programs, operations, and personnel;

- The development and implementation of proactive investigations which address systemic investigative issues that cross GSA regional boundaries; and

- Investigations of allegations into serious misconduct by high-ranking GSA officials.

Highlights of the Office's work in FY 2017 include the following:

A GSA OIG joint investigation with the Department of Homeland Security OIG, the Small Business Administration OIG, and the Veterans Administration (VA) OIG into a scheme to obtain government contracts through fraud and misrepresentation led to substantial judicial and administrative actions, including six convictions and eight contractor suspensions or debarments. This investigation secured the conviction of a government contracting officer, the General Manager of Thundercat Technology, and four subcontractor officials for conspiring in a bid rigging scheme to control the procurement process through a network of deception. On December 12, 2016, Thundercat Technology agreed to pay $1 million to settle civil False Claims Act, Anti-Kickback Act, and Procurement Integrity Act claims relating to the bid rigging and kickback schemes.

A GSA OIG investigation found that Helen Renee Ballard (Renee Ballard), former Director of the GSA Central Office Contracting Division, and her spouse Robert Stevenson Ballard (Steve Ballard), engaged in a nepotism scheme in which they conspired to fraudulently obtain employment from the U.S. government and private federal contractors. The investigation revealed that the Ballards fraudulently induced a federal contractor (CACI) to hire Steve Ballard, who was then placed on a federal contract awarded by GSA and

supervised by Renee Ballard. Later, she attempted to hire Steve Ballard for a federal position within GSA under her supervision. Renee and Steve Ballard caused over 139 employment applications to be submitted to federal agencies that falsely represented Steve Ballard's education, qualifications, and experience. In order to corroborate these false representations, the Ballards obtained and submitted fake certification documents. Furthermore, Renee Ballard directed or influenced the hiring of other family and friends as CACI employees through false and misleading statements and representations, and by concealing material conflicts of interest. As a result of the OIG investigation, on June 8, 2016, Renee Ballard was terminated from her employment with GSA. On March 23, 2017, both Renee Ballard and Steve Ballard pleaded guilty in federal district court to conspiracy to make false statements. Renee Ballard and Steve Ballard were sentenced to 18 months and 12 months in prison, respectively; and ordered to jointly pay $215,190 in restitution.

Proactive data analysis led to a GSA OIG investigation that found that William Brown and Matt Ruck created a company, Strategic Resource Group (SRG), in order to funnel federal contracts to Ruck, who was listed as an excluded party on the Excluded Parties List System (EPLS) and ineligible to receive federal contracts. Brown and Ruck made false certifications to GSA and concealed material facts regarding SRG's principals. SRG was subsequently awarded $228,000 in federal contracts, which were all funneled to Ruck. Brown and Ruck pleaded guilty in August 2016 to making false statements. On November 1, 2016, Brown was sentenced to two years' probation. Ruck was sentenced to 60 months' imprisonment and three years' probation, and ordered to pay $206,000 in restitution. GSA OIG investigated this case with the Army Criminal Investigation Command (Army CID), Defense Logistics Agency OIG, and VA OIG.

A GSA OIG investigation revealed that Plaza Construction, LLC (Plaza), one of the largest construction firms in New York City, engaged in a 13-year-long fraudulent overbilling scheme that affected virtually all of its projects. As a result, Plaza was charged with mail and wire fraud conspiracy for improperly billing its clients more than $2.2 million for hours not worked and for inserting a hidden surcharge into its bills for the purpose of obtaining payments to offset administrative costs. On October 13, 2016, Plaza entered into a deferred prosecution agreement with the United States in which Plaza agreed to pay over $9.2 million in restitution to victims, and forfeiture and penalties to the federal government. Additionally, pursuant to the deferred prosecution agreement, Plaza instituted far-reaching corporate reforms designed to eliminate future problems and enforce best industry practices.

A GSA OIG investigation found that Michael Pirolo, president of Government Contract Registry (GCR), defrauded companies associated with GSA Schedule contracts and FEMA registrations by hiring telemarketers to contact victim-companies and falsely claim that, for a fee, GCR would "register" the companies to enable them to receive preference in obtaining federal contracts. GCR usually charged companies a fee of $500 for their service, and approximately 1,200 victim-companies were misled by GCR's scheme. Pirolo pleaded guilty in April 2017 to wire fraud. On August 10, 2017, Pirolo was sentenced to

50 months' incarceration and ordered to pay $594,000 in restitution and the identical amount as a forfeiture money judgment. GSA OIG investigated this case with DHS OIG.

A GSA OIG investigation found a payphone company president created a dial-around compensation scheme utilizing hundreds of payphones his company owned and operated. The company president programmed the payphone to automatically call 1-800 toll-free numbers in order to acquire the compensation fee for each phone call placed. He received $1.8 million in compensation. In August 2017, the company president was charged in a six-count indictment for the scheme. GSA OIG investigated this case with the FBI, IRC CI, and the U.S. Postal Inspection Service.

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

Office of Inspections

Program Description

The Office of Inspections 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 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. Inspections may include an assessment of efficiency, effectiveness, impact, and sustainability. Issues examined in 2017 included allegations regarding the GSA Technology Transformation Service's 18F office.

- An evaluation found that 18F struggled financially since 2014 with a cumulative net loss of $31.66 million through the third quarter of fiscal year 2016. We also found that 18F had not developed a viable plan to achieve full cost recovery, as required by its Memorandum of Agreement (MOA) with FAS to use the Acquisition Services Fund (ASF) to fund 18F operations. Factors that contributed to 18F's inability to achieve full cost recovery include 18F management's pattern of overestimating revenue projections, increased staffing levels, and staff time spent on non-billable activities. We also found that 18F staff performed work before inter-agency agreements were properly executed and outside of specified periods of performance. Finally, 18F's

manual billing process and untimely timekeeping and expense recording resulted in a series of inaccurate charges to their clients.

- A second evaluation of 18F identified violations by 18F personnel of GSA's information technology policies. We found that 18F routinely disregarded and circumvented fundamental security requirements related to both the acquisition of information technology and the operation of information systems. We found that 18F used information technology that was not approved by GSA IT, failed to obtain proper authorizations to operate information systems, circumvented the GSA IT assessment and authorization process, acquired information technology without the required Chief Information Officer (CIO) review and approval, and used unofficial email accounts to conduct GSA business. We also sought to determine the cause of 18F's widespread violations of fundamental GSA information technology security requirements. We concluded that management failures in GSA IT and 18F caused the breakdown in compliance, and that leadership failed to provide sufficient guidance and oversight to ensure the proper level of awareness and compliance.

In response to these evaluations, GSA committed to implement our recommendations in order to improve 18F's financial performance and IT security.

In addition, the Office of Inspections, in coordination with the GSA OIG Office of Counsel and Office of Investigations, verified claims that former GSA Administrator Denise Turner Roth retaliated against the former Federal Acquisition Service Commissioner for making protected disclosures. The investigation found that Administrator Roth abused her authority and made threats of adverse administrative action against him. On June 21, 2017, we published our findings of alleged whistleblower retaliation in a report, and referred the matter to the Office of Special Counsel. The Office of Special Counsel concurred with our results and obtained relief for the former Commissioner. On July 6, 2017, the Office of Special Counsel sent the report to the White House and Congress.

The work of the Office of Inspections 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, investigation, and inspection 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 (DOJ) 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 2019 Performance Plan

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

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

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

Performance Goals:

- *Identify potential savings in GSA contracts and programs.*

- *Seek recoveries of monies owed the United States.*

- *Provide audit, investigative, and other reports and memoranda that enable Agency management to make improvement in Agency operations.*

Performance Measures:

- *Dollar value of recommendations that funds be put to better use.*

- *Dollar value of questioned costs.*

- *Dollar value of civil, criminal, and administrative monetary accomplishments.*

- *Number of audit reports and memoranda issued.*

- *Number of other reports issued.*

- *Dollar value of management decisions that agree with recommendations.*

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

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

Performance Goals:

- *Investigate allegations and evidence indicating violations of statutes, regulations, and policies.*

- *Seek Department of Justice involvement in potential fraud cases.*

- *Refer contractors to GSA officials for potential suspension and debarment where their level of responsibility poses a risk to Federal Government customers.*

- *Provide Agency management with information necessary to take personnel and other administrative actions.*

Performance Measures:

- *Number of criminal referrals, acceptances, and convictions.*

- *Number of civil referrals, acceptances, and resolutions.*

- *Number of suspension and debarment referrals.*

- *Number of referrals for GSA employee management actions.*

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

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

Performance Goals:

- *Perform audits of GSA contracts, programs, and systems that present the most significant management challenges, high-risk areas, and opportunities for improvement.*

- *Devote investigative resources to potentially significant government losses and serious breaches of the integrity of Agency programs and operations.*

Performance Measures:

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

- *Percent of investigative resources focused on high-priority cases.*

U.S. General Services Administration
ENVIRONMENTAL REVIEW IMPROVEMENT FUND
Fiscal Year 2019 Budget Request
CONTENTS

Appropriations Language

For necessary expenses of the Environmental Review Improvement Fund established pursuant to 42 U.S.C. 4370m-8(d), $6,070,0000, to remain available until expended.

Analysis of Language Provisions

This provides appropriations for the Environmental Review Improvement Fund for the operations of the Federal Permitting Improvement Steering Council (Permitting Council), including the Office of the Executive Director (Permitting Council OED). This appropriation, in conjunction with anticipated fees and anticipated Cross Agency Priority (CAP) Goal funds, will allow the Permitting Council to execute its statutory mission and to carry out certain responsibilities under Presidential Executive Order 13807 on Establishing Discipline and Accountability in the Environmental Review and Permitting Process Infrastructure.

Program Description

This appropriation supports the authorized activities of the Environmental Review Improvement Fund and the Federal Permitting Improvement Steering Council (Permitting Council) established under Title XLI of the Fixing America's Surface Transportation Act of 2015 (Public Law 114–94). The Permitting Council will lead ongoing government-wide efforts to modernize the Federal permitting and review process for major infrastructure projects, work with Federal agency partners to implement and oversee adherence to the statutory requirements set forth in the FAST Act, and to carry out its responsibilities under Presidential Executive Order 13807. The principle mission of the Permitting Council is to streamline the permitting process by providing efficient and effective coordination, transparency, management, direction, and support of the Federal permitting process relating to large infrastructure projects that require Federal authorization or environmental reviews.

Amounts Available for Obligation
(Dollars in Thousands)

Special Fund Receipts

	FY 2017 Actual		FY 2018 Plan		FY 2019 Plan	
Balance, start of year...	$	-	$	-	$	-
Receipts, Fee Revenue..	$	-	$	-	$	2,400
Sequestration..	$	-	$	-	$	-
Appropriation to the expenditure fund.....................................	**$**	**-**	**$**	**-**	**$**	**(2,400)**
Balance, end of year...	$	-	$	-	$	-

Special Fund Expenditures

	FY 2017 Actual		FY 2018 Plan		FY 2019 Request	
Mandatory authority:						
Mandatory appropriation (no year).....................................	**$**	**-**	**$**	**-**	**$**	**2,400**
Sequestration	$	-	$	-	$	-
Discretionary authority:						
Discretionary Appropriation (no year)...................................	**$**	**-**	**$**	**-**	**$**	**6,070**
Reimbursable authority:						
Reimbursable Services to Federal Agencies..........................	**$**	**-**	**$**	**-**	**$**	**1,530**
Total authority...					**$**	**10,000**
Obligations, mandatory appropriation (no year)	$	-	$	-	$	(2,400)
Obligations, annual appropriation (no year)	$	-	$	-	$	(6,070)
Obligations, reimbursable	$	-	$	-	$	(1,530)
Total obligations...	**$**	**-**	**$**	**-**	**$**	**(10,000)**
Unobligated balance, end of year.............................	$	-	$	-	$	-
Net Outlays	*$*	*-*	*$*	*-*	*$*	*6,470*

*Funding in FY 2017 and FY 2018 for the Permitting Council is included in the Operating Expenses section as reimbursable activity in the Executive Direction activity.

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

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
	FTE	$	FTE	$	FTE	$
	0.0	$ -	0.0	$ -	10.0	$ 6,070
Program Increases						
FPISC Personnel					10.0	$ 1,777
FPISC Contracts and Contract Support					-	$ 3,068
Other Costs of Operations / Program Oversight					-	$ 1,225
Subtotal, Program Increases*					10.0	$ 6,070
Total Adjustments*...					**10.0**	**$ 6,070**

*Funding in FY 2017 and FY 2018 for the Permitting Council is included in the Operating Expenses section as reimbursable activity in the Executive Direction activity.

Summary of the Request

The Permitting Council was established under Title 41 of the Fixing America's Surface Transportation Act (FAST-41). FAST-41 outlines a new governance structure, set of procedures, and authorities designed to improve the efficiency and timeliness of the Federal permitting and environmental review process for major infrastructure projects. The Permitting Council is responsible for working with Federal agency partners to implement and oversee adherence to the statutory requirements set forth in FAST-41 and Presidential Executive Order 13807. The Permitting Council is led and chaired by an Executive Director, who is appointed by the President, and also includes representatives of 14 Federal agencies[1], as well as the Director of the Office of Management and Budget (OMB) and the Chairman of the Council on Environmental Quality.

To help finance these new responsibilities and activities, and address barriers to timely completion of required reviews and authorizations to the extent they arise, Section 4370m-8 of

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

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

In the interim, the FY 2019 Budget Request provides for an appropriation of $6.07 million, anticipated fees of $2.4 million, and anticipated reimbursable budget authority from a CAP Goal allocation of $1.53 million. The anticipated fee collections are subject to the timely promulgation of new fee regulations, as well as the actual volume of infrastructure projects that flow through the Council. Any anticipated CAP Goal funding would be contingent upon Administration priorities in FY 2019 and the availability of agency contributions to the CAP Goal fund. Seeding the ERIF with appropriations provides a stable source of base resources to support the Permitting Council and facilitate more timely and efficient environmental reviews and permitting authorizations through implementing requirements of Section 42 U.S.C 4370m et seq.

Specifically, this funding would provide FPISC with 10 FTE and a small team of contractors to:

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

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

Obligations by Object Class
(Dollars in Thousands)

		FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
11.1	Full-time permanent	$	-	$	-	$	1,271
11.5	Other personnel compensation	$	-	$	-	$	13
11.8	Special personnel services payments	$	-	$	-	$	54
12.1	Civilian personnel benefits	$	-	$	-	$	439
21.0	Travel and transportation of persons	$	-	$	-	$	185
23.1	Rental payments to GSA	$	-	$	-	$	130
23.3	Communications and utilities	$	-	$	-	$	20
24.0	Printing and reproduction	$	-	$	-	$	16
25.1	Advisory and assistance services	$	-	$	-	$	6,998
25.3	Other goods & services from Federal sources	$	-	$	-	$	713
26.0	Supplies and materials	$	-	$	-	$	120
31.0	Equipment	$	-	$	-	$	41
99.0	**Obligations**	**$**	**-**	**$**	**-**	**$**	**10,000**
	Subtotal, PC&B	$	-	$	-	$	1,777
	Subtotal, Non-labor	$	-	$	-	$	8,223

*Funding in FY 2017 and FY 2018 for the Permitting Council is included in the Operating Expenses section as reimbursable activity in the Executive Direction activity.

U.S. General Services Administration

ASSET PROCEEDS AND SPACE MANAGEMENT FUND

Fiscal Year 2019 Budget Request

CONTENTS

Appropriations Language

For carrying out the purposes of the Federal Assets Sale and Transfer Act of 2016 (Public Law 114–287) there is hereby appropriated $31,000,000 to be available until expended to the Asset Proceeds and Space Management Fund.

Appropriations Language Explanation

This appropriation language aligns with the General Provision that creates a freestanding account for the Asset Proceeds and Space Management Fund and provides an additional $31 million in appropriated funding to seed the corpus of the Fund. The enacted legislation, P.L. 114-287, originally housed this Fund within the Federal Buildings Fund.

Program Description

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

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2017 Actual	FY 2018 Full Year CR	FY 2019 Request
Resources:			
Available from prior year for reauthorization	$ -	$ -	$ -
Appropriation	$ -	$ -	$ 31,000
Retention of Proceeds (Sale of Real Property)	$ -	$ -	
Subtotal, Revenue	$ -	$ -	$ -
Total Resources Available	$ -	$ -	$ 31,000
New Obligational Authority:			
Sales and Disposals	$ -	$ -	TBD
Construction and Acquisition	$ -	$ -	TBD
Redevelopment and Reconfiguation	$ -	$ -	TBD
Total New Obligational Authority	$ -	$ -	$ 31,000
Fund Balance:			
Total Resources Available	$ -	$ -	$ 31,000
Total New Obligational Authority	$ -	$ -	$ (31,000)
Fund Balance (Available for Reauthorization)	$ -	$ -	$ -
Net Budget Authority	**$ -**	**$ -**	**$ 31,000**

Explanation of Changes

(Dollars in Thousands)

	FTE	FY 2017 Actual	FTE	FY 2018 Full Year CR	FTE	FY 2019 Request
	-	$ -	-	$ -	-	$ 31,000

Program Decreases:

Sales and Disposals

Construction and Acquisition

Redevelopment and Reconfiguration

Subtotal, Program Increases .... | - | $ 31,000

Total Adjustments... | - | $ 31,000

Summary of the Request

The FY 2019 appropriated budget request provides $31 million for the Asset Proceeds and Space Management Fund.

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

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

Program Financing

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

Obligations by Object Class

(Dollars in Thousands)

	FY 2017 Estimate	FY 2018 Full Year CR	FY 2019 Request
24.0 Printing and reproduction...........................	$ -	$ -	$ 100
25.1 Advisory and assistance services...................	$ -	$ -	$ 900
25.3 Other goods & services from Federal sources	$ -	$ -	$ 4,000
32.0 Land and structures...................................	$ -	$ -	$ 26,000
99.0 Obligations, Appropriated............................	**$ -**	**$ -**	**$ 31,000**
Subtotal, PC&B...	*$ -*	*$ -*	*$ -*
Subtotal, Non-labor.......................................	*$ -*	*$ -*	*$ 31,000*

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U.S. General Services Administration

PRESIDENT'S MANAGEMENT COUNCIL WORKFORCE FUND

Fiscal Year 2019 Budget Request

CONTENTS

Appropriations Language

Contingent upon enactment of authorizing legislation to establish a President's Management Council Workforce Fund, $50,000,000, to remain available until September 30, 2020, is appropriated to such Fund to improve the Federal government's ability to recruit and retain top talent and re-skill the workforce to meet 21st century needs.

Program Description

The President's Management Council Workforce Fund is designed to improve the Federal government's ability to recruit and retain top talent as well as re-skill the workforce to meet 21st century needs. The Fund would pilot a targeted government-wide funding program to test innovative solutions to recruiting, retaining or rewarding employees with critical skills sets. Funding priorities will be informed by each agency's analysis of its mission critical occupations as well as government-wide priorities informed by the President's Management Agenda and Cross Agency Priority Goals. This may include areas where the government historically has had difficulty competing with the private sector as well as re-skilling groups of employees to perform more mission-critical work. The fund would support innovative and cost-effective ways to strengthen the workforce to meet future challenges and evaluate the impact to inform future policies. A cross-agency Board, chaired by the Office of Management and Budget Deputy Director for Management, will be established to review and approve funding proposals based on established criteria. The Fund will be administered by GSA on behalf of the Board and the President's Management Council.

Amounts Available for Obligation

(Dollars in Thousands)

	2017 Actual	2018 Full Year CR	2019 Request
Discretionary authority:			
Carryover from prior years...	$ -	$ -	$ -
Annual appropriation...	$ -	$ -	$ 50,000
Obligations, appropriated (multi-year)……..................................	$ -	$ -	$ 15,000
Total obligations...	**$ -**	**$ -**	**$ 15,000**
Unobligated balanace, end of year..	$ -	$ -	$ 35,000
Net Outlays	*$ -*	*$ -*	*$ 12,000*

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FY 2017 Actual		FY 2018 Full Year CR		FY 2019 Request	
	FTE	$	FTE	$	FTE	$
	0.0	$ -	0.0	$ -	5.0	$50,000
Program Increases						
Personnel Costs					5.0	$ 725
Program Operations					-	$ 411
Transfers for Workforce Recruitment, Retention, and Re-skilling					-	$13,864
Subtotal, Program Increases					5.0	$15,000
Program Decreases:						
Total Adjustments..					5.0	$15,000

Summary of the Request

The FY 2019 President's Budget requests $50.0 million and 5 FTE for the President's Management Council (PMC) Workforce Fund.

This new fund will improve the Federal government's ability to recruit and retain top talent as well as re-skill the workforce to meet 21st century needs by providing one-time funding for targeted workforce initiatives.

PMC member agencies, including a representative from small agencies, would regularly submit proposals via a business case to the PMC Workforce Board for consideration of funding. The Chief Human Capital Officers Council and other CXO Councils may also submit cross-cutting proposals for consideration.

The Board, which will be chaired by the Office of Management and Budget (OMB) Deputy Director for Management will include representatives from the Office of Personnel Management (OPM), the Chief Human Capital Officers Council, General Services Administration (GSA), and the Executive Office of the President. The Board will establish criteria for evaluating and prioritizing proposals.

Agencies may submit proposals to the Board for the following purposes:
- recruiting hard-to-fill occupations such as cyber security professionals or data scientists.
- retaining groups of top performers with specialized or in-demand skill sets where the agency expects to see possible attrition in the next year.

● relocating and re-skilling a group of employees due to changes in mission, automation, or other factors that saves the government funding over a period of years and ensure Federal employees have the opportunity for continued employment in areas of need.

Agencies will also be encouraged to seek input from unions and other relevant stakeholder groups in formulating proposals.

GSA will administer the Fund on behalf of the PMC and the Board, transferring funding to agencies for approved proposals.

Obligations by Object Class
(Dollars in Thousands)

		FY 2017 Estimate	FY 2018 Full Year CR	FY 2019 Request
11.1	Full-time permanent	$ -	$ -	$ 554
11.3	Other than full-time permanent	$ -	$ -	$ 4
12.1	Civilian personnel benefits	$ -	$ -	$ 167
21.0	Travel and transportation of persons	$ -	$ -	$ 3
23.1	Rental payments to GSA	$ -	$ -	$ 34
23.3	Communications and utilities	$ -	$ -	$ 5
24.0	Printing and reproduction	$ -	$ -	$ 4
25.3	Other goods & services from Federal sources	$ -	$ -	$ 350
26.0	Supplies and materials	$ -	$ -	$ 15
94.0	Financial Transfers	$ -	$ -	$ 13,864
99.0	**Obligations**	**$ -**	**$ -**	**$ 15,000**
	Subtotal, PC&B	$ -	$ -	$ 725
	Subtotal, Non-labor	$ -	$ -	$ 14,275

U.S. General Services Administration

TECHNOLOGY MODERNIZATION FUND

Fiscal Year 2019 Budget Request

CONTENTS

Appropriations Language

For carrying out the purposes of the Technology Modernization Fund, as authorized by section 1078 of subtitle G of title X of the National Defense Authorization Act for Fiscal Year 2018 (Public Law 115-91) $210,000,000, to remain available until expended.

Appropriations Language Explanation

Congress enacted authorizing legislation for the Technology Modernization Fund as part of the National Defense Authorization Act for Fiscal Year 2018. The proposed appropriations language reflects the passage of this authorizing legislation.

Program Description

The Technology Modernization Fund (TMF) is designed to be a full cost recovery fund that finances the transition of Federal agencies from antiquated legacy IT systems to more effective, secure, and modern IT platforms. The fund is to be administered by GSA in accordance with recommendations made by an inter-agency TMF Board established by the Modernizing Government Technology Act. The Board is chaired by the Administrator of the Office of Electronic Government and comprised of six additional members, delineated in the Act, possessing expertise in information technology development, financial management, cybersecurity and privacy, and acquisition. In accordance with OMB guidance, the Board will rigorously review agency modernization proposals and recommend select projects for funding, including identifying opportunities to migrate multiple legacy systems to common platforms; ensuring prioritization of projects with the greatest government-wide impact and probability of success; and improvements to the security of critical IT infrastructure. As funding is allocated to priority agency projects across the Federal Government, it is subsequently replenished by agency repayments to the fund for amounts transferred, including the cost of any services or work performed related to the administration of the Fund, ensuring that the TMF is self-sustaining and can continue to support modernization projects well beyond the initial infusion of capital. The GSA Administrator, in consultation with the Board and Director of OMB, will perform continuous oversight of funded projects to ensure success, and projects will be paired with technical experts on a reimbursable basis to help execute quickly and successfully. All funding will be provided in increments based on agile development practices and subject to the achievement of planned project milestones.

Ultimately, retiring or modernizing vulnerable and inefficient legacy IT systems will not only make agencies more secure, it will also save money. Absent immediate action, the cost to operate and maintain legacy systems will continue to grow, while security vulnerabilities and other risks will remain unresolved. As a means of addressing these pressing challenges, the TMF is an important step in changing the way the Federal Government manages its IT portfolio.

Summary of the Request

The FY 2019 Request for the Technology Modernization Fund is $210 million.

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

The TMF is designed to improve management and oversight of IT modernization investments, allowing agencies to move to more secure and efficient IT systems and infrastructure, such as cloud and shared services, while also establishing stronger mechanisms for Federal agencies to regularly refresh their IT systems based on modern technologies.

IT modernization can generate significant long-term cost savings and improvements in security, but agencies are not always able to fund the investments up front. The TMF places a portion of the Federal government's more than $90 billion in annual IT spending under a central mechanism designed to improve management and oversight with resources dedicated to IT modernization.

The TMF will strengthen the ability of the Federal government to strategically prioritize investments across government, ensuring that projects with the greatest government-wide impact are pursued. The Technology Modernization Board will review and prioritize agencies' investment proposals according to criteria, developed in accordance with guidance from the Office of Management and Budget (OMB), such as the risks of continuing to operate the legacy IT system, capacity for reuse of the modernized platform, improved user experience and service delivery, and potential savings. GSA will assist in evaluation of proposals and ongoing monitoring of projects that receive funds.

The Fund will provide upfront funding for modernization investments, which agencies will repay over a period of up to five years. This will enable agencies to amortize non-recurring upfront costs and more appropriately plan for the retirement, replacement, and modernization of legacy systems; agency repayments replenish the Fund over time to support future investments. Funding for all projects will be incremental and tied to completion of agreed-upon milestones. This approach ensures that agencies employ agile development techniques and prevents sunk costs.

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2017 Estimate		FY 2018 Full Year CR		FY 2019 Request	
Resources:						
Available from prior year	$	-	$	-	$	-
Appropriation	$	-	$	-	$	210,000
Offsetting Collections	$	-	$	-	$	-
Subtotal, Revenue	$	-	$	-	$	-
Total Resources Available	$	-	$	-	$	210,000
Obligations	$	-	$	-	$	210,000
Fund Balance:						
Total Resources Available	$	-	$	-	$	210,000
Total Obligations	$	-	$	-	$	210,000
Fund Balance	$	-	$	-	$	-
Net Budget Authority	**$**	**-**	**$**	**-**	**$**	**210,000**

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	FTE	FY 2017 Actual	FTE	FY 2018 Full Year CR	FTE	FY 2019 Request
	-	$ -	-	$ -	6.0	$ 210,000
Program Changes:						
Operating Costs					6.0	$ 1,392
Technology Modernization Projects						$ 208,608
Subtotal, Program Increases............................					6.0	$ 210,000
Total Adjustments...					**6.0**	**$ 210,000**

Obligations by Object Classification

(Dollars in Thousands)

	FY 2017 Estimate		FY 2018 Full Year CR		FY 2019 Request	
11.1 Full-time, permanent	$	-	$	-	$	665
11.3 Other than full-time permanent	$	-	$	-	$	4
11.5 Other personnel compensation	$	-	$	-	$	-
12.1 Civilian personnel benefits	$	-	$	-	$	200
21.0 Travel and transportation of persons	$	-	$	-	$	34
23.1 Rental payments to GSA	$	-	$	-	$	41
23.3 Communications and utilities	$	-	$	-	$	5
24.0 Printing and reproduction	$	-	$	-	$	5
25.1 Advisory and assistance services	$	-	$	-	$	31,296
25.3 Other goods & services from Federal sources	$	-	$	-	$	10,822
26.0 Supplies and materials	$	-	$	-	$	18
31.0 Equipment	$	-	$	-	$	166,910
99.0 Obligations, Appropriated (Annual)	**$**	**-**	**$**	**-**	**$**	**210,000**
Subtotal, PC&B	*$*	*-*	*$*	*-*	*$*	*869*
Subtotal, Non-labor	*$*	*-*	*$*	*-*	*$*	*209,131*

FTE by Fiscal Year

	FY 2017 Estimate	FY 2018 Full Year CR	FY 2019 Request
Technology Modernization Fund	0	0	6

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U.S. General Services Administration

ACQUISITION SERVICES FUND

Fiscal Year 2019 Budget Estimate

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Program Financing

The Acquisition Services Fund (ASF) is a full cost recovery revolving fund that finances nearly all operations of the Federal Acquisition Service (FAS), which organizationally includes a portion of the Operating Expense appropriation, the Transportation Audits warrant, and the Federal Citizen Services Fund (FCSF). The ASF provides for the acquisition of information technology solutions, telecommunications, motor vehicles, supplies and a wide range of goods and services for federal agencies. This fund recovers costs through fees charged to federal agencies for services rendered and commodities provided.

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

In FY 2016, GSA created the Technology Transformation Service (TTS), which included business lines funded from the ASF as well as the FCSF. In FY 2017, GSA merged all TTS components under the Federal Acquisition Service.

The ASF now consists of the following business portfolios:

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

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

Information Technology Category (ITC) — makes available information technology (IT) and telecommunications products and services to federal, state and local agencies. ITC provides access to IT services, hardware, software, telecommunications and IT security services through multiple channels including the Network Services Program, IT Schedule 70, and Government-wide Acquisition Contracts (GWACs). In addition, ITC manages the Federal Public Key Infrastructure (FPKI) and the USAccess Personal Identity Verification credential issuance program shared service.

Office of Systems Management (OSM) — standardizes, integrates and streamlines the federal contract award process through electronic systems, while increasing transparency and ensuring compliance with all applicable acquisition regulations. OSM partners with FAS business portfolios and GSA IT to coordinate FAS systems development efforts.

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

Technology Transformation Services (TTS) — aims to transform the way government agencies build, buy and share technology. They use modern methodologies and technologies to help federal agencies improve the public's experience with the government. TTS helps agencies make their services more accessible, efficient, and effective by building, providing and sharing technology applications, platforms, processes, personnel and software solutions to federal agencies.

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

Summary of Budget Estimate

The FY 2019 budget estimate provides a total of $13.2 billion and 3,454 FTE. This is an increase of $536 million and 132 FTE from the FY 2018 plan. The FY 2018 operating plan and FY 2019 budget reflect FAS's concerted effort to increase savings Government-wide by increasing the utilization of current offerings and achieving internal operating efficiencies.

The FY 2019 estimate includes:

● $193.7 million for inflation on goods and services sold;

● $328.7 million in additional business volume through FAS Offerings;

● $19.6 million in increases to FTE to support business volume growth;

● $12 million in increases to operational contractual services;

● $6.4 million in increases to the ASF's Working Capital Fund Bill;

● $1.9 million in reductions to travel, supplies, equipment, and other misc. costs; and

● $22.5 million in reductions to Reserve Investments.

Explanation of Changes

(Dollars in Thousands)

	FTE		Obligations
2018 Plan…………….…...........................……………............	3,322	$	12,696,355
2019 Estimate……………...……..	3,454	$	13,232,387
Net Change……………..……….….........................……........	**132**	**$**	**536,032**

	FTE		Obligations
Maintaining Current Levels:			
FY 2018 Pay Increase		$	8,713
Inflation on Goods and Services Sold		$	185,017
Subtotal, Maintaining Current Levels…………….................................	**-**	**$**	**193,731**
Program Changes			
Increased Business Volume through FAS Offerings		$	328,727
Increased FTE to Support Business Volume Growth	132	$	19,573
Increased Operational Contractual Services		$	12,020
Increased WCF Bill		$	6,435
Decreased Travel, Supplies, Equipment & Other Misc.		$	(1,945)
Decreased Reserve Investment Spending		$	(22,509)
Subtotal, Program Changes……………....................................……......	**132**	**$**	**342,301**
Net Change……………..……….….........................……........	**132**		**536,032**

Summary of Results of Operations

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

In FY 2018 and FY 2019, total ASF revenue is projected to be $12,326 million and $12,841 million respectively. This revenue is generated across FAS's seven business portfolios. Revenue for all programs is projected to increase in FY 2019 plans from FY 2018 due to increased utilization of current offerings as well as several new offerings. Below is a breakdown of the net $515 million in anticipated revenue increases from FY 2018 to FY 2019.

● $712 million is associated with expected growth of customer orders in the Assisted Acquisition Services Portfolio. Most of this growth is associated with increased business volume related to Department of Defense and Ginnie Mae orders.

● $39 million associated with volume increases associated with the expansion and growth of store operations within the GS&S Portfolio.

● $11 million associated with volume increases from the growth of the Human Capital and Training Solutions (HCaTS) and the continued implementation of the *One Acquisition Solution for Integrated Services (*OASIS) within the Professional Services and Human Capital Categories Portfolio.

● $49 million associated with increases to the TTL portfolio. In FY 2019, TTL plans to convert agency-owned vehicles to GSA owned vehicles that the Fleet Leasing program leases to customer agencies.

● $29 million is associated with anticipated increases to business activity for the Integrated Award Environment (IAE), Common Acquisition Platform (CAP) and TTS initiatives.

● -$325 million associated with customer transition from ITC's Networx contract to the lower rates on the Enterprise Infrastructure Solutions (EIS) contract.

In FY 2018 and FY 2019, funding reserves will support business system and offering modernization, enhancements to IAE, and contract transition for the Network Services Program. Encompassed within these categories are investments in critical agency and government-wide initiatives, including development of the CAP and the Acquisition Gateway, login.gov and

cloud.gov, as well as the institutionalization of Category Management within FAS's business operations.

Results of Operations by Program

(Dollars in Thousands)

Income and Expense Statement		FY 2017 Actual		FY 2018 Plan		FY 2019 Estimate
1. Assisted Acquisition Services (AAS)						
Revenue	$	5,575,126	$	6,481,704	$	7,193,745
Acquisition Training Fund	0		$	-	$	-
Cost of Goods Sold	$	5,396,053	$	6,281,549	$	6,970,190
Gross Margin	$	179,073	$	200,155	$	223,555
Cost of Operations						
Program Expenses	$	111,818	$	125,774	$	134,785
Corporate Overhead	$	37,524	$	41,431	$	42,530
Other Cost of Operations	$	1,847	$	4,689	$	4,220
Total Cost of Operations	$	151,189	$	171,894	$	181,535
Net Operating Results	$	27,884	$	28,261	$	42,021
Reserve Expenses	$	19,288	$	12,036	$	11,941
Net Financial Impact	$	8,596	$	16,225	$	30,079
2. General Supplies and Services (GSS)						
Revenue	$	1,003,538	$	1,056,145	$	1,095,161
Acquisition Training Fund	$	(2,349)	$	(2,573)	$	(2,711)
Cost of Goods Sold	$	819,481	$	855,268	$	881,668
Gross Margin	$	181,707	$	198,304	$	210,782
Cost of Operations						
Program Expenses	$	154,941	$	154,217	$	160,811
Corporate Overhead	$	52,104	$	46,599	$	47,404
Other Cost of Operations	$	4,733	$	12,209	$	17,868
Total Cost of Operations	$	211,778	$	213,025	$	226,083
Net Operating Results	$	(30,070)	$	(14,722)	$	(15,302)
Reserve Expenses	$	18,889	$	8,679	$	11,506
Net Financial Impact	$	(48,960)	$	(23,401)	$	(26,808)
3. Information Technology Category (ITC)						
Revenue	$	1,841,059	$	1,749,462	$	1,424,348
Acquisition Training Fund	$	(6,934)	$	(7,489)	$	(7,579)
Cost of Goods Sold	$	1,484,343	$	1,407,250	$	1,084,709
Gross Margin	$	349,782	$	334,723	$	332,060
Cost of Operations						
Program Expenses	$	226,302	$	208,885	$	223,337
Corporate Overhead	$	69,417	$	61,738	$	64,006
Other Cost of Operations	$	8,953	$	10,507	$	13,873
Total Cost of Operations	$	304,672	$	281,130	$	301,216
Net Operating Results	$	45,110	$	53,593	$	30,844
Reserve Expenses	$	59,258	$	58,422	$	50,338
Net Financial Impact	$	(14,148)	$	(4,830)	$	(19,494)

Income and Expense Statement		FY 2017 Actual		FY 2018 Plan		FY 2019 Estimate
4. Professional Services & Human Capital (PSHC)						
Revenue	$	93,837	$	103,738	$	115,182
Acquisition Training Fund	$	(4,223)	$	(4,763)	$	(5,037)
Cost of Goods Sold	$	227	$	21	$	-
Gross Margin	$	89,387	$	98,954	$	110,145
Cost of Operations						
Program Expenses	$	57,195	$	61,440	$	69,209
Corporate Overhead	$	20,446	$	18,617	$	19,681
Other Cost of Operations	$	1,009	$	1,570	$	1,617
Total Cost of Operations	$	78,650	$	81,628	$	90,507
Net Operating Results	$	10,737	$	17,326	$	19,638
Reserve Expenses	$	11,373	$	4,961	$	9,801
Net Financial Impact	$	(635)	$	12,365	$	9,837
5. Travel, Transportation, and Logistics (TTL)						
Revenue [1]	$	2,444,258	$	2,778,397	$	2,826,212
Acquisition Training Fund	$	(582)	$	(349)	$	(338)
Cost of Goods Sold [1]	$	1,229,848	$	1,531,522	$	1,514,457
Gross Margin	$	1,213,828	$	1,246,526	$	1,311,417
Cost of Operations						
Program Expenses	$	450,371	$	479,816	$	524,334
Corporate Overhead	$	50,210	$	48,175	$	48,534
Other Cost of Operations	$	539,437	$	572,102	$	591,077
Replacement Cost Pricing [2]	$	154,751	$	139,721	$	145,396
Total Cost of Operations	$	1,194,769	$	1,239,815	$	1,309,342
Net Operating Results	$	19,059	$	6,710	$	2,075
Reserve Expenses	$	10,314	$	3,699	$	2,077
Net Financial Impact	$	8,745	$	3,012	$	(1)
6. Integrated Award Environment (IAE)						
Revenue	$	64,283	$	65,025	$	70,225
Acquisition Training Fund	$	-	$	-	$	-
Cost of Goods Sold	$	56,446	$	64,071	$	65,025
Gross Margin	$	7,837	$	954	$	5,200
Cost of Operations						
Program Expenses	$	10,203	$	13,154	$	14,496
Corporate Overhead	$	7,573	$	6,526	$	6,201
Other Cost of Operations	$	5,872	$	3,794	$	3,796
Total Cost of Operations	$	23,648	$	23,473	$	24,493
Net Operating Results	$	(15,811)	$	(22,520)	$	(19,293)
Reserve Expenses	$	31,786	$	40,928	$	20,758
Net Financial Impact	$	(47,597)	$	(63,448)	$	(40,051)

Income and Expense Statement		FY 2017 Actual		FY 2018 Plan		FY 2019 Estimate
7. Common Acquisition Platform (CAP)						
Revenue	$	4,377	$	17,024	$	19,575
Acquisition Training Fund	$	-	$	-	$	-
Cost of Goods Sold	$	3,558	$	13,316	$	14,957
Gross Margin	$	819	$	3,708	$	4,618
Cost of Operations						
Program Expenses	$	1,674	$	4,497	$	5,472
Corporate Overhead	$	1,496	$	1,878	$	1,977
Other Cost of Operations	$	(247)	$	317	$	326
Total Cost of Operations	$	2,924	$	6,692	$	7,775
Net Operating Results	$	(2,105)	$	(2,984)	$	(3,156)
Reserve Expenses	$	10,868	$	19,053	$	18,286
Net Financial Impact	$	(12,973)	$	(22,037)	$	(21,442)
8. Technology Transformation Service (TTS)						
Revenue	$	43,295	$	74,787	$	96,443
Acquisition Training Fund	$	-	$	-	$	-
Cost of Goods Sold	$	2,925	$	19,639	$	35,607
Gross Margin	$	40,370	$	55,148	$	60,837
Cost of Operations						
Program Expenses	$	39,925	$	46,812	$	48,723
Corporate Overhead	$	12,258	$	10,248	$	10,712
Other Cost of Operations	$	218	$	926	$	954
Total Cost of Operations	$	52,401	$	57,986	$	60,390
Net Operating Results	$	(12,031)	$	(2,838)	$	447
Reserve Expenses	$	12,256	$	12,391	$	13,385
Net Financial Impact	$	(24,287)	$	(15,229)	$	(12,938)
9. Total Acquisition Services Fund (ASF)						
Revenue	$	11,069,772	$	12,326,281	$	12,840,891
Acquisition Training Fund	$	(14,088)	$	(15,174)	$	(15,664)
Cost of Goods Sold	$	8,992,881	$	10,172,636	$	10,566,613
Gross Margin	$	2,062,803	$	2,138,471	$	2,258,614
Cost of Operations						
Program Expenses	$	1,052,429	$	1,094,594	$	1,181,167
Corporate Overhead	$	251,028	$	235,212	$	241,046
Other Cost of Operations	$	561,823	$	606,115	$	633,732
Replacement Cost Pricing[2]	$	154,751	$	139,721	$	145,396
Total Cost of Operations	$	2,020,030	$	2,075,643	$	2,201,341
Net Operating Results	$	42,772	$	62,828	$	57,273
Reserve Expenses	$	174,030	$	160,171	$	138,092
Net Financial Impact	$	(131,258)	$	(97,343)	$	(80,819)

1 - TTL Portfolio Revenue and Cost of Goods Sold include $964.78 million, $935.8 million, and $1,025.9 million in intra-GSA sales of vehicles that GSA Fleet plans to purchase from GSA Automotive in FY 2017, FY 2018, and FY 2019, respectively, for its leasing program for federal agencies.

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

Operating Efficiency Metric

Beginning with the FY 2018 budget, FAS is tracking operating efficiency by comparing its direct operating expenses to gross margin. FAS's direct operating expenses are defined as the costs that FAS has direct control over, i.e., those costs that are not related to customer orders or controlled by a part of GSA other than FAS. Examples of costs excluded from FAS's direct operating expenses include maintenance costs of vehicles leased to customers and payments to GSA's Working Capital Fund.

The metric's initial target is 32.4 percent for FY 2018 and FY 2019. Individual portfolios within FAS provide services on profit and loss statements that have different fixed and variable direct cost models, and therefore may have different operational efficiency ratios. Each year, management will evaluate operating trends to ensure FAS's ability to efficiently serve changing levels of government demand and to optimize use of taxpayer dollars.

Obligations by Object Classification

(Dollars in Thousands)

			2017 Actual	2018 Plan	2019 Estimate
11.1	Full-time permanent………………………………….............	$	333,209	$ 346,517	$ 368,141
11.3	Other than permanent……………………………….............	$	248	$ 108	$ 122
11.5	Other personnel compensation……………………….............	$	5,334	$ 3,820	$ 4,054
11.9	Total personnel compensation...	$	338,790	$ 350,445	$ 372,317
12.1	Civilian personnel benefits………………………….............	$	106,184	$ 108,159	$ 114,573
13.0	Benefits for Former Personnel……………………….............	$	-	$ -	$ -
21.0	Travel and transportation of persons……………….............	$	6,901	$ 8,330	$ 8,360
22.0	Transportation of things…………………………….............	$	17,142	$ 5,753	$ 5,939
23.1	Rental payments to GSA…………………………….............	$	20,732	$ 15,240	$ 15,502
23.3	Communications, utilities, and miscellaneous charges…….............	$	1,405,049	$ 1,445,326	$ 1,125,037
24.0	Printing and reproduction…………………………….............	$	1,877	$ 1,799	$ 1,862
25.1	Advisory and Assistant Service……………………….............	$	7,665,697	$ 6,747,024	$ 7,443,713
25.2	Other good and services from non-Federal sources………..............	$	2,578	$ 3,714	$ 3,910
25.3	Other purchases of goods and services from Federal sources.........	$	315,937	$ 262,682	$ 269,148
25.7	Operations and maintenance of equipment………………..............	$	182,076	$ 115,430	$ 119,381
26.0	Supplies and materials……………………………….............	$	1,152,105	$ 1,047,798	$ 1,090,111
31.0	Equipment…………………………………………….............	$	2,407,640	$ 2,584,576	$ 2,662,453
32.0	Land and structures	$	330	$ -	$ -
42.0	Insurance claims and indemnities	$	1,343	$ 75	$ 76
43.0	Interest and Dividents	$	-	$ 4	$ 4
44.0	Refunds	$	1,828	$ -	$ -
	Total new obligations……………………………….............	**$**	**13,626,211**	**$ 12,696,355**	**$ 13,232,387**
	Subtotal, PC&B……………………………………..............	*$*	*444,974*	*$ 458,604*	*$ 486,890*
	Subtotal, Non-labor…………………………………............	*$*	*13,181,236*	*$ 12,237,751*	*$ 12,745,496*
Civilian full-time equivalent employment……………………………………			3,169	3,322	3,454
Net Outlays			-86,641	177,000	92,000

FTE by Portfolio, Initiative, and Integrator Office

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Portfolios & Initiatives	**2,683**	**2,810**	**2,899**
Assisted Acquisition Services	381	416	450
General Supplies Services	525	537	547
Information Technology Category	669	681	692
Professional Services & Human Capital	195	215	225
Travel, Transportation, & Logistics	631	652	652
Integrated Award Environment	33	34	33
Common Acquisition Platform	32	33	39
Technology Transformation Service	218	242	261
Integrator	486	512	555
Office of the Commissioner	16	23	27
Regional Commissioners	86	91	100
Office of Enterprise Strategy Management	43	46	60
Office of Customer & Stakeholder Engagement	242	246	259
Office of Policy & Compliance	41	41	41
Contracting	59	65	67
Total FAS FTE [*]	3,169	3,322	3,454

[*] 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:

> Provide an exceptional customer experience by delivering best value goods and services through an increasingly digital environment.

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

In FY 2018 and FY 2019 FAS will focus on ways to increase its reach across the government and expand management support across the government, and will be pursuing the initiatives below in support of the GSA Agency Reform Plan as required in the OMB M-17-22 memo:

- Expand the GSA Fleet leasing program to save money for agencies where GSA can offer a lower cost option compared to agency-owned and operated vehicles.
- Establish a commercial platform to give agencies a consumer-style buyingexperience for products and provide more detailed data.
- Expand assisted acquisition services to support agencies and build centers of excellence for the acquisition of IT, professional services, and facilities.
- Create a federal marketplace to simplify the government acquisition for customers and suppliers.

In addition, as described earlier, FAS is finding ways to provide more shared services and platforms for our agency partners.

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

Assisted Acquisition Services Portfolio

The Assisted Acquisition Services (AAS) portfolio offers customized acquisition, project management and financial management services for large and complex projects at best value to the government. AAS's highly trained contracting, project and financial management professionals provide direct assistance to partner agencies on the government's complex information technology, professional services, facilities maintenance, and cyber security

challenges. This commitment to mission ensures that agency requirements are met on time and within budget while reducing contracting risk. AAS provides best value in acquisition, so that partner agencies can focus on their mission critical activities instead of overseeing acquisition and project management personnel.

The AAS portfolio includes 12 Client Support Centers (CSCs), one in each region plus the Central Office. Based on their operating tempo and business capacity, each CSC has the ability to support clients in other geographic areas to support the overall needs of the AAS portfolio and best serve its customers' mission requirements.

In FY 2018 and FY 2019, AAS will continually promote transparent, sustainable and superior quality acquisitions across the government. To meet demand, AAS is increasing agency partner support through higher staffing levels in the CSCs, and expanding its training programs to ensure current and future staffs have the skills and expertise needed to do some of the government's most complex acquisition and project management work. Additionally, AAS continues to use a business model that channels demand to acquisition professionals who have the expertise and greatest capacity to meet agency requirements

In FY 2018 and FY 2019, in close coordination with GSA IT, AAS will also eliminate duplicative processes and streamline redundant systems functionality through key investments in business systems.

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

In FY 2018 and FY 2019, AAS will continue efforts to stand up expanded operational support with customer agencies. An example of this effort is the embedded operational support of AAS within the Government National Mortgage Association (GNMA), commonly referred to as "Ginnie Mae", where AAS helped reduce GNMA's cost of acquisition and time to acquisition while increasing compliance with the Federal Acquisition Regulation. This partnership began in FY 2015 when AAS entered into a Memorandum of Understanding (MOU) to include embedded dedicated operational contracting support within GNMA. The operational support began with five pilot procurements and the relationship has grown from five contracting actions valued at $55 million in FY 2015 to 21 contracting actions valued at $500 million in FY 2017.

Office of General Supplies and Services Categories

The Office of General Supplies and Services Categories (GS&S) leverages the government's economies of scale to procure/requisition non-IT products and services at reduced prices, with fast delivery times and in compliance with the Federal Acquisition Regulation. By establishing acquisition solutions that can be used government-wide, GS&S allows Federal agencies to avoid contract duplication and eliminates the need for other agencies to develop their own contract vehicles for commercially available items and related services. GS&S also provides personal property disposal and offers sales services to partner agencies.

Office of Supply Chain Management (SCM) — provides Federal agencies access to competitively priced products as part of the National Supply System. These activities were historically supported through GSA-owned distribution facilities (which were closed in FY 2014 and FY 2015), and, to a lesser extent, direct vendor distribution channels. With the closure of the distribution centers, SCM has been able to save approximately $80 million per year. SCM's new business model fully utilizes the Federal Strategic Sourcing Initiative (FSSI) and similarly leveraged contracts to execute its direct vendor delivery model for commercially available items and provides assisted acquisitions for products without a pre-existing contract. In FY 2016 and FY 2017, in conjunction with GS&S's Office of Acquisition Management, SCM's new business model successfully implemented FSSI requisition channel contracts for Janitorial and Sanitation products (JanSan), Maintenance, Repair and Operations Supplies (MRO), and Office Products (OS3). The direct vendor delivery and assisted acquisition models allow the program to efficiently meet agency demands for competitively priced products, faster delivery, and lower administrative costs through the elimination of government inventory holding costs. Revenue growth has been consistent within all three of the FSSI solutions and is expected to continue. In FY 2018, SCM will add part numbered products allowing customers to search by part number and finding the right product the first time, thereby serving as a growth catalyst, and extend the domestic direct vendor delivery model to military customers abroad, which will greatly shorten customer wait time.

Office of Retail Operations (RO) - works with commercial partners to provide custom supply chain solutions for the Department of Defense (DoD) and civilian agencies. This commercialization of the supply chain allows customers to focus on core competencies by leveraging GSA's contracting and acquisition experience and the product-fulfillment expertise of commercial industry leaders. RO operates retail stores that combine the convenience of local commercial hardware and office-supply stores with the safety of compliant purchasing, as well as an online portal that allows users to buy commercial tools and office supplies for prompt delivery to the buyer or the local store. RO currently operates and manages 32 retail locations around the world. In FY 2017, RO completed the commercial transition at the Joint Base Elmendorf-Richardson Store; launched an enterprise-wide commercial solution for the Naval Air Systems Command; and partnered with U.S. Coast Guard Yard, Curtis Bay MD. Additionally, RO continues to explore expansion both overseas by releasing a request for quote for multiple

locations in South Korea as well as opening new stores in the continental United States in FY 2018. RO's innovative offerings continue to meet customer needs in an ever-changing market through a tailored supply chain solution that reduces cost and gains efficiencies for its customers.

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

In FY 2017, AM began working on Transactional Data Reporting (TDR). TDR will allow for the capture of transactional data on procurements across all of its Multiple Award Schedule (MAS) contracts. TDR allows vendors to electronically report, among other useful data, the prices the government pays for an item or service purchased through GSA acquisition vehicles.

AM also worked to implement the Formatted Product Tool (FPT) across all of the GSA schedules. FPT allows for a comparison of prices of the same products under different Multiple Award Schedule (MAS) contracts, allowing GSA and the contractors to identify and reduce the variance in pricing between contracts. FPT has now been made optional to schedule vendors, but AM continues to support full roll out of FPT.

Since FY 2010, FSSI programs have generated over $340 million in customer savings through discounted pricing and volume ordering. FSSI solutions include Janitorial and Sanitation products (JanSan), Maintenance, Repair and Operations Supplies (MRO), Building Maintenance and Operations (BMO) and Office Supplies (OS3).

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

Under the National Response Framework, the Internal and Emergency Acquisition Center (IEAC) supports the Federal Emergency Management Agency (FEMA). IEAC establishes contingency acquisition solutions to assist FEMA in procuring the commodities and services needed to support their mission utilizing GSA Schedules and open market procurements. Examples of commodities and services procured in support of FEMA include: blankets, cots, tarps, plastic sheeting, water, and hygiene kit supplies.

IEAC also performs the contracting to support the RO business line, as well as internal acquisitions for GS&S Central Office.

Office of Personal Property Management (PPM) — provides sales services to Federal agencies through the Property Sales Program. Personal Property Sales staff work with agencies to conduct sales on behalf of agencies that have surplus, seized and forfeited, or non-excess personal property with a continuing need under the Exchange/Sale authority (40 U.S.C. § 541, et seq.) with the majority of the sales proceeds reimbursed to the partner agency. FY 2017, PPM sold over 70,575 items of Federal personal property and returned $123 million to partner agencies. In FY 2018 and FY 2019, PPM will continue to expand the use of Exchange/Sale authority, whereby remaining proceeds, after cost of sale, are reimbursed to the partner agency.

Emergency Management Program Office — serves as the central liaison between emergency acquisition teams across multiple FAS offices, the GSA Office of Mission Assurance, and FEMA during both emergency and steady state operations. Additionally, Emergency management is responsible for managing the FAS Central Office Continuity of Operations Program (COOP), Devolution and Reconstitution plans, serving as the FAS Emergency Preparedness Test Training and Exercise lead within GSA, and providing oversight of FAS's six Mission Essential Functions and one Essential Supporting Activity. The office also represents FAS at various interagency leadership councils that focus on how the government can best coordinate and utilize resources in response to national or international emergencies and disasters.

Information Technology Category

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

Telecommunications - helps Federal agencies acquire the network services needed to accomplish their missions efficiently and at the best possible price. The subcategory consists of network infrastructure, satellite communications, wireless, mobility, network support, and integration and expects to reduce the number of GSA telecommunications contracts by 80 percent over the next five years.

In FY 2018 and FY 2019, Telecommunications is primarily focused on the successful transition to the Enterprise Infrastructure Solutions (EIS) contract from the expiring Networx and local service agreement contracts. EIS was awarded on July 31, 2017. Transitioning from the Networx contracts and more than 80 LSA contracts to EIS affects more than $2 billion in annual

business volume. Additionally, EIS is expected to rapidly improve cybersecurity capabilities and introduce Software Defined Networking in federal agency networks.

Telecommunications also offers transition assistance to customer agencies as it begins the movement of services to EIS. Based on lessons learned from the previous transition to Networx, this transition initiative provides assistance for transition planning, acquisition development, service migration, and inventory tracking and management.

Additionally, Telecommunications has significant goals tied to satellite and mobility. The Complex Commercial Satellite Communications contract was awarded on April 28, 2017. GSA will build on its SatCom portfolio with the Earth Observation Solutions component in FY 2018. The Telecommunications subcategory is also co-leading the government-wide Mobile Services Category Team and will launch the next generation Mobility Acquisition Solution in FY 2018.

IT Hardware - is comprised of purchase, lease and maintenance options for communications, computing, electronic, and fiber optic equipment as well as hardware services.

The government-wide Strategic Solutions for Desktops and Laptops helps Federal agency buyers purchase desktops and laptops with standard configurations, increase transparency to terms and conditions in the IT hardware space and provide a framework to manage hardware spend more closely while achieving better pricing. The standard configurations as well as terms and conditions were developed through inter-agency collaboration of the Workstations Category Team, a consortium of over 20 Federal agencies established by OMB. The acquisition vehicle providers for this initiative currently include GSA's IT Schedule 70, NASA's Scientific and Engineering Workstation Procurement (SEWP) Program and National Institutes of Health's NIH Information Technology Acquisition and Assessment Center (NITAAC) Program.

In FY 2018 and FY 2019, IT Hardware will strengthen its offerings for desktops and laptops that are compliant with the Workstation Category Team's standard configurations by streamlining the process of adding new products to MAS contracts. In addition, IT Hardware will ensure that those products are represented in GSA's online purchasing platforms with full technical descriptions and that all available options are built into an online configurator to ease the identification of desired products and to streamline the ordering process.

IT Hardware is using best practices established for the government-wide Strategic Solutions for Desktops and Laptops as a basis to support additional data-centric standardization and sourcing efforts in other government-wide IT Hardware commodity segments such as servers, storage, network, land mobile radio, and audio-visual equipment.

IT Hardware launched the government-wide IT Hardware Community of Interest to encourage multi-agency coordination and collaboration in cross-cutting IT Hardware focus areas with broad multiple component investment. The Community provides a forum for coordinating

cost saving strategies across the government, sharing new ideas, technical direction, consolidated buying, reducing duplication, strategic sourcing and innovative technology opportunities. The Community focus is on IT Hardware Acquisition, Asset Management, Standardization and Deployment/Integration. Discussions have led to development of new acquisition and management solution models such as Device as a Service.

IT Software - is comprised of Infrastructure Software, Enterprise Application Software, and Licensing and Maintenance. The Software category includes both packaged software products and cloud-based Software-as-a-Service solutions, and their related licensing and maintenance services. ITC Software seeks to improve the ability of federal agencies to fulfill their core missions by enabling software spend to be cost efficient and effective.

The Software Category, (formerly known as the Software Center of Excellence (SCoE) or as the SMARTBuy Program) has expanded its focus to include the broader software market; new ways to acquire and license; new tools to improve asset management, data and information sharing across the government; and to support the implementation of provisions found in the Federal Information Technology Acquisition Reform Act (FITARA). The IT Software Category partners with DoD's Enterprise Software Initiative to develop blanket purchase agreements for federal agency software purchases to aggregate requirements, drive down prices and establish more consistent licensing terms and conditions.

In response to FITARA and OMB directives, IT Software fulfills GSA's responsibilities as a member of the Enterprise Software Commodity Team (ESCT). Under the auspices of the ESCT, the Software Category has established the Agency Software Managers Forum to provide training and support for implementing FITARA, and best practices in software acquisition to ultimately enable more efficient spending on commercial software. With the participation of Agency Software Managers, the Software Category works with interested IT Schedule 70 software vendors to develop FITARA focused contract modifications that include additional volume discounts. In FY 2018 and FY 2019, ITC will continue developing the Software License Management Service supporting participating agencies in developing policies, procedures and business processes that shift uncoordinated, decentralized software purchasing to centralized software management. IT Software will also work with GSA's Office of Shared Solutions and Performance Improvement to develop a government-wide Payroll-as-a-Service initiative.

IT Services - GSA has partnered with agencies such as the Department of Homeland Security, the National Geospatial Intelligence Agency, and the Defense Health Agency to make available products and services for their customer base. GSA has invested in the development of new Government-wide Acquisition Contracts (GWACs) to replace expiring GWACs - Alliant, Alliant Small Business, VETS and 8(a) STARs. Agencies spend approximately $14B annually through GSA's GWACs and Schedule 70 Contract. The next generation GWACs have been awarded and will ensure agencies continue to have access to solutions and premier providers of IT

services. GSA is also working closely with DHS to provide solutions through Schedule 70 and Alliant for the Continuous Diagnostics and Mitigation Program.

In addition, GSA is continuing to refine the Schedule 70 by adding new Special Item Numbers. Recent additions include Special Item Numbers for cloud, cyber security, and Health IT.

IT Security – provides products and services to protect information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide confidentiality, integrity and availability. These products and services are key requirements for many federal, state, and local government customers; they protect privacy and health data and are vital for maintaining national security.

The subcategory also manages the development of the Supply Chain Risk Management (SCRM) program. It aims to increase agency confidence in GSA-offered IT products and services. The initiative will support various cross-category and government-wide cybersecurity efforts that implement these recommendations in practical ways. The program provides standard methodologies, procedures, tools, and templates for category managers to apply to all ITC contracts, thereby enabling agencies to make better risk-based purchasing decisions. Another high impact program managed within the subcategory is the Highly Adaptive Cybersecurity Services Program. This program ensures ongoing vendor technical evaluation and customer outreach and assists agencies in complying with government-wide requirements to assess, monitor and manage High Value Assets.

The USAccess HSPD-12 Managed Service Office provides a FIPS-201 compliant end-to-end Personal Identity Verification card issuance service to 120 Federal agencies, Commissions and Boards credentialing over 600,000 Federal employees and contractors. In FY 2018 and FY 2019 the program will expand to additional agencies and nearly double in the number of credentials issued and managed to over one million.

The Federal Public Key Infrastructure Management Authority (FPKIMA) is a shared service that enables identity management practices for secure physical, logical access, and information sharing across federal agencies and between external business partners through the execution of digital certificate policies and standards. FPKI provides government-wide benefits and helps Federal agencies to comply with key cybersecurity mandates, directives, and policies.

Professional Services and Human Capital Categories

The Professional Services and Human Capital Categories (PSHC) unites all current and future professional services and human capital contract-related offerings. There are four primary

offerings within the portfolio: the Professional Services and Human Capital Schedules, One Acquisition Solution for Integrated Services (OASIS) multiple award contracts, GSA SmartPay®, and the Human Capital and Training Solutions (HCaTS) multiple award contracts. The new PSHC portfolio better supports customer agency requirements and management of non-IT professional and human capital services.

Professional Services Schedule (PSS) – supports approximately $10.5 billion in agencies' annual contracting spend and affords easier access to 3,800 companies that provide a full range of management, program, and consulting services, professional engineering services, financial and business solutions, advertising and integrated marketing solutions, logistics, environmental services, and language services (including translation, interpretation, transcription, sign language and training). This single PSS contract is a result of PSHC consolidating eight professional-services schedules in FY 2016. In FY 2018 and FY 2019 FAS will continue to improve the PSS with the implementation of a streamlined and less costly offer submission process. This initiative will reduce administrative costs to industry when applying for a PSS contract and the contract award cycle time currently experienced by industry. Additionally, PSHC will implement several initiatives that support improved usage of the PSS including plain language contract terms and conditions, online training and continuous learning credits for procurement professionals who take these courses, and by publishing tailored ordering guides for unique services requirements like contract audit services.

Human Capital Schedules – supports approximately $725 million in agencies' annual contracting spend and affords access to over 1,100 contractors that provide a range of human capital commercial services including a full array of human resources, equal employment opportunity, and training services. In FY 2017, GSA reorganized the Human Capital Management and Administrative Support Services MAS to better support the government-wide category management goals of reducing contract redundancy, increasing cost savings, and streamlining the acquisition process. Aligned to the U.S Office of Personnel Management's Federal Human Capital Business Reference Model, MAS was restructured and now includes ten new Special Item Numbers. This enhancement will make it easier for customers to identify specific HR service providers while leveraging an industrial base with 60 percent small businesses. In FY 2018 and FY 2019, background investigations are forecasted as a driver of growth for this Schedule.

One Acquisition Solution for Integrated Services (OASIS) - are multiple award, indefinite delivery indefinite quantity contracts that provide flexible and innovative solutions for complex commercial and noncommercial professional services. Since their award in FY 2014, the OASIS contracts have supported over $6 billion in agencies' contracting spend with approximately $3 billion awarded in FY 2017 alone, over half of which awarded to small businesses. Designated as Best in Class contracts, the OASIS contracts afford easier access to 192 unique companies that provide program management, management consulting, logistics, engineering, scientific, and financial services.

Several agencies have established OASIS as preferred use contracts including the Department of the Air Force, Department of Army, Department of Navy, Department of Defense "Fourth Estate" and the Department of Homeland Security as they reduce the administrative burden for government and industry by avoiding the award of duplicative contracts.

In FY 2018, an 'on-ramp' to the OASIS unrestricted contract will be conducted. As a follow-on activity to OASIS's first on-ramp in FY 2017, the program will add new contractors to OASIS's Pool 2 Financial Services contracts to expand the industrial base available to federal agencies.

Center of Charge Card Management (CCCM) — administers GSA SmartPay, the world's largest government charge card program. CCCM provides GSA SmartPay services to over 560 federal agencies, organizations, and Native American governments by providing commercial payment solutions, including purchase, travel, integrated, and fleet charge cards.

Participating agencies and organizations spent over $28.5 billion through nearly 92 million transactions in FY 2016 using GSA SmartPay charge cards and related payment tools. For FY 2017, spend through GSA SmartPay totaled $28.6B. The GSA SmartPay program generates performance-based refunds for customer agencies and organizations. In FY 2017, refunds totaled $298.4 million. Since program inception in 1998, GSA SmartPay has enabled $488 billion in total spend through 1.67 billion transactions, generating $3.67 billion in agency refunds.

CCCM has substantially increased the contractor bank's issuance of higher security chip & PIN charge cards. CCCM is also increasing the use of data analytics to help improve the management of agency implementations of the GSA SmartPay program.

On August 29, 2017, GSA competed the award the next generation of charge card and related payment services contracts, known as GSA SmartPay 3 (SP3). SP3 will give agencies access to new technologies in the payment industry through cardless payment tools.

In FY 2018, CCCM will support partner agencies in selecting a new GSA SmartPay card services provider among the awardees of SP3, obtaining new charge cards, and other transition activities leading up to the beginning of the SP3 transactional period of performance in FY 2019.

Human Capital and Training Solutions (HCaTS) — The HCaTS and HCaTS Small Business contracts are multiple award, indefinite delivery indefinite quantity contracts that provide flexible and innovative solutions for complex commercial and noncommercial human capital services. The contracts are the result of a unique and collaborative partnership between OPM and FAS designed to provide all federal agencies the ability to procure customized human capital management and training services through a streamlined, strategically sourced contract vehicle. The HCaTS contracts are part of a strategic government-wide initiative to "buy as one" through

Category Management and, as the government-wide category executive agent, are an important step in OPM's work to optimize spending in the human capital category.

Currently, the contracts afford access to 83 companies that provide customized human capital services in training and development services, human capital strategy services, and organizational performance improvement.

Technology Transformation Services

In FY 2016, GSA created the Technology Transformation Service (TTS), which included business lines funded from the ASF and the FCSF, as well as the eCPIC program from GSA's Working Capital Fund. In FY 2017, GSA merged TTS with FAS. TTS aims to transform the way government agencies build, buy and share technology. TTS uses modern methodologies and technologies to help federal agencies improve the public's experience with government. The service helps agencies make their services more accessible, efficient, and effective by building and providing technology applications, platforms, processes, personnel and software solutions to federal agencies. In FY 2018 and FY 2019, TTS will continue to build the foundation for the government's digital transformation with a focus on putting users first, building, sharing and using open source code and improving shared platforms and security.

Office of 18F - is a services-based organization and product incubator that partners with agencies to tackle strategic problems and help them deliver high quality digital experiences for their users.

Presidential Innovation Fellows (PIF) Program - pairs talented, diverse technologists, entrepreneurs, design strategists, and innovators with top federal agency change-makers to address some of the nation's most significant challenges and accelerate promising ideas into high-impact initiatives at the intersection of people, process, policy, and technology.

Office of Acquisition - drives smarter technology procurement through technical procurement consultations and the development of innovative procurement platforms and methodologies.

Login.gov Project Management Office - is an authentication platform that makes online interactions with the U.S. government simple, efficient and intuitive. This platform will be a service shared by agencies to streamline the login processes and to allow the public to securely access personal information through government online services.

Cloud.gov Project Management Office - is a shared service that makes government software development teams more efficient and effective by providing a strong, digital foundation with the

information security and compliance to enable efficient product development.

Travel, Transportation, and Logistics Categories

The Travel, Transportation, and Logistics (TTL) portfolio provides agencies with a broad scope of innovative and cost-effective services that include travel, transportation and relocation services, motor vehicle acquisition and fleet management services. Operations within this portfolio include the following business lines:

Vehicle Purchasing — is a mandatory source for executive agencies purchasing non-tactical vehicles. TTL provides services that allow the government to avoid additional overhead costs associated with multiple vehicle acquisition programs and to purchase vehicles substantially lower than dealer invoice through consolidated purchasing. Each year, the government procures over 40,000 vehicles through GSA's Vehicle Purchasing program.

Vehicle Leasing — provides full service leases for approximately 214,000 non-tactical vehicles to Federal agencies each year. The program provides agencies with end-to-end fleet management services including: vehicle acquisition and disposal, maintenance control and accident management, fuel and loss prevention services, and a fleet management system that provides data and analytics on fleet operations. The National Maintenance Control Center and the National Accident Management Center support all leased vehicles by offering agencies preventive maintenance, repair and accident management services at best value. The use of these centers prevents the government from incurring higher maintenance costs. The program also provides a GSA Fleet Card with each vehicle for the purchase of fuel and minor maintenance, helping the program control costs and monitor waste, fraud, and abuse.

The program is committed to improving fuel efficiency across the leased fleet. Each year, GSA replaces eligible vehicles in the GSA leased fleet with new, more fuel efficient vehicles. In FY 2017, the new vehicle additions to the fleet had an average miles per gallon rating that was 12.6 percent higher than the vehicles they replaced.

GSA Fleet continues to work with Federal agencies to consolidate both agency-owned vehicles as well as replace costly commercial leasing arrangements in accordance with GSA's Agency Reform Plan efforts. In FY 2017, GSA Fleet successfully transitioned over 560 agency-owned vehicles to GSA's leased fleet. In addition, GSA Fleet replaced more than 1,100 commercially leased vehicles with GSA Fleet leased vehicles. Furthermore, the Fleet Program has developed a streamlined process for up-fitting law enforcement equipment through offering a series of uniform packages. This process creates a cross-governmental standardization solution for law enforcement vehicles which will result in significant government-wide cost savings, as well as improved installation quality and increased industry participation.

Travel, Employee Relocation, and Transportation — provides three primary offerings to the travel of federal employees and the transportation of federal property: the Center for Travel Management, the Employee Relocation Resource Center, and the Center for Transportation Management. In FY 2018 and FY 2019, the centers will focus on their category management and shared service strategies, specifically improving data collection and analytics for better performance management, increasing government-wide spend under management and categorizing offering as Best-in-Class, and improving program alignment with the right Category offering.

Center for Travel Management — manages three primary offerings: the E-Gov Travel Service (ETS), City Pair Program, and FedRooms® lodging. ETS provides web-based, end-to-end travel management services that include: travel planning, authorization, online booking, travel agency support, and reimbursement to civilian agencies. In FY 2017, ETS had 51 agencies deployed on the second generation E-Gov Travel Service Solution (ETS2). Also in FY 2017, ETS leveraged a disciplined process, the Federal Integrated Business Framework, to define a common process and requirements for travel. The "best-in-class" City Pair Program leverages the government's buying power and negotiates discounted airfares with commercial airlines. In FY 2017, partner agencies used the City Pair Program to purchase approximately 8 million flight segments and saved an estimated $2.5 billion government-wide when compared to like commercial airfares. The "best-in-class" FedRooms lodging program is the first ever government-wide transient lodging program that offers federal employees over 6,200 properties globally. Despite the government-wide reduction in travel, in FY 2017 FedRooms increased agency adoption to 12 percent that resulted in an estimated savings of $15 million government-wide.

Employee Relocation Resource Center (ERRC) —is a government-wide center for employee relocation products and services. The ERRC offers federal agencies a streamlined procurement process with flexible programs, subject matter expertise, and program support for two primary offerings for executive agencies: employee relocation services and household goods shipping services. The center is a mature program with high customer and supplier engagement and loyalty, and serves over 80% of the civilian agency market.

Center for Transportation Management — provides two major services: multimodal freight and transportation schedule services, to include the program's third generation Domestic Delivery Services (DDS) program. DDS is an FSSI solution that provides significant discounts to the already low prices on GSA schedules for express and ground delivery services and will be delegated to the Department of Defense effective FY 2018. In FY 2017, the DDS program saved the government approximately $65 million through strategic sourcing of a government-wide contract. This FSSI offering also enables agencies to meet sustainability requirements by providing fuel-efficient transportation services.

Office of Systems Management

The Office of Systems Management (OSM) standardizes, integrates and streamlines the federal awarding process through electronic means, while increasing transparency and ensuring compliance with all applicable Federal Acquisition Regulations. OSM partners with FAS business portfolios and GSA IT to coordinate FAS systems development efforts.

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

IAE is working towards the established product vision of the new SAM.gov, which is to be the trusted, essential place to seamlessly connect to the business of government. In this effort, the program is developing an evolving set of functional capabilities to replace all ten legacy systems currently used to administer federal awards. Functionalities of the current IAE systems are being converted into a common, cloud-based, secure business environment that facilitates and supports the cost-effective acquisition for products and services, as well as fosters the transparent and effective management of federal acquisition and assistance awards. The IAE's primary goal is to make it easier for users to make, receive, and manage federal awards. The modernized system will have one home page with a single sign-on, one powerful search tool, one robust reporting tool, and one workspace where users can access the information and tools they need to make, receive, and manage federal awards. The modernized effort will provide a centralized administration, meaning that administrators for multiple IAE systems will no longer have to log into different systems in order to make administrative changes.

In developing the final product, the program has launched beta.sam.gov to allow for more timely bug fixes and feedback from the user community. IAE continues to work closely with cross-government governance committees and sponsors, providing regular updates and input. The program will begin to decommission systems as approved by the governance committees when all necessary functionality has transferred from the beta testing site. The current systems will remain the authoritative source until decommissioning is approved and properly communicated. Once all ten systems have been migrated over and decommissioned, the system will be renamed to SAM.gov.

The Common Acquisition Platform (CAP) - CAP focuses on consolidating and modernizing FAS business systems that support employees, agencies and industry in the federal acquisition process. FAS systems intend to improve access to services and information faster; facilitate cross-agency buying; foster better decisions on acquisition practices; drive consistency through best practices; and include data standards and access to tools that enable data analysis.

In FY 2017, CAP continued development of a consolidated technology Business Services Platform (BSP) for data and tools and added more data sets to the Prices Paid Portal. CAP also created an inventory of existing applications and their capabilities aligned to business functions in order to identify and eliminate duplication and support the development of future business architecture. CAP may expand the BSP in FY 2018 to support the business architecture of acquisition systems within FAS and CAP; as well as continue development of a contract writing system; and strengthen oversight over FAS systems investments. As FAS rolls out new functionality such as the Business Services Platform and the Contract Writing System, it will evaluate if that functionality could be offered to other agencies as a shared service.

FAS Integrators

The FAS integrator offices support the business portfolios while providing strategic, organizational and policy guidance to the business units. Integrator offices maintain FAS business processes and information technology systems; provide contracting support; build strategic partner relationships; and support the FAS workforce.

Executive Direction — is composed of the Office of the Commissioner as well as the Regional Commissioners' offices. The Office of the Commissioner provides leadership and overall executive and program direction to ensure the mission and responsibilities of FAS are effectively carried out. Each of GSA's eleven regions contains a Regional Commissioner's Office, which oversee regional FAS operations while ensuring that the acquisition needs of Federal agencies are met.

Office of Customer and Stakeholder Engagement (CASE) — identifies and addresses customer needs through Voice of the Customer instruments while also managing FAS's opportunity pipeline and enterprise account plans. CASE engages with the vendor community and federal, state and local agencies through communications, training, industry events, and the GSA Interact social media platform.

In FY 2018 and going forward CASE will continue to support the improvement of service to FAS suppliers and customers by coordinating Voice of the Customer, Customer Relationship Management and Sales Engagement efforts. CASE also is developing an opportunity pipeline review and analysis process that will assist FAS in understanding how to better understand and anticipate agency requirements and improve FAS solutions. CASE also will continue to expand on GSA sponsored training events. CASE coordinates with the GSA Office of Strategic Communications and the Office of Customer Experience in carrying out its functions.

Office of Enterprise Strategy Management (OESM) — oversees FAS's strategic planning, helps the FAS programs develop and execute business plans to meet their goals, provides support to the ten government-wide category managers and agencies, and manages the Acquisition Gateway.

As of July 2017, the government-wide categories have achieved over $2 billion in savings and cost avoidance. The program expanded the Acquisition Gateway to include over $136 million in transactional prices paid data, 238 government contract vehicles, 500 templates and best practice documents across 10 government-wide category hallways. In FY 2018, OESM will work to ensure that strategic business planning is more tightly integrated with FAS's investment and executive performance planning processes, which will result in further improvements in FAS's ability to execute business strategies and achieve business goals. The program will also continue to maintain the Acquisition Gateway and support the government-wide categories.

Office of Policy and Compliance - establishes the standards and framework for managing FAS's acquisition workforce, and is dedicated to contract integrity and facilitating a consistently positive agency partner experience. The program ensures that operating practices are consistent across business lines and that FAS activities are compliant with applicable laws, regulations and policies.

Contracting Division — is FAS's contracting organization that supports the acquisition needs of client agencies that do business with the Assisted Acquisition Services and Information Technology Category portfolios. By providing full contracting support, the office is able to maximize competition and reduce lead times and procurement costs for both government and industry.

FAS IT Systems — the Office of GSA Information Technology (GSA IT) provides information technology support to FAS programs by managing FAS's business systems and their support contracts. GSA IT partners with the Office of Systems Management and FAS's various business lines to synthesize business system requirements around enterprise strategy and system architecture. GSA IT incorporates its business knowledge and technological expertise to choose the best solution available for FAS programs.

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U.S. General Services Administration
WORKING CAPITAL FUND
Fiscal Year 2019 Budget Estimate
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Working Capital Fund Overview

The FY 2019 Estimate for the Working Capital Fund (WCF) is $693.3 million including funding from all sources. GSA continues to realize operational efficiencies, strengthen management controls, and improve performance by centralizing management and enterprise-wide functions. By centralizing these services within the WCF, GSA has established more consistent processes, uniform policies and higher quality services while achieving economies of scale and stronger internal controls.

The FY 2019 Estimate includes increases of $16.7 million to fund investments in GSA's network infrastructure, computers and equipment for employees to align to a four year refresh cycle, enhanced data management, Microsoft Office Suite licenses, and funding to implement the Cybersecurity Executive Order throughout GSA. These investments reinforce the customer-supplier relationship by aligning service delivery to demand ultimately enabling WCF customers to execute their missions more effectively.

GSA continues to evaluate functions that are most effectively consolidated into the WCF. The FY 2019 Estimate transfers $1.8 million into the WCF completing the consolidation of facilities operations and maintenance support for GSA-occupied space across the Agency's eleven regions under the Workplace Services (WPS) program, and 3 FTE for FAS/Technology Transformation Service (TTS) support of the acquisition policy, integrity and workforce development needs. In FY 2019 the WCF will also see an increase of $3.3 million due to rent escalations and increased space assignments resulting from CxO consolidation.

GSA has identified $26 million in savings to offset these investments, including reductions of $7 million to GSA IT contracts, and $4 million in contract reductions across various WCF Offices. OCFO will realize $6 million in contract reductions for the Financial Management Line of Business (FMLoB) as a result of reduced system development work and other realized efficiencies. These reductions are targeted to areas that minimize any impacts to the level of service.

The WCF will continue to work closely with customers to identify efficiencies and meet their mission support needs, while providing higher quality service and stronger management controls.

Program Description

The WCF is a full-cost recovery revolving fund that finances the administrative services for GSA. These administrative services include IT management, budget and financial management, legal services, human resources, equal employment opportunity services, procurement and contracting oversight, emergency planning and response, and facilities management of GSA-occupied space, among others. This account funds the liaison activities with the U.S. Small Business Administration (SBA) to ensure that small and disadvantaged businesses receive a fair share of the agency's business. The WCF also finances administrative services such as human resource management for several small agencies and commissions on a reimbursable basis. GSA's WCF operations are divided into four types of services: ***Shared Services, Selected Services, External Services, and Major Equipment Acquisition & Development.***

Shared Services: Shared services includes enterprise-wide management functions and costs shared by all components of GSA, including GSA rent, IT and telecommunications services, human resource services, procurement operations, facilities management for GSA-occupied space, legal services, and financial management services. The WCF provides these necessary services to the customer business lines and allocates costs for the services delivered.

Selected Services: Some WCF organizations provide dedicated support to business units and all of their costs are charged to those beneficiaries. Examples of selected services include IT support for systems that are solely dedicated to Public Building Service (PBS) and Federal Acquisition Service (FAS) operations. Other examples include the Office of the Chief Financial Officer's dedicated financial and budget support for the PBS and FAS organizations.

External Services: The WCF provides or coordinates delivery of some administrative services to other Federal organizations, including small agencies and commissions. GSA provides Human Resource services, IT and telecommunications services, and payroll support to these customers. Using Interagency Agreements (IAA), GSA is reimbursed for the cost of providing these services. The WCF also provides administrative support to home state or district offices for members of Congress.

Major Equipment Acquisition & Development: Per 40 U.S.C. Section 3173 (d), the 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. These funds, which are comprised of expired balances transferred from prior year GSA appropriations, may be used only with the advance approval of the Committees on Appropriations of both Houses of Congress.

Amounts Available for Obligation

(Dollars in Thousands)

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Unobligated Balances:			
Carry forward	$ 106,655	$ 99,716	$ 80,230
Recoveries from prior year balances	$ 19,805	$ 10,000	$ 10,000
Transfers In	$ 4,128	$ -	$ -
Revenue	$ 662,495	$ 664,967	$ 675,221
Obligations:	$ (693,367)	$ (694,452)	$ (694,381)
Major Equipment Acquisition and Development	[42,744]	[42,744]	[41,744]
Total, Unobligated Balances	**$ 99,716**	**$ 80,230**	**$ 71,070**
Revenue:			
Operating Programs:			
Shared Services	$ 512,572	$ 503,563	$ 515,985
Selected Services	$ 134,938	$ 141,430	$ 142,542
External Services	$ 14,985	$ 19,974	$ 16,694
Total, Revenue	**$ 662,495**	**$ 664,967**	**$ 675,221**
Obligations:			
Operating Programs:			
Major Equipment Acquisition and Development	$ 0	$ 0	$ 1,000
Shared Services	$ 548,361	$ 532,048	$ 533,145
Selected Services	$ 132,407	$ 141,430	$ 142,542
External Services	$ 12,598	$ 19,974	$ 16,694
Total, Obligations	**$ 693,366**	**$ 693,452**	**$ 693,381**
Net Outlays	**$ 45,664**	**$ 62,000**	**$ (3,000)**
Total Employment (FTE)	**1,932**	**2,017**	**2,030**

Explanation of Changes

(Dollars in Thousands)

	Shared and Selected		External		Major Equipment Acquisition & Development		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
FY 2018 Congressional Justification	2,001	657,074	18	15,877	0	1,000	2,019	673,950
FY 2019 WCF Estimate	2,012	675,687	18	16,694	0	1,000	2,030	693,381
Net Change	11	18,613	0	817	0	0	11	19,431
FY 2018 Congressional Justification	2,001	657,074	18	15,877		1,000	2,019	673,950
Transfers (In / Out)								
OAS - Transfer from FAS & PBS for Regional Workplace Services	14	1,295					14	1,295
OAS - Transfer from PBS for Occupational Health and Safety Program	1	332					1	332
OMA - Transfer from PBS R5 for HSPD-12 contract support		340						340
OAS - Transfer in from FAS for 1 FTE	1	96					1	96
OAS - Transfer from PBS for 1 FTE	1	165					1	165
Subtotal, Transfers (In / Out)	17	2,229					17	2,229
Increases - Investments								
GSA IT - GAMS to SecureAuth		600						600
GSA IT - SCIF Update through DISA		1,000						1,000
GSA IT - Data Center Migration for PBS		1,075						1,075
GSA IT - Infrastructure Enhancements		3,651						3,651
Subtotal, Increases - Investments		6,326						6,326
Increases - Base								
OAS - Fleet Consolidation		900						900
OAS - Administrator Priorities		1,500						1,500
OAS - Admin Contract Protest		200						200
OHRM - Time & Attendance O&M		1,761						1,761
OGC - Attorneys for Assisted Acquisition Services (AAS)	3	650					3	650
OSBU - PC&B & Travel		254						254
OMA - Background Investigation increase (FAS EIS contract)		2,005						2,005
OMA - Increase in external services (Hurricane relief)				3,000				3,000
OCFO - Misc contracts		364						364
OCFO - Increase in external payroll services				900				900
GSA IT - Increase in external services				197				197
Other Program Increases		315						315
Subtotal, Increases - Base	3	7,949	0	4,097	0	0	3	12,046
Decreases - Base								
CFO - FTE Adjustment Based on Affordability	(22)	0					(22)	0
OHRM - SES Headhunter Contract		(100)						(100)
OIG - Lapsed Balance Adjustment						(1,000)		(1,000)
Subtotal, Decreases - Base	(22)	(100)				(1,000)	(22)	(1,100)
Net Change	(2)	16,404	0	4,097	0	(1,000)	(2)	19,501
FY 2018 Revised	1,999	673,477	18	19,974	0	0	2,017	693,452

	Shared and Selected		External		Major Equipment Acquisition & Development		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
FY 2018 Revised	1,999	673,477	18	19,974	0	0	2,017	693,452
FY 2019 WCF Estimate	2,012	675,687	18	16,694	0	1,000	2,030	693,381
Net Change	13	2,210	0	(3,280)	0	1,000	13	(72)
Revised FY 2018 Plan	**1,999**	**673,477**	**18**	**19,974**	**0**	**0**	**2,017**	**693,452**
Transfers (In / Out)								
OAS - Transfer from PBS for Regional Workplace Services		1,285						1,285
OGP - Transfer to from TTS for 3 FTE	3	566					3	566
Non-Recur FY 2018 Revised Transfers	(2)	(767)					(2)	(767)
Subtotal, Transfers (In / Out)	1	1,084					1	1,084
Increases - Investments								
OAS - GSA Occupied Space Alterations		800						800
GSA IT - Infrastructure Enhancements	2	4,530					2	4,530
GSA IT - Continuous Diagnostics & Mitigation		881						881
Agency Reform Plan PMO	10	4,000						4,000
GSA IT - PBS Laptops		2,477						2,477
GSA IT - Cybersecurity		1,000						1,000
GSA IT - Microsoft Office Suite		2,000						2,000
GSA IT - Data Management & Virtual Private Network Replacement		1,000						1,000
CFO - Lapse balance increase						1,000		1,000
Subtotal, Investments	12	16,688				1,000	12	17,688
Increases - Base								
All - Non- Pay Inflation		6,341						6,341
OAS - Rent Escalations		3,384						3,384
Other Base Adjustments		1,198		20				1,218
Subtotal, Increases - Base	0	10,923		20				10,943
Decreases - Base								
GSA IT - Reduction of Various Contracts		(7,430)						(7,430)
CFO - Reductions		(1,616)						(1,616)
OSC - Contract Reductions		(330)						(330)
OMA - Contract Reductions		(800)						(800)
OHRM - Workers Compensation Reduction		(1,917)						(1,917)
OHRM - Contract Reductions		(2,368)						(2,368)
OAS - Contract Reductions		(675)						(675)
Non-recur FY 2018 Revised Carryover Use		(3,239)						(3,239)
OMA - Background Investigation Reduction (FAS EIS contract)		(2,005)						(2,005)
OMA - Non-recur for hurricane external support				(3,300)				(3,300)
FMLoB - Reduction for operational efficiencies		(2,400)						(2,400)
FMLoB - Reduction for FMLoB IT Investments		(3,707)						(3,707)
Subtotal, Decreases - Base	0	(26,487)	0	(3,300)			0	(29,787)
Net Change	13	2,208	0	(3,280)		1,000	13	(72)
FY 2019 Estimate	**2,012**	**675,687**	**18**	**16,694**	**0**	**1,000**	**2,030**	**693,381**

Working Capital Fund by Staff Office
(Dollars in Thousands)

	FY 2017		FY 2018		FY 2019	
	FTE	Actual	FTE	Plan	FTE	Estimate
Office of GSA Information Technology	502	$283,041	542	$276,700	543	$279,317
Office of Chief Financial Officer	540	$ 88,693	542	$ 90,149	542	$ 88,776
Office of Human Resources Management	311	$ 81,426	309	$ 71,670	309	$ 71,217
Office of General Counsel	148	$ 26,040	159	$ 28,382	159	$ 28,607
Office of Government-wide Policy	32	$ 8,216	33	$ 8,052	36	$ 8,618
Office of Strategic Communication	73	$ 13,604	79	$ 15,080	79	$ 14,657
Office of Civil Rights	24	$ 4,205	23	$ 4,156	23	$ 4,164
Office of Mission Assurance	113	$ 39,697	123	$ 42,936	123	$ 40,195
Office of Small Business Utilization	37	$ 5,628	37	$ 5,968	38	$ 6,194
Office of Administrative Services	133	$ 62,170	147	$ 72,747	145	$ 77,430
Office of Customer Experience	5	$ 1,820	5	$ 1,942	5	$ 1,962
Financial Management Line of Business (FMLoB)	0	$ 66,228	0	$ 55,696	0	$ 50,550
Agency Reform Plan PMO	0	$ -	0	$ -	10	$ 4,000
Subtotal, Staff Office Internal Authority	**1,919**	**$680,767**	**1,999**	**$673,477**	**2,012**	**$675,687**
Office of GSA Information Technology	0	$ 2,101	0	$ 4,950	0	$ 4,950
Office of Chief Financial Officer	6	$ 1,837	7	$ 2,436	7	$ 2,136
Office of Human Resources Management	3	$ 1,454	7	$ 1,573	7	$ 1,573
Office of Mission Assurance	0	$ 1,271	0	$ 4,000	0	$ 1,000
Electronic Capital Planning and Investment Control (eCPIC)	4	$ 4,969	4	$ 5,727	4	$ 5,727
Office of Congressional & Intergovernmental Affairs	0	$ 930	0	$ 1,248	0	$ 1,248
Office of Civil Rights	0	$ -	0	$ 40	0	$ 60
Subtotal, Staff Office External Authority	**13**	**$ 12,599**	**18**	**$ 19,974**	**18**	**$ 16,694**
OCFO Systems Acquisition & Development	0	$ -	0	$ -	0	$ 1,000
Subtotal, Major Equipment Acquisition & Development	**0**	**$ -**	**0**	**$ -**	**0**	**$ 1,000**
Total, Working Capital Fund	**1,932**	**$693,366**	**2,017**	**$693,452**	**2,030**	**$693,381**

The FY 2017 actual Shared/Selected total is $33.0 million higher than the FY 2017 WCF Bill because of the use of carryover that is non-billable.

The FY 2018 revised Shared/Selected total is $28.6 million higher than the FY 2018 WCF Bill because of the proposed use of carryover that is non-billable.

The FY 2019 Shared/Selected total is $17.2 million higher than the FY 2019 WCF Bill because of the proposed use of carryover that is non-billable.

Working Capital Fund Obligations by Object Class
(Dollars in Thousands)

		FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
	Full-Time Equivalents (FTE)	1,932	2,017	2,030

		FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
11.1	Full-time, permanent	211,977	223,708	227,835
11.3	Other than full-time permanent	905	2,333	2,306
11.5	Other personnel compensation	2,833	395	176
12.1	Civilian personnel benefits	86,378	88,504	83,584
13.0	Benefits for former personnel	502	0	0
21.0	Travel and transportation of persons	2,766	5,583	6,157
22.0	Transportation of things	893	1,181	1,208
23.1	Rental payments to GSA	33,863	33,443	38,508
23.2	Rental payments to others	0	0	0
23.3	Communications and utilities	22,191	21,643	24,921
24.0	Printing and reproduction	73	72	72
25.1	Advisory and assistance services	222,429	204,329	194,582
25.2	Other services from non-Federal sources	6,454	3,531	3,447
25.3	Other goods & services from Federal sources	48,324	48,517	47,371
26.0	Supplies and materials	1,204	740	714
31.0	Equipment	52,324	59,473	62,499
32.0	Land and structures	227	0	0
42.0	Insurance claims and indemnities	24	0	0
99.0	**Obligations, Appropriated (Annual)**	**693,366**	**693,452**	**693,381**
	Subtotal, PC&B	*302,594*	*314,940*	*313,901*
	Subtotal, Non-labor	*390,772*	*378,512*	*379,480*

Description of WCF Services by Office

Office of GSA Information Technology (GSA IT): FY 2019 Budget Estimate - $284.3 million

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

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

GSA IT found early opportunities to streamline the IT environment and eliminate redundancy, and, through continued targeted investment, is pursuing innovation and optimization of the GSA IT infrastructure.

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

These reductions partially offset an increase of $11.9 million for executive business cases that were approved by GSA's Investment Review Board that help achieve the WCF's customer's demands. These increases will fund projects such as:

- Management & Administration & PBS laptop refreshes to implement a four-year refresh cycle;
- Infrastructure modernization to upgrade circuits across the US;
- Enterprise Document Management System (EDMS);
- Cybersecurity Executive Order implementation;
- GSA's Virtual Private Network (VPN) replacement; and
- Continuous Diagnostics & Mitigation

Shared Services: FY 2019 Budget Estimate - $209.6 million
IT shared services support the operation and maintenance of systems as well as system enhancements. GSA IT provides an agency-wide, standardized approach to infrastructure management and operations designed to maximize resources and optimize the efficiency of

enterprise systems and organizational staff. GSA IT manages internal IT assets, server resources, network resources, and end-user devices. These responsibilities include: planning and governance, systems access control, systems user training, IT security and integrity, local support, help desk functions, all circuits, wireless services, teleconferencing, and telephony. The costs of the GSA IT shared services are allocated to customers either by transaction counts, number of computer users, or number of FTE depending on which is most indicative of actual IT use.

Selected Services: FY 2019 Budget Estimate - $69.8 million
The selected services budget consists of IT services specific to individual GSA offices that support unique business requirements, e.g. FAS applications that support specific business lines. GSA IT provides application development, project management, infrastructure, and security and other services at the request of the customer who may cancel services if no longer needed. The costs for these services are directly charged to the appropriate service.

External Services: FY 2019 Budget Estimate - $4.9 million
The Office of GSA IT provides a cost-effective, secure platform to deliver administrative systems services to external clients. The Office of Corporate IT Services provides professional systems support for payroll, labor distribution, time and attendance, and leave and overtime request systems. This Office supports other IT functions such as: business requirements and change management; systems operations and maintenance; financial data management and reporting; systems access control, security and integrity; systems user training; and help desk support. GSA IT also provides services and supports the network back-end systems required by the Elections Assistance Commission Office, and provides technical oversight for GSA's HR Systems.

GSA IT external services also include the Performance Management Line of Business (PMLoB), an interagency effort to develop Government-wide performance management capabilities to help meet the transparency requirements of the Government Performance and Results Act Modernization Act of 2010 (GPRAMA), and support Government-wide performance management efforts including Performance.gov. This activity is supported through collections from customer agencies for their use of Performance.gov.

Office of the Chief Financial Officer: FY 2019 Budget Estimate - $91.9 million

The Office of the Chief Financial Officer (OCFO) provides GSA Service and Staff Offices with financial management services that include: budget formulation and execution, financial reporting and operations, internal controls, data management and analytics, and performance management. The OCFO is also responsible for the development and submission of the annual GSA Budget, the GSA Strategic Plan, the Annual Performance Plan, and the Agency Financial Report.

OCFO's FY 2019 Estimate for shared and selected services is $88.8 million which is 1.6 percent lower than the FY 2018 Revised level. In FY 2019 OCFO will continue to serve as a partner and financial advisor to GSA's Services and Staff Offices. OCFO will also continue to improve internal controls, support the annual financial statement audit, manage our financial management shared services provider (USDA) and support the performance management framework.

Shared Services: FY 2019 Budget Estimate – $24.5 million
Shared Services are OCFO enterprise-wide responsibilities that include financial statement preparation and reporting, financial policy, budget formulation and execution, and other enterprise wide services used to support GSA offices. In general, the cost of financial shared services is allocated by workload statistics and the number of funded FTEs.

Selected Services: FY 2019 Budget Estimate – $64.2 million
OCFO selected services consist of customer-focused financial support that is entirely dedicated to support PBS or FAS. The costs for these services are directly chargeable to the appropriate service and include rent revenue estimation and collection, reimbursable work agreement (RWA) processing, and budget formulation and execution.

External Services: FY 2019 Budget Estimate – $2.1 million
The OCFO provides payroll support to 37 independent agencies, boards, and commissions on a fee-for-service basis.

Major Equipment Acquisition & Development: FY 2019 Estimate – $1 million
In FY 2018 GSA OCFO may submit a request for automated tools to improve the payroll projection process and for a budget support tool, along with tools and systems to meet Department of Treasury and other financial management mandates. The FY 2019 Estimate is related to Visual Invoice Tracking and Payment (VITAP) system that handles purchase orders, accruals and receipts for billions of dollars of annual FAS purchasing. This anticipated funding would complete the migration to VITAP from software no longer supported by a vendor, mitigating the risk of application failure.

Financial Management Line of Business (FMLoB): FY 2019 Budget Estimate - $50.6 million
In line with government-wide efforts to utilize financial shared services, GSA divested its Financial Shared Service Provider (FSSP) Line of Business to focus on our core mission. In March of 2015, GSA transferred its Financial Management Line of Business (FMLoB) to the United States Department of Agriculture (USDA). USDA also assumed responsibility for development and operation and maintenance of GSA's primary financial management system, Pegasys.
FMLoB's FY 2019 Estimate of $50.5 million is $6 million lower than the FY 2018 level as a result of information technology savings and operating efficiencies.

Office of Human Resource Management: FY 2019 Budget Estimate - $72.8 million
The Office of Human Resource Management (OHRM) is primarily focused on helping GSA attract, motivate, develop, retain, and reward agency employees. OHRM provides and maintains an evolving portfolio of effective and innovative end-to-end human resource and human capital solutions that meet partners' and external stakeholders' needs, including providing meaningful HR data and analysis to help customers make informed business decisions. Through improved service delivery models, OHRM is focused on hiring, developing, and retaining a talented and diverse mission-ready GSA workforce.

OHRM's FY 2019 Estimate for shared and selected services is $71.2 million. The OHRM estimate includes $4.7 million to fund Operations & Maintenance (O&M) support to the new HR Links system that will complete the migration to IBM's Human Resource (HR) and Time Attendance (T&A) Systems. IBM is an OPM/OMB - approved HR Line of Business (HRLOB) Shared Services Provider. This will be funded both through a transfer of legacy IT O&M support and program restructuring within OHRMOHRM will also continue to focus on return-to-work programs and workers compensation case file reviews in an effort to reduce the overall workers compensation program costs.

Shared Services: FY 2019 Budget Estimate – $65.2 million
OHRM provides human resource services in a consolidated fashion in order to reduce redundancy and ensure a standard level of service. Shared services include recruitment, staffing, and employee development. These services include GSA enterprise-wide programs such as worker's compensation, transit subsidy, health room services, and unemployment compensation. The costs of these programs are allocated based on workload data when available and the number of funded full time equivalents (FTEs).

Selected Services: FY 2019 Budget Estimate - $6 million
Selected services provided by OHRM include the Childcare Subsidy, the early career rotational program called the Emerging Leaders Program, and the Account Management functions and training contracted through OHRM's University for People.

External Services: FY 2019 Budget Estimate - $1.6 million
The OHRM Commissions and Boards office provides direct HR support while coordinating services provided by all GSA business lines to select Presidential or Congressional Commissions, Boards or similar small Federal organizations. GSA Services might include but are not limited to human resource management, legal support, contracting, office space, furniture, phones, IT, Equal Employment Opportunity & Employee or Labor Relations support for approximately 24 customer organizations. This requirement is based on the best information available and subject to change as necessary to support the requirements of the President or Congress.

Office of General Counsel: FY 2019 Budget Estimate - $28.6 million

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 including the Federal Acquisition Regulation, the Federal Travel Regulation and the Federal Management Regulations.

OGC also advises on responses to Congressional inquiries, develops and manages the GSA ethics program, and supports alternative dispute resolution efforts.

OGC's FY 2019 Estimate of $28.6 million and 159 FTE includes a $225 thousand increase for the OGC Bi-Annual Training Forum. The Training forum is used towards Continuing Education credits which are more economical than each person doing them individually.

Shared Services: FY 2019 Budget Estimate - $28.6 million
All services provided by OGC are considered shared services and are allocated based on labor hours spent in support of each service and staff office.

Office of Government-wide Policy's Senior Procurement Executive: FY 2019 Budget Estimate - $8.6 million

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

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

OGP's FY 2019 Estimate is $8.6 million and 36 FTE, which is $566 thousand higher than the FY 2018 Planned level. This net adjustment includes $563 thousand budget transfer for 3 FTE from FAS/Technology Transformation Service (TTS) that will be to support OGP's overall acquisition policy, integrity and workforce development needs. The FY 2019 Estimate also includes a decrease of $196 thousand in management support contracts.

Shared Services: FY 2019 Budget Estimate - $8.6 million
All costs for this program are considered shared services and are allocated based on the number of Federal Procurement Data System - Next Generation (FPDS-NG) transactions by FAS, PBS, and OAS/IAD and proportionally allocated.

Office of Strategic Communication: FY 2019 Budget Estimate - $14.7 million

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

OSC's FY 2019 Estimate is $14.7 million, including $423 thousand in contract reductions.

Shared Services: FY 2019 Budget Estimate - $12.4 million
The OSC shared services budget is allocated based on level of support to each service or staff office. These funds provide enterprise web management services and other communication support to GSA, and include, but are not limited to, multiple forms of visual digital media communications, such as: videography, photography; and large-scale printing services.

Selected Services: FY 2019 Budget Estimate -$2.2 million
OSC selected services provide customer-specific communication and strategy plans that are entirely directed to PBS, FAS and OGP. The costs for these services are directly chargeable to the appropriate service.

Office of Civil Rights: FY 2019 Budget Estimate - $4.2 million

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

OCR's FY 2019 Office of Civil Rights (OCR) Shared service Estimate is $4.2 million. This level supports continued efforts to improve mission achievement through a reorganization effort which was implemented in FY 2015. This reorganization transformed equal employment opportunity complaint processing from a regionally-based to functionally-based process to eliminate fragmentation, standardize and optimize processes, and improved the level of service provided to our customers.

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

Shared Services: FY 2019 Budget Estimate - $4.2 million
Services provided to GSA services and staff offices by OCR are considered shared services that organizations cannot opt out of receiving. The WCF pays for equal employment opportunity services and the non-discrimination programs for GSA. Both of these services are allocated based on FTE of each service and staff office.

External Services: FY 2019 Budget Estimate - $60 thousand
OCR provides equal employment opportunity services to other Federal agencies on a cost reimbursable basis. These services include equal employment opportunity counseling, mediation, investigation and complaint adjudication.

Office of Mission Assurance: FY 2019 Budget Estimate – $41.2 million

The Office of Mission Assurance (OMA) ensures resilience and continuity of the agency's critical business processes by integrating and coordinating activities across all domains of security (physical, cyber, personnel, and industrial). OMA also funds and manages all of GSA's Background Investigations for FTEs and contractors, HSPD-12 credentialing, emergency management, and contingency and continuity planning. OMA provides an enterprise-wide

approach to mission assurance planning while ensuring the safety, privacy, and security of GSA facilities, people, and IT assets nationwide.

OMA's FY 2019 Estimate is $41.2 million and 123 FTE. This includes funding of $14.3 million for GSA employee and contractor background investigations.

Shared Services: FY 2019 Budget Estimate - $40.2 million
All services provided to GSA services and staff offices by OMA are shared services. Where possible, billing for these services is based on actual usage, as is the case with employee and contractor background investigations and clearances, which are allocated based on the number of clearances requested by each service and staff office. Other costs are allocated based on FTE in each region, service and staff office.

External Services: FY 2019 Budget Estimate - $1 million
OMA is also responsible for coordinating GSA's response to national emergencies and disasters as outlined in the National Response Framework (NRF) - Emergency Support Function #7 *Logistics.* The costs of logistical services provided in response and recovery efforts are recovered through mission assignments issued by Federal Emergency Management Agency (FEMA).

Office of Small Business Utilization: FY 2019 Budget Estimate - $6.2 million

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, inclusive of reviewing and approving rationale;
- Reviewing the Small Business Analysis Record (GSA Form 2689), Acquisition Plans and Subcontracting Plans for completeness and determining if market research is sufficient and all justifications are properly documented and compliant with FAR Part 19;
- Attending all meetings regarding major procurements; and

● Serving as the liaison between GSA acquisition workforce and the SBA's Procurement Center Representatives, ensuring collaboration and appropriate approvals are obtained.

GSA's small business programs nurture entrepreneurial opportunities, open doors to new business horizons, and enhance technological capabilities. OSBU's work is critical to the achievement of GSA's small business goals.

OSBU's FY 2019 Estimate of $6.2 million is $266 thousand higher than the FY 2018 plan due to increases for travel and salaries and benefits.

Shared Services: FY 2019 Budget Estimate - $6.2 million
All services provided by OSBU are considered shared services. The cost allocation for these services is driven by a combination of a program's percent of total contract dollars eligible for small business compliance review.

Office of Administrative Services: FY 2019 Budget Estimate – $77.4 million

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

OAS also provides workspace planning, facility design, facilities management, and workplace services on a national scale in addition to administering the rent and security expenditures for GSA-occupied space, including GSA's Washington, DC headquarters facility at 1800 F Street. In managing these facilities, OAS began working with the Public Buildings Service on the Reduce the Footprint initiative in FY 2012 with the goal of transforming GSA internal office spaces nationwide. This program provided the opportunity for GSA to reduce its internal real estate footprint by more than two million usable square feet through the end of FY 2017. This equates to an overall footprint decrease of almost 40 percent. During that time frame, the reduction realized more than $70 million in cumulative rent savings from an FY 2012 baseline.

OAS' FY 2019 Estimate of $77.4 million includes increases of $3.3 million for rent and a transfer of $1.3 million from PBS to Workplace Services (WPS).

Starting in FY 2016, OAS implemented WPS in GSA's regional office buildings to uniformly provide services such as mail, records management, supply management, fleet management, workplace management, and printer maintenance to GSA employees. This program is designed to create a support infrastructure to enable collaborative work in office space across GSA's 11 regions, while allowing services and staff offices to better focus on their core missions. In FY 2018, PBS and FAS will transfer a combined $6.5 million into the WCF for WPS. This transfer to OAS includes funding for 45 FTE on workplace services teams, as well as legacy contracts that

fall under WPS service areas which OAS will now manage and fund. At the beginning of FY 2018, OAS will have fully staffed WPS support teams in all regional office buildings and GSA's Central Office. The FY 2019 Estimate includes $11 million to support the WPS program in total.

The FY 2019 OAS Estimate also includes the consolidation of GSA's internal fleet, comprised of approximately 859 vehicles and $3.7 million worth of vehicle leases and associated costs, into OAS. This will facilitate vehicle sharing, consolidated oversight and policy management, increased reporting capabilities, and ultimately a reduction in the number of vehicles needed to support GSA's mission. OAS leases all vehicles from FAS Fleet.

Shared Services: FY 2019 Budget Estimate - $77.1 million
Most OAS services, including rent for regional workspaces, are provided as shared services. OAS allocates its costs in ways that match service and staff office use of those services. For example:

- Travel and purchase card program management costs are allocated based on the number of travel and purchase card transactions.
- FOIA costs are allocated based on a count of actions routed through the GSA correspondence system.
- GAO and OIG audit management costs are allocated based on a count of audit action items reviewed.
- Other administrative and management services costs are allocated based on FTE.

Selected Services: FY 2019 Budget Estimate - $285 thousand
OAS's selected services include $225 thousand to support the storage and file management of agency records and scanning from the National Archives and Records Administration (NARA). These costs are allocated based on the cubic feet of storage provided to each service and staff office. Selected services also include $60 thousand for destruction of records files that GSA is no longer required to preserve.

Office of Customer Experience: FY 2019 Budget Estimate- $1.9 million

The Office of Customer Experience (OCE) was created to transform GSA into a customer-centric powerhouse of service, effectiveness, and efficiency to ensure program offices deliver an outstanding experience to GSA employees, partners, and customers. OCE will work to:

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

Shared Services: FY 2019 Budget Estimate - $2 million
All services provided to GSA staff and service offices by OCE are shared services that are allocated based on the percentage of time supporting the customer.

Agency Reform Plan Project Management Office: FY 2019 Budget Estimate - $4 million

The FY 2019 estimate to support the Project Management Office for the GSA Agency Reform Plan implementation is $4 million. GSA is pursuing projects to make internal operations more efficient, deliver better service and better value to customers, and expand shared service offerings to meet cross-government needs.

Electronic Capital Planning and Investment Control (eCPIC): FY 2019 Budget Estimate - $5.7 million

The eCPIC application is a web-based, Government-owned technology solution that Federal agencies use to support their internal IT Portfolio Management, IT Capital Planning, and IT Governance processes as well as a tool to meet their external reporting requirements to the Office of Management and Budget (OMB).

External Services: FY 2019 Budget Estimate - $5.7 million
eCPIC provides a Federal shared service solution to Federal agencies. Included in the annual fee to use the eCPIC tool itself, the eCPIC PMO also supports its member agencies by providing dedicated program management, centralized hosting services, tier 2 and tier 3 help desk support, eCPIC related user/admin training, and application related technical support. GSA owns the eCPIC tool and manages the eCPIC program, but all functionality is defined and prioritized by the community of member Agencies that use the tool. This community also shares best practices and lessons learned, as well as collaborates on the latest trends in IT portfolio management and IT Governance best practices.

Office of Congressional and Intergovernmental Affairs: FY 2019 Estimate - $1.2 million

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. This requirement is based on the best information available and subject to change as necessary to support the requirements of the President or Congress.

External Services: FY 2019 Budget Estimate - $1.2 million
The Office of Congressional and Intergovernmental Affairs (OCIA) coordinates services to over 1,400 House-district and Senate-state offices nationwide. OCIA supports the acquisition of office space, furniture and furnishings, property disposal, equipment and supplies, and storage and relocation services.

Working Capital Fund Bill by Staff and Service Office

(Dollars in Thousands)

GSA WCF Bill for Shared & Selected Services	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Public Buildings Service	**352,223**	**350,123**	**357,432**
Federal Acquisition Services	**269,956**	**270,880**	**273,681**
FAS Core	248,322	249,718	256,960
Office of Products and Programs (formerly OCSIT)	9,574	10,302	6,669
18F	12,060	10,860	10,052
Office of Government-wide Policy	**11,324**	**11,388**	**13,605**
Office of Inspector General	**2,500**	**1,660**	**1,693**
Former Presidents	**9**	**50**	**14**
Operating Expenses / CBCA	**10,975**	**10,069**	**11,591**
Real Property Disposal	3,433	3,011	3,983
Office of Strategic Communications	1,780	472	585
Management & Administration	5,553	6,405	6,803
Civilian Board of Contract Appeals	210	181	220
Working Capital Fund	**522**	**642**	**510**
Finance External Services - Internal Agreements	260	408	320
Human Resources MGMT - Commissions & Boards	222	135	115
Electronic Capital Planning & Investment Control (eCPIC) System	40	99	75
Adjusted, Working Capital Fund Bill	**647,510**	**644,813**	**658,527**
Bill Relief	**27,025**	**28,664**	**17,160**
Unadjusted, Working Capital Fund Bill	**674,535**	**673,477**	**675,687**

U.S. General Services Administration

PERMANENT BUDGET AUTHORITY

Fiscal Year FY 2019 Budget Request

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Transportation Audit Contracts and Contract Administration

Program Description

This permanent, indefinite appropriation provides for the detection and recovery of overpayments to carriers for government moves under rate and service agreements established by GSA or other Federal agency transportation managers. Program expenses are financed from overcharges collected from Transportation Service Providers (TSPs) as a result of post-payment audits that examine the validity, propriety, and conformity of charges with the proper rate authority. Funds recovered in excess of expenses are returned to the U.S. Treasury. In FY 2017, the program returned $1 million to the U.S. Treasury after covering operating costs of $11.4 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 2018 Operating Plan and FY 2019 Budget Request

The Transportation Audits program is managed by the Federal Acquisition Service (FAS) in the Travel, Transportation, and Logistics (TTL) Portfolio.

The FY 2019 budget request provides $13,121 thousand for the Transportation Audits program. In FY 2018 and FY 2019, 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. 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.

Obligations by Object Classification

(Dollars in Thousands)

		FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
11.1	Full-time, permanent	$ 2,850	$ 3,106	$ 3,165
11.3	Other than full-time permanent	$ -	$ -	$ -
11.5	Other personnel compensation	$ 44	$ 31	$ 32
12.1	Civilian personnel benefits	$ 784	$ 762	$ 776
21.0	Travel and transportation of persons	$ 11	$ 9	$ 9
22.0	Transportation of things	$ -	$ -	$ -
23.1	Rental payments to GSA	$ -	$ -	$ -
23.3	Communications and utilities	$ 2	$ -	$ -
24.0	Printing and reproduction	$ -	$ -	$ -
25.1	Advisory and assistance services	$ 5,838	$ 7,419	$ 7,797
25.2	Other services from non-Federal sources	$ -	$ 47	$ 47
25.3	Other goods and services from Federal sources	$ 1,855	$ 1,073	$ 1,282
26.0	Supplies and materials	$ 2	$ 12	$ 12
31.0	Equipment	$ -	$ -	$ -
99.0	**Obligations, appropriated (annual)**	**$ 11,386**	**$ 12,458**	**$ 13,121**
	Subtotal, PC&B	$ 3,678	$ 3,898	$ 3,973
	Subtotal, Non-labor	$ 7,708	$ 8,559	$ 9,148
	FTE	32.5	37.0	37.0

Amounts Available for Obligation
(Dollars in Thousands)

Special Fund Receipts:

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Balance, start of year....................................	$ 32,315	$ 33,968	$ 34,056
Receipts...	$ 11,187	$ 11,187	$ 11,187
Sequestration...	$ 924	$ 880	$ -
Excess collections returned to Treasury	$ (1,000)	$ (500)	$ (500)
Appropriation to the warranted fund....................	**$ (13,397)**	**$ (13,338)**	**$ (13,121)**
Unobligated balance expired from expenditure fund...	$ 3,939	1,859	34
Balance, end of year....................................	$ 33,968	$ 34,056	$ 31,656

Special Fund Expenditures:

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Mandatory authority:			
Appropriation...	**$ 13,397**	**$ 13,338**	**$ 13,121**
Sequestration	$ (924)	$ (880)	
Unobligated balance, end of year............................	$ (1,087)	$ -	$ -
Total obligations...	**$ 11,386**	**$ 12,458**	**$ 13,121**
Net Outlays	*$ 9,834*	*$ 10,760*	*$ 11,332*

Acquisition Workforce Training Fund

Program Description

The Acquisition Workforce Training Fund (AWTF) is a permanent, indefinite appropriation providing a stable source of funds to train the Federal civilian acquisition workforce. The AWTF is financed through a credit of five percent of the fees collected from non-Department of Defense activities by the General Services Administration (GSA) and other civilian agencies that manage Government-wide Acquisition Contracts (GWACs), Multiple Award Schedules (MAS) contracts, and other multi-agency contracts. Receipts are available for expenditure in the fiscal year collected, as well as the two following fiscal years. The AWTF is managed by the Federal Acquisition Institute (FAI) at GSA, in consultation with the White House Office of Federal Procurement Policy and the FAI Board of Directors.

Authorizing Legislation

The fund is authorized by 41 U.S.C. § 1703(i), as amended by Section 854 of Title VII of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181, January 28, 2008). The establishment and operation of FAI is authorized by 41 U.S.C. § 1201, as amended by Section 864 of Title VIII of the National Defense Authorization Act for Fiscal Year 2011 (Public Law 112-81, December 31, 2011).

FY 2018 Operating Plan and FY 2019 Budget Estimate

The FY 2019 budget request provides $10,500 thousand in new collections for FAI programs. The Board of Directors has reviewed the FAI programs to identify where continued AWTF funding is most needed to effectively support FAI's mission and goals. The funds from the AWTF will be used to support FAITAS, FAI.gov, and all of FAI's twelve statutory responsibilities.

FAI works closely with its Board of Directors, the Chief Acquisition Officers' Council, and various agencies and stakeholders to identify activities to fund from the AWTF. FAI supports professional development of the civilian agency acquisition workforce by ensuring availability of exceptional training, providing compelling research, promoting professionalism, and improving acquisition workforce management. The funds collected by the AWTF support FAI activities that fall into the following five categories:

- **Human Capital Initiatives**
  Human Capital Initiative funding provides for government-wide human capital resource planning and management initiatives, supporting FAI in the collection, analysis, and reporting of acquisition workforce human capital data. Funds also support the development and execution of the FAI.gov website, which is used as the primary portal for outreach and communications to the acquisition workforce. The program collects data through human capital plan templates and other venues to enable agencies to make strategic data-driven decisions about their acquisition workforce and program operations. Specific examples of FAI Human Capital Initiatives include continued maturation of agency acquisition human capital, the Acquisition Workforce Competency Survey, as well as continual improvement of FAI.gov.

- **Operations and Logistics Support**
  Operations and Logistics Support funding provides for the design, execution, and control of the business-planning and operations framework in executing the FAI mission and infrastructure. It includes all activities related to planning, organizing, or optimizing business operations. This includes costs associated with the annual memorandum of understanding (MOU) between the AWTF and the Office of Government-wide Policy (OGP) for the support of 12 reimbursable FTE, FAI Training Application System (FAITAS) Customer Support Help Desk, and the FAI.gov Help Desk.

- **Curriculum Development**
  Curriculum Development funding provides for development of instructional content, materials, and related assets to execute Federal Acquisition Certification programs. This funding has supported program and project management programs, Contracting Officer's Representatives activities, continuous learning curricula, and training courses such as Federal Contracting (FCN)101 – Contracting Basics.

- **Training Delivery**
  Training Delivery funding provides for the execution of online and classroom training and learning programs and related delivery and development activities. To continue to meet the needs of the Federal acquisition workforce community, the Training Delivery program provides Acquisition Learning Seminars (ALS), FAITAS operations and maintenance, FAITAS enhancements, as well as online and classroom training courses.

- **Information Technology**
  Information Technology funding provides for overarching IT operations, maintenance, and advancement activities. FAI.gov website hosting and the Disaster Recovery site are examples of the work supported by Information Technology funds.

Obligations by Object Classification
(Dollars in Thousands)

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
25.1 Advisory and assistance services....................	$ 4,280	$ 4,040	$ 4,061
25.3 Other goods & services from Federal sources	$ 5,993	$ 6,640	$ 6,439
99.0 **Total obligations**.................................	**$ 10,273**	**$ 10,680**	**$ 10,500**

Amounts Available for Obligation
(Dollars in Thousands)

Special Fund Receipt

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Balance, start of year………………………………	$ 1,540	$ 1,886	$ 2,999
Receipts……………………………………………	$ 8,051	$ 9,193	$ 9,458
Appropriation to the expenditure fund…………..........	**$ (7,705)**	**$ (8,080)**	**$(10,500)**
Balance, end of year………………………………	$ 1,886	$ 2,999	$ 1,957

Special Fund Expenditure

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Unobligated balance, start of year……………………	$ 16,154	$ 13,586	$ 10,986
Recovery of prior-year obligations……………………	$ -	$ -	$ -
Mandatory authority:			
Appropriation……………………………….............	**$ 7,705**	**$ 8,080**	**$ 10,500**
Unobligated balance, expiring…………………………	$ -	$ -	$ -
Total Obligations……………………………………	$(10,273)	$(10,680)	$(10,500)
Unobligated balance, end of year…………………........	**$ 13,586**	**$ 10,986**	**$ 10,986**
Net Outlays	$ 8,481	$ 7,724	$ 8,201

Expenses, Disposal of Surplus Real and Related Personal Property

Program Description

This mandatory appropriation provides for the efficient disposal of real property assets that no longer meet the needs of landholding Federal agencies. Fees of auctioneers, brokers, appraisers, and environmental consultants; surveying costs; costs of advertising; costs of environmental and historical preservation services; highest and best use of property studies; property utilization studies; deed compliance inspections; and other disposal costs are paid out of receipts from disposals in each year. GSA leverages the expertise of auctioneers and brokers familiar with local markets to accelerate the disposal of surplus real property.

Authorizing Legislation

The Expenses, Disposal of Surplus Real and Related Personal Property appropriation is permanently authorized by 40 U.S.C. § 572(a). The appropriation is authorized to pay expenses directly, or to reimburse another account for expenses already paid. The total amount paid and reimbursed in a fiscal year may not exceed 12 percent of the receipts available in GSA receipt account 5254.2. Proceeds from disposal of Federal real property are deposited into account 5254.2, and funds deemed in excess of the Real Property Disposal program's long-term requirements must be transferred to the Land and Water Conservation Fund.

The types of expenses that may be paid or reimbursed are limited to specific, enumerated expenditures:

(i) Fees of appraisers, auctioneers, and realty brokers, in accordance with the scale customarily paid in similar commercial transactions.
(ii) Costs of environmental and historic preservation services, highest and best use of property studies, utilization of property studies, deed compliance inspections, targeted asset reviews, and the expenses incurred in approved relocations.
(iii) Advertising and surveying.

FY 2018 Operating Plan and FY 2019 Budget Estimate

The FY 2019 budget request provides $9,056 thousand for the Real Property Disposal program. Obligations are based on properties planned for disposal in each year. Financing is provided through receipts from sales of surplus property and out-leasing of government-owned space.

Obligations by Object Classification
(Dollars in Thousands)

		FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
21.0	Travel and transportation............................	$ -	$ 122	$ 122
24.0	Printing and reproduction...........................	$ 51	$ 57	$ 57
25.1	Advisory and assistance services.................	$ 919	$ 8,191	$ 8,191
25.2	Other services from non-Federal sources.......	$ 260	$ 119	$ 119
25.3	Other goods & services from Federal sources.....	$ 9	$ 547	$ 547
25.7	Operation and maintenance of equipment............	$ -	$ 20	$ 20
99.9	**Total obligations..**	**$ 1,239**	**$ 9,056**	**$ 9,056**

Amounts Available for Obligation
(Dollars in Thousands)

Special Fund Receipts

		FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Balance, start of year	$	69,325	$ 72,944	$ 73,542
Receipts, real property disposal	$	12,461	$ 12,000	$ 15,000
Receipts, outleasing	$	-	$ 3,000	$ 3,000
Net receipts	$	12,461	$ 15,000	$ 18,000
Appropriation to the expenditure fund	**$**	**(3,107)**	**$ (9,056)**	**$ (9,056)**
Sequestration	$	625	$ 598	
Total budgetary resources	**$**	**(2,482)**	**$ (8,458)**	**$ (9,056)**
Transfer to Land and Water Fund, DOI	$	(7,172)	$ (5,944)	$ (8,000)
Unobligated balance, transferred in from Expenditure Fund	$	812	$ -	$ -
Balance, end of year	$	72,944	$ 73,542	$ 74,486

Special Fund Expenditures

		FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
Mandatory authority				
Appropriation	**$**	**3,107**	**$ 9,056**	**$ 9,056**
Unobligated balance, sequestered	$	(625)	$ (598)	
Unobligated balance	$	1,243	$ -	$ -
Total obligations	**$**	**1,239**	**$ 8,458**	**$ 9,056**
Net Outlays	*$*	*1,111*	*$ 8,458*	*$ 9,056*

Note: By statute, any receipts in excess of the long-term requirements of the Fund must be transferred out of the Fund and deposited into the Land and Water Conservation Fund of the Department of the Interior (DOI).

Obligations by Program Activity
(Dollars in Thousands)

	FY 2017 Actual	FY 2018 Plan	FY 2019 Estimate
1. Utilization and Disposal - Real Property			
a. Appraisers, auctioneers, brokers fees, surveying	$ 279	$ 2,669	$ 2,669
b. Advertising	$ 518	$ 1,186	$ 1,186
c. Environmental Services	$ 122	$ 1,143	$ 1,143
d. Historical Preservation Services	$ -	$ 884	$ 884
e. Highest and best use of property studies, utilization of property studies, Targeted Asset Reviews (TARS), deed compliance inspections	$ 320	$ 1,432	$ 1,432
f. Expenses incurred in a Relocation	$ -	$ 800	$ 800
g. Personnel compensation			
h. Personnel benefits			
i. Administrative support		$ 305	$ 305
j. Travel expenses	$ -	$ 122	$ 122
Subtotal, Utilization and Disposal of Real Property	$ 1,239	$ 8,541	$ 8,541
2. Outleasing of Government-owned Space			
a. Appraisers, auctioneers, brokers fees, surveying	$ -	$ 500	$ 500
b. Advertising	$ -	$ 15	$ 15
Subtotal, Outleasing	$ -	$ 515	$ 515
Total obligations	**$ 1,239**	**$ 9,056**	**$ 9,056**

Administrative Provisions	Explanation
Sec. 510. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.	This provision authorizes GSA to use funds for the hire of passenger motor vehicles.
Sec. 511. Funds in the Federal Buildings Fund made available for fiscal year 2019 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 transmitted in advance to the Committees on Appropriations of the House of Representatives and the Senate.	This provision authorizes GSA to transfer funds within the Federal Buildings Fund to meet program requirements.
SEC. 512 Except as otherwise provided in this title, any request for United States Courthouse construction transmitted using funds made available by this Act should: (1) meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; (2) reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan; and (3) include a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.	This provision requires that the budget request meet certain standards.

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).	This provision provides that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate.
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.	This provision continues the provision that permits GSA to pay small claims less than $250,000 made against the Government.
Sec. 515. With respect to the Federal Buildings Fund construction and acquisition and major repair and alteration programs, and with respect to E-Government projects funded under the heading "Federal Citizen Services Fund", the Administrator of General Services shall submit a spending plan and explanation for each project to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after the date of enactment of this Act.	This provision requires GSA to submit spend plans for certain programs.

SEC. 516. Section 16 of the Federal Assets Sale and Transfer Act of 2016 (Pub.L. 114–287) is amended— *(a) by inserting the following at the end of subsection (a)(1): "The Account shall be under the custody and control of the Chairperson of the Board and deposits in the Account shall remain available until expended.";* *(b) by striking subsection (b)(1) and inserting the following: "(1) ESTABLISHMENT. — There is established in the Treasury of the United States an account to be known as the "Asset Proceeds and Space Management Fund" (in this subsection referred to as the "Fund"). The Fund shall be under the custody and control of the Administrator of General Services and deposits in the Fund shall remain available until expended."; and (c) by striking in subsection (b)(3) the following: "(subject to section 3307 of title 40, United States Code, to the extent an appropriation normally covered by that section exceeds to $20,000,000)".*	GSA requested this provision to clarify the custody and control and availability of the amounts authorized for the Public Buildings Reform Board and the Asset Proceeds and Space Management Fund established in Section 16 of the Federal Asset Sale and Transfer Act of 2016 (Pub. L. 114-287).

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U.S. General Services Administration

MANAGEMENT CHALLENGES and GSA ACTIONS

Fiscal Year 2019 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 2017 Annual Financial Report on November 15, 2017. In all cases, GSA's budget addresses each management challenge by providing the necessary funding for the office charged with addressing the challenge.

Challenge 1: Enhancing Government Procurement	
Issue	**GSA Action**
Support and Adoption of Category Management	Acquisition Gateway GSA continues to refine the Acquisition Gateway to ensure its usability and content meet the Federal contracting community's needs, adding value with tools and contracting materials to improve spend under management and drive efficient use of taxpayer dollars. GSA agrees that usage-based metrics (such as site visits and time on individual pages) need to be augmented with outcome-driven, goal-based metrics as indicators of user value in fiscal year (FY) 2018. Initial analysis includes the number of users researching Best in Class solutions and leveraging the available data to compare prices against data visualizations. Measures such as these demonstrate the effectiveness of the portal and will inform future development paths and content needs. GSA agrees that it is important to provide users quality content on the Acquisition Gateway. The category management teams in coordination with the Federal Acquisition Service (FAS) Government-wide Category Management Project Management Office curate their own content and all material posted is created by or vetted through their designated experts. GSA will continue to work with the customer community to develop and curate valuable content. Further, GSA will examine the current content governance processes to determine what best practices are applicable. Acquisition Workforce Support FAS successfully completed a comprehensive workforce reorganization to align with the guiding principles of category management on March 6, 2017. FAS concurs with the OIG findings regarding the potential for duplication of effort or reduced productivity. To identify and address any unintended consequences, we are monitoring the organization from the following perspectives: workforce, performance measures, culture, and operations. For example, we have been utilizing a pre-reorganization efficiency metric along with other performance measures to understand the productivity and outputs of our business lines. We also have a small team reporting to the Office of the FAS Commissioner that is responsible for Workforce Transformation and management of the Human Capital Strategic Plan. FAS continues to address the OIG recommendations and corrective action from the final audit report, The Federal Acquisition Service Needs a Comprehensive Human Capital Plan for its Contract Specialist Workforce; Report Number A150033/Q/9/P16002, dated July 22, 2016. FAS will continue to monitor the organization comprehensively to ensure sustained efficiency and effectiveness from this change as well as any future organizational changes.
Emphasis on Reducing Government Price Variability	GSA is committed to serving as a responsible steward of taxpayer dollars and to providing contracting officials with the policies, tools, data and materials to make best value determinations, including price reasonableness. GSA agrees that it is valuable to reduce price variability to avoid overpaying for products and services and to

	minimize confusion for customers seeking to purchase goods and services through GSA contract vehicles. GSA recognizes two additional key responsibilities in managing billions of dollars of commercial spend: that the agency must maintain diverse and robust competitive pools of varying socio-economic entities able to meet the Government's requirements, and that pricing is measured both at the base contract, prior to order requirements and commitments, and at the order level when funding occurs. GSA has undertaken several initiatives to reduce price variability and provide greater transparency into what is being offered and purchased and at what price. Principal among these initiatives are the Transactional Data Reporting Rule, the Formatted Product Tool, and the Contract Awarded Labor Category Tool. GSA recognizes that each of these initiatives is relatively early in its deployment. Therefore, GSA continues to assess how and whether each provides value to the agency and Federal contracting officials as well as how best, as appropriate, to harmonize the policies and tools. In FY 2018, GSA will evaluate the investments and delivery of these products and enhancements to generate the most impact on reducing pricing variability and the risk of overpayment.
Delivering the System for Award Management	GSA concurs that sound program management is vital to the ongoing success of the modernization to identify and mitigate risks and adhere to cost and deployment schedules. The GSA Office of Systems Management manages the Integrated Award Environment initiative (IAE) and continues to develop an evolving set of functional capabilities to replace all 10 legacy systems currently used to administer Federal awards. Functionalities of the current systems are being converted into a common, cloud-based, secure business environment that facilitates and supports the cost-effective acquisition of products and services, while fostering transparent, effective management of Federal acquisition and assistance awards. The modernized system will have one home page with a single sign on, one powerful search tool, one robust reporting tool, and one workspace where users can access the information and tools they need to make, receive, and manage Federal awards. The modernized effort will provide a centralized administration, meaning that administrators for multiple systems will no longer have to log into different systems. System development and build of the final product continues, using a Scaled Agile Framework; additionally, IAE recently launched the test site for the system, beta.SAM.gov. GSA also continues to work closely with interagency governance committees and sponsors, providing regular updates and input. The decommissioning of systems will begin as approved by the program's interagency governance when all necessary functionality has been brought over to beta.sam.gov. The current systems will remain the authoritative source until decommissioning is approved and properly communicated. Once all 10 systems have been migrated over and decommissioned, the system will be renamed to SAM.gov. IAE has received quality input and feedback from the stakeholder and user communities to shape the development of the beta.sam.gov testing site that launched in the fourth quarter of FY 2017. In an effort to remain transparent and communicate effectively with the stakeholder community, four Industry Day sessions have been conducted to address questions and communicate plans to the stakeholders. Focus groups have been reconvened for input on the modernization effort, and additional groups will be created for user testing as new functionalities become available. In addition to regularly scheduled governance meetings, quarterly joint governance sessions have been instituted for detailed information sharing among the Federal community. Upcoming key initiatives include a tool for expanded reporting in the new platform on the testing site (beta.sam.gov), continuation of the SAM and Federal Procurement Data System modernization, and development of training materials to support users. GSA will also ensure the continuation of identification and validation services

	regarding recipients of Federal funding.
Challenge 2: Maximizing the Performance of GSA's Real Property Inventory	
Issue	**GSA Action**
Reducing and Consolidating Space	GSA is undertaking efforts to improve space utilization while weighing the costs and benefits to individual agencies. GSA recognizes that spending less on real estate allows the Government to devote more of its limited dollars to mission critical activities to better serve the American people. Under the Consolidation Program, GSA analyzes projects aimed to 1) consolidate higher cost leased space into lower cost and underutilized federally owned space, 2) manage space better through workplace strategies and improved office standards, and 3) optimize rents in depressed markets to capture favorable tenant lease rates. In FY 2017, GSA and Federal agencies reduced space by approximately 3 million rentable square feet. GSA worked with agencies to validate high-impact opportunities supported by business cases and aligned with the agencies' missions, priorities, and goals. GSA partnered with client agencies to implement projects and dispose or repurpose underutilized real property to achieve savings and space reductions. GSA also continues to implement workplace strategies to assist client agencies in their efforts to reduce real estate costs, increase efficiencies and manage change. Under the Total Workplace Program, GSA worked closely with 12 customers in FY 2017 to implement agency-wide space standards in their offices, using each agency's benchmark utilization rate for future projects and space actions. In the coming fiscal year, there are plans to continue implementation of this program with an increased focus on cost effectiveness and positive returns on investment.
Disposing and Exchanging Federal Property	GSA acknowledges the risks and challenges associated with the speed of the disposal process and pursuing large-scale exchange projects. GSA has developed and initiated implementation of mitigation strategies to avoid and reduce the impact of these risks. GSA is focused on streamlining the execution of Federal real estate disposal transactions and is actively engaged in helping agencies identify unneeded assets, prepare those identified assets to be divested, and implement strategies to reposition the assets. GSA will continue to work closely with large landholding agencies to identify assets for disposal, GSA has improved its ability to assess assets, conduct due diligence, and address the regulatory issues to be resolved prior to disposition. Awareness and identification of environmental, historic, and cultural issues earlier in the disposal preparation process allows GSA to develop disposal strategies that take these issues into account. GSA is also working to develop a tailored marketing plan for disposals to maximize exposure and increase engagement. With ongoing implementation of the Federal Assets Sale and Transfer Act, GSA expects to continue identifying and maximizing opportunities to improve timeliness in repositioning and disposing of Federal real property assets. In pursuing large-scale exchange projects, PBS Policy 4065.1, Procedural Guidance for Section 412 Exchanges for In-Kind Consideration, requires that potential exchange projects are supported by a business case analysis that is approved by the GSA Administrator. This guidance strengthened internal controls associated with exchanges, added more structure to the process, and enabled the Public Buildings Service (PBS) to learn from its recent experiences with exchange projects. The business case includes net present value and highest and best use analyses, which

	are used to determine if the proposed exchange provides the most economically viable solution for the government. GSA has also extended the scope of this guidance to exchanges contemplated using other authorities available to the Administrator.

Given GSA's recent experiences with proposed exchanges, GSA developed a discounted cash flow analysis to further refine value expectations for the property to be exchanged, beyond what would typically be provided from a market value appraisal. GSA uses this discounted cash flow analysis to determine the value of the exchange parcel in the context of the proposed transaction, rather than in the context of a sale for cash. GSA develops the requirements for the in-kind consideration to be as close in value (as practical) to the value derived via the discounted cash flow analysis.

As part of the procurement process for exchange projects, GSA negotiates the specific details of the proposed transaction, including the value of the exchange parcel and the estimated cost of providing the in-kind consideration. GSA will ensure that all funds expended on exchange projects are obligated in full compliance with the agency's policies and Federal law. GSA will only pursue exchange projects that are financially viable, meet the needs of agency customers and stakeholders, and provide best value to the taxpayer. |
| Reducing Leasing Costs | GSA continues to reduce long-term real estate costs, and has made a significant effort to improve advanced planning as well as minimize holdovers and lease extensions. GSA's enacted Rental of Space budget was $5.666 billion in FY 2015, $5.579 billion in FY 2016, and $5.628 billion in FY 2017. The requested amount of Rental of Space funds for FY 2018 is $5.494 billion. During that same period, GSA reduced the rentable square feet of leased space by approximately 6 million rentable square feet. While these figures appear to demonstrate a flattening of lease costs, rather than a reduction, it should be noted that these reductions in GSA's portfolio are offset by the growth in the portfolio as GSA assumes space previously acquired by other Federal agencies.

GSA implemented the Automated Advanced Acquisition Program (AAAP), a nationwide program that allows building owners the opportunity to electronically offer building space for lease. This methodology of space procurement has been shown to reduce procurement cycle time and result in competitive lease rates that are often below market. In FY 2017, 11 percent of GSA's new leases were delivered using the AAAP platform. Further, GSA leverages the commercial real estate industry practice of commission for service through its GSA Leasing Support Services (GLS) contracts. The GLS contracts support GSA leasing through commercial broker support services that are primarily funded through commissions and have the added benefit of providing a rent credit that is used to lower overall rent costs. To date, GSA issued approximately 500 GLS task orders totaling 15.6 million square feet with an estimated commission of $100 million. Lastly, GSA continually reviews its lease contract documents to assure that they are as streamlined as possible to reduce price risk and administrative burden for potential lessors while promoting competition.

Finally, GSA is focused on reducing holdovers and extensions, and continues to demonstrate progress in this area. GSA reduced holdovers by 33 percent in FY 2017, as compared to FY 2016. This represents a 67percent reduction in holdovers when compared to FY 2014. Extensions increased in FY 2017 over FY 2016; however, even this increase represents a 16 percent reduction in extensions when compared to FY 2014. The leases for approximately 100 million square feet of leased office space are set to expire over the next 5 years, which is a significant opportunity for GSA to work with Congress and its tenant agencies to get better deals and continue making progress by reducing holdovers and extensions. |
| Meeting the Operations and | GSA's approach to delivering safe, reliable, and functional work environments is |

Maintenance Needs of Federal Buildings	focused on the optimization of the GSA operation and maintenance program to mitigate the inherent risk associated with sustained cost reduction efforts. GSA has taken steps to: 1) ensure consistent delivery of services across its portfolio, 2) strengthen controls to ensure accurate coding of transactions, 3) increase transparency of operation and maintenance expenditures at a granular level, 4) ensure costs associated with above standard services are recovered, 5) institutionalize approaches and tactics that have proven successful, 6) strengthen vendor alliances, 7) leverage acquisition strategies from a portfolio-wide perspective, and 8) enhance program oversight and compliance through GSA's agency-wide maintenance management system and transactional customer feedback. GSA's business plan for FY 2018 includes formulation of a five-year plan to gain efficiencies by optimally utilizing acquisition tools and strategies, including aggregation of requirements.
Ensuring Effective Management of Energy Savings Performance Contracts and Utility Energy Service Contracts	GSA selects and delivers alternatively financed projects that help the agency meet future energy and water reduction targets, address infrastructure renewal needs and have guaranteed savings. The Energy Savings and Performance Contracts (ESPC) and Utility Energy Savings Contracts (UESC) programs have successfully funded building improvements by identifying appropriate Energy Conservation Measures (ECMs) in circumstances where utility market conditions allow for sufficient returns on investments. GSA employs several strategies to drive cost-effective ESPCs. GSA has centralized the procurement of large ESPCs into an ESPC Program Management Office (PMO). The PMO has dedicated program and contracting staff to ensure that lessons learned and best practices are incorporated into the procurement of new ESPC projects. To ensure streamlined and standardized processes are followed, GSA is procuring all new large ESPCs through use of the U.S. Department of Energy (DOE) ESPC Indefinite Delivery/ Indefinite Quantity (IDIQ) contracts. In accordance with DOE contract procedures, selection is based upon a qualifications competition. The qualifications criteria have been adjusted by GSA to include pricing components that affect the price reasonableness of the overall project. Through the ESPC PMO, GSA ensures price reasonableness in ESPCs through the following: • Primary contractor cost competition: As part of the Energy Service Company (ESCO) selection process, GSA evaluates the ESCOs' historical costs for profit rates, overhead rates, labor rates for key personnel, and project development fees. • Construction price competition: During the project development phase, price competition occurs at the subcontracting level. ESCOs are required to provide subcontractor bid information to GSA. Wherever possible, a minimum of three subcontractor bids per trade are required. • Government cost estimates: As a separate pricing check, the PMO contracts with third party cost estimators to develop detailed cost estimates for all ECMs in the scope of work. The cost estimators have conducted facility site visits and understand constructability issues and other factors influencing construction costs. DOE cost benchmarks, when available, are also used for price reasonableness determinations. • O&M pricing evaluations: GSA typically retains responsibility for O&M services when ESPC contracts are used. However, in those instances in which an ESCO assumes partial or full facility O&M responsibility, the ESCO's proposed O&M cost is evaluated against one or more of the following: historical pricing, market data, and GSA internal benchmarks. • Performance verification: In accordance with DOE IDIQ requirements, ESCOs conduct annual measurement and verification protocols to quantify

	energy and water savings attained.
	
	GSA requires savings guarantees in UESCs pursuant to Office of Management and Budget (OMB) memorandum M-12-21; subject title; Addendum to OMB Memorandum M-98-13 on Federal Use of Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs). UESCs procured after October 2012 require the following elements:
	
	    1) energy savings performance assurances or guarantees of the savings to be generated by improvements, which must cover the full cost of the Federal investment for the improvements;
	    2) measurement and verification of savings through commissioning and retro-commissioning; and
	    3) competition or an alternatives analysis as part of the selection process prior to entering into a UESC.
	
	GSA guidance, entitled Procuring Energy Management Services with the GSA Area-wide Contract, states that language must be included in the negotiated Authorizations (i.e., Performance Assurance Plans) that secure guarantees of the energy and/or cost savings. If more than one franchised utility company is available in the service area or if the area-wide contract is determined to be non-advantageous, the facility is required by the Federal Acquisition Regulation (FAR) to acquire service via competitive acquisition procedures (i.e., separate contract), allowing all utilities the opportunity to bid for service. If the area-wide contract is determined to provide the best value to the Government in response to the need for energy management services, the process must be documented through the justification and approval process as outlined in the FAR.

Challenge 3: Sustaining Technology Transformation Service, FAS

Issue	GSA Action
Management of Technology Transformation Service	The transfer of the Technology Transformation Service (TTS) to FAS combines acquisition and digital expertise into a single organizational and budgetary framework that supports IT modernization across Government. The transfer improves the ability for acquisition and IT modernization to work more closely together. The business model of TTS also emphasizes cross-functional approaches to buy and build IT, making the merger with FAS an expansion of the value that GSA can offer Federal agencies. The FAS Commissioner launched a rapid Joining Forces initiative with eight defined working groups across FAS to convene thought leaders to ensure the efficient and effective implementation of GSA Order ADM 5440.712, which aligned TTS to FAS. The working groups addressed issues including, but not limited to: culture, controls, delegations of authority, procurement policies, and workforce. The teams briefed the FAS Commissioner on recommendations that are now being implemented, where appropriate. These working groups enabled leaders to collectively establish new lines of communication and develop opportunities to join together in helping customer agencies meet their missions. GSA has implemented significant changes in the management approach for 18F to improve the operations of individual business units and TTS as a whole. In addition, TTS has implemented all OIG recommendations. GSA implemented all seven recommendations from JE17-001, Evaluation of 18F, and all six recommendations from JE17-002, Evaluation of 18F's Information Technology Security Compliance, including additional internal controls for hiring, revenue reconciliation, and risk mitigation. FAS is monitoring the pipeline of actual and potential work orders to ensure that expenses are managed and the workforce is utilized efficiently. Resources are added only when there is assurance of future work and a corresponding need for capacity expansion. Orders, pipeline status, utilization, and expenses are all closely

	monitored on a weekly and monthly basis. These processes are steps towards achieving cost recovery. As part of the response to the OIG's recommendations, TTS established new technical and procedural controls related to the proper initiation of billable project work and identification of funding sources at the beginning of engagements. To comply with the Federal Information Technology Acquisition Reform Act, TTS ensures review by GSA's Office of the CIO and approval of all IT systems operated by GSA for TTS use. GSA has also developed extensive documentation of the TTS revenue generation, accrual, and reconciliation processes. GSA believes that this overall set of initiatives addresses the concerns about the management of TTS and the benefits derived from TTS.

Challenge 4: Making Agency Cybersecurity a Priority

Issue	GSA Action
Protection of GSA's Building Control Systems Against Cyber Threats	GSA is implementing several actions to improve its overall information technology security program. These actions include the procurement of cybersecurity technology, the proactive targeting of vulnerable buildings and at-risk building systems, and process improvement, vendor outreach, and employee training efforts. GSA IT and the PBS Office of Facilities Management (OFM) recently developed a Risk Management Framework scorecard to identify and prioritize at risk building systems. GSA recently made a cybersecurity procurement to address those systems that have been identified as at risk because they are operating End of Life (EOL) versions of software and hardware, or have other identified security vulnerabilities. In coordination with PBS, GSA IT plans to incrementally continue these investments into FY 2018 to mitigate inherent risks. GSA IT also implemented software that will enforce security and access policies for endpoint devices connected to GSA routers and switches. This mandated software will prevent unauthorized users from accessing the network. GSA IT is also continually working on identifying and disconnecting unsecured networks in accordance with the recommendations from the U.S. Government Accountability Office (GAO), as outlined in Federal Facility Cybersecurity: DHS and GSA Should Address Cyber Risk to Building and Access Control Systems (GAO-15-06, December 12, 2014). Vendor and employee outreach efforts have also been put into place to ensure that products are developed to security standards and employees understand the risks of building related security vulnerabilities. Vendor outreach commenced in FY 2015, with GSA IT and the PBS OFM holding regular meetings with industry to ensure their awareness of Federal and GSA security policies and processes. These efforts were undertaken to ensure that the manufacturers' products are delivered with security in mind and to discuss upcoming EOL dates. GSA IT is also engaging the workforce in active risk mitigation and partnering with PBS to ensure that building system stakeholders are aware of security requirements and the importance of securing GSA facilities against cyber incidents.
Controlling Access to Sensitive Information in GSA Systems	GSA has procured technologies to safeguard sensitive information and has taken action to implement all corrective actions related to breach incidents in FY 2014 and FY 2015. These corrective actions focused on technology improvements, policy updates, and process improvements that decrease the risk of unintentional mishandling of GSA's data and ensure prompt and effective responses to reported breaches. As a specific example, GSA IT implemented a cloud security tool that monitors, alerts, and blocks shared sensitive information based on rules that target at-risk actions. This tool improves GSA's ability to control the release of sensitive information in the cloud environment. The OIG completed its review of the corrective actions related to the 2014 breach and closed the review in the Spring of FY 2017. Corrective actions related to the 2015 breach were completed in July of FY 2017, and the implementation review will commence in November of FY 2018.

	To further reduce the likelihood of breach incidents in the future and mitigate currently identified risks, GSA has successfully implemented components of Continuous Diagnostics and Mitigation (CDM) tools and capabilities that support hardware and software asset management, vulnerability management, and configuration management. The CDM tools and capabilities will provide GSA with faster identification and remediation of vulnerabilities in the areas of risk, configuration and access management, and dashboard risk monitoring. GSA has also implemented agency-specific technical security benchmarks for operating systems, web applications, and databases that will be managed and monitored through CDM tools. The use of these tools will substantially improve GSA's IT security posture, enabling detection and prevention of unauthorized use of sensitive data.

Challenge 5: Efficiently Managing Human Capital to Accomplish GSA's Mission

Issue	GSA Action
Workforce Planning	Broadly, GSA will address this challenge by implementing the agency's Long-Term Workforce Plan, Human Capital Operating Plan, and enterprise-wide Workforce Planning activities. GSA acknowledges the risks and challenges associated with efficiently managing human capital to accomplish GSA's mission. GSA has begun implementing mitigation strategies to avoid or reduce the impact of these human capital risks, particularly for mission-critical occupations (Acquisition, Financial Management, Information Technology, Program Management, Property Management, Realty, and Human Resources) and to address GSA's high-retirement eligibility. As part of the Agency Reform Plan submission, GSA submitted a Long-Term Workforce Plan in September 2017 with goals to: obtain, retain, and develop high quality talent; maximize employee performance and engagement; and optimize Human Resources service delivery. GSA is also committed to implementing these long-term workforce planning strategies to address organization-specific human capital risks. To support the efficient management of human capital to accomplish GSA's mission, GSA has also developed a Human Capital Operating Plan (HCOP) for the agency to implement in FY 2018. In the plan, GSA's Office of Human Resources Management has committed to work with all organizations to implement GSA's enterprise-wide workforce plan to include strategies for succession management, staffing plans, training and development, employee engagement, and employee performance. Implementation of the Long-Term Workforce Plan (developed as part of the GSA Agency Reform Strategy) and the HCOP will allow GSA to mitigate the risks listed in this challenge. Staffing plans will mitigate the risk of GSA hiring employees without assessing needs and hiring costs, considering turnover rates, and planning for upcoming retirements. GSA also recognizes the risks of high retirement eligibility in mission-critical occupations, which can be addressed through hiring, training and development, and succession management. Succession management will mitigate risks associated with high leadership turnover, ensuring knowledge transfer. Targeted training and development will prepare the workforce to manage the loss of veteran employee expertise. Maximizing employee engagement and employee performance will ensure the GSA workforce is prepared and able to meet GSA's mission through the achievement of goals and objectives.

Challenge 6: Safeguarding Federal Facilities and Providing a Secure Work Environment

Issue	GSA Action
Building Access and Security	During FY 2017, GSA continued to make improvements to securing Federal facilities by issuing new credentialing, escorting, and access control guidance. GSA maintains

the integrity of authorized access to its facilities by issuing policy with agency-wide roles and responsibilities, and ensuring the effective tracking and collection of Personal Identity Verification (PIV) cards from contractors. GSA validates and certifies all active contractor data, and monitors contractor data, validation, and information internally. When a contractor either has an initial fit determination but later determined non favorable or a contractor is terminated, GSA removes the contractor from the contract and the PIV card is returned and destroyed. GSA tracks the collection and destruction of the cards and provides card collection and destruction of PIV data agency-wide on a regular basis. Additionally, GSA's Office of Mission Assurance (OMA) has implemented a zone concept designed to provide real-time assistance to GSA-requesting officials while improving coordination and communication between the Chief Security Office and PBS officials.

GSA issued a directive that addresses the oversight and termination process for GSA issued Facility Access Cards (FAC) in GSA-controlled space. This outlines a phased approach to eliminate the use of FACs while providing alternate access controls and processes. OMA created a contractor report for those that are in 'active' status for updates during the final fitness determination process that is completed by OPM. Lastly, GSA continues to install compliant Physical Access Control Systems across the country that do not accept FACs, further reducing unauthorized contractor access to GSA-controlled facilities.

The GSA OIG has recently conducted an audit regarding GSA's receipt and appropriate use of facility assessment reports. OMA and PBS are working with the U.S. Department of Homeland Security - Federal Protective Service to better track the delivery of the assessments and to ensure Facility Security Assessments are delivered to GSA in a timely manner. OMA and PBS recently released an order that requires requisite GSA employees to complete Interagency Security Committee (ISC) training for Facility Security Committee participation and Facility Security Assessments The development of a tracking system to monitor ISC training compliance is also underway.

GSA

U.S. GENERAL SERVICES ADMINISTRATION

2017 Annual Performance Report
2019 Annual Performance Plan

TABLE OF CONTENTS

EXECUTIVE SUMMARY

PURPOSE

The U.S. General Services Administration (GSA) Annual Performance Report provides information on the Agency's status in meeting the goals and objectives described in the Agency's FY 2017 Annual Performance Plan, including progress on strategic objectives and performance goals.

The GSA Annual Performance Plan presents the level of performance to be achieved in FY 2019. The Plan describes strategic goals, strategic objectives, supporting performance goals, and performance indicators to be accomplished.

The following GSA FY 2017 Annual Performance Report and FY 2019 Annual Performance Plan relate prior year performance with plans for the current year and budget. Both were prepared in compliance with the GPRA Modernization Act of 2010, P.L. 111-352 under guidance from the Office of Management and Budget (OMB) Circular No. A-11 (2017), *Preparation, Submission, and Execution of the Budget*.

ABOUT GSA

GSA was established on July 1, 1949, as a result of the Hoover Commission. The agency consolidated administrative functions across Government into one organization in order to avoid duplication, reduce cost, streamline the acquisition and distribution of supplies, and centralize the management of Federal buildings.

Over the subsequent seven decades, the nation's population has more than doubled, the price of real estate in major cities has skyrocketed, and super-computers have gone from filling three-story rooms to fitting in our pockets. The world has become vastly more interconnected. Federal agencies are striving to match the pace of change, evolving to meet new domestic and global challenges and better serve the American public.

What has not changed is GSA's unwavering commitment to support our Federal customers and stakeholders by providing cost-effective, high-quality services. Our entire focus is on delivering value to our partner agencies so they can focus their resources on fulfilling their own important missions to the American people.

Our agency provides the spaces, technical innovation, and goods and services essential 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 Government organizations and the military. Our technology leadership helps agencies build, buy, and share technology in ways that support their missions to better serve the public. Our implementation of Government-wide policies promotes management best practices and efficient Government operations.

Our success relies on bringing together a talented and diverse workforce - including data scientists, real estate experts, architects, acquisition specialists, programmers, policy analysts - and building a cohesive, customer-focused team. The next section outlines GSA's mission, vision and values, and our current organizational structure.

MISSION, VISION, and VALUES

MISSION	Deliver value and savings in real estate, acquisition, technology, and other mission-support services across Government.
VISION	Effective and efficient Government for the American people.
VALUES	Service ● Accountability ● Innovation

ORGANIZATIONAL STRUCTURE

Composed of the Federal Acquisition Service (FAS), Public Buildings Service (PBS), Office of Government-wide Policy (OGP), 11 staff offices, and three independent offices, GSA services and supports more than 60 Federal departments and agencies. Headquartered in Washington, D.C., GSA delivers goods and services to its Federal customers through 11 Regional Offices.

GSA LEADERSHIP

Office of the Administrator

Emily W. Murphy
Administrator

Allison F. Brigati
Deputy Administrator
(Acting)

P. Brennan Hart, III
Chief of Staff
(Acting)

Brian F. Barnes
White House
Liaison

National Service Commissioners

Independent Offices

Alan Thomas,
Federal Acquisition
Service

Dan Mathews,
Public Buildings Service

Carol F. Ochoa,
Office of the
Inspector General

Jeri Somers,
Civilian Board of
Contract Appeals

Executive Director
(TBD)
Federal Permitting
Improvement
Steering Council

Regional Services

Glenn Rotondo
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Boston, MA

Jeff Lau
(Acting) Northeast &
Caribbean Region 2
New York, NY

Dena McLaughlin
(Acting) Mid-Atlantic
Region 3
Philadelphia, PA

Liana D. Henry
(Acting) Southeast
Sunbelt Region 4
Atlanta, GA

John Cooke
(Acting) Great Lakes
Region 5
Chicago, IL

Kevin Rothmier
(Acting) The
Heartland
Region 6
Kansas City, MO

Robert Babcock
Greater Southwest
Region 7
Ft. Worth, TX

Penny Grout
(Acting) Rocky
Mountain Region 8
Denver, CO

Dan Brown
(Acting) Pacific Rim
Region 9 San
Francisco, CA

Bruno Kelpsas
(Northwest/ Arctic
Region 10
Auburn, WA

Scott Anderson
National Capital
Region 11
Washington, DC

Staff Offices

Robert Stafford
(Acting) Office of
Administrative Services

Gerard Badorrek
Office of the Chief
Financial Officer

David A. Shive
Office of the Chief
Information Officer
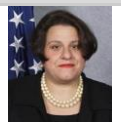
Madeline Caliendo
Office of Civil Rights
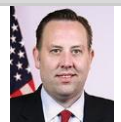
P. Brennan Hart, III
Office of Congressional
and Intergovernmental
Affairs

Anahita Reilly
Office of
Customer
Experience

Giancarlo Brizzi
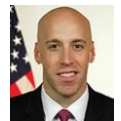(Acting)
Office of Government-
wide Policy

Antonia T. Harris
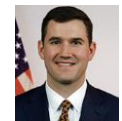Office of Human
Resources
Management

Robert J. Carter
Office of Mission
Assurance

Charles Manger
Office of Small
Business Utilization

Ben Kenney
Office of Strategic
Communication

Jack St. John
(Acting) General
Counsel

NATIONAL SERVICES AND OFFICE OF GOVERNMENT-WIDE POLICY _____

Federal Acquisition Service (FAS)

FAS provides Federal agencies over 28 million different products and services, and annually delivers over $54 billion in information technology products, services and solutions, telecommunications services, assisted acquisition services, travel and transportation management solutions, motor vehicles and fleet services, and charge card services. FAS manages over 200,000 leased vehicles, more than 3.3 million charge cards, and provides personal property disposal services facilitating the reuse of $1 billion in excess/surplus property annually. FAS leverages the buying power of the Federal Government by negotiating prices on many products and services required by 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. Leveraging its technology transformation services and information technology portfolios, FAS is building Centers of Excellence to improve the public's experience with Government by obtaining and sharing technology applications, platforms, and processes to make their services more accessible, efficient, and effective.

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 8,700 assets and maintains an inventory of 371 million square feet of rentable workspace. Within this inventory, PBS has more than 500 owned and leased historic properties. PBS provides high-quality facility and workspace solutions to more than 55 Federal agencies, disposes of excess or unneeded Federal properties, and promotes the adoption of innovative workplace solutions and technologies. Through lease and purchase transactions, PBS delivers the workspace necessary to meet the varied 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 Government-wide Policy (OGP)

OGP uses policies, information, and ideas to drive efficiency and management excellence across the Federal Government for key administrative areas to include: travel and transportation, acquisition, fleet management, information technology, and real estate management. OGP helps drive agency behavior in these administrative areas through the development of Government-wide policy making, performance standards, analysis and benchmarking of data, and regular reporting to Federal agencies and key stakeholders.

STAFF OFFICES _____

GSA's staff offices support the enterprise and ensure GSA is prepared to meet the needs of customers, on a day-to-day basis and in crisis situations:

➢ **Office of Administrative Services (OAS)**

OAS delivers innovative solutions for GSA's administrative, workplace and information management needs to facilitate efficient use of Government resources and effective risk management.

➢ **Office of the Chief Financial Officer (OCFO)**

OCFO provides enterprise-wide budget, financial management, financial analysis, performance management, and strategic planning services to GSA business lines and staff offices.

➢ **Office of the Chief Information Officer (OCIO)**

OCIO provides staff with ever-evolving technology to improve capabilities, productivity, mobility, agility, and cost savings. GSA IT solutions include laptops, mobile devices, collaborative cloud-based software, training and technical support.

➢ **Office of Civil Rights (OCR)**

OCR administers five programs related to Federal civil rights laws and regulations: Equal Employment Opportunity, Affirmative Employment, Non-discrimination in Federally Conducted Programs and Activities, Environmental Justices and Nondiscrimination in Federally Assisted Programs and Activities. OCR also administers the appeals process for administrative grievances filed by GSA Employees.

➢ **Office of Congressional and Intergovernmental Affairs (OCIA)**

OCIA maintains Agency liaison with Congress; prepares and coordinates the GSA annual legislative program; communicates the GSA legislative program to OMB, Congress, and other interested parties; and works closely with OMB in the coordination and clearance of all proposed legislation impacting GSA.

➢ **Office of Customer Experience (OCE)**

OCE works with internal clients to enhance relationships with customers, suppliers and stakeholders.

➢ **Office of General Counsel (OGC)**

OGC provides legal advice and representation to GSA, serves as GSA's Designated Agency Ethics Official and is responsible for managing the Agency's ethics program. OGC also manages GSA-wide claims under the Federal Tort Claims Act.

➢ **Office of Human Resources Management (OHRM)**

OHRM delivers comprehensive human resources services and solutions to GSA and its employees. OHRM's primary focus is to work with GSA services and staff offices to attract, motivate, develop, retain, and reward employees to maintain and enhance a mission-ready workforce.

➢ **Office of Mission Assurance (OMA)**

> OMA ensures resilience and continuity of the agency's critical business processes by integrating and coordinating emergency planning activities across all domains of security: physical, personnel, and industrial.

➢ **Office of Small Business Utilization (OSBU)**

> OSBU promotes increased access to GSA's nationwide procurement opportunities for small and disadvantaged businesses.

➢ **Office of Strategic Communication (OSC)**

> OSC works with internal clients to build effective communication strategies to meet their business goals. OSC services include internal communication, graphic design and production, media relations, web and social media, audiovisual production, writing and editing, speechwriting and executive communication, and risk communication/crisis management.

INDEND OFFICES INDEPENDENT OFFICES _____

➢ **Office of the Inspector General (OIG)**

> OIG is responsible for promoting economy, efficiency, and effectiveness and detecting and preventing fraud, waste, and mismanagement in GSA programs and operations.

➢ **Civilian Board of Contract Appeals (CBCA)**

> The CBCA is an independent tribunal housed within GSA. Its primary responsibility is to adjudicate contract disputes between civilian Federal agencies and contractors under the Contract Disputes Act.

➢ **Federal Permitting Improvement Steering Council (FPISC)**

> The FPISC is responsible for leading ongoing Government-wide efforts to modernize the Federal permitting and review process for major infrastructure projects and work with Federal agency partners to implement and oversee adherence to the statutory requirements set forth in the Fixing America's Surface Transportation Act of 2015.

FY 2017 ANNUAL PERFORMANCE REPORT

Goal	Strategic Objectives and Performance Indicators	Lead Office	FY 15 Actual	FY 16 Actual	FY 17 Actual	FY 17 Plan
SAVINGS	**Deliver contracting solutions to generate customer savings**					
	Global Supply blended markup ↓	FAS	15.0%	13.6%	13.0%	14.0%
	Leases negotiated at or below market rates ↑	PBS	59%	49%	48%	55%
	Acquisition Program Savings ($b) ↑	FAS	$5.17	$6.02	$5.17	$5.24
	Federal users of the Acquisition Gateway ↑	FAS	1,934	10,225	16,097	15,000
	Improve the Federal utilization of space					
	Vacant space in inventory ↓	PBS	3.4%	3.0%	2.9%	3.2%
	Reduce resource use and environmental impact					
	Green business volume ↑	FAS	8.8%	9.5%	14.05%	10%
	Energy intensity reduction ↑ (new baseline set from FY 2015 for subsequent years)	PBS	30%	3.78%	5.05%	2.5%
	Annual use of petroleum-based fuel in millions of gallons ↓	OGP	380.93	388.92	TBD*	350.69
	Alternative fuel vehicles purchased (%) ↔	FAS	82.8%	82.6%	77.0%	80.0%
EFFICIENCY	**Increase the efficiency of GSA operations**					
	Total operating costs as a percent of goods and services provided ↓	OCFO	9.70%	9.44%	9.25%	9.61%
	Reduction in total GSA indirect costs from FY2010 baseline ($m) ↑	OCFO	$407	$400	$404	$342
	Leased revenue available after administering program (%) ↔	PBS	-0.47%	-1.16%	-0.59%	0%
	Capital projects on schedule (%) ↑	PBS	98%	98%	99.0%	90%
	Public sale properties awarded within 135 days ↑	PBS	97%	97.5%	90%	90%
	Non-competitive sales and donations awarded within 220 days ↑	PBS	98%	98%	98.6%	90%
	Attendance levels for Federal Acquisition Institute training courses (%) ↑	OGP	88%	92%	91%	90%
	Enhance asset management					
	Cleaning and maintenance costs within market range ↑	PBS	81%	80.3%	73.2%	80%

Goal	Strategic Objectives and Performance Indicators	Lead Office	FY 15 Actual	FY 16 Actual	FY 17 Actual	FY 17 Plan
SERVICE	**Enhance relationships with our customers, suppliers, and stakeholders**					
	Tenant satisfaction with Government-owned and leased space (percent favorable responses) ↑	PBS	63%	65%	61.0%	67%
	Customer loyalty with acquisition services (10-point survey scale; new methodology applied in FY 2015) ↑	FAS	7.1	7.5	7.4	7.3
	New digital Government-wide shared services	TTS	8	7	8	5
	Key policy stakeholders who rate policy initiatives effective ↑	OGP	93%	81%	65%**	90%
	Support small and disadvantaged business					
	Percent of dollars awarded to small business prime contracting ↑	OSBU	44.2%	39.2%	42.5%***	36.5%
	Percent of dollars awarded to small business through subcontracting ↑	OSBU	26.3%	30.9%	25.6%***	29.0%
	Multiple Award Schedule (MAS) business volume from small businesses (%) ↑	FAS	38.3%	37.4%	39.7%	33.0%

MANAGEMENT OBJECTIVES						
Deliver a mission ready workforce						
Time to hire in days ↓		OHRM	87	83	72.5	80
Employee Engagement Score ↑		OHRM	69%	72%	74.1%	72%
Streamline information technology and improve data quality and reporting						
Commodity information technology savings from prior year (%) ↑		OCIO	9.3%	4.6%	-0.3%	2.9%
GSA information technology cost reduction from FY 2014 baseline (%) ↑		OCIO	8.6%	4.3%	4%	16.2%

Desired direction: ↑= increasing   ↓= decreasing   ↔ = within range
   * Results available in second quarter FY 2018.
 ** Survey revised in FY 2017.
*** Preliminary results shown; final FY 2017 results to be reported in May 2018 by the Small Business Administration (SBA).

FY 2019 ANNUAL PERFORMANCE PLAN
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STRATEGIC FRAMEWORK

The strategic framework as defined in the GSA FY 2018-2022 Strategic Plan is presented below:

STRATEGIC GOALS (G)			
(G1) REAL ESTATE Save taxpayer money through better management of Federal real estate.	**(G2) ACQUISITION** Establish GSA as the premier provider of efficient and effective acquisition solutions across the Federal Government.	**(G3) TECHNOLOGY** Improve the way Federal agencies buy, build, and use technology.	**(G4) SHARED SERVICES** Design and deliver expanded shared services within GSA and across the Federal Government to improve performance and save taxpayer money.
STRATEGIC OBJECTIVES (SO) and PERFORMANCE GOALS (PG) **(APG) denotes Agency Priority Goal*			
SO 1.1 Reduce the cost of Federal inventory. ● **PG 1.1.1** Reduce vacant space in inventory ● **PG 1.1.2 Generate savings by negotiating 55% of leases at or below market rates (APG)** ● **PG 1.1.3** Generate sufficient funds from operations to effectively operate GSA leased buildings ● **PG 1.1.4** Timely award of non-competitive sales and donations ● **PG 1.1.5** Timely award of public sale properties	**SO 2.1** Design and deliver GSA products and services that yield measurable savings while aligning with customer mission objectives and changing market demand. ● **PG 2.1.1** Increase customer satisfaction ● **PG 2.1.2** Expand the use of GSA acquisition solutions across the Government	**SO 3.1** Lead Government-wide technology modernization initiatives. ● **PG 3.1.1** Provide agencies with cloud authorizations to modernize IT portfolios	**SO 4.1** Develop new organizational capabilities to understand customer demand and deliver integrated offerings to support common business processes Government-wide. ● **PG 4.1.1 Expansion of centralized services (APG)**
	SO 2.2 Make it easier to do business with the Government by simplifying processes and streamlining access for our customers and suppliers. ● **PG 2.2.1** Increase supplier satisfaction	**SO 3.2** Drive more efficient and innovative Government procurement of technology services. ● **PG 3.2.1** Improve agency technology procurement capabilities through acquisition consulting	**SO 4.2** Promote adoption of shared services by agencies through policy, guidance, and benchmarking. ● **PG 4.2.1** Reduce barriers to facilitate easier adoption of shared services
SO 1.2 Establish GSA as a more effective provider of real estate services for all agencies. ● **PG 1.2.1** Reduce total energy intensity ● **PG 1.2.2** Complete capital projects on schedule/budget ● **PG 1.2.3** Improve tenant satisfaction with Government-owned and leased space ● **PG 1.2.4** Provide building cleaning and maintenance at competitive costs	**SO 2.3** Enhance customer agency access to qualified socio-economic entities. ● **PG 2.3.1** Create more opportunities for socio-economic entities	**SO 3.3** Lead implementation of technical standards, policies, and strategies. ● **PG 3.3.1** Provide agencies with the tools and resources to implement IT standards and policies	**SO 4.3** Support the overall mission of GSA by investing in our employees and modeling how we deliver internal support services, while providing policy guidance across Government. ● **PG 4.3.1** Efficient, effective mission-support services at GSA (CXO and non-CXO functions) ● **PG 4.3.2** Highly engaged GSA workforce that is prepared to support and deliver new and expanded offerings

STRATEGIC OBJECTIVES and PERFORMANCE INDICATORS SUMMARY

Performance Indicators	Lead Office	FY 15 Results	FY 16 Results	FY 17 Results	FY 18 Target	FY 19 Target
SO 1.1 Reduce the cost of Federal inventory.						
Vacant space in inventory ↓	PBS	3.4%	3.0%	2.9%	3.0%	3.0%
Leases negotiated at or below market rates ↔ ◉ aligned to APG	PBS	59%	49%	48%	55%	55%
Leased revenue after administering program (%) ↔	PBS	-0.47%	-1.16%	-0.59%	0 to 2%	0 to 2%
Non-competitive sales and donations awarded within 220 days ↑	PBS	98%	98%	90%	93%	93%
Public sale properties awarded within 135 days ↑	PBS	97%	97.5%	98%	98%	98%
SO 1.2 Establish GSA as a more effective provider of real estate services for all agencies.						
Energy intensity reduction (cumulative % reduction from baseline year) ↑	PBS	n/a	3.78%	6.41%	7.50%	10.0%
Capital projects on schedule/budget ↑	PBS	98%	98%	99%	90%	90%
Tenant satisfaction with Government-owned and leased space ↑	PBS	63%	65%	61%	63%	63%
Cleaning and maintenance costs within market range ↑	PBS	81%	80.3%	73.2%	78%	80%
SO 2.1 Design and deliver GSA products and services that yield measurable savings while aligning with customer mission objectives and changing market demand.						
Customer loyalty score (10-point scale) ↑	FAS	7.1	7.5	7.4	7.4	7.5
Acquisition program savings ($b) ↑	FAS	$5.17	$6.02	$5.17	$5.22	$5.27
SO 2.2 Make it easier to do business with the Government by simplifying processes and streamlining access for our customers and suppliers.						
Supplier satisfaction score ↑	FAS	3.59	3.93	3.80	3.80	3.87

Performance Indicators	Lead Office	FY 15 Results	FY 16 Results	FY 17 Results	FY 18 Target	FY 19 Target
SO 2.3 Enhance customer agency access to qualified socio-economic entities.						
Percent of dollars awarded to small business prime contracting ↑	OSBU	44.2%	39.2%	42.5 %*	35.0%**	TBD**
Percent of dollars awarded to small business through subcontracting ↑	OSBU	26.3%	30.9%	25.6*	29.0%**	TBD**
Multiple Award Schedules (MAS) business volume from small businesses (%) ↑	FAS	38.3%	37.4%	39.7%	33.0%	33.0%
SO 3.1 Lead Government-wide technology modernization initiatives.						
Number of customer agency systems with FedRAMP authorizations (cumulative) ↑	FAS	39	72	88	110	130
SO 3.2 Drive more efficient and innovative Government procurement of technology services.						
Volume of assisted technology acquisitions provided ($) ↑	FAS	n/a	$1.54B	$3.68B	$4.29B	$4.76B
Volume of assisted technology acquisitions provided (# of acquisitions) ↑	FAS	n/a	333	422	503	566
SO 3.3 Lead implementation of technical standards, policies, and strategies.						
Percent increase of Government-wide tiered data center closures ↑	OGP	n/a	n/a	3.55%	12%	20%
Percent of Government employees and contractors that log onto Government networks with a standardized, secure credential ↑	OGP	n/a	n/a	81%	83%	85%

Performance Indicators	Lead Office	FY 15 Results	FY 16 Results	FY17 Results	FY18 Target	FY 19 Target
SO 4.1 Develop new organizational capabilities to understand customer demand and deliver integrated offerings to support common business processes Government-wide.						
Number of agency-owned (non-GSA) vehicles studied and consolidated by GSA, resulting in a more cost-effective Federal fleet (vehicles studied / vehicles consolidated)↑ ⦿ aligned to APG	FAS	n/a	n/a / 1,136	n/a / 911	25,000 / 500	25,000 / 5,000
SO 4.2 Promote adoption of shared services by agencies through policy, guidance, and benchmarking.						
Number of agencies using SPPI's M3 tools to assess readiness for shared services	OGP	n/a	n/a	4	6	8
SO 4.3 Support the overall mission of GSA by investing in our employees and modeling how we deliver internal support services, while providing policy guidance across Government.						
Total operating cost as a percentage of goods and services provided ↓	OCFO	9.70	9.44	9.25	9.20	9.15
Effectiveness of CXO functions, as measured by customer satisfaction on a scale of 1 to 7	CXO	4.81	4.96	5.07	5.15	5.23
Percent of IT portfolio utilizing cloud technologies ↑	OCIO	27%	42%	42%	44%	48%
Competition rate for GSA acquisitions ↑	OGP	82.5%	80.3%	81.4%	80.0%	80.0%
Competitive One-Bid rate for GSA acquisitions ↓	OGP	13.2%	14.3%	14.9%	15.0%	15.0%
Employee engagement score - Mission Index ↑	OHRM	69.1%	72.2%	76.2%	76.0%	76.0%

Desired direction: ↑= increasing   ↓= decreasing   ↔ = within range
* Preliminary results shown; final FY 2017 results to be reported in May 2018 by the Small Business Administration (SBA).
** Preliminary target shown; final target will be set by SBA.

AGENCY PRIORITY GOALS: FY 2018-2019

APG 1: Generate savings by negotiating 55% of leases at or below market rates.

GSA will generate savings for taxpayers by negotiating 55 percent of the lease office space agreements at or below market rates in FY 2018 and FY 2019.

APG 2: Expansion of centralized services

GSA will develop and expand common solutions and service offerings for mission-support services, driving more efficient and effective processes that help agencies maximize mission delivery. Specifically, to eliminate redundancies and reduce Government-wide fleet costs, GSA's Fleet program will partner with agencies to study their vehicle inventories to identify savings and efficiency opportunities, reviewing 25,000 vehicles annually in FY18 and FY19 and consolidating 500 and 5,000 vehicles, respectively, pending study results.

FY 2019 ANNUAL PERFORMANCE PLAN DETAILS

STRATEGIC GOAL 1

Save taxpayer money through better management of Federal real estate.

GSA will achieve cost savings for the Federal Government by enhancing asset management and optimizing space utilization to provide the best price in Federal leased and owned real estate. Effective and integrated delivery of workspace solutions will provide our customers the opportunity to focus time and resources on their mission-related operations. Greater integration and consistency of our services will also improve the experience of our Federal customers.

Innovative and shared portfolio planning at the local and national level will be used to find the right solution at a lower cost for new leases. In doing so, GSA will lower the cost associated with its owned and leased real estate portfolio to better meet the needs of its customers. GSA will also focus on optimizing revenue from the sales of GSA and other Federally owned real property assets to ensure a Government-owned portfolio of high-performing assets.

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Strategic Objective 1.1: Reduce the cost of Federal inventory.

With over half of GSA lease space expiring in the next few years, GSA will increase cost savings by utilizing a wide range of strategies. GSA will increase the usage of automated systems and private sector brokers, where appropriate, to improve our efficiency in awarding leases. GSA will also negotiate longer lease terms to provide better value for our Federal customers. GSA will also reduce the Federal footprint – cost and size of the Federal Inventory – by improving workspace utilization, disposing of underperforming assets, and increasing the proportion of assets with positive funds from operations. These, and many other initiatives, combine to create a tremendous opportunity for meeting the GSA mission and saving taxpayer dollars.

Key Strategies

A. Improve utilization by reducing the Federal footprint:
   a. Work with Federal partners to adopt agency-specific design standards that facilitate new work arrangements and increase utilization; and
   b. Help identify opportunities for co-location and consolidation of agency office spaces.

B. Increase use of longer lease terms, where appropriate, as a mechanism for cost savings:
   a. Pursue all available strategies to increase cost savings, including maximizing lease terms. More than half of GSA leased space is expiring over the next four years, creating an opportunity to realize cost savings.

C. Increase usage of the Automated Advanced Acquisition Program (AAAP) and GSA Leasing Support Services (GLS) for lease awards:
   a. The AAAP is a multiple award lease procurement tool that allows potential suppliers to

compete for multiple Federal leases by submitting a single offer through a simple online portal. Increased use of the AAAP will reduce administrative cost and burden for Government and industry partners, while also using scale to deliver cost savings; and

b. GLS assists in delivering the best value in space solutions for the Government and taxpayers, leveraging private sector resources and expertise with reduced contract administration.

D. Increase assets with positive funds from operations:

a. Continue to identify and invest in core assets on the basis of Federal need, asset use, asset condition, and market value.

E. Dispose of underperforming Federal assets:

a. Work with agencies to develop and prioritize effective and efficient real property repositioning strategies;

b. Aggressively identify and dispose of underperforming Federal assets through expanded sales and out leases, auctions, and transfers to local entities; and

c. Partner with stakeholders to ensure disposal projects leave a positive impact on communities.

Goal Leader	Dan Mathews, Commissioner Public Buildings Service (PBS)
Contributing Programs	● Portfolio Management ● Leasing ● Real Property Disposal ● Construction and Acquisition

Performance Goal 1.1.1 - Reduce vacant space in inventory.	
Benefit to the Public	Better utilization of Federal workspace lowers the Government's operational costs.
Performance and Contextual Indicator	Vacant space in inventory This performance indicator reflects the vacant space in GSA's owned and leased space, without a customer agency paying rent. Specifically, it reports the total square feet of unoccupied space as a percentage of total square feet in GSA's owned and leased workspace inventory. GSA excludes space currently undergoing major renovation. Data Source: *Real Estate Across the United States* (REXUS) Inventory data set.
Progress Update	GSA lowered vacant space from 3.0% to 2.9% in FY 2017. GSA exceeded its target for FY 2017 related to vacant space. Specifically, GSA exceeded the target for vacancy in leased space, which is more costly than Federally owned space. GSA achieved this measure by working closely with customers to optimize space and reduce real estate costs.

Vacant space in inventory		
Fiscal Year	Target	Result
2015	3.2%	3.4%
2016	3.2%	3.0%
2017	3.2%	2.9%
2018	3.0%	
2019	3.0%	
Lead Office: Public Buildings Service		

Performance Goal 1.1.2 - **Generate savings by negotiating 55% of leases at or below market rates. (AGENCY PRIORITY GOAL)**	
Benefit to the Public	Negotiating lease costs at or below comparable market costs ensures GSA acquires Federal office space at the best value for the taxpayer.
Performance and Contextual Indicator	Percent of lease transactions at or below market rates This performance indicator compares GSA leasing costs to private sector benchmarks for equivalent office space in major markets. Negotiating lease rates below market rates for comparable space generates cost savings for the American people. The market lease rate is based on GSA's Bullseye report, which combines rates from respected nationwide commercial real estate sources. The Net Present Value of the life-cycle cost of lease transactions are used in comparing negotiated leases with market value leases.
Progress Update	The 48% FY 2017 result came in lower than the target of 55%, making it the second consecutive year of underperformance. In FY 2018 and FY 2019, PBS will focus on utilizing a multitude of leasing strategies to improve performance and meet the 55% target that has been set for both fiscal years.

Percent of lease transactions at or below market rates		
Fiscal Year	Target	Actual
2013	baseline	55%
2014	baseline	43%
2015	baseline	59%
2016	55%	49%
2017	55%	48%
2018	55%	
2019	55%	
Lead Office: Public Buildings Service		

Performance Goal 1.1.3 - Generate sufficient funds from operations to effectively operate GSA leased buildings.	
Benefit to the Public	Maintaining lease revenue available after program administration costs near break-even demonstrates the leasing program can efficiently operate within the fees collected from customer agencies. Efficient delivery of leased workspace provides agencies greater flexibility in housing their workforce and operations and managing their resources.
Performance and Contextual Indicator	Percent of leased revenue available after administering the leasing program This performance indicator measures the leasing program's revenue available after program administration costs and is calculated by taking the leased inventory revenue minus all expenses (excluding depreciation) associated with the inventory. If the measure is negative, costs were greater than revenues.
Progress Update	GSA narrowly missed its target of lease revenue available between 0 – 2%. The end of year performance for FY 2017 of -0.59% 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 continue the upward trend in FY 2018.

Leased Revenue after Administration of Leasing Program (%)		
Fiscal Year	**Target**	**Actual**
2013	0-2%	0.1%
2014	0-2%	-1.0%
2015	0-2%	-0.47%
2016	0-2%	-1.16%
2017	0-2%	-0.59%
2018	0-2%	
2019	0-2%	
Lead Office: Public Buildings Service		

Performance Goal 1.1.4 - Timely award of non-competitive sales and donations.	
Benefit to the Public	Decreasing the cycle time for non-competitive sales and donations increases the speed with which surplus Federal properties can be disposed. This supports the management of a financially self-sustaining portfolio. Maintaining a viable, self-sustaining inventory of real properties ensures Federal agencies have appropriate facilities at the best possible cost.
Performance and Contextual Indicator	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. Awarded refers to the date the property is transferred to another agency, assigned to a sponsoring agency, or deeded to a public body.
Progress Update	GSA met the target of delivering 90% of non-competitive sales and donations on schedule. This performance is attributed to the continued use of effective project and performance management processes.

Non-Competitive Sales and Donations Awarded within 220 days (%)		
Fiscal Year	**Target**	**Actual**
2013	90%	88%
2014	90%	93%
2015	90%	98%
2016	90%	98%
2017	90%	90%
2018	93%	
2019	93%	
Lead Office: Public Buildings Service		

Performance Goal 1.1.5 - Timely award of public sale properties.	
Benefit to the Public	Decreasing the cycle time for public sales accelerates the disposal of surplus Federal properties and supports the management of a financially self-sustaining portfolio of Federal real property assets. Maintaining a viable, self-sustaining inventory of real properties ensures Federal

	agencies have appropriate facilities at the best possible cost.
Performance and Contextual Indicator	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. Awarded refers to the date the offer to purchase is completed by GSA and the purchaser.
Progress Update	GSA exceeded its FY17 target of 90% by awarding 98% of competitive public sales within 135 days. The streamlined bidding process that GSA uses to market properties for disposal and aggressive marketing through online auctions continues to attract buyers in a timely manner, leading to GSA's success in exceeding the target and saving taxpayer dollars.

Public Sale Properties Awarded within 135 days (%)		
Fiscal Year	**Target**	**Actual**
2013	90%	98%
2014	90%	94%
2015	90%	97%
2016	90%	98%
2017	90%	98%
2018	98%	
2019	98%	
Lead Office: Public Buildings Service		

Strategic Objective 1.2: Establish GSA as a more effective provider of real estate services for all agencies.

GSA will support Federal agencies in fulfilling their mission by offering integrated turn-key services, providing high-quality facility and workspace solutions, and improving responsiveness and value to customers. Building on ongoing efforts, GSA will focus on reducing cost without impacting service levels through increased use of standardized contracts and GSA procurement tools for building operations and maintenance contracting. To more fully assess customer experience, GSA will implement an improved methodology to gauge the Federal customer's experience and satisfaction with services. Finally, GSA will provide staff with the tools to ensure delivery of high-quality services.

Key Strategies

    A.   Improve productivity by investing in our people:

   a. Continue to train staff, develop new tools, and improve processes to support strong teamwork and delivery of services.

B. Reduce the cost of operations and maintenance contracts without impacting service levels:
   a. Build upon current efforts to save taxpayer money by improving operations and leveraging buying power through standardized contracts and GSA procurement tools.

C. Improve responsiveness and value to customers**:**
   a. Work with customer agencies to identify common goals and initiatives together; and
   b. Strengthen customer relationships through a commitment to increase information sharing.

D. Increase the use of integrated, turn-key services for customers:
   a. Provide more options and integrated offerings across the product and service life cycle for real estate management services, including consultation and mission-support services.

Goal Leader	Dan Mathews, Commissioner Public Buildings Service (PBS)
Contributing Programs	● Portfolio Management ● Real Property Disposal ● Construction and Acquisition ● Building Operations ● Repairs and Alterations ● Customer Experience

Performance Goal 1.2.1 - **Reduce total energy intensity.**	
Benefit to the Public	Responsible management of energy use in the Federal workspace lowers costs to the American people, provides greater availability of domestic energy resources for other purposes, and contributes to better air quality, energy independence, and mission assurance.
Performance and Contextual Indicator	Energy Intensity This measure assesses reduction in energy use intensity as originally mandated in the Energy Policy Act, and updated by EO 13693 -- GSA to reduce energy intensity as measured in British Thermal Units (BTU) per gross square foot (gsf) by 25% by 2025 over the 2015 baseline established by EO 13693.
Progress Update	GSA met the performance target in FY 2017, lowering energy intensity in its real property portfolio by 6.41% from the FY 2015 baseline. GSA will apply weather normalization credits to future reporting achievements that reflect fluctuations in weather as permitted by guidance issued by the Department of Energy.

Energy Intensity (% cumulative reduction in BTU per gross square foot)		
Fiscal Year	**Target**	**Actual**
2016	1.7%*	3.78%
2017	5.0%	6.41%
2018	7.50%	
2019	10.0%	
Lead Office: Public Buildings Service		

* From baseline of FY 2015 actual performance.

Performance Goal 1.2.2 - Complete capital projects on schedule and budget.	
Benefit to the Public	Delivering space when the customer needs it enables customers to most effectively carry out their missions. GSA's efficient delivery of new and renovated facilities reduces resource demands of customer agencies that can translate into higher operational effectiveness and/or lower operational costs.
Performance and Contextual Indicator	Capital construction projects on schedule/budget This measure reports the percentage of prospectus level construction projects completed on schedule and budget, weighted by the contract value. Using an earned value technique, this measure assesses project performance on all prospectus level projects. Delivering space when the customer needs the space enables our customers to carry out their missions with minimal distractions. This performance indicator was expanded in FY 2016 to include Repair and Alteration projects, 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	Earned value is used to measure construction in progress and substantially completed projects within the current fiscal year. Nineteen projects worth a total of $231 million reached substantial completion in FY 2017. Of those, 18 did so on schedule and on budget with no claims. Fifty-nine projects ($2.3 billion) remain ongoing, with the National Capital Region (12 projects, $588 million) and Pacific Rim (10 projects, $474 million) regions representing the largest share of that group. Several other regions are expected to see significant increases in activity as the FY 2016 Courthouse Program moves into the construction execution phase.

Capital projects on schedule and budget (%)		
Fiscal Year	**Target**	**Actual**
2013	Baseline	89%
2014	Baseline	97%
2015	90%	98%
2016	90%	98%
2017	90%	99%
2018	90%	
2019	90%	
Lead Office: Public Buildings Service		

Performance Goal 1.2.3 - Improve tenant satisfaction with Government-owned and leased space.	
Benefit to the Public	This measure assesses how well facility managers are meeting Federal workforce expectations concerning facility management services. It is also intended to show that Federal employees occupy well-managed workspaces that support their work productivity and missions of their agencies.
Performance and Contextual Indicator	Tenant satisfaction with Government-owned and leased space This performance indicator calculates the percentage of survey respondents who rate their overall satisfaction level with GSA service delivery as "4" or "5" on a 5-point scale.
Progress Update	GSA's annual satisfaction result for FY 2017 showed a decline in contrast to the consecutive increases in the three prior years. Both the GSA and Government-wide results declined for FY 2017, but the GSA result remains 3 percent higher. Both samples showed a decline in response rate compared to last year. GSA will continue using the traditional Tenant Satisfaction Survey (TSS) to measure tenant satisfaction in 2018. However, GSA will evaluate responses to specific questions that we have control and influence over. GSA will evaluate other transactional approaches, like our National Computerized Maintenance Management System (CMMS) work order survey, to more accurately assess tenant satisfaction with the services we directly provide or can influence on a daily basis.

Tenant Satisfaction with Government-Owned and Leased Space (%)		
Fiscal Year	**Target**	**Actual**
2013	83%	63%
2014	75%	61%
2015	63%	63%
2016	65%	65%
2017	67%	61%
2018	63%	
2019	63%	
Lead Office: Public Buildings Service		

Performance Goal 1.2.4 - **Provide building cleaning and maintenance at competitive costs.**	
Benefit to the Public	This goal ensures customer agencies are paying competitive market rates for building services. When costs are competitive, agencies can put more of their resources towards meeting mission requirements to the public instead of overhead services.
Performance and Contextual Indicator	Cleaning and maintenance costs within market range GSA utilizes methodologies to ensure that 80% of buildings are within market range for cleaning and maintenance services; a private sector benchmark.
Progress Update	GSA's costs remained stable in FY 2017 despite increases in contract labor costs associated with collective bargaining agreements and general inflation. The significant and sustained decline in the industry benchmark costs reported by BOMA was the primary influence on the measure performance.

Operating Costs within Market Range (%)		
Fiscal Year	**Target**	**Actual**
2013	N/A	72%
2014	N/A	70%
2015	80%	81%
2016	80%	80%
2017	80%	72%
2018	80%	
2019	80%	
Lead Office: Public Buildings Service		

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STRATEGIC GOAL 2

Establish GSA as the premier provider of efficient and effective acquisition solutions across the Federal Government.

GSA is committed to delivering service, innovation, and value through efficient operations, market expertise, and proactive partnerships with customer agencies and private sector vendors. Generating economies of scale is the cornerstone of our acquisition solutions, enabling us to negotiate better prices. Every day, we help our customers make smart purchasing decisions to acquire the goods and services they need.

GSA is dedicated to improving the contract vehicles, services, and products we provide to Federal agencies, military, and state/local entities. We make access to the Government market easier, faster, and less costly to socio-economic providers. We are achieving this by designing and delivering solutions that meet current needs and anticipate future requirements.

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Strategic Objective 2.1: Design and deliver GSA products and services that yield measurable savings while aligning with customer mission objectives and changing market demand.

Using the purchasing power of the Federal Government, GSA reduces Federal agencies' operating costs, enabling them to focus on their core missions to serve the public at best value. We are always looking for new ways to help these agencies make their purchases smarter and more efficient. This ability to achieve savings or avoid costs depends largely on developing common requirements across the Government that leverages our purchasing power. Throughout GSA's acquisition operations, our goal is to place customers at the center of our operations, develop common requirements across the Government, and increase adoption of our solutions for agencies' common needs. Knowing this, we have developed robust strategies to meet the current and future demands of our customers.

In order to fully maximize the purchasing power of the Federal Government, we will provide market intelligence and acquisition expertise to the Federal marketplace. GSA is committed to bringing Government-wide contract spend into common categories to further capture economies of scale. This approach also creates economies of skill for Government as a whole when agencies can rely on GSA to deliver the right goods and services for their mission needs.

Key Strategies

A. Better understand and anticipate customer needs by developing a robust and effective customer management approach:
   a. Grow and refine the approach to strategic account management by:
      1. Strengthening client relationships by serving as a trusted advisor;
      2. Generating analytics and customer intelligence to inform decisions and provide our customers with meaningful recommendations; and
      3. Leveraging relationships and market intelligence to manage and customize GSA offerings.
   b. Develop a Voice of the Customer (VOC) process, which ensures that we gather customer feedback to improve the effectiveness of our solutions, service delivery, and customer interactions.
   c. Enhance the customer experience through innovative customer experience mapping and usability testing of GSA systems and solutions.

B. Improve market intelligence and optimize Federal buying power by leveraging commercial principles:
   a. Mature and expand the internal use of business best practices, such as category management, to improve Government acquisition by pooling and sharing demand management, acquisition data, and supplier relationship management knowledge. Expanding use of data and business intelligence allows us to better understand, anticipate, and deliver customer requirements relative to specific markets and industries. This includes:
      1. Leading a number of Government-wide categories and working with top purchasing agencies to understand their use of these products and services, enabling us to enhance the customer's buying experience; and
      2. Developing purchasing strategies so that customers find best value for items and services.
   b. Increase agency adoption of full life cycle assisted acquisition solutions for large and/or complex projects. The Assisted Acquisition Services program offers these value-added, customized, acquisition project management and financial management services for large and/or complex information technology and professional services solutions.

Goal Leader	Alan Thomas, Commissioner Federal Acquisition Service (FAS)
Contributing Programs	● Customer and Stakeholder Engagement (CASE) ● Assisted Acquisition Service (AAS) ● Information Technology Category ● General Supplies and Services ● Travel, Transportation & Lodging ● Office of Enterprise Strategy Management

Performance Goal 2.1.1 - **Increase customer satisfaction.**	
Within our acquisition offerings, we know that loyal customers see value in our offerings and are likely to recommend our goods and services to others. The model we leverage to predict Loyalty is built on decades of empirical research around factors that consistently influence Loyalty Intentions (e.g. likelihood to recommend) as well as behaviors (e.g. repurchase).	
Benefit to the Public	Achieving customer loyalty allows GSA to take action to improve program operations. The network of suppliers and vendors GSA leverages to provide customer agencies with goods and services is essential to service delivery. Through positive working relationships that are mutually beneficial for the supplier and customer, GSA is able to provide better service to customers, and ultimately to the American taxpayers.
Performance and Contextual Indicator	Customer Loyalty Score This performance indicator tracks customer loyalty and ensures GSA's Federal Acquisition Service is effective at meeting customer requirements. GSA customers are identified and a questionnaire is developed to ensure program offices have actionable recommendations for areas of improvement. This measure is the average score across three loyalty intentions items for each respondent. Responses are rated on a 10-point scale where 1 equals "not at all likely" and 10 equals "very likely." The three questions 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]?
Progress Update	GSA met its performance target for FY 2017. Results remained stable with only a slight decrease from the prior year. A small drop in the score for 'ease of acquiring of goods and services' was a driver of the reduction.

Customer Loyalty Score (10-point scale)		
Fiscal Year	**Target**	**Result**
2015	8.0	7.1
2016	7.2	7.5
2017	7.3	7.4
2018	7.4	
2019	7.5	
Lead Office: Federal Acquisition Service		

Performance Goal 2.1.2 - Expand the use of GSA acquisition solutions across the Government.

Federal agencies operate in a constrained budget environment and seek to maximize the use of each dollar. When agency customers utilize FAS solutions they are able to purchase the goods and services needed to execute their mission at reduced cost, enabling them to maximize the support provided to key mission-critical activities. GSA generates additional savings for agencies by expanding the use of strategic buying practices utilizing improved market intelligence and Government-wide collaboration.

Benefit to the Public	Achieving this goal will result in greater savings, enabling customer agencies to meet mission-critical needs at a lower cost.
Performance and Contextual Indicator:	Acquisition program savings Annual targets are developed by aggregating various program-specific targets across FAS, each with a specific methodology for calculating savings. The types of savings fall into one of three groups: ● Savings realized by utilizing FAS procurement vehicles compared to commercial alternatives; ● Savings realized through FAS offerings compared to other Government offerings; and ● Savings returned to customers via bank refunds given for using FAS purchase, travel, and fleet card.
Progress Update	The FY 2017 result came in just below the target. A strong Q4 accounted for $730M of these savings. However, lower than anticipated savings were seen in some supply and service offerings, leading to an unfavorable result relative to the annual savings target of $5.24B. The City Pair program (CPP) was the largest contributing program to acquisition program savings with $2.62B in savings, exceeding the target of $2.42B. This represents customer agencies' savings when using CPP to purchase airfare compared to commercial average prices paid for similar refundable fares. However, CPP expects a 13% drop in savings from FY17 based on the combined effects of a projected decrease in benchmark fares, an increase in the FY18 CPP award pricing, and changes as a result of more accurate third party data reporting.

Acquisition program savings ($B)		
Fiscal Year	**Target**	**Result**
2015	n/a	$5.17B
2016	$5.19B	$6.02B
2017	$5.24B	$5.17B
2018	$5.22B	
2019	$5.27B	
Lead Office: Federal Acquisition Service		

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Strategic Objective 2.2: **Make it easier to do business with the Government by simplifying processes and streamlining access for our customers and suppliers.**

Every day the work that we do allows our customer agencies to better focus on their missions. Partnership on all levels is critical to the success of GSA. Strong partnerships with other agencies and suppliers are critical and support decisions that create value and savings for our customers and the American public. Doing business with GSA must be an easy and reliable experience. We must continuously improve our processes and systems to make them as simple and streamlined as possible.

Key Strategies

A. Modernize and streamline IT systems:
   a. Simplify the acquisition experience for the supplier and customer communities:
      1. Improve GSA and agency data access and quality so that acquisition and program leaders can make better procurement decisions;
      2. Empower GSA governance systems to streamline investments for better results;
      3. Increase the use of cost-effective strategic delivery of commercially readily available items by improving electronic integration with supply chain partners; and
      4. Assess the feasibility and opportunities for adoption of e-commerce commercial platforms.

B. Simplify processes to make Multiple Award Schedule contract vehicles the Government's vehicle of choice for commercial products, services, and solutions:
   a. Provide our stakeholders with a Multiple Award Schedules program that addresses current market forces and provides Government with a streamlined, value-based contracting solution that continues to save time and money well into the future. We are transforming the program in four distinct areas:
      1. Supplier engagement;
      2. Customer engagement;
      3. Competitive pricing; and
      4. Innovation.

Goal Leader	Alan Thomas, Commissioner Federal Acquisition Service (FAS)
Contributing Programs	- FAS Systems Management - GSA IT - Multiple Award Schedules PMO - FAS Commissioner's Office - Policy and Compliance - Customer and Stakeholder Engagement

Performance Goal 2.2.1 - **Increase supplier satisfaction.**

The network of suppliers that GSA leverages to provide products and services are critical to our success in meeting the day-to-day needs of customer agencies along with providing complex, innovative, and customized solutions. Creating a mutually beneficial operating environment between the Government and the supplier community allows us to offer a diverse set of products and services to the Government marketplace at best value.

Benefit to the Public	Strong supplier relationships make interactions between the Government and industry more efficient, transparent and cost effective, enabling lower-cost services to maximize taxpayer dollars. When the Government and industry collaborate effectively, the highest-quality solutions can be delivered to meet customer agencies' missions to the public.
Performance and Contextual Indicator	Supplier satisfaction score The Supplier Relationship Management Survey (SRMS) is distributed annually to roughly 20,000 of the Federal Acquisition Services' vendors with contracts covering a diverse portfolio of GSA contract vehicles. The sources for the vendors are e-Library, FPDS-NG, and in some cases salesforce contacts. Priority analysis examines survey items on two dimensions: Mean Score and Relative Importance to Satisfaction. This analysis helps to identify performance areas likely to have substantial impact on satisfaction.
Progress Update	Overall satisfaction decreased (3.93 to 3.80) from FY 2016 to FY 2017. Below is a breakdown of the results: - The Travel, Transportation and Logistics Category decreased modestly (3.79 to 3.64); - The Information Technology Category experienced a modest decline in satisfaction (4.18 to 3.87); - General Supplies and Services was steady (3.48 to 3.49); and - The Professional Service and Human Capital Category had the highest overall satisfaction of any portfolio at 4.05.

Supplier satisfaction score		
Fiscal Year	**Target**	**Result**
2015	n/a	3.59
2016	n/a	3.93
2017	n/a	3.80
2018	3.80	
2019	3.87	
Lead Office: Federal Acquisition Service		

Strategic Objective 2.3: **Enhance customer agency access to qualified socio-economic entities.**

GSA will collaborate with industry on Federal acquisition requirements and best practices promoting opportunities for socio-economic entities. This includes all small businesses (disadvantaged, women-owned, veteran-owned, service-disabled veteran-owned, and businesses located in historically underutilized business zones). GSA will continue to educate the acquisition workforce on the importance of meeting small business goals; ensuring our offerings promote a vibrant industrial and technological base.

Key Strategies

A. Educate socio-economic entities on the opportunities available through the Multiple Awards Schedules:
   a. Find creative new ways to educate socio-economic providers on the opportunities in the Federal marketplace available through GSA;
   b. Sponsor and deliver business development events; and
   c. Streamline outreach programs to promote efficiency and effectiveness.

B. Expand access to socio-economic buying options across GSA contracts:
   a. Seek creative ways to improve the small business experience with GSA:
      1. Provide free counseling;
      2. Develop new tools to access opportunities;
      3. Review rules and regulations that impact small businesses;
      4. Review subcontracting plans for small business inclusion;
      5. Survey internal and external customers to improve customer satisfaction; and
      6. Develop special resources for our veterans in line with EO 13360.
   b. Participation in acquisition planning, internal procurement compliance reviews, and prime contractor/subcontractor compliance reviews.
   c. Enhance analytic, performance monitoring, and reporting capabilities.

Goal Leaders	Charles Manger, Associate Administrator Office of Small Business Utilization (OSBU) Alan Thomas, Commissioner Federal Acquisition Service (FAS)
Contributing Programs	● Office of Small Business Utilization ● Multiple Award Schedules PMO ● Customer and Stakeholder Engagement

Performance Goal 2.3.1 - Create more opportunities for socio-economic entities.

Increasing access to socio-economic businesses for GSA contract requirements and GSA-managed Government-wide acquisition vehicles spurs job growth and drives the economy forward.

Benefit to the Public	Small businesses power the American economy forward. Contracting with these entrepreneurs is a win-win for the 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.
Performance and Contextual Indicator	(a) Percent of dollars awarded to small business prime contracting: This indicator tracks the percent of dollars awarded to small business prime contracting by measuring the overall percentage of eligible procurement dollars awarded to: (1) small business, (2) women-owned business (WOSB), (3) service-disabled veteran-owned small business (SDVOSB), (4) veteran-owned small business (VOSB), and (5) Historically Underutilized Business Zone business (HUBZones). (b) Percent of dollars awarded to small business through subcontracting: This performance indicator measures the overall percentage of eligible subcontracting procurement dollars awarded to: (1) small business, (2) WOSBs, (3) SDBs, (4) SDVOSBs, and (5) HUBZones. The indicator excludes mandatory sources, contracts not governed by the Federal Acquisition Regulation (FAR), and product service codes for leasing. Targets for the goal categories are negotiated annually between SBA and GSA OSBU based on analysis of historic and projected trends in procurement spend. Performance data for this indicator is generated from a snapshot of the Electronic Subcontracting Reporting System (eSRS).

	(c) <u>Percent of small business Multiple Award Schedules (MAS) business volume:</u> This performance indicator reports the percentage of MAS business volume attributed to small businesses each year by calculating the GSA Multiple Award Schedules total business volume attributed to small businesses and dividing by the total business volume.
Progress Update	Final FY 2017 performance results will be reported by SBA in May 2018. Preliminary results suggest GSA has met the performance target for percent of prime contracting dollars awarded to small business. FY 2017 preliminary subcontracting goal performance is 24.9%, which is below GSA's goal of 29.0%. The GSA Multiple Award Schedules is one of many methods by which GSA provides small and disadvantaged businesses access to the Federal marketplace. In FY 2017, 39.7% of the business conducted through MAS was awarded to small and disadvantaged businesses, exceeding the target of 33%.

(a) Percent of dollars awarded to small business prime contracting (GSA contracts)		
Fiscal Year	**Target**	**Result**
2015	32.0%	44.2%
2016	36.5%	39.2%
2017	36.5%	42.5%*
2018	35.0%**	
2019	TBD	
Lead Office: Office of Small Business Utilization		

* Preliminary result. Small Business Administration (SBA) will release the final FY 2017 result in FY 2018.
** Preliminary target. Final target pending from SBA.

(b) Percent of dollars awarded to small business through subcontracting (GSA contracts)		
Fiscal Year	**Target**	**Result**
2015	29.0%	26.3%
2016	29.0%	30.9%
2017	29.0%	25.6%*
2018	29.0%**	
2019	TBD	
Lead Office: Office of Small Business Utilization		

* Preliminary result. Small Business Administration (SBA) will release the final FY 2017 result in FY 2018.
** Preliminary target. Final target pending from SBA.

(c) Percent of small business MAS business volume		
Fiscal Year	**Target**	**Actual**
2013	33.0%	34.7%
2014	33.0%	37.2%
2015	33.0%	38.3%
2016	33.0%	37.4%
2017	33.0%	39.7%
2018	33.0%	
2019	33.0%	
Lead Office: Federal Acquisition Service		

STRATEGIC GOAL 3

Improve the way Federal agencies buy, build, and use technology.

Technology is critical to how every agency accomplishes its mission and serves the public. It is at the core of running mission-support operations, safeguarding critical information, and analyzing program data for agency decision making. However, the Federal Government continues to struggle with legacy IT systems, IT modernization hurdles, and procurement challenges, as well as keeping pace with the public's expectation for digital services.

The challenge of supporting, managing, and securing legacy systems significantly affects the ability of Federal agencies to meet current and evolving mission requirements. GSA can take the lead in a modernization that rethinks business problems and uses new, innovative technologies and IT practices to help Government IT work better. GSA and its agency partners have the capabilities to shift more Federal IT spending from maintenance to modernization.

The Federal IT procurement process includes requirements development and acquisition practices that can be burdensome and time-consuming. GSA is helping agencies adopt new approaches for buying commercial-off-the shelf and as-a-service solutions. We are leading the development of modular contracting approaches to enable agile and efficient development of complex new requirements. GSA's goal is to assist agencies through the entire life cycle of procurement and system development.

Keeping up with the public's expectations for services, and digital services in particular, has been challenging for the Government. The technology challenges facing Federal agencies and the direct impact on the public are well-known by leaders across Government and the private sector. GSA has been a leader in using technology to make customer experiences simple, fast, and secure.

The Trump Administration created the Office of American Innovation and the American Technology Council to focus the attention and resources of the White House on this challenge. GSA will be an essential partner in providing solutions through the Centers of Excellence, the IT Category, and the Office of Government-wide Policy. Our unique mix of talent and expertise in acquisition, technology, and service delivery - combined with our Government-wide scope and scale - make GSA an agent of transformation in how Federal agencies buy, build, and use technology.

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Strategic Objective 3.1: **Lead Government-wide technology modernization initiatives.**

The *Report to the President on Federal IT Modernization (2017)* tasks agencies with achieving an array of critical goals involving enhanced IT security, greater use of cloud-based services, and the overall consolidation and modernization of IT networks. GSA is well positioned to help agencies meet these goals. GSA offers the full spectrum of technology assistance, including experts who assess system design, apply user-centered research and design techniques common in the private sector, and ensure fit with agency needs. GSA also offers platforms and services that can assist agencies in using modern IT tools and practices. These include supporting agencies' move to the cloud; authentication and authorization services that seamlessly integrate with an agency's public-facing systems; and many cost-efficient and well-designed tools to communicate with the public via web sites. These partnerships foster trust and confidence in the goal of delivering essential Government services.

Key Strategies

A. Enable the provision of mature solutions to migrate agency systems to the cloud:
   a. Work across multiple programs to help agencies move to the cloud in the least disruptive way. This includes:
      1. Issuing authorizations for cloud systems that are secure and continuously monitored;
      2. Making cloud systems available and easy to purchase; and
      3. Offering GSA technology talent to plan and implement cloud migrations that are efficient and cost-effective.

B. Improve public access to Federal Government services through secure accounts and user-friendly tools:
   a. Offer the public secure and private online access to participating Government programs, with the goal of making Federal benefits, services and applications easier to access and more secure;
   b. Increase the cybersecurity of Federal IT systems hosting the public's personally identifiable information; and
   c. Improve the security position of the Government by decreasing insider threats.

C. Help agency partners modernize and improve digital interactions:
   a. Ensure highly-skilled technologists are available to help agencies think through complex business problems and develop appropriate technical designs;
   b. Assist with deploying technology solutions to meet agency business needs; and
   c. Monitor customer satisfaction with innovation, technology consulting engagements, and acquisitions through 18F, the Presidential Innovation Fellows (PIF), Schedule 70, Government-wide Acquisition Contracts (GWAC), and the Enterprise Infrastructure Solution (EIS) program.

Goal Leader	Alan Thomas, Commissioner Federal Acquisition Service (FAS)
Contributing Programs	● Technology Transformation Services ● Information Technology Category

Performance Goal 3.1.1 - Provide agencies with cloud authorizations to modernize IT portfolios.	
Benefit to the Public	Modernized IT portfolios across the Government maximize taxpayer dollars by facilitating service delivery to the public that is more robust, secure, user friendly, and less burdensome to manage. When IT portfolios are modernized, the taxpayer dollar is maximized as modernization becomes the priority over maintenance of costly legacy alternatives with limited capabilities.
Performance and Contextual Indicator	(a) Number of customer agency FedRAMP authorized systems Measures the efficiency and effectiveness of the FedRAMP program to balance security and speed of making cloud solutions operational for agency use. The indicator captures the cumulative volume of authorizations that are processed through the FedRAMP program.
Progress Update	In FY 2017 the final number of FedRAMP authorizations increased to 88 authorized systems. GSA plans to substantially increase the number of annual authorizations in FY 2018 and FY 2019.

(a) Number of customer agency FedRAMP authorized systems (cumulative)		
Fiscal Year	**Target**	**Result**
2015	n/a	39
2016	n/a	72
2017	n/a	88
2018	110	
2019	130	
Lead Office: Federal Acquisition Service		

Strategic Objective 3.2: **Drive more efficient and innovative Government procurement of technology services.**

The United States is a global leader in software and technology. Government must harness its national prowess in technology to not only drive economic growth, but to improve internal business practices and better serve the public. The acquisition process is a key success factor in Government technology practices.

The Government Accountability Office (GAO) and industry leaders have repeatedly recommended that Government "buy more and develop less" to improve technology outcomes. This requires Government to expand the training and use of IT acquisition cadres as outlined in the Federal Information Technology Acquisition Reform Act (FITARA) and remove barriers to agile acquisition of new technologies. GSA is committed to developing and sharing the talent, best practices, and policy improvements needed to bring about these changes.

Multiple components of GSA will play a role in driving this strategic objective. Our staff is identifying and incorporating best practices in technology acquisition and offering hands-on assistance to agencies at every stage of the process including: research and scoping, user research and prototype development, solicitation drafting and technical evaluation, post-award support, and technical assistance during implementation. The skills and knowledge developed in our organization will be intentionally shared and spread across the Federal workforce to improve overall management of IT acquisition and operations.

Key Strategies

A. Provide agencies with the ability to seamlessly acquire and manage compliant software, systems, and infrastructure at best value:
   a. Make buying and managing commercial off-the-shelf software-as-a-service easier for agencies by improving existing sales channels such as IT Schedule 70;
   b. Further develop and improve Schedule 70 to provide Federal, state, and local customer agencies the tools and expertise needed to shorten procurement cycles, ensure compliance, and obtain the best value for innovative technology products, services, and solutions including buying and managing commercial, off-the-shelf software-as-a-service; and
   c. Efficiently and effectively transition agency telecommunications and information technology infrastructure to the Enterprise Infrastructure Solution (EIS) contract. Utilizing the EIS contract creates a simplified process for agencies to acquire integrated and streamlined solutions while taking advantage of cost reductions through aggregated Government-wide demand.

B. Assist agency customers in successfully executing a modular contracting approach to enable agile and efficient development of new complex requirements:
   a. Use our leadership in technology and acquisition to work with agencies to introduce agile development methods into technology procurements, build the necessary skills to solicit and manage technology projects with agile suppliers, and, if needed, guide agency leads through the duration of the project; and
   b. Continue to procure high-quality, lower-risk products at best value.

Goal Leader	Alan Thomas, Commissioner Federal Acquisition Service (FAS)
Contributing Programs	● Integrated Technology Category ● Technology Transformation Services

Performance Goal 3.2.1 - Improve agency technology procurement capabilities through acquisition consulting.

GSA provides value to agencies through assisted acquisition solutions that address the full life cycle (e.g. IT system design, acquisition support, and post-award project management) of complex IT build and delivery. This includes acquisition consulting services to agencies to augment their support staff and ensure the highest quality procurement and vendor management. This goal measures the customer satisfaction with these services, highlighting our ability to be a go-to partner for complex technology procurements across the Government.

Benefit to the Public	GSA works with agencies to ensure that IT systems have the best possible system design, user-centered development techniques, and are built at the best value. We work with agency IT staff, business programs, and acquisition shops to ensure exceptional financial, contracting, and legal counsel for our acquisitions. Taking these steps reduces risk and provides best value solutions to agency customers. When IT systems are developed this way, the taxpayer benefits through more effective and efficient delivery of IT capabilities throughout Government to meet agency mission objectives.
Performance and Contextual Indicator	Measures the growth of assisted technology acquisitions where GSA is a go-to partner for complex technology procurements across the Government. (a) Volume of assisted technology acquisitions ($ value) Annual dollar volume of assisted acquisitions for the Assisted Acquisitions Service program and TTS/Assisted Technology Acquisitions program. (b) Volume of assisted technology acquisitions (# acquisitions) Annual number of assisted acquisitions for the Assisted Acquisitions Service program and TTS/Assisted Technology Acquisitions program.
Progress Update	In FY 2017, the dollar value of assisted technology acquisition increased 138.5% and the number of acquisitions increased 26.7%. AAS' sophisticated acquisition, financial, and project management expertise has continued to be a sought after and high value service to small and large customer agencies.

(a) Volume of assisted technology acquisitions ($ value)		
Fiscal Year	**Target**	**Result**
2016	n/a	$1.54B
2017	n/a	$3.68B
2018	$4.29B	
2019	$4.76B	
Lead Office: Federal Acquisition Service		

(b) Volume of assisted technology acquisitions (# of acquisitions)		
Fiscal Year	**Target**	**Result**
2016	n/a	333
2017	n/a	422
2018	503	
2019	566	
Lead Office: Federal Acquisition Service		

Strategic Objective 3.3: Lead implementation of technical standards, policies, and strategies.

Modernizing Government IT will also require the Federal Government to rethink how it constructs and implements technical standards, policies and strategies. GSA will play a leading role in delivering economies of scale and more interoperability between functions and between agencies.

This policy role calls for active involvement of Federal agencies, the private sector, and other stakeholders from the initial stages of policy review and formulation. This collaboration helps ensure the best outcomes throughout the policy development life cycle by incorporating the voice of agencies and GSA's experience with implementation.

GSA also enables agency implementation of Government-wide IT policies and programs guided by a set of core principles:

- *Be a trusted Government partner* — Align our mission with that of our Government clients, to continuously improve the effectiveness of Federal IT;
- *Craft long-term solutions* — Foster a culture and history of sustained attention to finding IT solutions for complex and challenging cross-agency issues;
- *Leveraging Federal scale* — Seek to maximize the purchasing and processing power of the Federal Government to enable faster, cost-effective adoption of new technologies; and
- *Champion the CIO* — Work with Federal CIOs to understand, support, and address their most challenging issues.

GSA's experience with IT modernization, service delivery, and acquisition uniquely situates us to help agencies navigate through their own transformation and policy implementation. We support CIOs, IT procurement personnel, and other decision makers with services, expertise, and solutions to address a

broad spectrum of Federal IT challenges. We also serve as the hub for Government-wide communities of practice to share information and collaborate on solutions for Government's most pressing IT challenges. These combined strategies improve the Federal IT ecosystem, create efficiencies, and reduce burden across Government.

Key Strategies

A. Provide a forum for agency technology experts to improve performance and effectively implement IT standards and policies:
   a. Convene communities of practice from around Government to discuss and plan approaches to address the most critical issues facing Federal IT. Top-notch technical expertise is spread throughout Government, and GSA plays a key role in bringing together the best minds to solve our greatest challenges.

B. Support agencies' transition to and implementation of accessibility standards and policies:
   a. Work with partners in Government to use data-driven analysis and policy expertise to help agencies improve Federal IT service delivery to all Americans.

C. Support agencies' implementation of cost-effective and efficient data center solutions:
   a. Coordinate Government-wide data center optimization efforts;
   b. Develop best practices and tools to help agency CIOs measure progress;
   c. Advise agencies on operating standards and migration to encourage the use of inter-agency shared services providers and cloud providers, along with Government-wide contract vehicles; and
   d. Operate a shared services marketplace where agencies can choose from an inventory of data center services and automated management tools and products.

Goal Leader	Giancarlo Brizzi, Associate Administrator (Acting) Office of Government-wide Policy (OGP)
Contributing Programs	● Office of Information Integrity and Access

Performance Goal 3.3.1 - Provide agencies with the tools and resources to implement IT standards and policies. GSA is committed to helping agencies understand and comply with Federal IT policies and standards. This goal captures our ability to help agencies optimize data centers, and ensure that cybersecurity threats related to identity management are mitigated.	
Benefit to the Public	Clear IT standards and policies result in increased policy compliance, enabling agencies to deliver more effective and efficient services, resulting in Government-wide cost savings and better access to Government information and services for the public.
Performance and Contextual Indicator	(a) Percent increase of Government-wide tiered data center closures This indicator captures the optimization of Federal data centers. The measure includes existing data centers that are consolidated or closed in the following priority order: - Transitioning to cloud services - Migrating to inter-agency shared services or co-located data centers - Migrating to more optimized data centers within the agency's data center inventory The overall cumulative percentage represents the overall improvement in effectively managing data centers Government-wide. (b) Percent of Government employees and contractors that log onto Government networks with a standardized, secure credential Mitigates risk of network breach by eliminating weak passwords and moving to strong multi-factor authentication. The measure is based on the FY 2018 FISMA PROTECT metric 2.4.1 and aligns with the NIST Cybersecurity Framework.
Progress Update	GSA's Data Center Optimization Initiative (DCOI) Program Management Office provides agencies with technical, financial, and administrative guidance for the closure process, as well as organizing a community of practice, engaging with individual agencies on specific issues, and working with OMB to support their oversight efforts. Continuing these strategies will improve optimization efforts in FY 2018 and FY 2019. GSA's Federal Identity, Credential, and Access Management (FICAM) program provides guidance on best practices to help agencies implement strong network authentication for employees and contractors. FICAM partners with OMB to ensure agencies understand how to provide secure network access to mitigate the risk of a breach. The program organizes a community of practice and publishes playbooks to strengthen identity management across the Federal Government.

(a) Percent increase of Government-wide tiered data center closures		
Fiscal Year	**Target**	**Result**
2015	n/a	n/a
2016	n/a	n/a
2017	n/a	3.5%
2018	12%	
2019	20%	
Lead Office: Office of Government-wide Policy		

(b) Percent of Government employees and contractors that log onto Government networks with a standardized, secure credential		
Fiscal Year	**Target**	**Result**
2015	n/a	n/a
2016	n/a	n/a
2017	n/a	81%
2018	83%	
2019	85%	
Lead Offices: Office of Government-wide Policy and Federal Acquisition Service		

STRATEGIC GOAL 4

Design and deliver expanded shared services within GSA and across the Federal Government to improve performance and save taxpayer money.

Mission-support services across Government are challenged by inefficiencies and manual processes, duplicative investments in technology and capabilities, and an inability to consistently modernize technology and business practices. For example, Government-wide benchmarking data shows some agencies are entering nearly all of their vendor invoices manually and paying nearly 100 times more per processed invoice than the standard for electronic invoicing. Similar examples can be cited in each of the key support functions at Federal agencies – including human capital, IT support, finance, acquisition, and building services. Inefficiencies take valuable time and resources away from agency missions, impeding the Government's ability to deliver on public priorities. GSA is able to fundamentally change the way Government conducts mission-support services by designing and delivering expanded shared services.

"Shared services" is an industry-leading practice with proven success in consolidating processes, systems, and workforce to reduce costs and deliver common services in a standard way across complex enterprises. This practice also creates opportunities to share specialists and proven approaches across agencies. Helping agencies share common services and technology today will mean long-term cost savings for taxpayers, and a Government that is leaner and better equipped. Last year, the GAO stated that "moving to shared services can save the Federal Government billions of dollars as well as reduce duplicative efforts, decrease systems upgrades, and free up resources for mission-critical activities." But the Federal Government's efforts to establish and scale up shared services have yielded mixed results, at best.

At GSA, our mission is to provide services to agencies. Our robust supplier relationships and access to leading practices in industry for all support services allow GSA to bring innovative, proven solutions to the Federal Government. GSA's role in Government-wide policy implementation and data analysis is also a key factor in helping agencies overcome barriers to improving their own mission-support operations and adopting shared services. To coordinate these efforts and fully realize our potential, we must develop stronger organizational capabilities to understand customer demand, work with industry to provide efficient and effective supply, and incorporate services from across GSA to satisfy the needs of Federal agencies.

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Strategic Objective 4.1: **Develop new organizational capabilities to understand customer demand and deliver integrated offerings to support common business processes Government-wide.**

The first three goals in this strategic plan focused on advancing and improving GSA's capabilities in real estate, acquisition, and technology to better support agency missions Government-wide. However, our ability to integrate those capabilities into comprehensive life cycle solutions will create the greatest value for agencies and the American people. To accomplish this goal, GSA will collaborate with customers and improve how our components coordinate to seamlessly meet customer needs.

We will expand our core capabilities and adapt to market demands. Scaling and adaptability are critical to addressing evolving customer needs. Strategic partnership with industry will help create an agile, responsive delivery model. We will also establish a specific business analysis function to conduct a variety of analyses to benefit customers, such as developing business cases, determining optimal bundles of products and services, and researching innovative methods to reduce costs and strengthen service quality.

We will improve our offerings by using performance evaluation and market competition to incentivize our industry partners to deliver high-quality service. Our service processes and pricing will be transparent so our customers can hold us accountable for delivering services that achieve both quality and cost expectations.

Finally, our services will be better integrated throughout the product and service life cycle, to support customer agencies as they address their complex business challenges. Our service design will strive to include technical integration to allow more data sharing and analytics. This cross-agency integration will help us leverage contracts and commercial acquisition practices to consolidate professional service and IT contracts.

Key Strategies

A. Strengthen customer interface capabilities by establishing a data-driven approach to customer engagement and standardizing intake processes to identify and address customer needs:
   a. Develop a systematic, repeatable, and understandable approach to working with customers;
   b. Leverage customer relationships to cultivate deep expertise and apply data-validated solutions to address customer problems across the Federal Government; and
   c. Monitor customer satisfaction at every point in the life cycle and hold employees accountable for customer relationship management.

B. Develop a comprehensive, integrated menu of options for GSA's product and service offerings:
   a. Conduct high-level inventory of existing products and services and create a user friendly catalogue of GSA offerings; and
   b. Recommend service packages (bundles) leveraging the catalogue to meet customer needs, with a focus on small agency lifecycle services as an early bundle.

C. Develop organizational capabilities to provide products and services, tools, methodologies, and metrics to deliver shared services:
   a. Grow the talent and skill sets to establish capabilities, including business process engineers, process improvement specialists, data specialists, technologists, and experts in large and complex project management;
   b. Embed a culture that encourages performance, continual improvement, and entrepreneurship to deliver value to customers;
   c. Use our technology expertise to deploy interoperable, secure, effective, and efficient technology solutions; and
   d. Work with stakeholders in the executive branch and Congress to identify financial mechanisms that help agencies make the investments needed for technical upgrades, capability development and, where needed, transition to a shared services provider.

D. Reduce costly duplicative expenditures by the Federal Government on activities that GSA can provide through shared services:
   a. Pursue Government-wide efficiencies and savings using proven shared services strategies from the private sector, including:
      1. Standardization of common processes and technologies;
      2. Automation and introduction of new technologies, as appropriate;
      3. Streamlined procurement and consolidation of existing contracts; and
      4. Gradual reduction of redundant capabilities and infrastructure across Government.

Goal Leaders	Alan Thomas, Commissioner Federal Acquisition Service Dan Mathews, Commissioner Public Buildings Service Anahita Reilly, Chief Customer Officer Office of Customer Experience

Performance Goal 4.1.1 – Expansion of centralized services
(AGENCY PRIORITY GOAL)

GSA will develop and expand common solutions and service offerings for mission-support services, driving more efficient and effective processes that help agencies maximize mission delivery. Specifically, to eliminate redundancies and reduce Government-wide fleet costs, GSA's Fleet program will partner with agencies to study their vehicle inventories to identify savings and efficiency opportunities, reviewing 25,000 vehicles annually in FY18 and FY19 and consolidating 500 and 5,000 vehicles, respectively, pending study results.

Benefit to the Public	Centralized fleet management functions provide agencies with savings and benefits of a shared fleet management service.
Performance and Contextual Indicator	(a) <u>Number of agency-owned (non-GSA) vehicles studied and consolidated by GSA, resulting in a more cost-effective Federal fleet.</u> Through vehicle consolidations, agencies are able to convert their agency-owned vehicles into GSA's full lifecycle fleet leasing service. Consolidating agency managed vehicles into the GSA Fleet eliminates redundancies and reduces costs to manage motor vehicle operations. The metrics capture the number of vehicles that GSA plans to assess and consolidate over the next two years from multiple customer agencies.

(a) Number of agency-owned (non-GSA) vehicles studied and consolidated by GSA, resulting in a more cost-effective Federal fleet		
Fiscal Year	**Target** **(Studied* / Consolidated)**	**Result** **(Studied* / Consolidated)**
2016	N/A	N/A / 1,136
2017	N/A	N/A / 911
2018	25,000 / 500	
2019	25,000 / 5,000	
Lead Office: Federal Acquisition Service		

*Extensive studies at the projected volumes in FY18-19 were not conducted in FY16 and FY17.
Consolidations were achieved in FY16 and FY17 through active agency partnerships with the GSA Fleet program.

Strategic Objective 4.2:   **Promote adoption of shared services by agencies through policy, guidance, and benchmarking.**

GSA plays a central role in the development of policy, best practices, and strategic planning for mission-support services across Government. GSA's Shared Solutions and Performance Improvement (SPPI) office has been a leader in educating and helping Government agencies understand the cost and operational benefits of shared services. SPPI has also analyzed the challenges in the current shared service ecosystem and recommended strategies to mitigate risks. SPPI will continue to work with agencies to promote standardization and implement best practices to facilitate agency transitions to a shared services operating model.

Key Strategies

   A. Establish and lead cross-agency council(s) to facilitate the sharing of lessons learned, advise GSA leadership on possible mandatory shared services, and participate in development of best practices guidance:

a. Leverage the experience of existing Federal communities of practice to revise the SSPI playbook, incorporating the various delivery models and assisting agencies in migrations; and

b. Regularly assess agency progress at standardizing and consolidating work processes to evaluate opportunities to consolidate specific services and mandate adoption across the entire Federal enterprise; collaborate with internal acquisition and technology expertise to inform strategic options.

B. Benchmark agencies' performance of mission-support functions against private and public organizations to identify improvement areas through shared services:

a. Conduct annual benchmarking of mission-support functions, including any Federal organization that provides shared services to other Federal customers; leverage results to inform policy decisions, opportunities for mission support improvement, or mitigation of risks; and

b. Align Federal benchmarking metrics to private sector benchmarks and incorporate into standard operational service level metrics.

C. Manage and coordinate the cross-functional development of standard capabilities for mission-support functions where appropriate.

D. Help agencies prepare for the migration to shared services:

a. Create and administer a customer readiness assessment that promotes and accelerates shared service adoption.; and

b. Identify and maintain best practices by agencies for migrations to shared services.

E. Help identify and propose use of shared services:

a. Analyze shared services proposals to determine if increased agency participation reduces total expenditure and/or increases effectiveness. As appropriate, collaborate with OMB to drive adoption of shared services where it will lead to the most Government-wide cost avoidance and/or effectiveness; and

b. Develop and operate an impartial, recognized process for agencies to "opt-out" of participation in shared services.

Goal Leader	Giancarlo Brizzi Associate Administrator (Acting) Office of Government-wide Policy
Contributing Programs	● Shared Solutions and Performance Improvement Office (SSPI)

Performance Goal 4.2.1 - Reduce barriers to entry to facilitate easier adoption of shared services.

Despite wide evidence and agreement that moving to a shared service delivery model can improve the cost effectiveness and quality of mission-support service, agencies face significant barriers to adoption. These include challenges related to documenting common business needs; establishing common guidance and interpretation of policies; and delivering on critical project management and change management objectives. GSA will work to reduce these barriers by facilitating the documentation of core business needs and providing best practices and guidance for shared services migration and management.

Benefit to the Public	Making it easier to move to shared services will help eliminate redundancy, mitigate risk, and consolidate buying power to reduce costs.
Performance and Contextual Indicator	Number of agencies using SSPI's M3 tools to assess readiness for shared services SSPI continues to use the M3 Framework to help CFO Act agencies achieve successful outcomes and reduce risk during administrative system modernizations and migrations. M3 provides guidance, tools, and templates – based on best practice – to help CFO Act agency customers improve the likelihood of successful outcomes. As of 2017, SSPI is overseeing the following agencies in leveraging M3 for their migration/modernization projects: Department of Veterans Affairs (FM), Department of Justice (HR), General Services Administration (HR), and Department of Labor (FM).

Adoption of shared service readiness tools - Number of agencies using M3		
Fiscal Year	**Target**	**Result**
2017	n/a	4
2018	6	
2019	8	
Lead Office: Office of Government-wide Policy		

Strategic Objective 4.3: Support the overall mission of GSA by investing in our employees and modelling how we deliver internal support services, while providing policy guidance across Government.

To strengthen GSA's leadership in Government management, it is critical that the agency's support services be among the most efficient and effective in Government. GSA's CXO functions (acquisition, finance, human capital, IT) will seek to build on recent performance gains, accelerating reforms to streamline operations. GSA prides itself on understanding how business operations benefit Government. We will look to the very best business organization equivalents for performance comparisons and benchmarks, challenging ourselves to match or exceed their performance.

This includes "practicing what we preach." When we are advising other agencies on methods to improve their support operations - whether through organizational fixes or migrating to shared services - GSA should adopt a like-minded approach to pursuing efficiency gains and service quality. Our credibility across Government is enhanced when we demonstrate that the solutions we recommend externally are used inside of GSA as well. This is true for the traditional CXO functions and for non-CXO functions that also enable GSA to achieve its mission.

Finally, we recognize the importance of engaging the entire GSA workforce in this mission. For many, the agency's growing emphasis on providing customers with integrated solutions, life cycle management, and shared services will present both a challenge and an opportunity. It is incumbent on GSA to invest in our workforce, developing the skills, tools, and inspiration for employees to excel at delivering core and emerging services to GSA's customers and suppliers.

Key Strategies

A. Improve the performance of GSA's CXO functions by building on GSA's previous CXO consolidation initiative and applying the proven shared services principles:
   a. Conduct a thorough review of previous CXO consolidation to implement lessons learned and drive further performance across GSA's support functions; and
   b. Partner with SSPI to assess opportunities for GSA CXO functions to incorporate principles and proven practices from the broader shared services community.

B. Ensure that GSA's non-CXO functions deliver effective, efficient, and accountable services to GSA or, as appropriate, across Federal Government:
   a. Establish organizational performance plans and service metrics for GSA's non-CXO functions, oriented around the customers to whom they are accountable; and
   b. Build connections and knowledge of non-CXO functions at other Federal agencies to share and adopt proven practices.

C. Complete a cost and operational review to clearly identify direct and indirect costs; develop management actions to address areas for improvement:
   a. Develop a methodology for defining and measuring all forms of indirect costs for GSA operations, including staff and service offices; and
   b. Construct method(s) for allocating costs to GSA products and services to better understand their economics and inform pricing strategies.

D. Engage and support GSA's workforce to build an organization-wide understanding of how to perform GSA's core and emerging capabilities as well as model shared services behavior:
   a. Conduct a comprehensive workforce capability assessment;
   b. Develop a workforce restructuring plan that aligns capabilities with emerging organizational needs; and
   c. Provide training on delivery of integrated solutions across the life cycle of products and services.

Goal Leaders	GSA Service and Staff Offices

Performance Goal 4.3.1 - Efficient, effective mission-support services at GSA (CXO and non-CXO functions). GSA must cover the full cost of our offerings through customer agency reimbursements to deliver the products and services they need. Therefore, we must ensure that our internal operations are efficient and effective to support low-cost, high-quality products and services. This focus on internal excellence is carried forward in how we provide mission-support services to the Government-wide community.	
Benefit to the Public	Effective and efficient GSA internal operations decrease the cost burden to our agency customers when we do business with them; reducing their overall costs to meet mission objectives to the American public.
Performance and Contextual Indicator	(a) Total operating cost as a percentage of goods and services provided For each of GSA's major products or services: Total Indirect Costs as a % of Total Costs (Direct + Indirect) (b) Effectiveness of CXO functions From the PMA Benchmarking Initiative's Customer Satisfaction Survey: Composite customer satisfaction score for GSA's CXO functions (Acquisition, FM, Human Capital, IT Services) (c) Percent of GSA IT portfolio utilizing cloud technologies Divides the total number of eligible IT investment line items that could adopt cloud services from the Exhibit 53 by the number of investments indicating they are utilizing cloud technologies (d) Competition rate for GSA acquisitions Provided from FPDS source data. Total dollar value of competed actions divided by total dollar value of awarded actions; including contracts that GSA provisions through reimbursable agreements with other agencies. Targets set in 80% range due to small business and/or set-aside procurements. (e) Competitive One-Bid rate for GSA acquisitions Provided from FPDS source data. Total dollar value of competed actions with only one bid divided by total dollar value of competed actions; including contracts that GSA provisions through reimbursable agreements with other agencies.

(a) Total operating cost as a percentage of goods and services provided		
Fiscal Year	**Target**	**Result**
2015	9.20	9.70
2016	9.65	9.44
2017	9.61	9.25
2018	9.20	
2019	9.15	
Lead Office: Office of the Chief Financial Officer		

(b) Effectiveness of CXO functions - Customer Satisfaction		
Fiscal Year	**Target**	**Result**
2015	n/a	4.81
2016	n/a	4.96
2017	n/a	5.07
2018	5.15	
2019	5.23	
Lead Offices: CFO, OAS, OHRM, OCIO		

(c) Percent of GSA IT portfolio utilizing cloud technologies		
Fiscal Year	**Target**	**Result**
2015	n/a	27%
2016	n/a	42%
2017	n/a	42%
2018	44%	
2019	48%	
Lead Office: Office of the Chief Information Officer		

(d) Competition rate for GSA acquisitions		
Fiscal Year	**Target**	**Result**
2015	n/a	82.5%
2016	n/a	80.3%
2017	n/a	81.4%
2018	80%	
2019	80%	
Lead Office: Office of Government-wide Policy		

(e) Competitive One-Bid rate for GSA acquisitions		
Fiscal Year	**Target**	**Result**
2015	n/a	13.2%
2016	n/a	14.3%
2017	n/a	14.9%
2018	15%	
2019	15%	
Lead Office: Office of Government-wide Policy		

Performance Goal 4.3.2 - Highly engaged GSA workforce that is prepared to support and deliver new and expanded offerings.

A workforce that places the customer at the center of daily operations is able to deliver on current needs and provide solutions that meet future requirements. Developing a proactive workforce of this caliber enables successful delivery of new and expanded offerings.

Benefit to the Public	When we reduce agency burdens and provide high-quality and low-cost services to customer agencies, we enable more efficient and effective delivery of their mission to the public.
Performance and Contextual Indicator	Employee Engagement Score - Connection to GSA's Mission FY 2018 is the first year that GSA is measuring a "Mission Index", which focuses on how connected employees feel to the agency mission and how equipped they are (through training and development) to deliver on that mission. Questions from the Office of Personnel Management's Annual Federal Employee Viewpoint Survey (FEVS) are used to calculate the "Mission Index". The index comprises FEVS questions in two subcategories: "Mission and Goals" and "Training and Development". The mission index is calculated by taking the average "% Positive" responses to each of the FEVS questions in the "Mission and Goals" and "Training and Development" categories (Agency-wide and by service area).

Employee Engagement Score - Connection to GSA's Mission (% positive)		
Fiscal Year	**Target**	**Result**
2015	n/a	69.1%
2016	n/a	72.2%
2017	n/a	76.2%
2018	76%	
2019	76%	
Lead Offices: OHRM, GSA Service and Staff Offices		

MAJOR MANAGEMENT PRIORITIES AND CHALLENGES

GSA prioritized three major management challenges for action in FY 2017, each of which is prioritized for further action in FY 2018. GSA also added one new FY 2018 major management challenge.

Challenge 1: Consistent implementation of new pricing initiatives and ensuring contractor compliance within the GSA Schedules Program. Agency Official: Alan Thomas, Commissioner, Federal Acquisition Service (FAS)	
Background	To ensure consistent implementation of pricing initiatives, GSA will make it easier for contracting officers to conduct effective price analysis through the Transactional Data Rule (TDR) and Formatted Product Tool (FPT) that was piloted in FY 2017 for eight GSA schedules. TDR and FPT allow for easier price comparisons of items offered by multiple vendors through item-level prices paid reports. Currently vendors have the option to participate in TDR in exchange for waiving other historical reporting requirements.
FY 2017 Progress Update	FAS drafted a TDR data management plan to capture data and develop visualization tools to assess pricing. The FPT is also being utilized to ensure proper manufacturer part numbers are being recorded to strengthen price comparison quality and reduce reported variances.
FY 2018 Planned Action	FAS will finalize the TDR data management plan to enable contracting officers to easily view price comparison data. After the data management plan has been finalized, FAS will initiate additional reviews of the data and identify lessons learned to develop and implement new training.
FY 2018 Performance Milestones	• Initial review of TDR data and provide access to category management data teams by January 2018; • Complete data management plan related to TDR and FPT data by April 2018; • Implement training for the acquisition workforce and industry partners from lessons learned to improve data reporting by July 2018; and • Review pricing variability between order level pricing and ceiling rates to initiate analytics and encourage more competitive pricing by September 2018.

Challenge 2: Minimizing the risk of cyber-attacks to Federal building management and control systems Agency Officials: David Shive, CIO, Office of the Chief Information Officer (GSA IT) Dan Mathews, Commissioner, Public Buildings Service (PBS)	
Background	GSA IT and PBS needed to effectively assess the cybersecurity risk posed by Building Monitoring and Control (BMC) systems, and prioritize the deployment of resources to mitigate risk for vulnerable automation systems. As a result, a risk management framework (RMF) scorecard was developed. The scorecard captures various security and business factors, with an associated weight-scale. Security factors include degree of external and internal connectivity, quality of current security controls and data sensitivity. Business factors include mission impact, financial impact, health and number of occupants, damage potential, and size of workspace covered by the system. The scores are tallied up, and compared with other systems that have been evaluated. GSA reviews the total scores and prioritizes funding to the systems with the highest risk scores.
FY 2017 Progress Update	Completed development of the RMF scorecard in May 2017 and applied it to 20 building systems and secured 10 building systems.
FY 2018 Planned Actions	Apply Risk Management Framework to assign risk to additional buildings systems. Prioritize and secure the buildings systems.
FY 2018 Performance Milestones	• Score an additional 20 building systems via the RMF scorecard by 9/30/18, a cumulative total of 40 building systems; • Secure an additional 10 building systems by 12/31/18, a cumulative total of 20 building systems; and • Engage with three major building system manufacturers to ensure deployed systems are secure for connectivity at GSA by 9/30/18.

Challenge 3: Establishing and operating the Office of Technology Transformation Services to ensure full cost recovery Agency Official: Alan Thomas, Commissioner, Federal Acquisition Service (FAS)	
Background	The 18F program within the Technology Transformation Service (now the Office of Technology Transformation Services), has had difficulty balancing revenues and expenditures under their operating model. This imbalance created difficulties in achieving cost recovery of operations.

| FY 2017 Progress Update | The Office of Technology Transformation Services merged with FAS in the third quarter of FY 2017 to combine acquisition and digital expertise into a single organizational framework that supports IT modernization across Government. The transfer improves the ability for acquisition and IT modernization to work closely together.

Taking steps towards cost recovery, GSA implemented significant changes in the management approach and internal controls for the 18F program to improve the operations of individual business units and the Service as a whole. For example, FAS actively monitored the pipeline of actual and potential work orders to more closely monitor expenses and workforce utilization. Resources were added when there was greater assurance of future work. Orders, pipeline status, utilization, and expenses were monitored on a weekly and monthly basis. |
|---|---|
| FY 2018 Planned Actions | The Office of Technology Transformation Services will continue to review and optimize cost structures and business opportunities, including:
• Conduct staffing level review to assess and optimize billable and non-billable workload;
• Review and optimize billing rates to customer agencies;
• Assess travel and training budget allocations to optimize resource levels and execution rates; and
• Develop deeper client relationships and partner on larger and more impactful modernization projects and initiatives. |
| FY 2018 Performance Milestones | • Review operational models to identify further opportunities for optimization by February 2018;
• Execute to optimized operational model by May 2018; and
• Review and optimize headcount including billable and non-billable staff. |

| **Challenge 4: Reduce Office Space Leasing Costs**
Agency Official: Dan Mathews, Commissioner, Public Buildings Service (PBS)	
Background	At the start of FY18, GSA's current lease inventory consisted of 8,147 leases totaling over 190 million rentable square feet. These leases, located in 6,893 buildings, cost taxpayers $5.6 billion in annual rent. By reducing the cost to lease space, GSA can save money for our client agencies and the American taxpayer.
FY 2018 Planned Actions	• Reduce reliance on holdovers and extensions for expiring leases through improved advanced planning with our customers;
• Improve access for building owners to identify opportunities to proactively offer building space for lease to reduce procurement cycle time and achieve competitive lease rates that are often below market;
• Continue to leverage the commercial real estate industry practice of commission for service through GSA Leasing Support Services (GLS) contracts. GLS contracts support GSA leasing through commercial broker support services that are primarily funded through commissions and provide a rent credit that is used to lower overall rent costs; and |

	• Improve lease negotiations to achieve market-competitive leases in major real estate markets.
FY 2018 Performance Milestones	• Implement a lease term decision matrix by FY 2018 Q1; • Review regional execution plans for replacement of expiring leases by FY 2018 Q3; and • Implement expanded training on cost savings strategies by FY 2018 Q4.

EVIDENCE BUILDING

GSA will strengthen initiatives to improve effectiveness (mission delivery) and efficiency (cost savings) of Federal Government operations, while increasing information sharing, accountability, and transparency. GSA has established and will continue to build the capacity for utilizing evaluation techniques to drive improved policy efficacy and performance.

DATA VALIDATION AND VERIFICATION

The GSA Chief Financial Officer certified the FY 2017 performance data contained in this report as complete and reliable, as required by the GPRA Modernization Act of 2010. GSA has verification and validation techniques in place which provide reasonable assurance over the completeness and reliability of all performance data contained in this report. These techniques included:

(1) Maintaining a data dictionary of performance data which includes data sources, computation methodology, and reliability assessment for each performance measure;
(2) Verifying, at least annually, the accuracy and completeness of the information contained in the data dictionary; and
(3) Validating, at least annually, the measures reported by collecting measure source data and calculation files and applying the calculation methodology defined in the data dictionary.

LOWER-PRIORITY PROGRAM ACTIVITIES

The President's Budget identifies the lower-priority program activities, where applicable, as required under the GPRA Modernization Act, 31 U.S.C. 1115(b)(10). The public can access the volume at: http://www.whitehouse.gov/omb/budget.