



U.S. General Services Administration

# ADMINISTRATOR'S SEMIANNUAL MANAGEMENT REPORT TO CONGRESS



REPORT NO. 65  
APRIL 1, 2021 – SEPTEMBER 30, 2021



## U.S. General Services Administration

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November 2021

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## Message from the Administrator

I am pleased to provide Congress with the U.S. General Services Administration's (GSA) Semiannual Management Report to Congress, which summarizes the agency's audit-related actions and accomplishments for the six months that ended September 30, 2021.

GSA greatly values the contributions of GSA Office of Inspector General (OIG) auditors and takes their recommendations seriously. GSA continues strengthening its oversight and is committed to thoughtful and creative solutions that save taxpayer dollars and ensure Federal workforce safety. This commitment is reflected in its actions on auditor recommendations and many other initiatives.

GSA looks forward to continued work with GSA's OIG and Congress to support Government responsiveness to American taxpayers.



Robin Carnahan  
Administrator  
U.S. General Services Administration

# Overview

## *Management's Response to the OIG Semiannual Report to Congress*

This report, GSA's 65<sup>th</sup> report to Congress since the implementation of the reporting requirement, presents management's perspective on audit resolution and follow-up activity for the semiannual reporting period, in addition to general statistical summaries. The data in this report indicates that GSA's audit monitoring and management activities continue to play a significant and valuable role in the effective management of GSA operations, the accomplishment of the Agency mission, and the effective use of taxpayer dollars.

## *U.S. General Services Administration Organization*

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

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

# Audit Follow-up Program

## *Organization of Audit Follow-up Program*

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

### *Agency Audit Follow-up Official*

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

### *Chief Financial Officer (CFO)*

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

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

### *Heads of Services and Staff Offices, Regional Administrators*

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

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

## Synopsis of Audit Activity

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

This report covers the period of April 1, 2021, through September 30, 2021. Included in the report are summaries of GSA audit activities concerning:

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

On April 1, 2021, GSA had 57 contract and internal audit reports pending final action. These reports contained financial recommendations totaling \$209,117,343.19 (sum of row A, pages 7 and 8).

- Financial recommendations for 41 contract audits totaled \$208,445,557.19.
- Financial recommendations for 16 internal audits totaled \$641,786.

Between April 1, 2021, through September 30, 2021, GSA finalized management decisions on 32 audit reports concerning nationwide GSA programs and operations.

- In 24 of the 32 audits, a total of \$3,580,599 in pre- and post-award contracts and internal program spending identified as having been incorrectly charged to the Government was determined to be disallowed costs.
- In these identical audits, GSA OIG recommended that \$56,319,691 could be used more effectively if management acted to fully implement and complete GSA OIG's recommendations (see Appendix).

During this 6-month reporting period, GSA successfully took final action on 24 audits. GSA's audit actions represent the recovery of \$620,634 (row C, page 8) in Government funds and the identification of \$21,781,240 in potential future savings (row C, page 9).

As of September 30, 2021, GSA had 74 open internal and contract audits, with three audits in litigation.



## Audits with Disallowed Costs

Final Action for the 6 Months Ending September 30, 2021	Number of Audit Reports	Disallowed Costs
A. Audit reports where final action had not been taken by the commencement of the reporting period.	57	\$18,564,799.00
B. Audit reports where GSA/OIG made management decisions during the reporting period.	32	\$3,580,599.00
<hr/>		
C. Audit reports where GSA took final action during the reporting period.	24	\$2,066,320.00
<i>(i) the dollar value of disallowed costs</i>		<i>\$620,634.00</i>
- collections.....		\$454,378.00
- offset.....		\$166,256.00
- property in lieu of cash.....		\$0.00
- surplus.....		\$0.00
- other.....		\$0.00
<i>(ii) the dollar value of disallowed costs written off by management.</i>		<i>(\$1,445,686.00)</i>
D. Audit reports where GSA did not take final action by the end of the reporting period and includes audit reports issued during this reporting period.	74	\$16,505,241.00

## Audits with Better Use Funds (Potential Cost Savings)

Final action for the 6 Months Ending September 30, 2021	Number of Audit Reports	No Budget Impact (Actual and Estimated)	Budget Impact
A. Audit reports where final action had not been taken by management by the commencement of the reporting period.	57	\$190,552,544.19	\$0
B. Audit reports where GSA/OIG made management decisions during the reporting period	32	\$56,319,691.00	\$0
C. Audit reports where GSA took final action during the reporting period.	24	\$21,781,240.00	\$0
<i>(i) the actual dollar value of recommendations that were completed.</i>		\$0	
<i>(ii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be implemented or completed.</i>		(\$1,810,612.00)	
<i>(iii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be determined (calculated).</i>		\$0	
<i>(iv) the estimated dollar value of "funds to be put to better use" as agreed to by GSA management and GSA OIG.</i>		\$19,970,628.00	
D. Audit reports where GSA took no final action by the end of the reporting period and includes audit reports issued during this reporting period.	74	\$443,995,219.19	\$0

## *Audits under Appeal/Litigation*

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

<b>Audit Report Number and Name of Contractor</b>	<b>Issue Date of Report</b>	<b>Management Decision Amounts of Disallowed Costs</b>
A200981P4X20043 TL Services, Inc.	7/20/2020	\$0
A200986P4X21014 Balfour Beatty Construction, LLC	2/11/2021	\$0
A201000P4X21031 Berkel & Company Contractors, Inc.	6/9/2021	\$0

## Contract Audits

### Audits with Management Decisions made prior to September 30, 2020, with No Final Action as of September 30, 2021

Audit Report Number and Name of Contractor	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action
A150001Q2X17033 Noble Sales Co., Inc.	3/30/2017	\$285,906	An investigation was opened by either the OIG or the Justice Department regarding actions taken by the contractor.
A170046Q4X18026 Enlightened, Inc.	4/20/2018	\$261,427	In the process of collection - GSA is collecting funds owed the Government.
A180035Q3X18034 Millennium Systems Services, Inc.	6/12/2018	\$54,029	In the process of collection - GSA is collecting funds owed the Government.
A180052P4X19018 Honeywell International, Inc.	2/21/2019	\$0	Negotiations are proceeding between Contracting Officer and contractor.
A170113Q4X20018 Palmetto GBA, LLC	1/29/2020	\$153,067	Negotiations are proceeding between Contracting Officer and contractor.
A200987P3X20030 WSSA Birmingham, LLC	4/22/2020	\$0	Price/settlement Negotiated - Contracting Officer and contractor negotiations completed.
A190070Q4X20035 KPaul Properties LLC	5/27/2020	\$133,932	In the process of collection - GSA is collecting funds owed the Government.
A190108Q3X20037 Evolver, Inc.	5/29/2020	\$0	Negotiations are proceeding between Contracting Officer and contractor.
A200959Q3X20038 Exponent, Inc.	06/02/2020	\$493,121	In the process of collection - GSA is collecting funds owed the Government.
A160131Q6X20042 T-Mobile USA, Inc.	07/10/2020	\$0	Negotiations are proceeding between Contracting Officer and contractor.
A200981P4X20043 TL Services, Inc.	07/20/2020	\$0	The contractor has appealed the Contracting Officer's decision and the audit is now in the litigation process.
A190091Q9X20044 The RAND Corporation	07/31/2020	\$5,028,264	Negotiations are proceeding between Contracting Officer and contractor.
A200972Q6X20046 Cummins Power Generation, Inc.	08/25/2020	\$5,023	An investigation was opened by either the OIG or the Justice Department regarding actions taken by the contractor.
A190088Q6X20050 United Rentals, Inc.	09/29/2020	\$3,466,171	Negotiations are proceeding between Contracting Officer and contractor.
A201015Q3X20052 Geneva Software, Inc.	09/30/2020	\$25,864	Negotiations are proceeding between Contracting Officer and contractor.

## Internal Audits

### Audits with Management Decisions made prior to September 30, 2020, with No Final Action as of September 30, 2021

Audit Report Number and Title of Report	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action	Projected Completion Date
JE20-002  OIG EVALUATION REPORT: GSA Office of Mission Assurance 2018 Eagle Horizon Exercise Results Did Not Properly Reflect Agency's State of Readiness	8/13/2020	\$0	Audit is in Implementation	10/29/2021
A190024C7F20003  GSA Needs to More Effectively Manage Its Workers' Compensation Program	9/20/2020	\$628,248	Audit is in Implementation	12/31/2021
A170121Q6P20006  The Federal Acquisition Service's Reporting of Small Business Procurements Contained Significant Inaccuracies	9/14/2020	\$0	Audit is in Implementation	12/30/2021

# Open OIG Recommendations Not Fully Implemented as of September 30, 2021

## Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
<b>OIG EVALUATION REPORT:</b> GSA Office of Mission Assurance 2018 Eagle Horizon Exercise Results Did Not Properly Reflect Agency's State of Readiness	8/13/2020	002	Update or develop internal policies on planning and reporting on test, training, and exercise events to align with federal continuity of operations directives and requirements.  Original due date: 5/14/2021 Current due date: 10/29/2021
GSA Needs to More Effectively Manage Its Workers' Compensation Program	9/2/2020	001A	Review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to document all case actions and updates for all active cases.  Original due date: 12/31/2021 Current due date: 12/31/2021
		002A	Review, revise, and implement case monitoring policies and procedures to ensure that workers' compensation specialists provide timely responses to inquiries and questions from DOL regarding workers' compensation cases.  Original due date: 12/31/2021 Current due date: 12/31/2021
		003A	Review and revise policies and procedures to include a process for assessing cases where employees have not returned to work to determine appropriate follow-up actions.  Original due date: 12/31/2021 Current due date: 12/31/2021
		004	Develop and implement a process to verify the accuracy of the DOL chargeback reports.  Original due date: 12/31/2021 Current due date: 12/31/2021

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A190085A6F21001  Audit of GSA's Mismanagement of Contract Employee Access Cards Places GSA Personnel, Federal Property, and Data at Risk	11/4/2020	001A	Continue to take action to account for and collect the PIV cards identified in this audit that remain outstanding by updating the GSA Credential and Identity Management System records for contract employees to ensure that they are accurate.  Original due date: 9/30/2021 Current due date: 11/30/2021
		002B	Ensure collaboration between Heads of Services and Staff Offices to require enforcement of current policy and implement new policy to account for all PIV cards issued to contract employees by implementing procedures, using the GSA Credential and Identity Management System, that track and monitor GSA's recovery of PIV cards and include communicating the results to the requesting officials and regional leadership.  Original due date: 10/29/2021 Current due date: 10/29/2021
A180110PRR21001  Audit of the Sidney R. Yates Federal Building Exterior Restoration Project	2/4/2021	002	Determine and implement corrective action needed to address the PBS NCR project team's conduct, including non-compliance with the FAR, GSAM, and PIV card requirements.  Original due date: 9/30/2021 Current due date: 10/15/2021
A190016ITF21002  Audit of GSA's Insider Threat Program	2/17/2021	001A	Establish effective controls to enhance cross-organizational communication and collaboration with the ITP by re-establishing consistent group collaboration with OHRM, Office of GSA IT, OCFO, OMA, and other relevant offices to consult on broader, non-case-specific, insider-threat-related issues.  Original due date: 12/31/2021 Current due date: 12/31/2021
		001B	Establish effective controls to enhance cross-organizational communication and collaboration with the ITP by identifying insider threat information, including but not limited to employee suspensions, proposed employee terminations, IT system access, and PIV card collection data maintained by OHRM, Office of GSA IT, OCFO, OMA, and other relevant offices. Reassess this information on an ongoing basis.  Original due date: 1/31/2022 Current due date: 1/31/2022

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A190016ITF21002  Audit of GSA's Insider Threat Program	2/17/2021	001C	Establish effective controls to enhance cross-organizational communication and collaboration with the ITP by establishing a method for the ITP to proactively and consistently receive insider threat information from OHRM, Office of GSA IT, OCFO, OMA, and other relevant offices.
(Continued)			Original due date: 12/31/2021 Current due date: 12/31/2021
		002A	Establish effective controls to enhance oversight of the employee separation and termination processes by establishing procedures that ensure the ITP is informed and aware of insider threat risks posed by separated and terminated employees. Among other things, the ITP must be notified when GSA employees' and contractors' IT accounts have not been deactivated within 24 hours of their last day of employment and their PIV cards have not been recovered and destroyed in accordance with Federal Information Processing Standards Publication 201-2.
			Original due date: 1/31/2022 Current due date: 1/31/2022
		002B	Establish effective controls to enhance oversight of the employee separation and termination processes by enhancing procedures to monitor separated and terminated employees' IT account activity prior to and after the last day of employment. Consult with the Office of General Counsel as needed.
			Original due date: 1/31/2022 Current due date: 1/31/2022
		002C	Establish effective controls to enhance oversight of the employee separation and termination processes by establishing roles and responsibilities to ensure oversight of the employee separation and termination process.
			Original due date: 12/31/2021 Current due date: 12/31/2021



## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A190016ITF21002  Audit of GSA's Insider Threat Program	2/17/2021	002D	Establish effective controls to enhance oversight of the employee separation and termination processes by establishing a policy for supervisors to collect and submit separated and terminated employees' PIV cards to OMA for destruction within a required time frame.  (Continued)  Original due date: 10/29/2021 Current due date: 10/29/2021
JE21-001  <b>OIG EVALUATION REPORT:</b> GSA's National Capital Region Internal Fleet is Underutilized	2/25/2021	001	Evaluate the NCR internal fleet program's current utilization and establish a documented mechanism to remove underutilized vehicles from the inventory to ensure efficiency.  Original due date: 12/31/2021 Current due date: 12/31/2021
		002	Evaluate the Executive Driver Program current usage against commercially available transportation sources and rates to balance needs and achieve cost savings beneficial to the Government.  Original due date: 12/31/2021 Current due date: 12/31/2021
		003	Create procedures to identify GSA employees who are authorized to operate vehicles and ensure compliance with federal requirements for authorized operators, including the OAS employee serving as an Executive Driver Program driver.  Original due date: 12/31/2021 Current due date: 12/31/2021
A201009Q3P21001  FAS's Packaged Office Furniture Program Limits Opportunities for Better Prices and Taxpayer Savings	3/30/2021	001	Ensure that contracts awarded to resellers under the Packaged Office Furniture program meet federal regulations and FAS policy by developing and implementing a plan to remove current solicitation language that does not require contractors to submit a CSP disclosure under SIN 33721P, Packaged Office Furniture.  Original due date: 3/31/2022 Current due date: 3/31/2022

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A201009Q3P21001  FAS's Packaged Office Furniture Program Limits Opportunities for Better Prices and Taxpayer Savings  (Continued)	3/30/2021	002A	Ensure that contracts awarded to resellers under the Packaged Office Furniture program meet federal regulations and FAS policy by developing and implementing controls to ensure compliance with Federal Acquisition Regulation 15.4, Contract Pricing; GSA Acquisition Regulation 538.270, Evaluation of Federal Supply Schedule (FSS) offers; and FAS Policy and Procedure 2018-03, Proper Documentation of Price Analysis Decisions - Federal Supply Schedule (FSS) Program, which require FAS contracting officers to obtain CSP disclosures on all SINs under the Packaged Office Furniture program.  Original due date: 3/31/2022 Current due date: 3/31/2022
		002B	Ensure that contracts awarded to resellers under the Packaged Office Furniture program meet federal regulations and FAS policy by developing and implementing controls to ensure compliance with Federal Acquisition Regulation 15.4, Contract Pricing; GSA Acquisition Regulation 538.270, Evaluation of Federal Supply Schedule (FSS) offers; and FAS Policy and Procedure 2018-03, Proper Documentation of Price Analysis Decisions - Federal Supply Schedule (FSS) Program, that will ensure that a formal price analysis, which achieves fair and reasonable pricing, is conducted on Packaged Office Furniture SIN items awarded under current contracts to determine if the contract pricing is fair and reasonable.  Original due date: 3/31/2022 Current due date: 3/31/2022
A190021P5R21003  PBS's National Capital Region is Failing to Adequately Manage and Oversee the Building Services Contracts at the FDA's White Oak Campus	5/17/2021	001A	Take appropriate action to address the deficiencies in Honeywell's performance. At a minimum, PBS NCR should enforce contract provisions to ensure GSA is achieving the guaranteed cost savings and withhold future payment until Honeywell is able to provide evidence of cost savings in accordance with contract requirements.  Original due date: 12/31/2021 Current due date: 12/31/2021

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A190021P5R21003  PBS's National Capital Region is Failing to Adequately Manage and Oversee the Building Services Contracts at the FDA's White Oak Campus	5/17/2021	001C	Take appropriate action to address the deficiencies in Honeywell's performance. At a minimum, PBS NCR should issue a cure notice to Honeywell to enforce O&M repair or replace requirements for the actuators.  Original due date: 12/31/2021 Current due date: 12/31/2021
(Continued)			
		002	Improve oversight of the White Oak ESPC with coordinated involvement of PBS NCR and the PMO to develop policies that establish: (1) clear roles and responsibilities for the contracting officers and CORs to review and approve M&V reports before making payments; and (2) training for contracting officers, CORs, and building managers on the ESPC contract requirements.  Original due date: 10/29/2021 Current due date: 10/29/2021
		003A	Take appropriate action to address the issues associated with oversight of the O&M building services contract. At a minimum, PBS NCR should ensure that the "After-Hours Labor Estimate" contains valid, reliable data and that it reflects actual cost and schedule conditions; require Honeywell to provide an updated estimate based on actual performance and renegotiate the contract; and perform a procurement contract review to evaluate the effectiveness of its policies and make improvements.  Original due date: 2/28/2022 Current due date: 2/28/2022
		003B	Take appropriate action to address the issues associated with oversight of the O&M building services contract. At a minimum, PBS NCR should conduct an assessment to: (1) identify staff required to be present during the afterhours shift, (2) enforce the statement of work, and (3) monitor staffing of the afterhours shift.  Original due date: 11/30/2021 Current due date: 11/30/2021

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A190021P5R21003  PBS's National Capital Region is Failing to Adequately Manage and Oversee the Building Services Contracts at the FDA's White Oak Campus	5/17/2021	003C	Take appropriate action to address the issues associated with oversight of the O&M building services contract. At a minimum, PBS NCR should perform a comprehensive review of the after-hours staffing from August 2015 to the present; determine the total amount of overpayment for shifts that were understaffed and inadequately staffed; recover the overpayment from Honeywell; and return any overpayment to FDA.  Original due date: 2/28/2022 Current due date: 2/28/2022
(Continued)		005A	Take appropriate action to address building security vulnerability concerns. At a minimum, PBS NCR should conduct a risk assessment of the security vulnerabilities at the White Oak campus.  Original due date: 3/31/2022 Current due date: 3/31/2022
		006A	Improve the oversight of the fire services contract and preventative maintenance of backflow preventers by providing training to the PBS NCR building managers, CORs, and the contracting officer to ensure adherence to contract provisions. Communicate these requirements throughout the organization.  Original due date: 5/31/2022 Current due date: 5/31/2022
		006B	Improve the oversight of the fire services contract and preventative maintenance of backflow preventers by establishing procedures to ensure compliance with National Fire Protection Association standards.  Original due date: 3/31/2022 Current due date: 3/31/2022
		008	Restrict non-COR-certified officials from signing inspection reports. Provide training to PBS NCR staff on COR requirements for signing the report.  Original due date: 12/31/2021 Current due date: 12/31/2021

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A190021P5R21003  PBS's National Capital Region is Failing to Adequately Manage and Oversee the Building Services Contracts at the FDA's White Oak Campus	5/17/2021	010	Improve oversight of contract document destruction in accordance with the FAR.  Original due date: 11/30/2021 Current due date: 11/30/2021
(Continued)			
		011A	Address the improper destruction of contract file documentation identified in Finding 7 by conducting a review to identify all missing contract file documentation and replace, at a minimum, contract file documents necessary for providing oversight of contract performance.  Original due date: 10/29/2021 Current due date: 10/29/2021
		012	Perform a comprehensive assessment to identify contractors that can meet the clinical cleaning requirements needed at the childcare center and expedite action to hire a new contractor that is able to handle the requirements of the contract.  Original due date: 4/29/2022 Current due date: 4/29/2022
A200976P2R21004  Audit of PBS Basic Repairs and Alterations Project: United States Court of International Trade Building	6/17/2021	001A	Take appropriate corrective action to ensure that the personnel responsible for the award and administration of the contract to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York, understand their responsibilities with respect to obtaining a signed, original Conflict of Interest Acknowledgment and Nondisclosure Agreement form from each member of the Source Selection Evaluation Board before starting the evaluation of technical proposals.  Original due date: 11/30/2021 Current due date: 11/30/2021

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A200976P2R21004  Audit of PBS Basic Repairs and Alterations Project: United States Court of International Trade Building  (Continued)	6/17/2021	001C	Take appropriate corrective action to ensure that the personnel responsible for the award and administration of the contract to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York, understand their responsibilities with respect to maintaining complete and accurate contract documentation in accordance with applicable Federal Acquisition Regulation, General Services Administration Acquisition Manual, and GSA policies.  Original due date: 10/29/2021 Current due date: 10/29/2021
		001D	Take appropriate corrective action to ensure that the personnel responsible for the award and administration of the contract to upgrade three passenger elevators at the United States Court of International Trade building in New York, New York, understand their responsibilities with respect to entering accurate and complete contract information in the Federal Procurement Data System-Next Generation.  Original due date: 12/31/2021 Current due date: 12/31/2021

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audit Responses Awaiting OIG Feedback

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
A140143Q6P21002  GSA's Transactional Data Reporting Pilot Is Not Used to Affect Pricing Decisions	6/24/2021	001	Take immediate action to mitigate the risks associated with the TDR pilot by: (a). Restricting additional contractors from opting into the TDR pilot; and (b). Restricting access to, and use of, the TDR pilot data.
		002	Develop and implement an exit strategy for the TDR pilot and transition participating contractors out of the TDR pilot.
A190056CTF21004  Audit of the Migration of Legacy GSA Human Resource Systems to HR Links	7/16/2021	001A	Prior to the deployment of future systems, design and implement appropriate system testing to ensure that required system security controls, including those governing user roles and data permissions, are operating effectively.
		001B	Prior to the deployment of future systems, design and implement appropriate system testing to ensure that data is complete and accurately migrated from legacy systems, if applicable.
		001C	Prior to the deployment of future systems, design and implement appropriate system testing to ensure that system testing verifies that all functional requirements are met.

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A201018P4R21005  PBS Did Not Always Follow CDC and Internal Guidance to Limit the Risk of COVID-19 Exposure	8/26/2021	001	Issue timely notification of all COVID-19 incidents in GSA-controlled facilities to all occupant agencies, contractors, and visitors. In addition, take steps to maximize awareness of COVID-19 incidents in GSA-controlled facilities.
		002	Ensure that tenant agencies are aware of the requirement to immediately notify PBS of COVID-19 incidents.
		003	Ensure that Scope 3 - COVID-19 Cleaning is followed whenever a COVID-19 incident occurs in a GSA-controlled facility.
		004	Ensure inspection procedures and guidance are clear, concise, and include appropriate processes to conduct and document inspections for Scope 3 - COVID-19 Cleaning. Also, ensure that inspection requirements are communicated to staff.
		005	Implement quality assurance procedures that ensure PBS's consistent oversight of the delivery of safe, efficient, and effective custodial services.
JE21-002  <b>OIG EVALUATION REPORT:</b> Evaluation of the General Services Administration's Use of an Ad Hoc Appraisal Process for an Executive	9/14/2021	001	Take appropriate action to remedy the harm caused Ms. Caliendo by a tainted performance review process that resulted in an unsatisfactory rating and in her removal from the Associate Administrator position, as well as the loss of any opportunity for a FY 2017 performance period pay increase or bonus.
		002	Review current processes and procedures to ensure sufficient oversight of employee misconduct and disciplinary reviews, including timely referral to the OIG.
A201011PRR21006  Audit of PBS Lease Administration	9/21/2021	001A	Provide effective oversight over lease administration managers (LAM). In particular, ensure lease contracting officers issue LAMs the contracting officer's representative delegation of authority letters when assigned to a new lease.
		001B	Provide effective oversight over lease administration managers (LAM). In particular, require LAMs' supervisors to verify that deficiencies identified in the tenant satisfaction survey are fully addressed in the action plans.



## Open OIG Recommendations Not Fully Implemented (cont.)

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A201011PRR21006 Audit of PBS Lease Administration (Continued)	9/21/2021	002A	Review, update, and provide adequate LAM training. In particular, update the Lease Management Desk Guide chapter on training to require annual training for LAMs in inspections and lease management,
		002B	Review, update, and provide adequate LAM training. In particular, ensure training addresses the importance of obtaining and maintaining required documentation for proper lease administration, including, but not limited to: (1) price reasonableness determination documents for post-occupancy alterations projects and (2) deficiency and close-out letters after the annual inspection and cure process.
		003A	Enhance efforts to ensure an effective and efficient LAM workforce. At a minimum, these efforts should include conducting an assessment of the LAMs' workload to maximize the LAMs' effectiveness and efficiency. The assessment should include an analysis to determine the effect of distances between assigned leases on the LAMs' workload.
A190067QTP21003 FAS's Inadequate Oversight of Contractual and Security Requirements Places the USAccess Program at Risk	9/24/2021	003B	Enhance efforts to ensure an effective and efficient LAM workforce. At a minimum, these efforts should include addressing recruitment and retention for the LAM workforce.
		001A	Improve USAccess contract oversight to ensure rigorous and accurate contract development and administration. Specifically, the FAS Commissioner should strengthen the USAccess contractual requirements to ensure timely remediation of USAccess IT security vulnerabilities by consulting with GSA's OCISO to identify and address possible disincentives for untimely contractor performance.
		001B	Improve USAccess contract oversight to ensure rigorous and accurate contract development and administration. Specifically, the FAS Commissioner should develop performance standards that comply with IT security requirements.

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A190067QTP21003  FAS's Inadequate Oversight of Contractual and Security Requirements Places the USAccess Program at Risk  (Continued)	9/24/2021	002A	Improve USAccess contract oversight to ensure rigorous and accurate contract development and administration. Specifically, the FAS Commissioner should increase contractor accountability and ensure quality performance by revising the USAccess quality assurance surveillance plan (QASP) to better reflect key aspects of contractor performance, including but not limited to timely security vulnerability remediation.
		002B	Improve USAccess contract oversight to ensure rigorous and accurate contract development and administration. Specifically, the FAS Commissioner should increase contractor accountability and ensure quality performance by exercising existing QASP provisions as appropriate to ensure quality contractor performance.
		003A	Improve USAccess contract oversight to ensure rigorous and accurate contract development and administration. Specifically, the FAS Commissioner should ensure USAccess security requirements are appropriately and properly implemented by making risk-level determinations for USAccess contractor employees on a position-by-position basis.
		003B	Improve USAccess contract oversight to ensure rigorous and accurate contract development and administration. Specifically, the FAS Commissioner should ensure USAccess security requirements are appropriately and properly implemented by clearly, comprehensively, and accurately delineating all personnel security and other security-related contractual requirements, as well as the roles and responsibilities for implementing those requirements.
		003C	Improve USAccess contract oversight to ensure rigorous and accurate contract development and administration. Specifically, the FAS Commissioner should ensure USAccess security requirements are appropriately and properly implemented by establishing controls that ensure GSA personnel are cognizant of security-related roles, responsibilities, and requirements as prescribed by GSA policy and guidance.

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A201046P2R21007  PBS's Northeast and Caribbean Region is Not Effectively Overseeing its Operations and Maintenance Contracts	9/24/2021	001	Take appropriate action to ensure that PBS contracting officials are performing and documenting contract oversight activities, such as monthly Quality Assurance Surveillance Plan inspections that the contractor signs.
		002A	Take appropriate action to ensure that PBS contracting officials thoroughly understand the services and documentation required in the Operations and Maintenance (O&M) contracts.
		002B	Take appropriate action to ensure that PBS contracting officials thoroughly understand their roles and responsibilities in contract administration and monitoring.
		003	Take appropriate action to ensure that O&M contractors submit the contractually required preventative maintenance schedules and logs.
		004	Take appropriate action to ensure that PBS contracting officials hold O&M contractors accountable for insufficient services and remediating identified deficiencies by taking appropriate measures, including, but not limited to, withholding payment when the contractor does not provide required services.
		005	Take appropriate action to ensure that COR coverage is sufficient to administer all regional O&M contracts properly.
JE21-003  Unrestricted Summary: Facility Inspection of a High-Risk GSA Building	9/30/2021	001A	Recommendations are not available to the public.
		001B	Recommendations are not available to the public.
		001C	Recommendations are not available to the public.
		001D	Recommendations are not available to the public.
		001E	Recommendations are not available to the public.

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
JE21-003  Unrestricted Summary: Facility Inspection of a High-Risk GSA Building  (Continued)	9/30/2021	001F	Recommendations are not available to the public.
		002A	Recommendations are not available to the public.
		002B	Recommendations are not available to the public.
A190066P2R21009  Audit of the Public Buildings Service's Effectiveness in Managing Deferred Maintenance	9/30/2021	001	Develop a comprehensive plan to ensure that PBS establishes a national policy and training program that provides personnel with guidance on how to conduct building surveys, accurately enter results into the Building Assessment Tool (BAT) system, and account for interim remediation of building liabilities.
		002	Develop a comprehensive plan to ensure that PBS updates the Building Assessment Tool (BAT) pricing module to generate estimates more closely aligned to external and regional cost estimates.
		003	Develop a comprehensive plan to ensure that PBS corrects the duplicate entries identified above and reviews its deferred maintenance reports to identify and correct any additional errors.
		004	Develop a comprehensive plan to ensure that PBS improves its national maintenance strategy to place greater emphasis on its growing list of immediate liabilities by prioritizing projects to reduce them.
A201020P9R21008 Opportunities for PBS to Improve Management and Oversight of Its Federal Aggregated Solar Procurement Pilot Contracts	9/30/2021	001	Identify methods, if any, to mitigate overpaying for energy at the Carson City Federal Building.
		002	Determine the most cost-effective approach for removing the U.S. Geological Survey Menlo Park Campus from the Federal Aggregated Solar Procurement Pilot (FASPP) during the disposition process of the campus.

## Open OIG Recommendations Not Fully Implemented (cont.)

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A201020P9R21008 Opportunities for PBS to Improve Management and Oversight of Its Federal Aggregated Solar Procurement Pilot Contracts	9/30/2021	003	Ensure PBS select future sites for renewable energy projects with solar energy rates that are less than local utility rates and that can achieve the expected savings for the life of the project.
(Continued)		004	Address the lack of fall protection at the U.S. Geological Survey Menlo Park Campus described in our alert memorandum and install ramps over conduit at the Robert F. Peckham Federal Building.
		005	Implement controls to ensure the solar energy contractor complies with contract requirements for minimum solar energy production and remediation for insufficient power production.
		006	Recover the \$8,866 due from NextEra for not meeting the minimum energy production requirements for the U.S. Geological Survey Menlo Park Campus and Leo J. Ryan Federal Records Center during the second performance year.
		007	Recover the \$119,260 due from Tesla for its noncompliance with the Buy American Act and Trade Agreements Act.
		008	Implement controls to ensure compliance with the Buy American Act and Trade Agreements Act requirements for all FASPP projects going forward.
		009	Collaborate with the U.S. Department of Energy to perform a feasibility study for installing a solar battery storage system at the Robert F. Peckham Federal Building, and install the system, if appropriate.
		010	Evaluate and implement the most economical and appropriate use of the solar renewable energy certificates, including considering granting ownership to the solar energy contractor in exchange for lower electricity rates.
		011	Ensure the solar energy contractor consistently maintains and washes the solar panels and repairs the bent racking system at the Robert F. Federal Peckham Building.
		012	Ensure that the provisions of the contract are adhered to, and deliverables met, especially in the area of maintenance by the solar energy contractor.

# Glossary of Terms

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

**Questioned Costs** Costs questioned by the OIG because of:

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

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

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

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

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

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

## Glossary of Terms

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

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

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

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

# Appendix



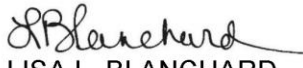

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**Office of Audits  
Office of Inspector General  
U.S. General Services Administration**

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October 12, 2021

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

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

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

This memo is intended to relate the total management decisions for the period April 1, 2021 through September 30, 2021. The totals are based on BA/JA Data Match Report, dated October 4, 2021 and JA's AMIS database. The OIG's management decision statistics are, as follows:

Type of Audit	Number of Audits	Amount of Better Use Funds	Amount of Disallowed Cost
Preaward	24	\$ 56,319,691	\$ 3,580,599
Postaward	0	\$ 0	\$ 0
Internal	7	\$ 0	\$ 0
Totals	31	\$ 56,319,691	\$ 3,580,599

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

**EVAN FARLEY** Digitally signed  
by EVAN FARLEY  
Date: 2021.10.12  
13:22:44 -04'00'

Name \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_





U.S. General Services Administration  
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