



U.S. General Services Administration

# ADMINISTRATOR'S SEMIANNUAL MANAGEMENT REPORT TO CONGRESS



REPORT NO. 64  
OCTOBER 1, 2020 – MARCH 31, 2021



## U.S. General Services Administration

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May 2021

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## Message from the Acting Administrator

I am pleased to provide Congress with the U.S. General Services Administration's (GSA) Semiannual Management Report to Congress, which summarizes the Agency's audit-related actions and accomplishments for the six months that ended March 31, 2021.

GSA deeply values the contributions of GSA Office of the Inspector General (OIG) auditors and takes their recommendations seriously. During the reporting period, GSA achieved on-time implementation of all GSA-OIG audit recommendations and averaged less than one year for completion of the implementation for these recommendations. GSA's continued strengthening of its oversight and a strong commitment to thoughtful and creative solutions that save taxpayer dollars and ensure Federal workforce safety reflect its actions on auditor recommendations and its many other initiatives. To cite a few examples of recent audit outcomes, GSA:

- Developed several initiatives to create leasing efficiencies and deployed these in combination with improved monitoring.
- Developed and launched the Workplace Investment and Feasibility Tool for Governmentwide use. This tool enables agencies to explore the costs, benefits, and impact of telework more fully in space planning, an important consideration that is of even greater significance as the Federal Government moves toward post-pandemic operations.
- Implemented multiple projects to help ensure accurate asbestos information and timely preventive inspections for the several hundred Federal buildings managed by GSA.
- Improved oversight and proactive use of construction contract data to identify and minimize potential cost and delivery issues that regularly accompany timeframe changes in construction contracts.

GSA leadership and staff are perhaps most pleased to have been able to provide significant pandemic mission-driven support by rapidly ramping up the contract, response, and technology support to meet the high Federal demand for COVID-19-related products. These actions include:

- Responding to more than 11,000 COVID-19 incidents in federally owned or -leased facilities.
- Awarding more than \$75 million in multiple contract actions to support customer agencies' COVID-19 needs and more than \$77 million to provide technologies and solutions that supported strategic pandemic responses and enabled agencies to move to telework to deliver their core mission.
- Supporting the National Guard in its COVID-19 response via 86 task orders valued at \$62 million in total and representing 703,344 room nights booked.
- Supporting FEMA by establishing Basic Ordering Agreements (BOAs) and a streamlined process guide for ordering temporary hospital support services. Later modification of these BOAs occurred for state, tribal, local, and territorial health department use.
- Creating a COVID-19 support package for state, tribal, local, and territorial health departments that simplified entering COVID-19-related contracts in response to a Centers for Disease Control and Prevention request.

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



Katy Kale  
Acting Administrator  
U.S. General Services Administration



# Overview

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

This report, GSA's 64<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;
- Analyze particularly as related to past or present audit recommendations;
- Maintain automated control systems for internal and external audits that provide an accurate means for monitoring, analyzing, tracking, and documenting actions taken to implement audit recommendations; and
- Provide analysis to identify trends, minimize repeat findings, and enable preventive action.

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

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

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

## Synopsis of Audit Activity

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

This report covers the period of October 1, 2020, through March 31, 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 October 1, 2020, GSA had 64 contract and internal audit reports pending final action. These reports contained financial recommendations totaling \$333,406,140.19 (sum of row A, pages 8 and 9).

- Financial recommendations for 40 contract audits totaled \$319,435,477.19.
- Financial recommendations for 24 internal audits totaled \$13,970,663.

Between October 1, 2020, through March 31, 2021, GSA finalized management decisions on 36 audit reports concerning nationwide GSA programs and operations.

- In 35 of the 36 audits, a total of \$6,293,117 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 24 of the 36 audits, GSA OIG recommended that \$356,356,401 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 32 audits. GSA's audit actions represent the recovery of \$1,577,318.10 (row C, page 8) in Government funds and the identification of \$235,232,221 in potential future savings (row C, page 9).

As of April 1, 2021, GSA had 57 open performance and contract audits and three audits in litigation.



## Audits with Disallowed Costs

Final Action for the 6 Months Ending March 31, 2021	Number of Audit Reports	Disallowed Costs
A. Audit reports where final action had not been taken by the commencement of the reporting period.	64	\$13,970,663.00 <sup>1</sup>
B. Audit reports where GSA/OIG made management decisions during the reporting period.	36	\$6,293,117.00
C. Audit reports where GSA took final action during the reporting period.	32	\$1,577,318.10
(i) the dollar value of disallowed costs		\$1,420,206.10
- collections.....		\$806,304.00
- offset.....		\$53,677.00
- property in lieu of cash.....		\$0.00
- surplus.....		\$560,235.10
- other.....		\$0.00
(ii) the dollar value of disallowed costs written off by management.		(\$157,112.00)
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.	57	\$18,564,799.00

<sup>1</sup>In contrast to the last report, the financial data, Line D (end of the reporting period), contains a difference of \$628,248.00 to that of Line A (beginning of the reporting period) with an equal amount of audit records. Upon creation of audit record A190024C7F20003, the financial data was omitted, which explains the difference.

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

Final action for the 6 Months Ending March 31, 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.	64	\$319,435,477.19	\$0
B. Audit reports where GSA/OIG made management decisions during the reporting period	36	\$356,356,401.00	\$0
C. Audit reports where GSA took final action during the reporting period.	32	\$235,232,221.00	\$0
<i>(i) the actual dollar value of recommendations that were actually completed.</i>		\$0	
<i>(ii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be implemented or completed.</i>		\$0	
<i>(iii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be determined (calculated).</i>		\$0	
<i>(iv) the estimated dollar value of "funds to be put to better use" as agreed to by GSA management and GSA OIG.</i>		\$235,232,221.00	
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.	57	\$190,552,544.19	\$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>
A200987P3X20030 WSSA Birmingham, LLC	4/22/2020	\$0
A200981P4X20043 TL Services, Inc.	7/20/2020	\$0
A200986P4X21014 Balfour Beatty Construction, LLC	2/11/2021	\$0

## Contract Audits

Audits with Management Decisions made prior to March 31, 2020, with No Final Action as of March 31, 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	Investigation in process – 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	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A180091Q3X19035 The Boston Consulting Group, Inc.	7/11/2019	\$0	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A190038Q7X20005 Overwatch Systems, Ltd.	11/7/2019	\$1,772,722	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A170113Q4X20018 Palmetto GBA, LLC	1/29/2020	\$153,067	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A190060QAX20025 Highrise Consulting, Inc.	3/31/2020	\$9,324	Price/settlement Negotiated - Contracting Officer and contractor negotiations completed.

## Internal Audits

Audits with Management Decisions made prior to March 31, 2020, with No Final Action as of March 31, 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
A160133P6R18002  Audit of GSA's Public Buildings Service Does Not Track and Report All Unused Leased Space as Required  <b>(Implementation Review)</b>	8/10/2018	\$0	Audit is in Implementation	5/31/2021
A170027P6R19002  Audit of Environmental Issues at the Goodfellow Federal Complex in St. Louis, Missouri  <b>(Implementation Review)</b>	3/15/2019	\$0	Audit is in Implementation	6/30/2021
A180073P2R19006  GSA's Northeast and Caribbean Region Lacks Policies and Procedures for Emergencies and Evacuations in Puerto Rico	6/19/2019	\$11,930	Audit is in Implementation	6/30/2021
A170047P5R19007  Audit of the PBS Great Lakes Region's Lease Financial Performance	8/23/2019	\$0	Audit is in Implementation	7/30/2021
A170056P2R20003  Audit of the Public Buildings Service's Photovoltaic Installations in the New England and Northeast and Caribbean Regions	3/27/2020	\$1,608	Audit is in Implementation	4/30/2021



# Open OIG Recommendations Not Fully Implemented as of March 31, 2021

## Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A160133P6R18002  Audit of GSA's Public Buildings Service Does Not Track and Report All Unused Leased Space as Required  <b>(Implementation Review)</b>	8/10/2018	001	Develop and implement a process to ensure that PBS reports and mitigates all unused space for all non-cancelable occupancy agreements in its lease portfolio.  Original due date: 9/13/2019 Current due date: 5/31/2021
A170027P6R19002  Audit of Environmental Issues at the Goodfellow Federal Complex in St. Louis, Missouri  <b>(Implementation Review)</b>	3/15/2019	001	Institute controls to ensure that all health, safety, and environmental studies are distributed upon completion to the occupants of any Heartland Region property where studies are performed.  Original due date: 10/31/2019 Current due date: 6/30/2021
A180073P2R19006  GSA's Northeast and Caribbean Region Lacks Policies and Procedures for Emergencies and Evacuations in Puerto Rico	6/19/2019	001	Coordinate the development of policies and procedures for emergencies and evacuations in all areas where GSA has a presence based on lessons learned and applicable federal regulations.  Original due date: 7/31/2020 Current due date: 6/30/2021
A170047P5R19007  Audit of the PBS Great Lakes Region's Lease Financial Performance	8/23/2019	002	Evaluate U.S. Postal Service-owned space leases for terms and conditions allowing for the risk of long-term vacancies and FFO loss and implement necessary safeguards to protect PBS against this risk.  Original due date: 9/30/2020 Current due date: 7/30/2021
A170056P2R20003  Audit of the Public Buildings Service's Photovoltaic Installations in the New England and Northeast and Caribbean Regions	3/27/2020	001	Develop and implement policies and procedures to ensure that PV power generation data is consistent, reliable, and supported.  Original due date: 9/30/2020 Current due date: 7/30/2021

## 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
A170056P2R20003  Audit of the Public Buildings Service's Photovoltaic Installations in the New England and Northeast and Caribbean Regions  (Continued)	3/27/2020	002B	Direct regional management to develop a directive for building personnel to track and collect PV readings directly from the equipment and for officials in the Energy and Utilities Branch to verify those readings with the corrected advanced metering system.  Original due date: 1/29/2021 Current due date: 4/30/2021
		003A	Direct regional management to implement and reinforce the instructions for monthly tracking of PV power generation readings set forth in its January 17, 2018, memorandum.  Original due date: 3/31/2021 Current due date: 4/30/2021
		004B	Direct regional management to ensure property management is aware of and enforces the semiannual maintenance and inspection requirements for the PV installations.  Original due date: 3/31/2021 Current due date: 4/30/2021
A180085P4R20008  Audit of the Public Buildings Service's Green Roof Maintenance and Safety Practices	7/23/2020	001	Develop a comprehensive strategy to ensure that PBS maintains its green roof inventory in accordance with internal guidance and industry standards.  Original due date: 7/30/2021 Current due date: 7/30/2021
JE20-002  <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: 6/30/2021
A190024C7F20003  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

## 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
A190024C7F20003 GSA Needs to More Effectively Manage Its Workers' Compensation Program (Continued)	9/2/2020	001B	Review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to obtain and maintain sufficient documentation in case files.  Original due date: 12/31/2021 Current due date: 12/31/2021
		001C	Review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to ensure timely submittal of forms to DOL.  Original due date: 12/31/2021 Current due date: 12/31/2021
		001D	Review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to develop a plan to manage 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
		002B	Review, revise, and implement case monitoring policies and procedures to ensure that workers' compensation specialists review forms and reports from DOL to ensure accuracy and completeness.  Original due date: 12/31/2021 Current due date: 12/31/2021
		002C	Review, revise, and implement case monitoring policies and procedures to ensure that workers' compensation specialists request additional information or further review from DOL on questionable cases.  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
A190024C7F20003  GSA Needs to More Effectively Manage Its Workers' Compensation Program  (Continued)	9/2/2020	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
		003B	Review and revise policies and procedures to include a process for maintaining contact with claimants to monitor their status and assist in returning them to work when medically capable.  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
		005	Determine if employees receiving workers' compensation benefits were part of a GSA function transferred to another agency and request DOL to remove transferred employees from GSA's chargeback report and recover the associated payments, if allowable.  Original due date: 12/31/2020 Current due date: 8/30/2021
		001A	For all current CM and GC contracts, perform a review and take corrective actions to ensure that qualified PBS personnel are performing the required review prior to approving government estimates prepared by non-government personnel, estimates are prepared before receipt and independent of proposals, and access to estimates is granted only to government personnel whose official duties require knowledge of the estimates.  Original due date: 8/31/2021 Current due date: 8/31/2021
A150028P4R20009	9/4/2020	001A	For all current CM and GC contracts, perform a review and take corrective actions to ensure that qualified PBS personnel are performing the required review prior to approving government estimates prepared by non-government personnel, estimates are prepared before receipt and independent of proposals, and access to estimates is granted only to government personnel whose official duties require knowledge of the estimates.  Original due date: 8/31/2021 Current due date: 8/31/2021
Audit of the GSA Public Buildings Service's Use of Construction Management Services			

## 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
A150028P4R20009  Audit of the GSA Public Buildings Service's Use of Construction Management Services	9/4/2020	001B	For all current CM and GC contracts, perform a review and take corrective actions to ensure that Non-government personnel do not perform inherently governmental functions, such as voting on source selection boards, accepting services on behalf of the government, and conducting negotiations without meaningful involvement, review, and approval from government personnel.  Original due date: 8/31/2021 Current due date: 8/31/2021
(Continued)		001C	For all current CM and GC contracts, perform a review and take corrective actions to ensure that PBS contracting officers identify, evaluate, and mitigate potential organizational conflicts of interest before contract award and during contract performance.  Original due date: 8/31/2021 Current due date: 8/31/2021
		001D	For all current CM and GC contracts, perform a review and take corrective actions to ensure that access to competitors' proprietary information and government data is limited to government personnel whose official duties require knowledge of the information. PBS should conduct a comprehensive assessment to identify 1) Sensitive information, as described in Finding 2, including personally identifiable information and sensitive but classified information, which was placed at risk by the failure of the construction manager's former employee to return general construction contract files. In accordance with the GSA Information Breach Notification Policy, PBS should report the unauthorized disclosure and notify all affected individuals and 2) Companies that have access to competitors' proprietary information. PBS should obtain copies of agreements between construction managers and other companies to ensure knowledge is protected and ensure that such agreements are properly executed.  Original due date: 8/31/2021 Current due date: 8/31/2021



## 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
A150028P4R20009  Audit of the GSA Public Buildings Service's Use of Construction Management Services	9/4/2020	001E	Perform a review and take corrective actions to ensure that PBS personnel do not award services prohibited under the GSA's Professional Engineering Services Schedule.  Original due date: 8/31/2021 Current due date: 8/31/2021
(Continued)		002A	For future CM and GC contracts, implement controls to ensure that qualified PBS personnel are performing the required review prior to approving government estimates prepared by non-government personnel, estimates are prepared before receipt and independent of proposals, and that access to estimates is granted only to government personnel whose official duties require knowledge of the estimates.  Original due date: 8/31/2021 Current due date: 8/31/2021
		002B	For future CM and GC contracts, implement controls to ensure that Non-government personnel do not perform inherently governmental functions, such as voting on source selection boards, accepting services on behalf of the government, and conducting negotiations without meaningful involvement, review, and approval from government personnel.  Original due date: 8/31/2021 Current due date: 8/31/2021
		002C	For future CM and GC contracts, implement controls to ensure that PBS contracting officers identify, evaluate, and mitigate potential organizational conflicts of interest before contract award and during contract performance and obtain copies of agreements between construction managers and other companies to ensure knowledge is protected and ensure that such agreements are properly executed.  Original due date: 8/31/2021 Current due date: 8/31/2021
		002D	For future CM and GC contracts, implement controls to ensure that access to competitors' proprietary information and government data is limited to government personnel whose official duties require knowledge of the information.  Original due date: 8/31/2021 Current due date: 8/31/2021

## 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
A150028P4R20009 Audit of the GSA Public Buildings Service's Use of Construction Management Services	9/4/2020	002E	Implement controls to ensure that PBS personnel do not award services prohibited under the GSA's Professional Engineering Services Schedule.  Original due date: 8/31/2021 Current due date: 8/31/2021
(Continued)			
A170121Q6P20006 The Federal Acquisition Service's Reporting of Small Business Procurements Contained Significant Inaccuracies	9/14/2020	001	Address the FPDS-NG limitations to ensure that contracting officers can accurately identify, and the data will accurately reflect, small business procurements.  Original due date: 3/31/2021 Current due date: 6/30/2021
A200984O3F20004 Audit of GSA's Fiscal Year 2019 Travel Card Program	9/18/2020	002	Strengthen controls to ensure that delinquent travel card accounts are resolved.  Original due date: 4/30/2021 Current due date: 4/30/2021
A190019PRR20010 Audit of Competition in the Public Buildings Service's National Capital Region Contracts	9/23/2020	001	Establish controls to ensure that decisions to forego competition, both in the acquisition plan and justification documentation, are reviewed and approved at the appropriate level.  Original due date: 4/20/2021 Current due date: 4/30/2021
		002	Ensure that contracting staff are taking the appropriate steps to award contracts at fair and reasonable prices, and that reasonable price determinations are documented in contract files.  Original due date: 4/30/2021 Current due date: 4/30/2021
		003	Establish controls to ensure that Federal Procurement Data System-Next Generation data is input accurately and reviewed for accuracy.  Original due date: 4/30/2021 Current due date: 4/30/2021

## 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
A201005MTF20005 Audit of GSA's Compliance with the Geospatial Data Act of 2018	9/25/2020	002	Establish effective internal controls to ensure oversight responsibilities are assigned and procedures related to data and metadata quality are implemented, effective, and consistently followed.  Original due date: 8/31/2021 Current due date: 8/31/2021
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: 9/30/2021
		001C	Continue to take action to account for and collect the PIV cards identified in this audit that remain outstanding by reporting unauthorized cardholders for any PIV cards that cannot be recovered to the Department of Homeland Security for unauthorized possession of a United States identification card, in compliance with 18 U.S. Code, Section 701.  Original due date: 9/30/2021 Current due date: 9/30/2021
		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

## 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	002C	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 requiring training on PIV card issuance and recovery for personnel with responsibilities in the PIV card process.  Original due date: 9/30/2021 Current due date: 9/30/2021
(Continued)			
		002D	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 coordinating with the Department of Homeland Security to establish emergency procedures (including when unfit determinations are made) for recovery of contract employee PIV cards, in accordance with Federal Information Processing Standards Publication 201-2, Personal Identity Verification (PIV) of Federal Employees and Contractors.  Original due date: 9/30/2021 Current due date: 9/30/2021
		002E	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 the oversight of requesting officials and Office of Mission Assurance personnel to ensure GSA maintains accurate contract employee data in the GSA Credential and Identity Management System and retrieves PIV cards.  Original due date: 9/30/2021 Current due date: 9/30/2021

## 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
A180110PRR21001  Audit of the Sidney R. Yates Federal Building Exterior Restoration Project	2/4/2021	001A	Establish contract administration controls to ensure that the contracting officers' representatives do not re-delegate their responsibilities, and only personnel who possess the necessary qualifications, as obtained through professional experience, training, and certification, fulfill these duties.
		001B	Establish contract administration controls to ensure that contractor evaluations are completed as specified by the FAR.
		001C	Establish contract administration controls to ensure that project managers do not prevent a contractor or its subcontractors from performing a contractual requirement.
		001D	Establish contract administration controls to ensure that contractors working on projects have valid PIV cards.
		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.



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

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
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.
		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.
		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.
		001D	Establish effective controls to enhance cross-organizational communication and collaboration with the ITP by submitting ITP annual reports to the GSA Administrator in accordance with the National Insider Threat Policy.
		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.
		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.

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

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A190016ITF21002 Audit of GSA's Insider Threat Program (Continued)	2/17/2021	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.
		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.
		002E	Establish effective controls to enhance oversight of the employee separation and termination processes by establishing procedures that account for the collection of separated and terminated employees' PIV cards, including the date GSA collects the PIV card.
		002F	Establish effective controls to enhance oversight of the employee separation and termination processes by exhausting efforts to collect and destroy the 21 PIV cards from our sample that OMA did not destroy. Additionally, OMA should identify, collect, and destroy the PIV cards of other separated and terminated employees whose cards were not collected.
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.
		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.
		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.
		004	Enforce existing contract requirements for all drivers of the Executive Driver Program.

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

### Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
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.
		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.
		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.

## 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



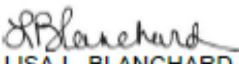

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**Office of Audits  
Office of Inspector General  
U.S. General Services Administration**

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April 14, 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 October 1, 2020 through March 31, 2021. The totals are based on BA/JA Data Match Report, dated April 6, 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	\$ 356,356,401	\$ 4,353,117
Postaward	1	\$ 0	\$ 1,311,752
Internal	10	\$ 0	\$ 628,248
<b>Totals</b>	<b>35</b>	<b>\$ 356,356,401</b>	<b>\$ 6,293,117</b>

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: 2021.04.14  
22:47:56 -04'00'

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





U.S. General Services Administration  
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