

**U.S. GENERAL SERVICES
ADMINISTRATION**



**FY 2017
Congressional Justification**

February 9, 2016

INTRODUCTION

During this Administration, the U.S. General Services Administration (GSA) has made great progress in delivering the best value in real estate, acquisition, and technology services to the government and the American people. Working with Congress, we have transformed the nation's infrastructure, making dramatic improvements to the performance of our buildings and cutting long-term real estate costs; made the acquisitions of goods and services simpler and more cost-effective through increased data and new contracting vehicles; significantly improved the delivery of information technology across government; driven evidence-based decision-making, encouraging the benchmarking and improvement of administrative functions across government and the adoption of shared services; and streamlined our own internal operations.

GSA has fundamentally altered the way the Federal government uses real estate, adopting modern layouts that take an integrated approach that incorporates technology. As a result, GSA's leased portfolio was reduced by four million rentable square feet between FY 2013 and FY 2015 and we are on track to cut it by another two million by Fiscal Year (FY) 2017. We have also improved energy and water efficiency by 26.6% and 28.7% across the Federal portfolio in FY 2014 compared to the agency benchmark. At the Wayne N. Aspinall Federal Building in Denver, CO, photovoltaic panels on the roof provide enough energy to power the building's peak demand creating the first site net-zero building listed on the National Register of Historic Places. We have also increased the use of, Energy Savings Performance Contracts (ESPCs) implementing 16 contracts since 2012 that will further improve energy performance at 93 buildings across the country. Thanks to strong Congressional support, we have made key investments in Courthouses and Land Ports of Entry to ensure sufficient facilities for the administration of justice and for international trade.

The President's FY 2017 Budget enables GSA to continue this progress, spurring economic development within communities across the nation, enhancing the cybersecurity of the Federal government's IT systems, improving the security of our nation's borders, supporting the expansion of commerce and trade activities, and providing necessary services to the President Elect and Vice-President Elect during the Presidential Transition. In particular, the budget request supports two significant headquarters consolidation projects for critical national security agencies: the Department of Homeland Security and the Federal Bureau of Investigations (FBI). Once complete, GSA's support of the DHS Consolidation will allow the Federal footprint to be cut by nearly two million square feet and save taxpayers more than \$1 billion. The FBI Headquarters Consolidation project will consolidate FBI operations housed in the J. Edgar Hoover Building and other leased locations into a single, consolidated headquarters facility. The FY 2017 Budget requests \$759 million to support the FBI consolidation by providing it with a modern and secure facility required to fulfill its essential mission.

The President's Budget supports investments in border and homeland security projects, projects to improve the safety and condition of government-owned assets, activities in support of the Administration's direction to reduce the Federal real estate footprint, and projects that support local communities' growth and development. GSA's request includes \$248 million to support the second and final phase of the Calexico West Land Port of Entry modernization and improvement project, which will improve the security of our nation's borders as well as support expanded commerce and trade activities. The request also includes \$81 million for the renovation of the 985 Michigan Avenue Federal Office Building in Detroit, MI. In addition to ensuring that the facility meets the needs of our partner agencies in the area, this project will bring an estimated 800 additional employees into the local neighborhood to help drive economic growth.

Information technology (IT) has transformed how the Federal government operates and has revolutionized the way in which the American people interact with their government. GSA has been a leader in managing its IT in a modern, user-centric way as well as helping other agencies in this effort. We run several key government-wide platforms and tools, and have created 18F, a group of technical experts who assist other agencies in building and buying digital technology on a fee-for-service basis. But the government still has significant room to improve its use of technology. The continuing use of legacy IT systems frequently results in increased cybersecurity risks to Federal IT systems, downgraded services for federal agencies and the American people, increased personnel costs, and missed opportunity costs. Many Federal agencies are unable to effectively modernize and upgrade their IT infrastructure and mission critical systems because of the increasing costs of maintaining older, existing systems. Of the more than \$52 billion in Federal civilian IT spending planned for fiscal year 2017, about \$37 billion, almost three-quarters of the IT spend, is dedicated to the operations and maintenance of legacy investments.

In order to address this issue, the President's FY 2017 Budget is requesting a new appropriation of \$100 million for GSA to improve legacy information technology systems to enhance cybersecurity and mission effectiveness across the Federal government. This funding will support authorizing legislation establishing a \$3 billion revolving fund to modernize or retire legacy IT systems at Federal agencies as well as develop governmentwide IT products and services to better leverage economies of scale and lower security risk across shared capabilities. We will draw on expertise across GSA to manage this effort, in consultation with the Federal CIO, in order to leverage private sector best practices in technology development and agile acquisition practices.

GSA has worked to provide agencies the data and information they need to make smart decisions on administrative functions. We have co-led the first effort at benchmarking the efficiency and effectiveness of administrative functions across government, with the goal of finding the best value and driving agencies toward adoption of the best models available. The Budget request continues these efforts as well as asks for \$5 million for the Office of Government-wide Policy to increase its oversight of shared services across the government. The office serves as an integration body for the shared services environment, working across functions, providers, and consumers. This funding will enable stakeholders from across the government to deliver higher quality shared services to improve performance and efficiency throughout government.

GSA also has reduced overhead costs significantly by consolidating administrative functions, divesting our financial management line of business, rationalizing our IT portfolio, and improving our budget governance. Since FY 2012, we have saved more than \$115 million through travel reductions alone. From FY 2013, we will save an estimated \$50.6 million (36 percent) and \$14.2 million (15 percent), respectively, in financial management and human resources functions. These and other ongoing efforts have allowed GSA to reduce the FY 2017 Working Capital Fund plan by \$51,709 thousand or 7.1 percent from the adjusted FY 2016 planned level.

We look forward to continuing to work with Congress to provide partner agencies the services and facilities they need to fulfill their important missions. Funding for our public infrastructure, effective government-wide policies and services, and investments to improve the government's IT in the areas of cybersecurity and shared service delivery will enable us to provide agencies with the services they need at the best value for the American people.

U.S. General Services Administration

SUMMARY of the FY 2017 REQUEST

Fiscal Year 2017 Budget Request

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Summary of the Request

The General Services Administration's (GSA) FY 2017 budget request supports our core mission of delivering the best value in real estate, acquisition, and technology services while finding efficiencies and putting savings to work for the Government and the American people. The FY 2017 budget requests \$361,739 thousand in discretionary budget authority for GSA's annual direct appropriations, and requests zero net budget authority for the Federal Buildings Fund (FBF), which continues to support spending at the anticipated level of collections. Of this discretionary budget authority, GSA is requesting \$9,500 thousand to support the Presidential Transition and \$100,000 thousand to support the establishment of the Information Technology (IT) Modernization Fund.

Full funding of the FBF is integral to sound portfolio management. Anything less means GSA will be unable to fund necessary repairs and improvements to the Federal inventory, which reduces the value of the public's assets over time, results in unnecessary costs due to repairs, and missed opportunities to consolidate space, and may jeopardize the health and safety of citizens visiting or working in Federal buildings. The President's Budget supports investments in border and homeland security projects, projects to improve the safety and condition of government-owned assets, activities in support of the Administration's direction to reduce the Federal real estate footprint, and projects that support local communities' growth and development. GSA's request includes \$759 million to support consolidation of FBI Headquarters function into a single, secure campus supporting the FBI's national security and law enforcement mission, \$248 million to support the second and final phase of the Calexico West Land Port of Entry modernization and improvement project, which will improve the security of our nation's borders as well as support expanded commerce and trade activities. The request also includes \$81 million for the 985 Michigan Avenue Federal Office Building in Detroit, MI. In addition to ensuring that this facility meets the needs of our partner agencies in the area, this project will bring an estimated 800 additional employees into the neighborhood to help drive economic growth.

The continued and pervasive use of legacy information technology (IT) systems results in increased cybersecurity risks to Federal IT systems, downgraded services for the American people and businesses, and increased carrying costs to operate and maintain aging systems. Many Federal agencies are unable to effectively modernize and upgrade their IT infrastructure and mission critical systems because of the increasing share of costs that maintaining older, existing systems occupy in technology budgets. To address this issue, the President's FY 2017 Budget requests the establishment of a \$3.1 billion IT Modernization Fund housed within GSA, which would provide a long-term mechanism to fund the retirement, replacement or modernization of legacy IT systems. As part of this proposal, the Administration is requesting a \$100 million discretionary appropriation in FY 2017 to accompany authorizing legislation establishing the fund with a one-time \$3 billion injection of mandatory budget authority. Further, OMB will issue guidance to agencies requiring the identification and prioritization of high-risk legacy IT systems, as well as the development of standardized modernization proposals that can be utilized by the fund to target the Federal government's

highest-priority projects. Building off its mission to help the government deliver modern digital services, GSA will deploy a team of subject matter experts in the Project Management Office (in areas including design, development, product management, business process engineering, acquisition, and security architecture and configuration) to rapidly transition legacy IT systems to modern systems that are more secure, reliable, cost effective, and improve the ability of Federal agencies to deliver world-class services to the public.

Summary of Discretionary Budget Authority

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|---------------------|--------------------|--------------------|
| Discretionary Budget Authority | | | |
| FBF Net Budget Authority | \$ (625,966) | \$ 388,402 | \$ - |
| Annual Appropriations | \$ 237,542 | \$ 240,731 | \$ 252,239 |
| GSA Discretionary Budget Authority | \$ (388,424) | \$ 629,133 | \$ 252,239 |
| Pre-Election Activities | \$ - | \$ 13,278 | \$ - |
| Presidential Transition | \$ - | \$ - | \$ 9,500 |
| IT Modernization Fund | \$ - | \$ - | \$ 100,000 |
| Total GSA Discretionary Budget Authority | \$ (388,424) | \$ 642,411 | \$ 361,739 |

GSA Mission and Goals

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

Mission

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

Strategic Goals

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

Federal Buildings Fund

Zero Net Budget Authority

GSA requests \$10,178,338 thousand in New Obligational Authority (NOA) for the Federal Buildings Fund, equal to the anticipated revenue collections. A zero net budget authority request continues to support a robust capital program, allowing the Public Buildings Service (PBS) to fund mission-critical border and homeland security projects, improve the safety and condition of Government-owned assets while supporting the Administration’s direction to all agencies to reduce the Federal real estate footprint and support local communities through job creation.

The FY 2017 request will enable PBS to fund priority construction as well as major repairs and alterations in our real estate portfolio in a strategic, timely, and cost-effective manner. Without this funding, construction will continue to be delayed and repairs will remain unaddressed, resulting in increased costs in the future.

Federal Buildings Fund, Request for New Obligational Authority

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Entacted | FY 2017 Request |
|---|---------------------|----------------------|----------------------|
| Total Revenues | \$ 9,864,276 | \$ 9,807,772 | \$ 10,178,338 |
| Federal Buildings Fund (FBF), New Obligation Authority | | | |
| Construction and Acquisition | \$ 583,947 | \$ 1,607,738 | \$ 1,330,522 |
| Repairs and Alterations | \$ 825,820 | \$ 735,331 | \$ 841,617 |
| Installment Acquisition Payments | \$ - | \$ - | \$ - |
| Rental of Space | \$ 5,666,348 | \$ 5,579,055 | \$ 5,655,581 |
| Building Operations | \$ 2,244,132 | \$ 2,274,000 | \$ 2,350,618 |
| Sub-Total, New Obligation Authority | \$ 9,320,247 | \$ 10,196,124 | \$ 10,178,338 |
| FBF Net Budget Authority | \$ (625,966) | \$ 388,402 | \$ - |

Advance Appropriations

In addition to the FY 2017 program plan, the FY 2017 budget request also includes an advance appropriations request for FY 2018 FBF at the anticipated level of collections, \$10,164 million. Advance appropriations for the full PBS program will reduce uncertainty regarding the funding for the Construction and Acquisition and Major Repairs and Alterations programs, reducing costs and project delays associated with funding uncertainty and allowing planned projects to begin or continue on schedule. Advance appropriations ensures that agency rental payments are dedicated to the purpose for which they are collected – maintaining and executing the GSA FBF portfolio and making necessary payments to private sector landlords and supporting building operations.

FY 2017 Capital Investment Program

(Dollars in Thousands)

CONSTRUCTION AND ACQUISITION Program (in priority order):

| | |
|---|--------------------|
| Executive Agencies..... | \$1,082,309 |
| Land Ports of Entry..... | \$248,213 |
| New Courthouses..... | \$0 |
| New Obligational Authority, CONSTRUCTION AND ACQUISITION Program | \$1,330,522 |

REPAIRS AND ALTERATIONS Program (in priority order):

| | |
|--|------------------|
| Nonprospectus (Basic) Repairs and Alterations Program..... | \$312,090 |
| Special Emphasis Programs: | |
| Energy and Water Retrofit and Conservation Measures | \$10,000 |
| Judicial Security Program | \$26,700 |
| Consolidation Activities | \$75,000 |
| Fire and Life Safety Program | \$20,000 |
| Subtotal, Special Emphasis Programs..... | \$131,700 |
| Major Repairs & Alterations..... | \$389,327 |
| R&A Design Program..... | \$8,500 |
| New Obligational Authority, REPAIRS AND ALTERATIONS Program | \$841,617 |

| | |
|---|--------------------|
| Total New Obligational Authority, Capital Investment Program | \$2,172,139 |
|---|--------------------|

GSA Annual Appropriations

Annual Appropriations, Request for New Budget Authority

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|-------------------|--------------------|--------------------|
| Annual Appropriations, Budget Authority | | | |
| Government-wide Policy | \$ 58,000 | \$ 58,000 | \$ 64,497 |
| Operating Expenses | \$ 49,006 | \$ 49,376 | \$ 50,174 |
| Former Presidents | \$ 3,250 | \$ 3,277 | \$ 3,865 |
| Civilian Board of Contract Appeals | \$ 8,992 | \$ 9,184 | \$ 9,275 |
| Federal Citizen Services Fund | \$ 53,294 | \$ 55,894 | \$ 58,428 |
| Office of the Inspector General | \$ 65,000 | \$ 65,000 | \$ 66,000 |
| Sub-Total, Annual Appropriations | \$ 237,542 | \$ 240,731 | \$ 252,239 |
| Pre-Election Activities | \$ - | \$ 13,278 | \$ - |
| Presidential Transition | \$ - | \$ - | \$ 9,500 |
| IT Modernization Fund | \$ - | \$ - | \$ 100,000 |
| Total BA | \$ 237,542 | \$ 254,009 | \$ 361,739 |

GSA requests \$252,239 thousand for its six regular appropriations, which is a net increase of \$11,508 thousand or 4.8 percent from the FY 2016 enacted funding. GSA also includes a request for a separate appropriation of \$9,500 thousand for the Presidential Transition, including compensation for office staff, communications services, and allowances for travel and subsistence for the incoming and outgoing administrations. In addition, GSA is requesting \$100,000 thousand in FY 2017 to support authorizing legislation establishing a \$3 billion IT Modernization Fund to modernize or retire existing agency information technology systems as well as develop shared information technology products and services that are common across government.

Summary of Requested Appropriations Action

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|--------------------|---------------------|---------------------|
| Federal Buildings Fund (FBF), New Obligation Authority | | | |
| Construction and Acquisition | \$ 583,947 | \$ 1,607,738 | \$ 1,330,522 |
| Repairs and Alterations | \$ 825,820 | \$ 735,331 | \$ 841,617 |
| Installment Acquisition Payments | \$ - | \$ - | \$ - |
| Rental of Space | \$5,666,348 | \$ 5,579,055 | \$ 5,655,581 |
| Building Operations | \$2,244,132 | \$ 2,274,000 | \$ 2,350,618 |
| Sub-Total, New Obligation Authority | \$9,320,247 | \$10,196,124 | \$10,178,338 |
| FBF Net Budget Authority | \$ (625,966) | \$ 388,402 | \$ - |
| FBF Appropriation | \$ - | \$ - | \$ - |
| Annual Appropriations, Budget Authority | | | |
| Government-wide Policy | \$ 58,000 | \$ 58,000 | \$ 64,497 |
| Operating Expenses | \$ 49,006 | \$ 49,376 | \$ 50,174 |
| Former Presidents | \$ 3,250 | \$ 3,277 | \$ 3,865 |
| Civilian Board of Contract Appeals | \$ 8,992 | \$ 9,184 | \$ 9,275 |
| Federal Citizen Services Fund | \$ 53,294 | \$ 55,894 | \$ 58,428 |
| Office of the Inspector General | \$ 65,000 | \$ 65,000 | \$ 66,000 |
| Sub-Total, Annual Appropriations | \$ 237,542 | \$ 240,731 | \$ 252,239 |
| Pre-Election Activities | \$ - | \$ 13,278 | \$ - |
| Presidential Transition | \$ - | \$ - | \$ 9,500 |
| IT Modernization Fund | \$ - | \$ - | \$ 100,000 |
| Total BA | \$ 237,542 | \$ 254,009 | \$ 361,739 |
| TOTAL, BA and NOA | \$9,557,789 | \$10,450,133 | \$10,540,077 |

Total Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|----------------------|----------------------|----------------------|
| 11.1 Full-time permanent..... | \$ 1,091,145 | \$ 1,149,651 | \$ 1,207,115 |
| 11.3 Other than full-time permanent | \$ 8,310 | \$ 10,168 | \$ 10,524 |
| 11.5 Other personnel compensation..... | \$ 17,878 | \$ 18,665 | \$ 19,249 |
| 11.8 Special personnel service payments..... | \$ 1,385 | \$ 1,209 | \$ 620 |
| 12.1 Civilian personnel benefits..... | \$ 356,121 | \$ 378,020 | \$ 392,532 |
| 13.0 Benefits for former personnel..... | \$ 4,880 | \$ 2,417 | \$ 2,001 |
| 21.0 Travel and transportation of persons..... | \$ 19,173 | \$ 19,703 | \$ 23,084 |
| 22.0 Transportation of things..... | \$ 22,540 | \$ 6,210 | \$ 8,922 |
| 23.1 Rental payments to GSA | \$ 67,255 | \$ 60,424 | \$ 59,891 |
| 23.2 Rental payments to others..... | \$ 5,731,604 | \$ 5,727,023 | \$ 5,656,845 |
| 23.3 Communications, utilities, and misc. charges..... | \$ 1,680,871 | \$ 1,742,785 | \$ 1,849,550 |
| 24.0 Printing and reproduction..... | \$ 2,832 | \$ 3,317 | \$ 3,829 |
| 25.1 Advisory and assistance services..... | \$ 6,037,641 | \$ 6,137,560 | \$ 6,230,153 |
| 25.2 Other services from non federal sources..... | \$ 26,177 | \$ 32,704 | \$ 34,193 |
| 25.3 Other goods and services from federal sources.... | \$ 962,868 | \$ 847,350 | \$ 799,243 |
| 25.4 Operation and maintenance of facilities..... | \$ 1,595,757 | \$ 1,392,460 | \$ 1,351,767 |
| 25.6 Medical Care | \$ 92 | \$ 21 | \$ 462,991 |
| 25.7 Operation and maintenance of equipment..... | \$ 214,582 | \$ 172,450 | \$ 159,121 |
| 25.8 Subsistence and Support of Persons | \$ - | \$ - | \$ 183,756 |
| 26.0 Supplies and materials..... | \$ 987,806 | \$ 1,070,365 | \$ - |
| 31.0 Equipment..... | \$ 2,413,784 | \$ 2,755,148 | \$ 1,126,005 |
| 32.0 Land and structures..... | \$ 1,174,726 | \$ 1,664,560 | \$ 2,780,893 |
| 33.0 Investment and Loans | \$ - | \$ - | \$ 1,811,452 |
| 41.0 Grants, subsidies, and contributions..... | \$ 558 | \$ - | \$ 2,466,145 |
| 42.0 Insurance claims and indemnities..... | \$ 997 | \$ 415 | \$ - |
| 43.0 Interest and dividends..... | \$ 39,817 | \$ - | \$ 429 |
| 44.0 Refunds..... | \$ 36 | \$ - | \$ - |
| 99.0 Total Obligations..... | \$ 22,458,835 | \$ 23,192,625 | \$ 26,640,310 |
| <i>Subtotal, PC&B.....</i> | <i>\$ 1,479,719</i> | <i>\$ 1,560,130</i> | <i>\$ 1,632,041</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$ 20,979,116</i> | <i>\$ 21,632,495</i> | <i>\$ 25,008,269</i> |
| Pre-Election Services | \$ - | \$ 13,278 | \$ - |
| Presidential Transition | \$ - | \$ - | \$ 9,500 |
| Total GSA Obligations | \$ 22,458,835 | \$ 23,205,903 | \$ 26,649,810 |

U.S. General Services Administration
Summary of the FY 2017 Request

GSA Total FTE

| | FY 2015 Actual | | | FY 2016 Enacted | | | 2017 Request | | |
|--|----------------|--------------|---------------|-----------------|--------------|---------------|--------------|--------------|---------------|
| | Direct | Reimb. | Total | Direct | Reimb. | Total | Direct | Reimb. | Total |
| Annual Appropriations | | | | | | | | | |
| Office of Government-wide Policy | 120 | 21 | 141 | 142 | 38 | 180 | 170 | 35 | 205 |
| Operating Expenses | 253 | 14 | 267 | 255 | 16 | 271 | 258 | 16 | 274 |
| Federal Citizen Services Fund | 91 | 0 | 91 | 97 | 0 | 97 | 97 | 0 | 97 |
| Former Presidents | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Civilian Board of Contract Appeals | 37 | 0 | 37 | 41 | 0 | 41 | 41 | 0 | 41 |
| Office of Inspector General | 290 | 2 | 292 | 326 | 3 | 329 | 326 | 3 | 329 |
| Subtotal, Annual Appropriations | 791 | 37 | 828 | 861 | 57 | 918 | 892 | 54 | 946 |
| Revolving Funds | | | | | | | | | |
| Federal Buildings Fund | 4,916 | 350 | 5,266 | 5,155 | 350 | 5,505 | 5,085 | 350 | 5,435 |
| Acquisition Services Fund | 0 | 2,960 | 2,960 | 0 | 3,135 | 3,135 | 0 | 3,308 | 3,308 |
| Working Capital Fund | 0 | 2,046 | 2,046 | 0 | 2,079 | 2,079 | 0 | 2,062 | 2,062 |
| IT Modernization Fund | 0 | 0 | 0 | 0 | 0 | 0 | 75 | 0 | 75 |
| Subtotal, Revolving Funds | 4,916 | 5,356 | 10,272 | 5,155 | 5,564 | 10,719 | 5,160 | 5,720 | 10,880 |
| Permanent Budget Authority | 31 | 0 | 31 | 37 | 0 | 37 | 37 | 0 | 37 |
| GSA TOTAL | 5,738 | 5,393 | 11,131 | 6,053 | 5,621 | 11,674 | 6,089 | 5,774 | 11,863 |

Explanation of Changes, Federal Buildings Fund

(New Obligational Authority, Dollars in Thousands)

| | Construction and Acquisition | Repairs and Alterations | Rental of Space | Building Operations | TOTAL |
|---|------------------------------|-------------------------|--------------------|---------------------|---------------------|
| <i>FY 2016 Enacted</i> | \$1,607,738 | \$735,331 | \$5,579,055 | \$2,274,000 | \$10,196,124 |
| Change in Construction for Executive Agencies | \$613,576 | | | | \$613,576 |
| Change in Construction of Courts | (\$947,760) | | | | (\$947,760) |
| Change in Construction of LPOE | \$56,968 | | | | \$56,968 |
| Change in Basic R&A program | | \$12,090 | | | \$12,090 |
| Change in Line-Item R&A program | | \$78,996 | | | \$78,996 |
| Change in Design and Construction | | \$8,500 | | | \$8,500 |
| Change in Special Emphasis programs | | \$6,700 | | | \$6,700 |
| FY 2016 Program Changes | | | \$25,035 | | \$25,035 |
| Annualization of remaining FY 2016 Program Changes | | | (\$8,873) | | (\$8,873) |
| FY 2016 Unobligated Balances Used to Fund FY 2017 Requirements | | | (\$25,000) | | (\$25,000) |
| FY 2017 Anticipated Prior Year Recoveries used to fund FY 2017 Requirements | | | (\$50,000) | | (\$50,000) |
| Rental Rate Increases | | | \$30,214 | | \$30,214 |
| Lump Sum Payments for real estate taxes and lease buyouts | | | \$147,038 | | \$147,038 |
| Lease Cancellations | | | (\$51,371) | | (\$51,371) |
| Lease Expansions (other than indefinite) | | | \$9,483 | | \$9,483 |
| Change in Base Building Cost | | | | \$92,377 | \$92,377 |
| Change in Other/ Miscellaneous Building Cost | | | | (\$42,136) | (\$42,136) |
| Change in PBS Administrative Cost | | | | \$23,029 | \$23,029 |
| Change in Other / Miscellaneous PBS Administrative Cost | | | | \$3,349 | \$3,349 |
| <i>FY 2017 Request</i> | \$1,330,522 | \$841,617 | \$5,655,581 | \$2,350,618 | \$10,178,338 |

U.S. General Services Administration
Summary of the FY 2017 Request

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

| | Government-wide Policy | | Operating Expenses | | Civilian Board of Contract | | Former President | | Federal Citizen Services Fund | | Inspector General | | Presidential Transition | | Pre-Election Activities | | IT Modernization | | Total | |
|--|------------------------|---------------|--------------------|---------------|----------------------------|--------------|------------------|--------------|-------------------------------|---------------|-------------------|---------------|-------------------------|--------------|-------------------------|----------|------------------|----------------|------------|----------------|
| | FTE | Request | FTE | Request | FTE | Request | FTE | Request | FTE | Request | FTE | Request | FTE | Request | FTE | Request | FTE | Request | FTE | Request |
| FY 2016 Request | 142 | 58,000 | 272 | 49,376 | 41 | 9,184 | | 3,277 | 97 | 55,894 | 326 | 65,000 | 0 | 0 | 0 | 13,278 | 0 | 0 | 837 | 254,009 |
| FY 2017 Pay Increase (1.6%), Effective Jan 2017 | | 270 | | 430 | | 47 | | 17 | | 136 | | 642 | | | | | | | 0 | 1,542 |
| Program Increases: | | | | | | | | | | | | | | | | | | | | |
| Travel and Transportation of persons | | | | | | | | 359 | | | | | | | | | | | 0 | 0 |
| New Former President Barack Obama | | | | | | | | | | | | | | | | | | | 0 | 359 |
| Evidence-based policy initiatives to advance | | 500 | | | | | | | | | | | | | | | | | 0 | 500 |
| Establish Unified Shared Service Management Office | 20 | 5,000 | | | | | | | | | | | | | | | | | 20 | 5,000 |
| Improve information and analytical tools for acquisition professions | | 466 | | | | | | | | | | | | | | | | | 0 | 466 |
| WCF Bill Increase | | 984 | | | | | | | | | | | | | | | | | 0 | 984 |
| ROCIS Enhancements | | 1,000 | | | | | | | | | | | | | | | | | 0 | 1,000 |
| Benchmarking and priority evidence based policy surge support | | 150 | | | | | | | | | | | | | | | | | 0 | 150 |
| Data to Decisions (D2D) Implementation & Operations Support | | 350 | | | | | | | | | | | | | | | | | 0 | 350 |
| Personnel Compensation and Benefits | | | | 727 | | | | 13 | | | | | | | | | | | 0 | 740 |
| Rent | | | | 513 | | 40 | | | | | | | | | | | | | 0 | 553 |
| Printing and Reproductions | | | | | | 4 | | | | | | | | | | | | | 0 | 4 |
| Benefits for Former Presidents | | | | | | | | 163 | | | | | | | | | | | 0 | 163 |
| Printing and Communications | | | | 9 | | | | 36 | | | | | | | | | | | 0 | 45 |
| Supplies, Materials, and Equipment | | | | 5 | | | | 6 | | | | | | | | | | 80,000 | 0 | 80,011 |
| Contractual Services | | | | 1,553 | | | | 5 | | | | | | | | | | 5,000 | 0 | 6,558 |
| Civilian Personnel Benefits | | | | | | | | | | 468 | | | | | | | | | 0 | 468 |
| Advisory and Assistance Services | | | | | | | | | | 2,061 | | | | | | | | 15,000 | 0 | 17,061 |
| Idea Labs | | | | | | | | | | 2,000 | | | | | | | | | 0 | 2,000 |
| Full-time, Permanent Personnel Compensation | | | | | | | | | 12 | 1,508 | | 358 | | | | | | | 12 | 1,866 |
| Incoming Administration | | | | | | | | | | | | | 6,000 | | | | | | 0 | 6,000 |
| Outgoing Administration | | | | | | | | | | | | | 2,500 | | | | | | 0 | 2,500 |
| Agency Briefings | | | | | | | | | | | | | 1,000 | | | | | | 0 | 1,000 |
| Pre-Election Activity | | | | | | | | | | | | | | | (13,278) | | | | 0 | 0 |
| Program Decreases: | | | | | | | | | | | | | | | | | | | | |
| IT platform consolidation | | (400) | | | | | | | | | | | | | | | | | 0 | (400) |
| FTE reduction in asset & transportation Management | (2) | (333) | | | | | | | | | | | | | | | | | (2) | (333) |
| Reduction of contractual services through talent insourcing | 10 | (1,490) | | | | | | | | | | | | | | | | | 10 | (1,490) |
| Personnel Compensation and Benefits | | | (14) | (444) | | | | | | | | | | | | | | | (14) | (444) |
| Travel and Transportation | | | | (102) | | | | (11) | | | | | | | | | | | 0 | (113) |
| Contractual Services | | | | (1,859) | | | | | | | | | | | | | | | 0 | (1,859) |
| Communications, Printing, and Reproduction | | | | (18) | | | | | | (41) | | | | | | | | | 0 | (59) |
| Supplies, Materials, and Equipment | | | | (17) | | | | | | | | | | | | | | | 0 | (17) |
| FTE transfer to the Working Capital Fund | | | | | | | | | (12) | (2,014) | | | | | | | | | (12) | (2,014) |
| Goods and services from Government accounts | | | | | | | | | | (1,584) | | | | | | | | | 0 | (1,584) |
| FY 2017 Request | 170 | 64,497 | 258 | 50,173 | 41 | 9,275 | 0 | 3,865 | 97 | 58,428 | 326 | 66,000 | 0 | 9,500 | 0 | 0 | 0 | 100,000 | 851 | 375,016 |

Key GSA Activities in Support of a More Efficient and Effective GSA

To address the findings of the FY 2012 “Top to Bottom” review, GSA leadership has focused on improving internal operations, such as the administration of GSA-occupied space and the management of contracts in support of GSA activities. Each organization took a hard look at its functions, strengthening core offerings and transitioning other functions to offices better structured to deliver them. With administrative functions consolidated, GSA continues to pursue opportunities to realize the savings anticipated by the “CxO Consolidation.”

For GSA, optimizing our internal processes and functions is a continuous process. The FY 2017 request includes savings through insourcing core functions and outsourcing functions that can be consolidated to external shared service providers. These actions continue to drive us towards improved delivery of our core functions: providing real estate, acquisition, and technology services.

Additional Consolidation Efficiencies

GSA has consolidated administrative services within the Working Capital Fund (WCF) in order to standardize operations and leverage best practices that improve customer service while driving down costs. These efforts are already leading to savings in the offices where the main consolidation activities have taken place. GSA’s WCF request for FY 2017 is 4.7 percent below the FY 2016 planned funding.

GSA’s consolidation of human resources services and financial operations, has already been completed, and will allow GSA to save an estimated \$14.2 million (15 percent) and \$50.6 million (36 percent) respectively, as compared to the estimated FY 2013 funding levels for these activities. GSA is planning limited realignments and consolidations in FY 2017 as most of the major consolidations will be complete. As a result, GSA’s budget request includes spending reductions resulting from efficiencies gained through the consolidations.

GSA continues to focus on reducing funds spend on management support. Management continued to review support contracts looking for additional opportunities to reduce cost. In the FY 2017 budget request PBS, the Office of Government Policy (OGP) and the Working Capital Fund (WCF) identified several functions that could be insourced. As a result PBS’s estimates savings of \$7 million; OGP estimates savings of \$1 million; and the Office of the Chief Information Officer (GSA IT) estimates savings of \$4 million from the FY 2016 enacted levels.

Reduce the Footprint

GSA’s “Reduce the Footprint” Initiative focuses on improving utilization in the space that GSA occupies as a tenant, similar to the way GSA works with customer agencies to review and optimize their space. These strategies include right-sizing of individual, collaborative, and support spaces; desk-sharing; enabling and supporting mobile work; and shifting from traditional office space to a more flexible, equitable open-plan environment. The \$6,888 thousand

investment in FY 2016 will continue to build upon this success in order to achieve additional space reductions in regional facilities. GSA plans only \$62 thousand in Reduce the Footprint investments in FY 2017 with the majority of investments in Reduce the Footprint programs receiving funding in FY 2016. The investment in Reduce the Footprint will produce long term savings from the improved utilization of space.

GSA's efforts in this area will continue to be a model for other Federal agencies looking to improve space utilization, reduce real estate costs, and increase collaboration and innovation.

Benchmarking

GSA partnered with OMB to lead the recent President's Management Agenda benchmarking effort with CFO-Act agencies. This budget request includes a number of funding and policy decisions that were informed by benchmarking results and will save taxpayer money and reallocate resources to investments that will support GSA customers.

Financial Management Line of Business Divestment: A key part of GSA's "Top to Bottom" review was identifying parts of GSA's operations that are no longer relevant to GSA's core offerings and transitioning out of those functions. In order to reduce long-term costs and focus GSA on its core business areas of Federal property management, acquisition, and information technology, the Administrator instructed OHRM, OCFO and OCIO to develop plans to cease operations as Federal shared service providers (SSPs) and to transition GSA to remaining SSPs for these functions.

GSA's financial management benchmarking results demonstrated that GSA was a relatively high-cost provider of financial services, with GSA's financial management spending rate more than double the CFO-Act agency median. In order to reduce the cost of financial management services, GSA partnered with the U.S. Department of Agriculture (USDA) to transfer GSA's Momentum-based financial operations and personnel to USDA in FY 2015. USDA scores significantly better than GSA on financial management spending efficiency, with a rate that is 75 percent below the agency median.

In FY 2017, GSA will continue to invest in transitioning human resource and financial service operations. GSA's request reflects the completed transfer of GSA staff and contracts to USDA in March, 2015, reducing FTE in the Working Capital Fund by 249 in FY 2016. Now that the transition is finalized, USDA is working toward having multiple agencies using the same financial system, which will allow GSA to realize significant savings, reduce duplication across the Government, and focus on core functions.

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

The FY 2017 budget request includes key investments that will strengthen GSA’s IT enterprise architecture. Modernizing the IT enterprise architecture will allow GSA IT to shift more resources from running legacy applications and infrastructure to investing in efforts to grow and transform GSA’s business IT systems.

As part of the GSA Governance Process, the Chief Information Officer and Chief Financial Officer have reviewed and approved all major IT investments in the FY 2017 budget request ensuring sufficient IT resources and appropriate budget estimates.

Information Technology Budget by Fund

(Dollars in Millions)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|-------------------------------------|-------------------|--------------------|--------------------|
| Working Capital Fund | \$ 326 | \$ 344 | \$ 329 |
| Acquisition Services Fund | \$ 220 | \$ 267 | \$ 223 |
| Federal Buildings Fund | \$ 60 | \$ 55 | \$ 52 |
| Government-wide Policy | \$ 10 | \$ 12 | \$ 10 |
| Acquisition Workforce Training Fund | \$ 5 | \$ 5 | \$ 5 |
| Office of the Inspector General | \$ 5 | \$ 7 | \$ 6 |
| Federal Citizen Services Fund | \$ 9 | \$ 7 | \$ 7 |
| Electronic Government | \$ 14 | \$ 15 | \$ 15 |
| Grand Total | \$ 650 | \$ 710 | \$ 647 |

Human Resource Line of Business (HRLoB) Divestment: GSA’S Office of Human Resources Management (OHRM) used PMA benchmarking data to validate our HRLoB divestiture decision. For example, the data showed larger SSPs were able to lower Human Resource Information Technology (HRIT) unit costs per employee serviced below our current costs. GSA will be able to achieve significant savings by transferring our HRLoB operations to another provider in FY 2016resulting in planned operational savings of \$4.8 million in FY 2018. Similarly, our HR costs per employee serviced are higher than the median according to the PMA benchmarks. GSA will take measures to reduce costs through the implementation of our “future-state model” which focuses on service delivery through tiered self-service and reducing our operational costs while improving service delivery..

Budget Formulation Process

GSA has made significant improvements in the budget formulation process, eliminating baseline budgeting by performing a thorough review of all contracts and investments included in the budget request, creating opportunities for all organizations to review and evaluate proposals in a collaborative manner, setting aggressive internal reduction targets, and requiring prioritization of investments above these targets by each organization.

The OCFO implemented a new budget formulation process where each organization builds their budget from the bottom up. Each contract proposed for inclusion in the budget identified costs and justified the need for funding. Personnel compensation and training requests were standardized across all organizations based on FTE levels to ensure that all organizations had requests sufficient to fully fund all FTEs and promote the development of the workforce across all of GSA.

A new review process was implemented to allow leadership from all GSA organizations to have greater involvement in determining the priorities and investments made in the budget request. Executive business cases were developed for all major new investments. Depending on the level of funding required, investments were reviewed by an Investment Review Board (IRB), program advisory board, or by the OCFO Office of Budget. The IRB consisted of executives from all GSA organizations to ensure that any major new investment in the budget request was approved by the highest levels in the agency. This process created improved visibility into Working Capital Fund processes and spending for all contributing organizations.

Evidence and Evaluation

The FY 2017 budget builds on GSA's recent progress in using evidence and evaluation. In addition to continuing longer-standing evidence-based initiatives like the Green Proving Ground, we are building our capacity for evidence and evaluation. In FY 2017, the Office of Evidence and Analysis (OEA) and the Office of Evaluation Sciences (OES) will move from the incubation stage to fully operational offices within the Office of Government-wide Policy

The OEA will expand the agency's ability to gather, compile, and generate evidence based analysis from a variety of business systems providing decision making information to senior leadership. The work of this team will improve the effectiveness of operations, processes, and systems through the ability of data backed evidence. By improving data collection, data standards, and data analysis, this team will increase the value proposition of Government-wide data and allow for benchmarking, policy evaluation, and cost saving opportunities.

The OES builds off of an initiative to recruit prominent scientists from academia and research institutions who can help translate insights from the social and behavioral sciences into concrete program and policy changes as well as conduct rigorous evaluations that test the efficiency and efficacy of implemented changes.

PBS Key Initiatives

PBS continues to improve efficiency and customer service through a thorough review of programs and operations. The FY 2017 budget request reflects several initiatives to make sure PBS will create building services efficiencies and maintain the skilled workforce to deliver on its critical mission. PBS will enhance customer service by focusing on optimizing building services efficiencies, making PBS more responsive to occupant needs. The budget request also includes an increase to training to support PBS staff in becoming an expert real estate workforce. This mix of investments ensures that PBS has the skills and tools needed to increase customer service, improve portfolio management, enhance project selection, and meet the work requirements for Federal agencies.

FAS Key Initiatives

In FY 2016 and FY 2017, FAS will continue to engage in several cost cutting efforts and strategic investments. In FY 2015, FAS closed operations in two distribution centers which house nearly two million square feet of inventory. As a result of the distribution center closures, General Supply Services is working to consolidate responsibilities within Supply and Acquisition Operations. The consolidation will create a streamlined and efficient contracting operation and management structure by re-aligning resources so that acquisition personnel will work together in unified offices.

Concurrently, FAS is pursuing strategic investments in the Common Acquisition Platform, to be renamed FAS Systems Transformation (FAS-ST), and is taking strides to adopt Category Management principles. Investments in the FAS-ST will enable FAS to develop and support a common set of Government-wide acquisition systems, reducing GSA and Federal costs while facilitating category management and strategic sourcing principles into Federal procurement decisions. FAS's implementation of Category Management principles will also enable streamlined service delivery and savings to agency partners. Successful implementation will support an effective roll-out of Category Management across the Government. FAS is also investing in the development of new telecom contracts that will consolidate existing vehicles, driving standardization while also providing greater service to customers. Lastly, FAS is committed to improving fuel efficiency across its leased fleet by promoting the use of hybrid sedans as well as electric vehicles. All of these investments will work to modernize FAS, decrease agency costs, and improve the Government marketplace.

OCSIT/18F Key Initiatives

OCSIT/18F continues to drive the transformation of how the federal government builds and buys technology. The FY 2017 President's Budget works to scale the success that these programs have had to date making the government a more customer-centric, transparent, efficient, and secure. Leveraging the request for the Information Technology Management Fund, OCSIT/18F and expertise from across GSA, will be able to more effectively tackle the largest modernization,

security and service challenges across the federal government. 18F will continue to grow the three main business lines that drive the main source of revenue for the organization: (1) Custom Solutions; (2) Common Products and Platforms; and (3) Digital Acquisition Services and Marketplaces. 18F will also grow a fourth business line, Transformation Services, which seeks to transform agencies into digital organizations through new management models, culture change, modern practices, empowered talent, data access, and collaboration tools.

U.S. General Services Administration

FEDERAL BUILDINGS FUND

Fiscal Year 2017 Budget Request

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

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Summary of the Request

The General Services Administration (GSA) Public Buildings Service’s (PBS) FY 2017 request supports GSA’s long-term plan for Federal real estate. The President’s Budget invests in border and homeland security projects, improves the safety and condition of Government-owned assets, reduces the Federal real estate footprint, and supports local communities’ growth and development. While fully supporting critical capital construction and renovation programs, the request makes targeted reductions to PBS’s building services and administrative costs without compromising service and support to our tenants.

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

Net Budget Authority 12 Year History

(Dollars in Thousands)

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

Five out of the last six fiscal years, this link has been broken, with the level of collections exceeding the appropriation by billions. The President’s FY 2017 Budget request builds off the momentum afforded as a result of the FY 2016 enacted level and positive net budget authority. As a result of Congressional action, GSA has access to both the level of collections in FY 2016

as well as a portion of prior year collections which were previously unavailable. This access provides agencies with space and services that they are paying for and begins to return to an FBF that is self-sustaining.

The President's Budget requests zero net budget authority, which continues to support the effort to return to a self-sustaining fund. Without a self-sustaining fund, GSA will be unable to fund the necessary repairs and improvements to the Federal inventory, which reduces the value of the public's assets over time, results in unnecessary costs due to delayed repairs, and missed opportunities to consolidate space. When GSA is unable to adequately invest in its buildings, the inventory deteriorates in quality and decreases in value, and the revenues available to reinvest in the inventory will decrease as well.

The FY 2017 request of \$842 million in Repairs and Alterations funding is necessary to address the identified needs of PBS's Federal inventory, with an average age of 47 years. Basic and Major repairs and alterations have been repeatedly deferred, including repairs to malfunctioning elevators, replacement of dangerous and malfunctioning electrical systems, updates to outdated fire alarm systems, and asbestos abatement, in some cases leading to immediate health and safety concerns. GSA estimates the total cost of Deferred Maintenance and Repairs to be approximately \$1.230 billion, for activities categorized as work needing to be performed immediately to restore or maintain acceptable condition of the building inventory.

Investing in the maintenance of our public buildings today allows PBS to address much needed repairs and improvements that if allowed to go unfunded, will negatively impact agency operations, impact building occupants and result in costly and potentially emergency repairs in the future. For example, the roof system at the John F. Kennedy Federal Building in Boston, MA is experiencing localized failures. Interim repairs have been made to temporarily address the failures, but continued delay in funding is causing damage to interior finishes, tenant property and historic elements of the building and the continued deterioration of the insulation is negatively affecting energy consumption. Water infiltration at several Federal buildings, including the Carl B. Stokes U.S. Courthouse in Cleveland, OH is affecting occupied spaces below the plazas and parking garages. This infiltration has caused water buildup in ductwork and cracks to walls, floors and structural concrete and the structures are experiencing cracking and spalling. Interim repairs are not going to prevent further deterioration and if the necessary repairs are not undertaken, the structural integrity of the plazas and parking decks will be severely compromised. Lastly, seismic deficiencies and unreinforced masonry walls in the auditorium wing and offices of the 911 Federal Building/Eastside Federal Complex in Portland, OR are so significant that the auditorium usage is restricted and the auditorium wing cannot be backfilled until the seismic deficiencies are corrected.

Every day, the Federal Government's investments have an impact on the communities where we live and work. GSA has a major presence in communities across the country, often determining where hundreds of jobs may be located or relocated. Without a self-sustaining

fund, the FBF is unable to invest rent collected from Federal tenants back into the facilities they occupy. This has not only hurt the local areas where these investments could have been a powerful economic catalyst for growth, but also has greatly impeded GSA's mission to provide the facilities our customer agencies need. The FY 2017 request allows PBS to fund mission-critical border and homeland security projects, improve the safety and condition of Government-owned assets while supporting the Administration's direction to all agencies to reduce the Federal real estate footprint and support local communities through job creation.

To assist us in prioritizing our limited resources to meet the needs of our customer agencies and our inventory in a transparent and structured method, GSA uses a list of criteria to rank and prioritize proposals to align with GSA's overarching strategy of supporting our customer agencies as efficiently and effectively as possible. To determine the FY 2017 list of repair and alteration projects, we reviewed each project and rated its priority relative to other potential projects based on:

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

To determine the FY 2017 list of new construction projects, we reviewed each project and rated its priority relative to other potential projects based on:

- Responsible Asset Stewardship: Factors considered include the condition of facility being replaced including the building systems, security, and functionality of the space; funds received to date; existing occupancy status and housing plan; and length of time planned to retain the new asset;
- Serving Our Partners: Factors considered include agency priority and existing master plans;
- Delivering Better Value and Savings: Factors considered include lease cost avoidance and return on investment; and
- Smaller, More Sustainable Footprint: Factors considered include utilization rate improvement, sustainability goals, and community planning/investments.

As we work to restore funding for the FBF, we are also working to ensure every FBF dollar is invested wisely. The FY 2017 request reflects a zero-based budget approach to building operations that continues efforts to reduce spending on building services and administrative costs. The requested level of funding will be used to maintain building services at a standardized level that meets customer needs while limiting the rate of increased spending; to fund PBS's workforce at existing levels while reducing management support costs through additional insourcing opportunities; and to fund the contractual obligations associated with PBS's leasing program, which continues to reflect reductions in rentable square feet (RSF).

In these challenging fiscal times, effective management strategies are an important component of the PBS approach to efficient and responsible budgeting. The FY 2017 Budget request provides transparency and identifies strategic funding decisions that directly support our people, customers and portfolio. While maximizing resources for new construction and acquisition activities and repairs and alteration programs, the FY 2017 request continues to optimize the internal operations of PBS while supporting the key building operation needs requested by our customers.

Beginning in FY 2014, PBS implemented its Consolidation Activities special emphasis program, aimed at helping agencies reduce their reliance on costly leased space to meet long-term housing requirements by developing strategies to use space more efficiently and maximize use of the existing federally owned inventory. Through its FY 2014 and FY 2015 Consolidation Activities projects, PBS is helping its partner agencies reduce space by more than 1 million square feet and reduce agency rent payments to GSA by \$36 million and reducing GSA payments to private lessors, avoiding future lease payments totaling an estimated \$76 million annually.

Additionally, when a housing requirement is met in leased space, PBS is working proactively with its partner agencies to ensure that the space is used as efficiently as possible, resulting in utilization rate improvements. In fact, through its FY 2016 prospectus-level leasing program, PBS and its partner agencies have reduced square footage by over 800,000 square feet and improved space utilization by 19 percent.

These efforts have resulted in a reduction of the leased inventory of over 3 million RSF since FY 2012 (when the Administration's Freeze the Footprint Initiative began), and continued projected decreases in the leased inventory of approximately 3 million more RSF by the end of FY 2017, even after accounting for 4.7 million RSF of delegated leases that agencies will be turned back to GSA between FY 2015 and FY 2017.

This request continues to enhance our customer service by requesting \$1,187 million for building services. This funding will optimize building services efficiencies through a data-driven facilities management model that is standardized across the regions without compromising service, making PBS more responsive to occupant needs and in support of establishing

operational efficiencies. Increases related to new inventory and labor wage escalations are offset by savings achieved from standardizing service levels and repackaging requirements to obtain optimal pricing and maintain flexibility on non-recurring requirements; aggregating requirements to gain economies of scale, partnering with major vendors to identify cost saving opportunities across the portfolio as well as renegotiating local contracts. Enhanced analytics enable more targeted approaches that produce sustainable results that preserve service levels to the customer. Greater visibility on cost and trend data informs decision making at all levels and supports effective contract negotiations. To enhance PBS's portfolio management, this request includes funding to improve long-term capital project planning by investing \$26 million in facility studies to ensure high quality in out-year major construction and renovation projects as well as in support of ongoing building operations and basic repairs.

The request of \$1,163 million for salaries and expenses will ensure that PBS has the workforce required to address these ever pressing Federal inventory needs. The request reduces contracted labor through insourcing ongoing, mission critical work to Federal employees, and the continuation of a nationwide internship program in support of hiring entry-level staff. To support PBS staff in becoming an expert real estate workforce, the FY 2017 request increases training funding from \$7.3 million to \$11.9 million to fund necessary training. This mix of investments ensures that PBS has the skills and tools needed to increase customer service, improve portfolio management, enhance project selection, and augment the skills that PBS staff utilizes in meeting a dynamic and complex portfolio.

By investing all revenue collected through agency rents into the Federal Buildings Fund activities, maximizing funds to invest in the capital program, and requesting approval for advance appropriations in FY 2018 to improve project planning, create efficiency, improve outcomes, and reduce costs, the FY 2017 request allocates constrained FBF resources to address key capital requirements. Without a self-sustaining FBF, GSA is unable to capitalize on opportunities to make smart investments in the Federal portfolio that will result in greater efficiencies and lower operating costs.

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

REPAIRS AND ALTERATIONS Program:

(In Priority Order)

| | | |
|--|-----------|----------------|
| Nonprospectus (Basic) Repairs and Alterations Program | \$ | 312,090 |
| Major Repairs and Alterations | | |
| Detroit, MI 985 Michigan Avenue | \$ | 81,303 |
| Portland, OR 911 Federal Building | \$ | 22,500 |
| Philadelphia, PA William J. Green Jr. Federal Building | \$ | 52,300 |
| New Orleans, LA F. Edward Hebert Federal Building | \$ | 66,608 |
| Kansas City, KS 2306/2312 Bannister Road | \$ | 66,534 |
| Detroit, MI Patrick V. McNamara Federal Building Garage | \$ | 10,720 |
| Indianapolis, IN Minton-Capehart Federal Building | \$ | 10,784 |
| Austin, TX Austin Finance Center | \$ | 22,781 |
| Cleveland, OH Carl B. Stokes U.S. Courthouse | \$ | 15,524 |
| Boston, MA John F. Kennedy Federal Building | \$ | 40,273 |
| Subtotal, Major Repairs and Alterations | \$ | 389,327 |
| Repair and Alteration - Design Program | | |
| New York, NY Joseph P. Addabbo Federal Building | \$ | 8,500 |
| Subtotal, R&A Design Program | \$ | 8,500 |
| Special Emphasis Programs | | |
| Energy and Water Retrofit and Conservation Measures Program | \$ | 10,000 |
| Judicial Capital Security Program | \$ | 26,700 |
| Consolidation Activities Program | \$ | 75,000 |
| Fire and Life Safety Program | \$ | 20,000 |
| Subtotal, Special Emphasis Programs | \$ | 131,700 |
| Total FY 2017 Repairs and Alterations Program | \$ | 841,617 |

(3) \$5,655,581 thousand for Rental of Space to acquire and administer leasehold interests in privately owned buildings where Federally owned space is not available. This amount funds annual rent for current leases, real estate tax and other one-time payments, and rent increases associated with replacement leases and expansion space. This request represents a 1.4 percent increase from the FY 2016 enacted funding.

(4) \$2,350,618 thousand for Building Operations to provide services for both Federally owned and leased facilities as well as administration and management of all PBS real property programs. Of the total amount for Building Operations, \$1,187,240 thousand will be allocated to Building Services to fund current services and cost increases for cleaning, utilities, maintenance, and building services in new space, and; \$1,163,378 thousand will be allocated to Salaries and Expenses to maintain the 5,085 full time equivalents (FTE) as well as costs for PBS specific information technology (IT) applications and PBS's contribution to the Working Capital Fund (WCF).

\$10,163,607 thousand for Advance Appropriations for FY 2018, a net zero budgetary authority proposal to support both capital investments and operating expenses. Advance appropriations will support capital projects and ensure that the funds that the agencies pay to GSA are used promptly to construct, maintain and operate GSA facilities.

In addition to the authority requested in FY 2017, PBS projects \$1,600,859 thousand in reimbursable authority for services provided to other agencies, including funding for 350 FTE. PBS also projects \$141,551 thousand in permanent indefinite authority from leased expansion space, outleasing, energy rebates, and revenue from the sale of recyclable materials.

Advance Appropriations

GSA requests advance appropriations for FY 2018 equal to the level of collections, resulting in a zero net budget authority impact. Advance appropriations provide additional transparency regarding GSA’s future plans and the authority to spend agency rental payments for the purpose they were intended – support of the capital, leasing and operations programs.

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

| | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request | FY 2018 Request |
|--|---------------------|--------------------|--------------------|--------------------|
| Resources: | | | | |
| Revenue | \$ 9,917,667 | \$ 9,807,722 | \$ 10,178,338 | \$ 10,163,607 |
| New Obligational Authority: | | | | |
| Construction and Major Repairs and Alterations | \$ 937,564 | \$ 2,043,069 | \$ 1,860,049 | \$ 1,592,056 |
| Basic Repairs and Alterations | \$ 390,266 | \$ 300,000 | \$ 312,090 | \$ 390,000 |
| Installment Acquisition Payments | \$ - | \$ - | \$ - | \$ - |
| Rental of Space | \$ 5,666,348 | \$ 5,579,055 | \$ 5,655,581 | \$ 5,711,494 |
| Building Operations | \$ 2,244,132 | \$ 2,274,000 | \$ 2,350,618 | \$ 2,470,057 |
| Total New Obligational Authority | \$ 9,238,310 | \$ 10,196,124 | \$ 10,178,338 | \$ 10,163,607 |
| Net Budget Authority | \$ (679,357) | \$ 388,402 | \$ - | \$ - |

The Federal Buildings Fund

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

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

Capital Program

When the FBF was created by Congress the goal was to ensure dedicated resources for capital investment in the building portfolio. Funding the FBF at the level of collections ensures agencies receive the services they are paying for by providing funding to meet the needs of the inventory. Several years of obligational limitations significantly below the level of collections have made investments at the level of anticipated collections in FY 2017 critical to restoring a sustainable level of reinvestment in the inventory.

The GSA request includes \$2,172,139 thousand in support of the capital program including Construction and Acquisition, Major, and Basic Repairs and Alterations. At the request level, GSA will invest \$759,000 thousand for the consolidation of the FBI Headquarters in the Washington DC area. The highly anticipated FBI Headquarters Consolidation project will allow GSA to consolidate the FBI operations housed in the J. Edgar Hoover Building as well as more than a dozen leased locations into a single, consolidated headquarters facility. This funding will support GSA's efforts to divest under-performing Federal facilities while creating the greatest value for the American taxpayers by giving this partner agency the modern and, secure facility required to it needs to fulfill its essential mission. In addition to the GSA funding request, the President's budget also proposes \$646,000 thousand in the FBI construction account. In support of this unique project, some construction services will be acquired through an exchange of the J. Edgar Hoover building for the new FBI Headquarters facility and site. This exchange

will serve as an economic catalyst as the valuable parcel of property along Pennsylvania Avenue will be conveyed to the private sector for redevelopment.

GSA will invest \$267 million for the continued consolidation of the Department of Homeland Security in the Capital region at the St. Elizabeths campus. By bringing these agency components into a single Government owned campus, DHS will save on leased space and enable these employees to collaborate in a single location. Delays in enacted funding lead to delay in the original consolidation timeline, however, the FY 2016 enacted appropriation provided full funding of the GSA and DHS requests. Continued support of this vital project will allow GSA to continue execution of the enhanced plan for DHS consolidation resulting in \$1.17 billion savings over the current leased Headquarters locations.

The President's Budget supports investments in border and homeland security projects, projects to improve the safety and condition of Government-owned assets, activities in support of the Administration's direction to reduce the Federal real estate footprint, and projects that support local communities' growth and development. GSA's request includes \$248 million to support the second and final phase of the Calexico West Land Port of Entry modernization and improvement project, which will improve the security of our nation's borders as well as support expanded commerce and trade activities. The request also includes \$81 million for the 985 Michigan Avenue Federal Office Building in Detroit, MI. In addition to ensuring that the facility meets the needs of our partner agencies in the area, this project will bring an estimated 800 additional employees into the neighborhood to help drive economic growth.

The FY 2017 request funds \$841,617 thousand in Repairs and Alterations that are necessary to provide market-level services to PBS's tenant agencies. The FY 2017 request funds repair activities necessary to maintain building systems, supports cost saving consolidation activities within existing Federal Buildings, and the design for a consolidation action which will both decrease agency costs and serve as an economic catalyst for the local community.

The FY 2017 Request funds \$75 million in consolidation activities to further GSA's ongoing efforts to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the Federal Government's real estate footprint. Projects funded under this authorization will enable agencies to relocate to Federally-owned space that more efficiently meets mission needs. These relocations will result in improved space utilization, cost savings for the American people, and a reduced environmental impact.

Construction

The FY 2017 construction and acquisition program request is \$1,330,522 thousand and reflects GSA's dedication to investing in critical facilities:

- PBS will invest \$1,082,309 thousand in the design and construction of facilities to house Executive branch agencies, including: the consolidation of the FBI Headquarters; the continued consolidation efforts for the Department of Homeland Security at the St. Elizabeths campus; support the Government's environmental remediation commitment; the opportunity for the acquisition of a current leased facility resulting in an overall savings to the Federal Government; and the design of a replacement facility for Office of Personnel Management operations currently housed in barely habitable underground mine operations.
- PBS will invest \$248,213 thousand in the design and construction of the second phase of the Calexico land port of entry. This project is critical to ensure that U.S. Customs and Border Protection (CBP) is able to complete their mission of securing our Nation's borders with the refurbishment and replacement of Land Port of Entry (LPOE) facilities that currently lack the infrastructure capacity to fulfill traffic demands and meet our the latest security requirements. Additionally, this proposed investment will facilitate enhanced trade and economic growth.

Repairs and Alterations

The FY 2017 Repairs and Alterations program request is \$841,617 thousand including \$312,090 thousand for Basic Repairs and Alterations. This activity is dedicated to ensuring that the existing infrastructure receives the investment necessary to support customer agencies at the lowest possible cost to the taxpayer:

- PBS will invest \$389,327 thousand in the existing GSA portfolio of buildings through major repairs and alterations projects and design of future projects. Funding for these buildings will enable GSA to meet the objectives of reducing the overall inventory of the Federal Government, reducing administrative costs and energy consumption, and addressing critical-needs projects related to fire and life safety, electrical and HVAC systems, hazardous materials and structural deficiencies.
- Special Emphasis Programs include Consolidation Activities, Judicial Capital Security, Energy and Water Conservation, and Fire and Life Safety. PBS will invest \$131,700 thousand in these programs. Since inception of the Consolidation Activities Program in FY 2014, GSA has received \$240 million in support of the program. The \$70 million appropriated in FY 2014 includes 23 projects and the FY 2015 consolidation program includes 24 projects. Combined, the FY 2014 and FY 2015 projects will result in more than a 1 million square foot reduction in leased space, \$76 million in government lease cost avoidance, and \$36 million in agency rent savings.
- PBS will invest \$312,090 thousand in the Basic Repairs and Alterations program, investing in projects with a total cost below the prospectus threshold of \$2.85 million. This program ensures that emerging needs are met, mitigating the need for more costly projects in the out years. Over 70% of these funds are annually allocated to basic

serviceability items to keep chillers and boilers running, elevators running, and buildings safe for occupancy.

Building Operations

The FY 2017 request continues GSA's strategy to drive efficiencies in operating programs, investing only in those areas that directly support our people, customers or portfolio, to maximize funding for repairs, alterations, construction, and acquisition in the capital program.

Building Services

The FY 2017 Building Services request is \$1,187,240 thousand, or 4.4 percent above the FY 2016 enacted funding.

The FY 2017 request continues efforts to reduce operating costs associated with PBS's building inventory, funding daily maintenance at \$372 million, cleaning at \$342 million, and building support at \$91 million. In FY 2015, PBS began a more robust national oversight of regional operating budgets in an effort to examine the management, contract provisions, contracting practices, and any other activities that contribute to providing an increased value in PBS's operating services. Through these efforts, PBS will be able to employ national strategies to drive reductions in cleaning and maintenance without negatively impacting, or creating inconsistencies, in customer service, nationally. The FY 2017 request reflects these strategies by holding funding levels for cleaning, maintenance and building support consistent with the reduced level provided in the FY 2016 enacted funding, with a 1.8 percent increase for non-pay inflation and \$4 million incremental cost increase associated with new inventory. Included in the amounts for cleaning and maintenance is a request for \$25 million to invest in transitioning its recurring service contracts from monthly funding under the Limitation of Government Obligation (LOGO) clause to full funding at the time of award. This investment is associated with a longer term plan to completely transition all of PBS's recurring service contracts to full funding.

The FY 2017 request includes \$338 million to fund utility services for existing and new inventory, plus an additional \$40 million to directly fund above standard utilities at the Custom Border Patrol's (CBP) LPOE. This represents an improvement over the prior funding approach, allowing CBP to fund overtime utilities directly through rent to GSA rather than through reimbursable agreements, resulting in administrative efficiencies for both CBP and PBS.

The FY 2017 request also includes \$26 million to fund studies in support of the Five Year Capital Plan as well as ongoing building operations and basic repair planning. Funding studies at the level requested is critical to support the long term planning associated with PBS's capital construction projects. The FY 2017 request also includes \$6 million in support of both forced moves and moves in support of PBS occupied space.

Salaries and Expenses

The FY 2017 Salaries and Expenses request is \$1,163,378 thousand, or 2.3 percent above the FY 2016 enacted level.

PBS's total Personnel, Compensation and Benefits (PC&B) projection for FY 2017 is \$726 million, of which \$678 million is funded directly from Salaries & Expenses NOA and \$47 million is anticipated to be funded through reimbursable activity. This level of funding continues PBS's efforts to insource staff to reduce the level of funding provided to management support, which is expected to be \$55 million in FY 2017, a 13 percent decrease from FY 2016 levels.

The FY 2017 request for Salaries and Expenses includes \$50 million, a 7.7 percent decrease from the FY 2016 enacted funding, to fund PBS's internal IT business applications and \$17 million to fund administrative services, which are in support of national programmatic requirements.

The FY 2017 request funds PBS's training requirements at \$11.9 million, which represents 1.5 percent of base salaries to fund discretionary training and includes additional \$4.7 million to fund mandatory training requirements for PBS's Acquisition and Project Management personnel; PBS's travel requirements at \$10 million; and PBS's other administrative costs at \$10 million, in support of telephones, supplies, equipment, printing, and transportation of things.

The FY 2017 request funds PBS's contribution to the Working Capital Fund (WCF) at \$352 million, remaining constant with the FY 2016 level.

Rental of Space

GSA recognizes that historical trends alone are not good indicators of projected lease costs. As a result, PBS's FY 2017 Rental of Space budget request utilized the improved rent estimation process instituted in the FY 2016. Additionally, PBS performed a detailed programmatic requirements review focused on isolating fixed costs, expiring leases and new inventory to ensure regional program requirements are in line with national strategies to reduce space.

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

PBS's Rental of Space NOA request reflects an overall reduction of 2.4 million rentable square feet (RSF) in anticipated leased square footage from FY 2015 to FY 2017. As the Federal

Government continues to implement strategies to identify savings through efficient space use, the cost to lease new space is expected to decrease in aggregate as GSA replaces, consolidates, or terminates expiring leases, while potentially increasing on a case-by-case basis. While leased space costs are a pass-through cost for PBS, GSA's objective is to reduce the overall amount of leased RSF while also budgeting for the necessary costs of the Rental of Space budget.

The FY 2017 request accounts for a \$50 million offset of anticipated prior year recoveries. Further, PBS's ongoing efforts to refine out-year projections and reduce over-estimated requirements have produced more accurate estimates of the contractual requirements associated with this program.

U.S. General Services Administration
Federal Buildings Fund

Resources, New Obligational Authority, and Fund Balance

(Dollars in Thousands, excludes Indefinite Authority)

| | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request |
|---|---------------------|--------------------|--------------------|
| Resources: | | | |
| Available from prior year for reauthorization | \$ 2,940,681 | \$ 3,566,458 | \$ 3,178,056 |
| Redemption of Debt | \$ - | \$ - | \$ - |
| Reprogramming Authority | \$ 81,937 | \$ - | \$ - |
| Appropriation | \$ - | \$ - | \$ - |
| Transfer | \$ (189) | \$ - | \$ - |
| Rescission/Lapsed Current Year Authority | \$ - | \$ - | \$ - |
| Rescission/Lapsed Prior Year Authority | \$ - | \$ - | \$ - |
| Revenue from Operations: | | | |
| Rent | \$ 9,776,980 | \$ 9,787,355 | \$ 10,152,436 |
| Miscellaneous | \$ 51,784 | | |
| Outleasing | \$ 3,193 | \$ 4,675 | \$ 7,142 |
| Retention of Proceeds (Sale of Real Property) | \$ 16,966 | \$ 3,250 | \$ 3,369 |
| SSA/CDC/CMS Payments | \$ 15,352 | \$ 12,442 | \$ 15,392 |
| Subtotal, Revenue | \$ 9,864,276 | \$ 9,807,722 | \$ 10,178,339 |
| Total Resources Available | \$ 12,886,705 | \$ 13,374,180 | \$ 13,356,395 |
| New Obligational Authority: | | | |
| Construction and Acquisition | \$ 583,947 | \$ 1,607,738 | \$ 1,330,522 |
| Major Repairs and Alterations | \$ 435,554 | \$ 435,331 | \$ 529,527 |
| Basic Repairs and Alterations | \$ 390,266 | \$ 300,000 | \$ 312,090 |
| Rental of Space | \$ 5,666,348 | \$ 5,579,055 | \$ 5,655,581 |
| Building Operations - Building Services | \$ 1,122,727 | \$ 1,137,000 | \$ 1,187,240 |
| Building Operations - Salaries and Expenses | \$ 1,121,405 | \$ 1,137,000 | \$ 1,163,379 |
| Total New Obligational Authority | \$ 9,320,247 | \$ 10,196,124 | \$ 10,178,339 |
| Fund Balance: | | | |
| Total Resources Available | \$ 12,886,705 | \$ 13,374,180 | \$ 13,356,395 |
| Total New Obligational Authority | \$ (9,320,247) | \$ (10,196,124) | \$ (10,178,339) |
| Changes to Prior Year Authority | \$ - | \$ - | \$ - |
| Fund Balance (Available for Reauthorization) | \$ 3,566,458 | \$ 3,178,056 | \$ 3,178,056 |
| Net Budget Authority | \$ (625,966) | \$ 388,402 | \$ - |

Crosswalk of FY 2015 New Obligational Authority

(Dollars in Thousands)

| | P.L. 113-235 Enacted 12/16/2014 | Approved Reprogramming | FY 2015 Enacted Legislation | Indefinite Authority | FY 2015 Actual Authority |
|---|---------------------------------------|---------------------------|-----------------------------------|-------------------------|--------------------------------|
| New Obligational Authority: | | | | | |
| Construction and Acquisition | \$ 509,670 | \$ 74,277 | \$ 583,947 | | \$ 583,947 |
| Major Repairs and Alterations | \$ 427,894 | \$ 7,660 | \$ 435,554 | | \$ 435,554 |
| Minor Repairs and Alterations | \$ 390,266 | | \$ 390,266 | \$ 12,535 | \$ 402,801 |
| Installment Acquisition Pymts | \$ - | | \$ - | | \$ - |
| Rental of Space | \$ 5,666,348 | | \$ 5,666,348 | \$ 120,331 | \$ 5,786,679 |
| Building Operations - Building Services | \$ 1,122,727 | | \$ 1,122,727 | \$ 41,224 | \$ 1,163,951 |
| Building Operations - Salaries and Expenses | \$ 1,121,405 | | \$ 1,121,405 | \$ - | \$ 1,121,405 |
| Total, New Obligational Authority | \$ 9,238,310 | \$ 81,937 | \$ 9,320,247 | \$ 174,090 | \$ 9,494,337 |

1. Reprogrammings towards the Construction and Acquisition provided funding St Elizabeths Consolidation, Washington, DC (\$38.1 million); Belle Mead Depot Northern Parcel Remediation, Belle Mead, NJ (\$11.2 million); Laredo, U.S. Land Port of Entry, Laredo, TX (\$25.0 million).

2. Reprogrammings towards Repairs and Alterations provided funding for the Jacob Javits Federal Building (\$7.7M)

Indefinite Authority

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|-------------------|--------------------|--------------------|
| Repairs and Alterations: | | | |
| Historical Outleasing | \$ 7,911 | \$ 7,000 | \$ 7,000 |
| Energy Rebates | \$ 5,016 | \$ 6,000 | \$ 6,000 |
| International Trade Center | \$ - | \$ 4,000 | \$ 4,000 |
| Recycling | \$ (393) | \$ 700 | \$ 700 |
| Total, Repairs and Alterations | \$ 12,535 | \$ 17,700 | \$ 17,700 |
| Rental of Space: Leased Expansion Space | \$ 120,331 | \$ 120,266 | \$ 83,125 |
| Building Operations: | | | |
| International Trade Center - Building Services | \$ 33,930 | \$ 34,362 | \$ 34,653 |
| International Trade Center - Salaries and Expenses | \$ - | \$ 666 | \$ 650 |
| Cooperative Use Act - Outleasing | \$ 4,324 | \$ 3,775 | \$ 3,745 |
| National Antenna Program | \$ 2,971 | \$ 2,418 | \$ 1,678 |
| Total, Building Operations | \$ 41,224 | \$ 41,221 | \$ 40,726 |
| Total Indefinite Authority | \$ 174,090 | \$ 179,187 | \$ 141,551 |

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

Appropriations Language

Amounts in the Fund, including revenues and collections deposited into the Fund, shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation, and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings, including grounds, approaches, and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of ~~[\$10,196,124,000]~~ \$10,178,338,000, of which—

(1) ~~[\$1,607,738,000]~~ \$1,330,522,000 shall remain available until expended for construction and acquisition (including funds for sites and expenses, and associated design and construction services) [as follows:]

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

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

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

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

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

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

Provided, That [each of the foregoing limits of costs on new] amounts identified in the spend plan for construction and acquisition [projects] required by section 515 of this

division may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in a transmitted prospectus, if required, unless advance [approval] *notice* is [obtained from] *transmitted* to the Committees on Appropriations of a greater amount;

(2) [~~\$735,331,000~~]~~\$841,617,000~~ shall remain available until expended for repairs and alterations, including associated design and construction services, of which—

(A) [~~\$310,331,000~~]~~\$529,527,000~~ is for Major Repairs and Alterations;

(B) [~~\$300,000,000~~]~~\$312,090,000~~ is for Basic Repairs and Alterations[; and]

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

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

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

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

[(iv) \$75,000,000 is for Consolidation

Activities: *Provided*, That consolidation projects result in reduced annual rent paid by the tenant agency: *Provided further*, That no consolidation project exceed \$20,000,000 in costs: *Provided further*, That consolidation projects are approved by each of the committees specified in section 3307(a) of title 40, United States Code: *Provided further*, That preference is given to consolidation projects that achieve a utilization rate of 130 usable square feet or less per person for office space: *Provided further*, That the obligation of funds under this paragraph for consolidation activities may not be made until 10 days after a proposed spending plan and explanation for each project to be undertaken, including estimated savings, has been submitted to the Committees on Appropriations of the House of Representatives and the Senate:]

Provided, That funds made available in this or any previous Act in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount identified for each project *in the spend plan required by section 515 of this division*, except each project in this or any previous Act may be increased by an amount not to exceed 10 percent unless advance [approval] *notice* [is obtained from] *transmitted* to the Committees on Appropriations of a greater amount: *Provided further*, That additional projects for which prospectuses have been [fully approved] *transmitted* may be funded under this category only if advance [approval] *notice* is [obtained from] *transmitted* to the Committees on Appropriations: *Provided further*, That the amounts provided in this or any prior Act for “Repairs and Alterations” may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law [and in compliance with the reprogramming guidelines of the appropriate

Committees of the House and Senate]: *Provided further*, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects;

(3) [~~\$5,579,055,000~~]~~\$~~5,655,581,000 for rental of space to remain available until expended; and

(4) [~~\$2,274,000,000~~]~~\$~~2,350,618,000 for building operations to remain available until expended[, of which \$1,137,000,000 is for building services, and \$1,137,000,000 is for salaries and expenses: *Provided further*, That not to exceed 5 percent of any appropriation made available under this paragraph for building operations may be transferred between and merged with such appropriations upon notification to the Committees on Appropriations of the House of Representatives and the Senate, but no such appropriation shall be increased by more than 5 percent by any such transfers: *Provided further*, That section 508 of this title shall not apply with respect to funds made available under this heading for building operations]: *Provided further*, That the total amount of funds made available from this Fund to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, [if required by 40 U.S.C. 3307(a),] has not been [approved]transmitted to the Congress, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance [approval]notice is [obtained from]provided to the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under 40 U.S.C. 592(b)(2) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year [2016]2017, excluding reimbursements under 40 U.S.C. 592(b)(2), in excess of the aggregate new obligational authority authorized for Real Property Activities of the Federal Buildings Fund in this Act shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

In addition to amounts provided under this heading, \$10,163,607,000 shall become available in fiscal year 2018, of which, \$1,592,056,000 shall remain available until expended for construction and acquisition, major repairs and alterations, and special emphasis programs (including funds for sites and

expenses, and associated design and construction services), \$390,000,000 shall remain available until expended for basic repairs and alterations, including associated design and construction services, \$5,711,494,000 shall remain available until expended for rental of space, and \$2,470,057,000 shall remain available until expended for building operations: Provided further, That appropriations made in this section for fiscal year 2018 shall be available to the extent and in the manner that is provided for fiscal year 2017 funds in this section: Provided further, That appropriations made available under this heading for fiscal year 2018 may be transferred between and merged with such appropriations upon notification to the Committees on Appropriations of the House of Representatives and the Senate, but no such appropriation shall be increased by more than 3 percent by any such transfers: Provided further, That if the total amount of revenues and collections deposited in the Fund in fiscal year 2018 is less than \$10,163,607,000, the total amount provided for fiscal year 2018 under this paragraph and the amounts provided for each item shall be reduced commensurately by item as determined by the Administrator: Provided further, That if the total amount of revenues and collections deposited in the Fund in fiscal year 2018 exceeds \$10,163,607,000 the total amount provided for fiscal year 2018 under this paragraph and the amounts provided for each item shall be increased commensurately by item as determined by the Administrator.

U.S. General Services Administration
Federal Buildings Fund

Obligations by Object Class

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|----------------------|----------------------|----------------------|
| 11.1 Full-time, permanent..... | \$ 495,560 | \$ 522,836 | \$ 544,076 |
| 11.3 Other than full-time permanent..... | \$ 3,239 | \$ 5,085 | \$ 5,253 |
| 11.5 Other personnel compensation..... | \$ 9,011 | \$ 10,200 | \$ 10,535 |
| 11.8 Special personnel services payments..... | \$ 154 | \$ 29 | \$ 29 |
| 12.1 Civilian personnel benefits..... | \$ 159,085 | \$ 161,114 | \$ 166,002 |
| 13.0 Benefits for former personnel..... | \$ - | \$ - | \$ - |
| 21.0 Travel and transportation of persons..... | \$ 9,874 | \$ 7,000 | \$ 10,000 |
| 22.0 Transportation of things..... | \$ 498 | \$ 73 | \$ 70 |
| 23.1 Rental payments to GSA..... | \$ - | \$ - | \$ - |
| 23.2 Rental payments to others..... | \$ 5,730,469 | \$ 5,727,023 | \$ 5,656,800 |
| 23.3 Communications and utilities..... | \$ 428,382 | \$ 396,360 | \$ 436,352 |
| Subtotal, Rent, communications & utilities..... | \$ 6,158,851 | \$ 6,123,383 | \$ 6,093,152 |
| 24.0 Printing and reproduction..... | \$ 224 | \$ 225 | \$ 230 |
| 25.1 Advisory and assistance services..... | \$ 766,498 | \$ 966,317 | \$ 842,550 |
| 25.2 Other services..... | \$ 22,313 | \$ 24,418 | \$ 28,654 |
| 25.3 Goods & services from Gov't accounts..... | \$ 411,540 | \$ 382,918 | \$ 363,116 |
| 25.4 Operation and maintenance of facilities..... | \$ 1,595,408 | \$ 1,392,380 | \$ 1,351,644 |
| 25.5 Other contractual services - Research and Development..... | \$ - | \$ - | \$ - |
| 25.6 Medical care..... | \$ 92 | \$ 21 | \$ 31 |
| 25.7 Operation and maintenance of equipment..... | \$ 30,766 | \$ 60,696 | \$ 69,356 |
| 25.8 Subsistence and support of persons..... | \$ - | \$ - | \$ - |
| Subtotal, Contractual services..... | \$ 2,826,616 | \$ 2,826,750 | \$ 2,655,351 |
| 26.0 Supplies and materials | \$ 11,065 | \$ 9,342 | \$ 9,738 |
| 31.0 Equipment..... | \$ 67,110 | \$ 125,175 | \$ 114,478 |
| 32.0 Land and structures..... | \$ 1,172,560 | \$ 1,664,560 | \$ 1,811,227 |
| 33.0 Investments and loans..... | \$ - | \$ - | \$ - |
| 41.0 Grants, subsidies, and contributions..... | \$ 558 | \$ - | \$ - |
| 42.0 Insurance claims and indemnities..... | \$ 213 | \$ - | \$ - |
| 43.0 Interest and dividends..... | \$ 39,817 | \$ - | \$ - |
| 44.0 Refunds..... | \$ 7 | \$ - | \$ - |
| 94.0 Financial Transfers..... | \$ - | \$ - | \$ - |
| 99.9 Total Obligations..... | \$ 10,954,442 | \$ 11,455,772 | \$ 11,420,141 |
| Subtotal, PC&B..... | \$ 667,049 | \$ 699,264 | \$ 725,895 |
| Subtotal, Non-labor..... | \$ 10,287,393 | \$ 10,756,508 | \$ 10,694,246 |

U.S. General Services Administration
Federal Buildings Fund

Obligations by Program
(Dollars in Thousands)

| | FY 2015 Actual | | FY 2016 Enacted | | FY 2017 Request | | Increase/(Decrease) For FY 2017 | |
|--|----------------|----------------------|-----------------|----------------------|-----------------|----------------------|------------------------------------|--------------------|
| | FTE | Obligations | FTE | Obligations | FTE | Obligations | FTE | Obligations |
| FTE and Obligations: | | | | | | | | |
| 1. Construction and Acquisition | | \$ 507,206 | | \$ 973,100 | | \$ 1,019,623 | | \$ 46,523 |
| 2. Repairs and Alterations | | \$ 791,968 | | \$ 692,100 | | \$ 790,216 | | \$ 98,116 |
| 3. Installment Acquisition Payments | | \$ - | | \$ - | | \$ - | | \$ - |
| 4. Construction of Lease Purchase Facilities | | \$ - | | \$ - | | \$ - | | \$ - |
| 5. Pennsylvania Avenue Activities | | | | | | | | |
| a) Repairs and Alterations | | \$ - | | \$ - | | \$ - | | \$ - |
| b) Building Operations - Building Services | | \$ - | | \$ - | | \$ - | | \$ - |
| c) Building Operations - Salaries and Expenses | | \$ - | | \$ - | | \$ - | | \$ - |
| 6. International Trade Center | | | | | | | | |
| a) Repairs and Alterations | | \$ 1,142 | | \$ 4,000 | | \$ 4,000 | | \$ - |
| b) Building Operations - Building Services | | \$ 31,999 | | \$ - | | \$ - | | \$ - |
| c) Building Operations - Salaries and Expenses | | \$ 431 | | \$ - | | \$ - | | \$ - |
| 7. Rental of Space | | \$ 5,742,231 | | \$ 5,725,047 | | \$ 5,654,824 | | \$ (70,223) |
| 8. Building Operations | | | | | | | | |
| a) Building Services | | \$ 1,399,202 | | \$ 1,137,000 | | \$ 1,187,240 | - | \$ 50,240 |
| b) Salaries and Expenses | 4,916 | \$ 1,110,003 | 5,155 | \$ 1,137,000 | 5,085 | \$ 1,163,379 | (70) | \$ 26,379 |
| 9. Reimbursable | 350 | \$ 1,370,259 | 350 | \$ 1,787,525 | 350 | \$ 1,600,860 | - | \$ (186,665) |
| Total FTE and Obligations | 5,266 | \$ 10,954,442 | 5,505 | \$ 11,455,772 | 5,435 | \$ 11,420,142 | (70) | \$ (35,631) |
| <i>Net Outlays:</i> | | \$ (1,159,237) | | \$ (1,046,597) | | \$ (557,894) | | \$ 488,703 |

FY 2017 Capital Program

Program Description – Construction and Acquisition of Facilities

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

U.S. General Services Administration
Federal Buildings Fund

Construction and Acquisition of Facilities
(Dollars in Thousands)

| | FUND BALANCE | ESTIMATED TOTAL PROJECT COST | | | | TOTAL | FY 2017 REQUEST | | | | TOTAL | | |
|---|--------------|------------------------------|------------|--------------|------------|--------------|-----------------|-----------|--------------|-----------|------------|------------|--|
| | | SITE | DESIGN | CONSTRUCTION | MAI | | SITE | DESIGN | CONSTRUCTION | MAI | | | |
| New Construction: | | | | | | | | | | | | | |
| National Capital Region - FBI Headquarters Consolidation | \$ 75,000 | \$ - | \$ 219,739 | \$ 21,177 | \$ - | \$ 240,916 | \$ - | \$ 12,755 | \$ 200,805 | \$ 20,000 | \$ 233,560 | \$ 759,000 | |
| Washington, DC - State Capitol Building Renovation | \$ 1,793,857 | \$ 6,722 | \$ 81,957 | \$ 81,957 | \$ - | \$ 170,656 | \$ - | \$ - | \$ 7,000 | \$ - | \$ 177,656 | \$ 288,000 | |
| Pembina, ND APHS Building | \$ - | \$ 500 | \$ 305 | \$ 4,911 | \$ 233 | \$ 5,749 | \$ 500 | \$ 305 | \$ 4,911 | \$ 253 | \$ 5,749 | \$ 5,749 | |
| Boyers, PA Federal Office Building | \$ - | \$ 12,000 | \$ 11,562 | \$ 141,800 | \$ 7,638 | \$ 173,000 | \$ 12,000 | \$ 11,562 | \$ - | \$ 7,638 | \$ 31,200 | \$ 31,200 | |
| Smith TX IRS Annex Building Purchase | \$ - | \$ 27,068 | \$ - | \$ - | \$ - | \$ 27,068 | \$ 27,068 | \$ - | \$ - | \$ - | \$ 27,068 | \$ 27,068 | |
| Sturtevant Executive Apartments | \$ 1,667,207 | \$ 32,038 | \$ 231,606 | \$ 2,352,295 | \$ 153,057 | \$ 2,799,017 | \$ 25,336 | \$ 24,622 | \$ 242,447 | \$ 30,804 | \$ 325,999 | \$ 325,999 | |
| Chicoxco West, CA Land Port of Entry Phase II | \$ 121,892 | \$ 5,000 | \$ 18,787 | \$ 331,661 | \$ 14,624 | \$ 370,962 | \$ - | \$ - | \$ 290,813 | \$ 7,400 | \$ 298,213 | \$ 248,213 | |
| Subtotal Land Ports of Entry | \$ 121,892 | \$ 5,000 | \$ 18,787 | \$ 331,661 | \$ 14,624 | \$ 370,962 | \$ - | \$ - | \$ 290,813 | \$ 7,400 | \$ 298,213 | \$ 248,213 | |
| Total FY 2017 Construction and Acquisition of Facilities Program | \$ 1,789,099 | \$ 37,008 | \$ 250,433 | \$ 2,713,946 | \$ 167,681 | \$ 3,169,138 | \$ 25,336 | \$ 24,622 | \$ 483,260 | \$ 38,304 | \$ 571,522 | \$ 571,522 | |

New Construction Project Descriptions

California

Calexico – Calexico West Land Port of Entry Phase II \$248,213,000

GSA proposes \$248,213,000 to undertake Phase II of a two-phase construction project for the reconfiguration and expansion of the existing land port of entry (LPOE) in downtown Calexico, CA. The project includes new pedestrian processing and privately owned vehicle (POV) inspection facilities, a new head house to provide supervision and services to the non-commercial vehicle inspection area, new administration offices, and a parking structure. The expanded facilities will occupy both the existing inspection compound and the site of the former commercial inspection facility, decommissioned in 1996 when commercial traffic was redirected to the newly completed LPOE six miles east of downtown Calexico.

On an average day, over 11,000 POVs and nearly 13,000 pedestrians enter the U.S. through this LPOE. The existing facilities are undersized relative to existing traffic loads and obsolete in terms of inspection officer safety and border security. The space required to accommodate modern inspection technologies is not available in the existing facility. When completed, the project will provide the port operation with adequate operational space, reduced traffic congestion, and a safe environment for port employees and visitors.

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

The FY 2017 request is for Construction (\$240,813 thousand), and Management and Inspection (\$7,400 thousand).

District of Columbia

DHS Consolidation at St. Elizabeths.....\$266,604,000

GSA proposes \$266,604,000 to continue the ongoing development of the DHS consolidated headquarters at the St. Elizabeths Campus by: 1) continuing design and full construction of a new federal headquarters for FEMA; 2) rehabilitating buildings needed to accommodate components of the Under Secretary of Management (USM) that are currently planned for the Center Building Complex (Holly and Creamery clusters); 3) continuing design of Phase 3 construction to house Immigration and Customs Enforcement; 4) ongoing historic preservation

activities in support of landscaping and public outreach; and 5) management and inspection funding for these activities.

The FY 2017 request includes design completion, management and inspection, and construction of an appropriately sized building to accommodate all of the Headquarters components of FEMA. This funding also includes a related below grade parking structure to be constructed adjacent to Gate No. 2 along Martin Luther King, Jr. Avenue. FEMA Headquarters components are currently located in four leased buildings in the Washington, DC metropolitan area.

The FY 2017 request also includes funds to rehabilitate six existing historic structures that comprise what is known as the Holly and Creamery clusters. These buildings are located adjacent to the Center Building that is currently under rehabilitation and will accommodate the DHS Secretary's office and mission critical leadership components within that office. The Center Building Complex will house remaining components within the Office of the Under Secretary for Management which were not supported with FY 2016 appropriations for building rehabilitation.

The FY 2017 request also supports initial design of a new Federal building for ICE headquarters leadership components currently located in leased buildings in Washington, DC. The request also supports ongoing Historic Preservation activities. Historic preservation activities will ensure that the landscape work is consistent with the preservation requirements and public outreach is consistent with the agreements in place in support of the construction of the Consolidated DHS Headquarters at St. Elizabeths.

GSA and DHS have worked collaboratively to update and revise the original DHS HQ consolidation program at the St. Elizabeths Campus. The updated program, referred to as the Enhanced Plan, seeks a more efficient utilization of space at a lower cost. The West Campus is a 176-acre National Historic Landmark that includes existing buildings containing approximately 1 million gross sq. ft. (GSF) plus newly constructed buildings such as the Douglas A. Munro Coast Guard Headquarters Building.

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

The FY 2017 request is for Historic Preservation (\$1,000 thousand), Design (12,755 thousand), Management and Inspection (22,013 thousand), and Construction (\$230,836 thousand).

Southeast Federal Center Remediation.....\$7,000,000

The Southeast Federal Center (SEFC) is a 53-acre site, in the southeast quadrant of the District of Columbia along the Anacostia River. Through Public Law 106-407, the “Southeast Federal Center Public-Private Development Act of 2000,” Congress authorized GSA to redevelop this property by entering into agreements with private entities to enhance the value of the site to the Federal Government.

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

Remediation of extensive environmental contamination has been underway at this site for several years to comply with a Consent Decree from the U.S. District Court in Washington, DC. GSA will continue to fund mitigation requirements related to a Consent Order from the U.S. Environmental Protection Agency pursuant to section 3013 of the Solid Waste Disposal Act, commonly referred to as the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. § 6934, and the provisions of the development agreement with Forest City Washington. Compliance with the remediation requirements of the Consent Order and the development agreement are necessary to enable the site to be redeveloped and will continue until all of the remediation requirements have been satisfied.

The FY 2017 request is for Construction Mitigation and Oversight (\$7,000 thousand).

National Capital Region

FBI Headquarters Consolidation..... \$759,000,000

GSA proposes \$759,000,000 in support of the construction of a new Federally owned facility of approximately 2.1 million rentable square feet (RSF) to provide a consolidated Headquarters (HQ) for the Federal Bureau of Investigation (FBI) in the National Capital Region (NCR). The FBI HQ facility will bring together employees from the J. Edgar Hoover Federal Building (JEH) and 13 leased locations in NCR into a new, modern and secure facility tailored to fully support FBI’s national security, intelligence and law enforcement missions. The proposed GSA construction funding in this prospectus will partner with construction funding requested in appropriations to the FBI, FY 2016 enacted appropriations, the value of the JEH exchange and other available FBI resources to support the full cost of the FBI HQ facility.

As an intelligence-driven and a threat-focused national security organization with both national security and law enforcement responsibilities, the mission of the FBI is to protect and defend the United States against terrorist and foreign intelligence threats, to uphold and enforce the criminal laws of the United States, and to provide leadership and criminal justice services to

Federal, state, municipal, and international agencies and partners. The FBI needs a consolidated HQ facility and operations center to support information sharing, collaboration and integration of strategic priorities. By consolidating into a single location, FBI will realize significant mission synergies. The proposed facility is an open-plan workspace environment to include state-of-the-art IT infrastructure as required by the FBI's national security mission. The facility is expected to be built to ISC Level V security specifications on one of three previously identified sites.

The FBI has occupied the JEH since 1974. The approximately 1.8 million rentable square foot (2.4 million gross square foot) JEH sits on 6.7 acres of land and is a prime location for office, retail, and residential uses. The building was designed at a time when FBI operated quite differently and it cannot be redeveloped to either provide the necessary space to consolidate the FBI HQ components or to meet the agency's physical security requirements. Furthermore the IT infrastructure in JEH has reached capacity and cannot be expanded further. These challenges can best be addressed through consolidation and by providing a flexible infrastructure capable of supporting multiple IT systems. The JEH was not designed to support today's FBI mission that includes an increased emphasis on national security.

The FY 2017 request is for Construction and M&I (\$759,000 thousand).

North Dakota

Pembina – APHIS Building.....\$5,749,000

GSA proposes \$5,749,000 for the acquisition of approximately eight acres of land, along with the design and construction of a new 6,685 gross square foot facility for the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) at the Pembina, ND, U.S. Land Port of Entry (LPOE). Construction of this facility provides a permanent solution for APHIS at a secure location directly on the port, remedies a life safety concern with the current location of the temporary modular trailer, improves traffic configuration, places all APHIS operations on the U.S. side of the U.S./Canada border and eliminates rental payments to the private sector of approximately \$317,000 annually.

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

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

The FY 2017 request is for Design (\$305 thousand), Construction (\$4,611 thousand), Wetland Mitigation (\$580 thousand) and M&I (\$253 thousand).

Pennsylvania

Boyers –Federal Office Building.....\$31,200,000

GSA proposes \$31,200,000 for design and related services for the construction of a new Federally owned facility of approximately 462,000 gross square feet (gsf) to provide a long-term housing solution for agencies currently primarily housed in a leased underground mine location within the local area. The project will allow the Government to consolidate leases into an owned solution and eliminate annual lease payments to the private sector by approximately \$12,000,000.

This project was among those previously included in the President’s FY 2016 Budget. The FY 2017 project reduces estimated project costs by reducing or eliminating some of the previously identified requirements. This includes the reduction of usable square footage required for records management storage due to the use of a higher density filing system and more accurate costs reflecting the requirements to build-out the space.

Agencies are currently housed, locally, in leased locations with the predominant location a converted limestone mine, which includes approximately 580,000 rentable square feet and places offices in subterranean space with no daylight. In recent years, portions of the mine ceiling have degraded resulting in pieces of the ceiling falling into active workspace. To enhance employee safety and prevent injuries to occupants, the lessor has installed mesh netting. While GSA continues to work with the lessor on interim mitigation measures regarding roof degradation, means of egress, and sprinklers and alarms, continued housing at this location is not a viable long-term solution.

The FY 2017 request is for Site (\$12,000 thousand), Design (\$11,562 thousand), and M&I (\$7,638 thousand).

Texas

Austin – IRS Annex Building Purchase.....\$12,756,000

GSA proposes \$12,756,000 for the acquisition of the Internal Revenue Service (IRS) Annex Building located at 2021 Woodward Street in Austin, TX. The leased facility provides 144,101 RSF of space and 179 parking spaces and is currently occupied entirely by the IRS. Purchase will reduce the government’s rental payment to the private sector by approximately \$1,163,000 annually.

The project proposes acquisition of the building currently leased by GSA for the IRS. The facility provides office, warehouse and light industrial storage space for IRS adjacent to the main IRS

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

Service Center Building in Austin, TX. In addition, the warehouse is located in close proximity to four other IRS leases located in southeast Austin.

The FY 2017 request is for Building and Site Acquisition (\$12,756 thousand).

Repairs and Alterations
(Dollars in Thousands)

| | FUNDED TO DATE | | ESTIMATED TOTAL PROJECT COST | | | FY 2017 Request | | | TOTAL |
|--|------------------|------------------|------------------------------|-------------------|------------------|-----------------|-------------------|------------------|-------------------|
| | | | DESIGN | CONSTRUCTION | M&M | DESIGN | CONSTRUCTION | M&M | |
| Nonprospective (Basic) Repairs and Alterations Program | | | | | | | | | |
| Major Repairs and Alterations | | | | | | | | | |
| Detroit, Michigan 965 Michigan Avenue | \$ 8,227 | \$ - | \$ 8,227 | \$ 75,647 | \$ 5,656 | \$ - | \$ 75,647 | \$ - | \$ 81,303 |
| Portland, Oregon 911 Federal Building | - | \$ 1,800 | \$ 1,800 | \$ 19,200 | \$ 1,500 | \$ - | \$ 19,200 | \$ - | \$ 22,500 |
| Philadelphia, Pennsylvania William J. Green Jr. Federal Building | \$ 51,500 | \$ 7,700 | \$ 59,200 | \$ 88,400 | \$ 7,700 | \$ - | \$ 96,900 | \$ 3,850 | \$ 100,750 |
| New Orleans, Louisiana F. Edward Hebert Federal Building | - | \$ 5,740 | \$ 5,740 | \$ 55,608 | \$ 5,282 | \$ - | \$ 66,608 | \$ 5,282 | \$ 77,170 |
| Kansas City, Kansas 23062312 Barnmaster Road | - | \$ 5,572 | \$ 5,572 | \$ 55,887 | \$ 5,135 | \$ - | \$ 66,534 | \$ 5,135 | \$ 77,246 |
| Westport, Michigan Parkview Steamship Repairing Garage | - | \$ 1,099 | \$ 1,099 | \$ 8,807 | \$ 878 | \$ - | \$ 10,784 | \$ 878 | \$ 12,662 |
| Wichita, Kansas 1000 North Lincoln Federal Building | - | \$ 1,099 | \$ 1,099 | \$ 8,807 | \$ 878 | \$ - | \$ 10,784 | \$ 878 | \$ 12,662 |
| Austin, Texas Austin Finance Center | - | \$ 2,515 | \$ 2,515 | \$ 17,863 | \$ 2,353 | \$ - | \$ 22,781 | \$ 2,353 | \$ 27,781 |
| Cleveland, Ohio Carl B. Stokes U.S. Courthouse | - | \$ 1,513 | \$ 1,513 | \$ 12,727 | \$ 1,284 | \$ - | \$ 15,524 | \$ 1,284 | \$ 18,524 |
| Boston, Massachusetts John F. Kennedy Federal Building | - | \$ 3,207 | \$ 3,207 | \$ 34,202 | \$ 2,864 | \$ - | \$ 40,273 | \$ 2,864 | \$ 48,273 |
| Subtotal, Major Repair and Alterations | \$ 59,727 | \$ 38,391 | \$ 98,118 | \$ 377,161 | \$ 33,502 | \$ - | \$ 449,054 | \$ 22,464 | \$ 509,327 |
| Repair and Alteration - Design Program | | | | | | | | | |
| Queens, New York Joseph P. Addabbo Federal Building | - | \$ 6,500 | \$ 6,500 | \$ 54,500 | \$ 4,000 | \$ - | \$ 65,000 | \$ - | \$ 71,500 |
| Subtotal, R & A Design Program | \$ - | \$ 6,500 | \$ 6,500 | \$ 54,500 | \$ 4,000 | \$ - | \$ 65,000 | \$ - | \$ 71,500 |
| Special Emphasis Programs | | | | | | | | | |
| Energy and Water Retrofit and Conservation Measures Program | - | \$ - | \$ - | \$ 10,000 | \$ - | \$ - | \$ 10,000 | \$ - | \$ 10,000 |
| Energy Conservation Program | - | \$ - | \$ - | \$ 20,200 | \$ - | \$ - | \$ 20,200 | \$ - | \$ 20,200 |
| Consolidation Activities Program | - | \$ - | \$ - | \$ 75,000 | \$ - | \$ - | \$ 75,000 | \$ - | \$ 75,000 |
| Fire and Life Safety Program | - | \$ - | \$ - | \$ 20,000 | \$ - | \$ - | \$ 20,000 | \$ - | \$ 20,000 |
| Subtotal, Special Emphasis Programs | \$ - | \$ - | \$ - | \$ 131,700 | \$ - | \$ - | \$ 131,700 | \$ - | \$ 131,700 |
| Total FY 2017 Repairs and Alterations Program | \$ 59,727 | \$ 44,891 | \$ 104,609 | \$ 562,361 | \$ 37,502 | \$ - | \$ 697,844 | \$ 22,464 | \$ 742,811 |

Program Description – Repairs and Alterations

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

Repairs and Alterations Project Descriptions

Indiana

Indianapolis - Minton-Capehart Federal Building.....\$10,784,000

GSA proposes \$10,784,000 for a repair and alteration project to undertake structural and related system upgrades of the parking garage at the Minton-Capehart Federal Building located at 575 North Pennsylvania Street Indianapolis, IN.

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

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

The FY 2017 request is for Design (\$1,099 thousand) Construction (\$8,807 thousand), and Management and Inspection (\$878 thousand).

Missouri

Kansas City - 2306/2312 Bannister Road.\$66,534,000

GSA proposes \$66,534,000 for a repair and alteration project to modernize select aging and deteriorating building systems and infrastructure of the 2306-2312 E. Bannister Road Federal Building to support the ongoing mission and to meet the long-term requirements for the United States Marine Corps (USMC) data center operations and relocation of other Federal agencies from several leased locations.

USMC moved into the 2306 portion of the building in 2008, and has continued to expand its presence. This confirmation of a long term Federal use of the facility has prompted GSA to identify additional tenants including FEMA, Army North, and the GSA Field Office to relocate to Bannister Road, thereby avoiding the need to lease space to house these agencies.

The proposed project will modernize select 62-year old building systems, address the aging infrastructure, and correct fire and life safety deficiencies to meet the long-term needs of USMC and other Federal agencies. The flat roof will be replaced with energy-efficient, light-colored roofing materials with added insulation, drainage improvements, and installation of fall protection. The HVAC system work will replace aging air handling units, boilers, the air distribution system, humidification, and hot water piping. The interior alterations include replacing plumbing fixtures and addressing Architectural Barriers Act Accessibility Standards issues in the restrooms; replacing the ceiling associated with HVAC, ductwork, and fire protection. The electrical system work will include replacing the interior and exterior lighting, refurbishing two electrical substation transformers, replacing the building automation system, and install sub-metering. The proposed project will address fire and life safety concerns by correcting deficiencies and improving emergency access/egress deficiencies to comply with National Fire Protection Association guidelines and Occupational Safety and Health Administration regulations. Any hazardous materials that are encountered, including asbestos-containing materials, will be remediated.

The FY 2017 request is for Design (\$5,512 thousand), Construction (\$55,887 thousand), and Management and Inspection (\$5,135 thousand).

Louisiana

New Orleans – F. Edward Hebert Federal Building..... \$66,608,000

GSA proposes \$66,608,000 for a repair and alteration project for the modernization of the F. Edward Hebert Federal Building, located at 600 S. Maestri Place in New Orleans, LA.

The 271,000 gross square foot building, constructed in 1939 requires significant interior alterations and systems replacement. Continuous changes in tenant occupancy have resulted in an office environment that is not fully compliant with fire and life safety codes and that has inefficient building circulation and poor telecommunication infrastructure on floors 3-10.

Most of the building systems are outdated and have reached the end of their useful lives. The building's central plant and electrical switchgear are located in the basement, which is prone to flooding in heavy rain events. All central plant and electrical equipment will also be replaced and relocated from the basement to the first floor, per city code. The fire alarm and sprinkler systems have exceeded their anticipated life spans and require complete replacement. The plumbing and ventilation stacks in the existing restrooms are original to the building and require frequent and extensive maintenance. The existing restrooms will be recaptured as rentable space, realigning space and eliminating pockets of unmarketable vacant space.

The project includes building a common corridor on each of floors 3-10 to improve circulation and access to building services; construction of a new accessible restroom core with water and energy-efficient restrooms and sufficient ventilation; and replacement of the building's telecommunications infrastructure. A state-of-the-art lighting system will be installed and fully integrated into the building's energy management system. The project also includes modernizing a number of outdated internal building systems. Electrical switchgear will be replaced and located out of the basement, per city code. HVAC work includes replacement of major components, as well as relocation of the central plant from the basement to the first floor of the building. Elevators will be replaced. The existing fire alarm and sprinkler systems, including the fire pump, will be replaced. The original plumbing system will be replaced. Minor exterior work will repair corrosion and improve accessibility. Swing space within the building will accommodate tenant moves during construction.

The FY 2017 request is for Design (\$5,740 thousand), Construction (\$55,606 thousand), and Management and Inspection (\$5,262 thousand).

Massachusetts

Boston - John F. Kennedy Federal Building.\$40,273,000

GSA proposes \$40,273,000 for a repair and alteration project to replace the deficient roof, outdated chiller, and ventilation air duct (VAD) systems and upgrade the lighting controls system in the John F. Kennedy Federal Building (JFK), located at 15 New Sudbury Street, Boston, MA.

The project will allow for roof replacement prior to full failure of the existing roofing system in a manner that is minimally disruptive to the tenant agencies. The low-rise structure has already suffered leaks that have severely affected tenant operations. Increased energy consumption due to deterioration of insulation is also a risk. Additionally, the project will incorporate permanent roof-mounted fall protection features for personnel, ensuring proper life safety compliance.

Existing chillers will be replaced with new high efficiency units with non-chlorofluorocarbon refrigerants. Waste condensate from new chiller replacement will be used to provide additional hot water for snowmelt or domestic hot water. The existing VAD system will be replaced and

reconfigured with a highly efficient variable air volume system with reheat and a direct digital control system. The existing ductwork will be replaced or cleaned. Any new equipment will be fully compatible with and tied into the existing building automation system (BAS). The existing lighting control system will be upgraded to incorporate an occupancy and daylighting strategies throughout the tenant floors and bi-level lighting in the stairways as well as an occupancy/dimming strategy in the garage.

The FY 2017 request is for Design (\$3,207 thousand), Construction (\$34,202 thousand), and Management and Inspection (\$2,864 thousand).

Michigan

Detroit – 985 Michigan Avenue\$81,303,000

GSA proposes \$81,303,000 for a repair and alteration project to renovate 985 Michigan Avenue in Detroit, Michigan to extend service life, improve operational efficiency, and undertake interior alterations for reconfiguration and consolidation of Federal agencies into the facility. The consolidation of Federal agencies will decrease reliance on leased space, improve space utilization, and incorporate alternative workplace solutions. The Government is expected to achieve savings due to lease cost avoidance of approximately \$7,900,000 per year.

The building was constructed in 1995 as a build-to-suit lease to be occupied by the Internal Revenue Service (IRS). GSA exercised a \$1 lease purchase option at the end of the lease term and assumed ownership of the building on April 16, 2015. Further analysis conducted after the execution of the purchase option identified that improvements were necessary including interior construction work and electrical upgrades and reduced/eliminated costs associated with the elevator systems, parking garage, and exterior repairs. The building was constructed for data center activities, many systems are inefficient and are approaching the end of their useful lives. Mechanical, electrical, elevator, and plumbing systems have operated continuously and upgrades to the building's infrastructure are required to extend service life, reduce energy consumption and operating expenses, and ensure long-term occupancy of Federal tenants. The HVAC system was built for data center functionality and is inefficient and oversized for office use. Fire and life safety systems are not compliant with current code. Additionally, the building envelope is showing signs of deterioration.

This project will create a multi-tenant Federal building by significantly reducing the IRS' footprint in the building and consolidating a number of Federal agencies (including the IRS) from leased facilities into the 985 Michigan Avenue facility.

The FY 2017 request is for Construction (\$75,647 thousand), and Management and Inspection (\$5,656 thousand).

Detroit – Patrick V. McNamara Federal Building Garage.....\$10,720,000

GSA proposes \$10,720,000 for a repair and alteration project to undertake critical structural and related system upgrades of the Patrick V. McNamara Federal Building parking garage, located at 477 Michigan Avenue in Detroit, Michigan. The proposed project will correct serious life safety deficiencies and operability issues of the rapidly deteriorating garage.

The Patrick V. McNamara Federal Building parking garage provides mission-critical parking for Federal agencies housed in the Patrick V. McNamara Federal Building, including secure parking for Federal law enforcement agencies. Original to the construction of the garage, the existing concrete slab structure is rapidly deteriorating with spalling concrete and rusted reinforced steel visible where sections of concrete have fallen from slabs. The asphalt-topped concrete decks are in very poor condition, with large potholes that have the potential to damage vehicles and injure pedestrians. Portions of the garage have been temporarily closed due to spalling concrete and water-related degradation. Interim repairs executed over the years are also susceptible to spalling due to the continued water penetration and de-icing salts. Presently, GSA identified two areas that have potential for further structural failure that are being closely monitored. Short-term repairs undertaken over the past 10 are in need of a permanent solution. In addition to the structural repairs needed, the storm drain, fire and life safety, electrical and mechanical, and emergency lighting systems are all failing due to age and conditions and are non-compliant with current codes. The project will also include replacement of signage, and improvements to the storm drain, plumbing, electrical, fire protection, and mechanical systems, including the exhaust ventilation system.

The FY 2017 request is for Design (\$1,058 thousand), Construction (\$8,822 thousand), and Management and Inspection (\$840 thousand).

Ohio

Cleveland – Carl B. Stokes U.S. Courthouse..... \$15,524,000

GSA proposes \$15,524,000 for a repair and alteration project to complete, repair, and expand the plaza system at the Carl B. Stokes U.S. Courthouse located at 801 W. Superior Ave. in Cleveland, OH. The structural steel that supports the plaza is exposed to the elements and has been since the original construction. The steel has considerable rust damage, and the structural beams that support the plaza and connect into the parking garage are heavily corroded. The plaza has experienced excessive water infiltration in many areas that will worsen until repairs are completed. The leaks have been causing damage to the structure, interior finishes, and the fireproofing in the lower levels of the building.

The completion of the proposed repairs will correct the ongoing deterioration of the plaza system, eliminate water infiltration into the building, utilize sustainable technologies, and allow

for the completion of the unfinished portion of the plaza toward Superior Avenue, which has remained unfinished since construction of the Courthouse.

The FY 2017 request is for Design (\$1,513 thousand), Construction (\$12,727 thousand), and Management and Inspection (\$1,284 thousand).

Oregon

Portland – 911 Federal Building.....\$22,500,000

GSA proposes \$22,500,000 for a repair and alteration project to undertake structural repairs at the 911 Federal Building located at 911 NE 11th Avenue, Portland, OR. The project will correct seismic and structural deficiencies and include the reconfiguration and alteration of approximately 33,500 rentable square feet (rsf) of vacant space for backfill occupancy by the Department of Commerce’s National Oceanic and Atmospheric Administration (NOAA)-National Marine Fisheries Service (Fisheries). NOAA Fisheries will relocate from leased space to the 911 Federal Building, resulting in a reduction of approximately \$680,000 in annual lease payments to the private sector.

The wing and tower have seismic deficiencies that must be repaired and the second floor office space cannot be backfilled until the entire Federal Building is in compliance with current seismic code. The hollow clay tile partitions are deteriorating which may create a falling hazard. The tower structure deficiencies will not adequately perform under maximum earthquake loading. Deficiencies have also been identified with the concrete shear walls, supporting columns and steel bracing. Once the structural and non-structural seismic upgrades are complete, NOAA-Fisheries will backfill approximately 33,500 rsf of vacant space. The new space layout will allow Fisheries to become more efficient, house 20 additional new hires and to meet the new mission approach of greater interaction with other Government and non-Government stakeholders.

The FY 2017 request is for Design (\$1,800 thousand), Construction (\$19,200 thousand), and Management and Inspection (\$1,500 thousand).

Pennsylvania

Philadelphia – William J. Green Jr. Federal Building.....\$52,300,000

GSA proposes \$52,300,000 for Phase II of a two phase repair and alteration project for the approximately 841,000 gross square foot (GSF) William J. Green, Jr., Federal Building (Green Building), located at 600 Arch Street in Philadelphia, PA. The project involves the realignment and reconfiguration of tenant space, and multiple building system upgrades/replacements.

This project will improve the building's overall utilization through the realignment of space resulting in long-term housing solutions in Federal space primarily for the Federal Bureau of Investigation (FBI) Field Office, Drug Enforcement Agency (DEA) Field Division Office, and Internal Revenue Service (IRS) Philadelphia Office. By maximizing space in the Green Building and vacating lease space, GSA will reduce private sector lease costs by approximately \$3.0 million annually.

The primary drivers for the proposed renovation are to improve the overall utilization of the Green Building. Improved utilization will be accomplished by merging operations through consolidating additional employees from multiple leased locations into the Green Building. Through innovative approaches to space management and alternative workplace arrangements, including the realignment of agencies onto contiguous floors and sharing resources such as conference rooms and other specialized space, the overall utilization rate for the building is expected to improve by approximately 20 percent. To adequately support the increased utilization and higher density, this project also includes upgrades/replacement of multiple building systems.

The first phase of the project was funded in FY 2016 and will focus on the lower half of the building, allowing the tenants occupying these floors to consolidate and reduce their footprint, resulting in the creation of vacant space that will serve as internal swing space for Phase II. Work under the first phase to the mechanical, electrical, plumbing, and fire life safety systems will affect both tenant and building wide components. HVAC work includes replacing mixing boxes and the chiller plant, refurbishing the cooling tower and replacing/reconfiguring ductwork and fan coil units within tenant space. Electrical upgrades/replacements will be made both within tenant suites and in common corridors and joint use spaces, while new domestic water risers will be installed to address plumbing. Sprinklers will be relocated, upgraded, and replaced, where necessary. Additionally, this phase also will upgrade some of the building's joint use space, such as reducing the size of the cafeteria and increasing the number and size of conference spaces available to the tenants. The security visitor screening station in the building lobby will be upgraded and reconfigured to address challenges with the current layout, reduce wait times, and provide sufficient space for the public.

Phase II will focus on the upper half of the building. Under Phase II, space for the occupying agencies will be realigned and reconfigured providing for contiguous operations. HVAC, electrical and fire protection upgrades/replacements will also be made to both the tenant and common spaces on these floors and upgrades/replacements to the elevator components will be

undertaken. Additionally, exhaust fans will be replaced in the underground parking garage to ventilate the area properly and comply with local code.

The FY 2017 request is for Construction (\$48,450 thousand) and M&I (\$3,850 thousand).

Texas

Austin – Austin Finance Center.....\$22,781,000

GSA proposes \$22,781,000 for a repair and alteration project to modernize the Austin Finance Center (AFC), located at 1619 Woodward Street in Austin, Texas.

Historically, the building has been used by Treasury as one of four regional check printing and distribution facilities for Federal obligations to vendors and the general public. Treasury's transition to electronic transfer of funds resulted in the removal of all check printing and distribution functions and has significantly altered the type and amount of space the agency requires. The 46-year-old building has undergone various renovation projects over the years, but never a complete modernization. The space converted from light industrial to office use does not include the appropriate lighting, HVAC, ceilings, or finishes for office space. The building systems are outdated and have reached the end of their useful lives. Upgrades to the exterior include replacement of a 22-year-old roof that has required repair numerous times. The storm water and sanitary lines do not meet current code and need to be separated. Runoff from heavy rains often floods the loading dock's storm drain, causing flooding in the building when floor drains back up. All the domestic water lines are old, corroded, and need to be replaced. Restrooms need renovation to comply with Architectural Barriers Act Accessibility Standards. The old main switchboard needs replacement to comply with the National Electric Code. Window replacement will provide energy efficiency and costs savings. The original power distribution system is inadequate for the electrical loads that are now required.

The project includes HVAC replacement, separation of storm and sanitary lines, domestic water line replacement, restroom upgrades, main electrical switchboard replacement, window replacement, and power distribution system replacement.

The FY 2017 request is for Design (\$2,535 thousand), Construction (\$17,863 thousand), and Management and Inspection (\$2,383 thousand).

MAJOR REPAIRS AND ALTERATIONS DESIGN

New York

Queens - Joseph P. Addabbo Federal Office Building.....\$8,500,000

GSA proposes \$8,500,000 for the design of a repair and alteration project for the Joseph P. Addabbo Federal Building at 155-10 Jamaica Avenue, Queens, New York.

The 932,000 gross square foot Addabbo Federal Building, constructed in 1989, is a 12-story masonry and steel office building with a mechanical penthouse and one level of below grade parking containing 44 spaces. The project will reconfigure space to allow for the consolidation of Social Security Administration (SSA) operations on the lower floors (2-7) within the building. The consolidation of SSA operations will allow for the eventual build-out of office space for future Federal tenants currently housed in leased space in the vicinity of Queens, NY. This project also includes the design of some shell office space for future backfill tenants. The project will promote economies of scale and will provide opportunities for maximizing space efficiency, operational flexibility, and sharing special support spaces and building amenities.

MINOR REPAIRS AND ALTERATIONS

Nationwide

Basic Repairs and Alterations Project.....\$312,090,000

The FY 2017 repairs and alterations program request includes \$312,090,000 for Basic Repairs and Alterations and is dedicated to ensuring that the existing infrastructure receives the investment necessary to support customer agencies at the lowest possible cost to the taxpayer.

SPECIAL EMPHASIS

Energy and Water Retrofit and Conservation Measures Program\$10,000,000

GSA proposes \$10,000,000 for the implementation of energy and water retrofit and conservation measures in government-owned buildings during FY 2017.

The program is designed to reduce on-site energy and water consumption through building alteration projects or retrofits of existing buildings systems. These projects are an important part of GSA's approach to reach mandated percentage reduction goals through 2025.

GSA is identifying projects in Federal buildings across the country through surveys and studies. These projects will have positive savings-to-investment ratios, must provide reasonable payback periods that reflect GSA's priority of being a green proving ground of next generation technologies, and may generate rebates and saving from utility companies and incentives from grid operators. The projects will involve energy and water retrofit work, geothermal and other

High Performance Green Building retrofit work, as well as design and construction work for new facilities that incorporate these technologies and a diverse set of design and retrofit projects with engineering solutions to reduce energy or water consumption and/or costs.

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

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

- Installing heat pumps and other types of geothermal equipment.
- Installing building insulation and seals to enhance equipment performance and reduce the size and energy consumption of geothermal and other energy-efficient equipment.
- Installing wastewater recycling processes for use on lawns, in toilets, and for washing cars.
- Insulating roofs, pipes, HVAC duct work, and mechanical equipment.

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

Consolidation Activities Program.....\$75,000,000

The General Services Administration (GSA) proposes \$75,000,000 for the reconfiguration and renovation of space within Government-owned and leased buildings during Fiscal Year (FY) 2017 to support GSA's ongoing consolidation efforts to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the Government's environmental footprint.

As part of its ongoing effort to improve space utilization, optimize inventory, decrease reliance on leased space, and reduce the Government's environmental footprint, GSA is identifying consolidation opportunities within its inventory of real property assets. These opportunities are presented through surveys and studies, partnering with client agencies, and through agency initiatives, such as Client Portfolio Planning. Projects will vary in size by location and agency mission and operations; however, no single project will exceed \$20 million in GSA costs. Funds will support consolidation of tenant agencies and will not be available for GSA internal consolidations. Preference will be given to projects that result in an Office Utilization Rate of 130 usable square feet per person or less and a total project payback period of 10 years or less.

Typical projects include the following:

- Reconfiguration and alteration of existing Federal space to accommodate incoming agency relocation/consolidation. (Note: May include reconfigurations of existing occupied Federal tenant space)
- Incidental alterations and system upgrades, such as fire sprinklers or heating, ventilation and air-conditioning, needed as part of relocation and consolidation.

Beginning in FY2014, PBS implemented its Consolidation Activities special emphasis program, aimed at helping agencies reduce their reliance on costly leased space to meet long-term housing requirements by developing strategies to use space more efficiently and maximize use of the existing Federally owned inventory. Through its FY 2014 and FY 2015 Consolidation Activities projects, PBS is helping its partner agencies reduce space by more than 1 million square feet and reduce agency rent payments to GSA by \$36 million and reducing GSA payments to private lessors, avoiding future lease payments totaling an estimated \$76 million annually.

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

GSA proposes \$20,000,000 for alterations to upgrade, replace, and improve fire protection systems and life safety features in government-owned buildings during FY 2017.

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

- Replacing antiquated fire alarm and detection systems that are in need of repair or for which parts are no longer available.
- Installing emergency voice communication systems to facilitate occupant notification and evacuation in Federal buildings during an emergency.
- Installing or expanding fire sprinkler systems to provide a reasonable degree of protection for life and property from fire in Federal buildings.

Constructing additional exit stairs or enclosing existing exit stairs to ensure safe and timely evacuation of building occupants in the event of an emergency.

Since FY 2010, GSA has received \$76,000,000 in funding in support of the Fire Protection and Life Safety Program. With these funds, GSA has been able to undertake 68 fire protection and life safety projects to remove or reduce code deficiencies, hazards and building wide and localized risks in 60 Government owned buildings nationwide.

Judiciary Capital Security Program \$26,700,000

GSA proposes \$26,700,000 in alterations to improve physical security in Government-owned buildings occupied by the Judiciary and the U.S. Marshals Service (USMS) during fiscal year (FY) 2017 in lieu of future construction of new facilities.

The Judiciary Capital Security Program (JCS) will provide a vehicle for addressing security deficiencies in a timely and less costly manner when constructing a new courthouse is unlikely in the foreseeable future. In FY 2012, FY 2013, FY 2015, and FY 2016, GSA's appropriation included funding for this special emphasis program to undertake security improvements to buildings occupied by the Judiciary. The projects in this program are based on the Judiciary's asset management planning process which identifies courthouses with poor security ratings nationwide.

Capital Program Advance Appropriations

In addition to amounts provided for FY 2017, GSA requests \$1,592,056 thousand for Construction, Major Repairs and Alterations, and Special Emphasis Programs in FY 2018. The specific projects funded by these funds will be identified and submitted to Congress for authorization, relying principally on the long-term capital plan. GSA also requests \$390,000 thousand for Basic Repairs and Alterations in FY 2018.

Leasing

(Dollars in Thousands)

| FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request |
|--------------------|--------------------|--------------------|
| \$ 5,666,348 | \$5,579,055 | \$5,655,581 |

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

Program Description – Leasing

This activity provides for the Federal leasing of privately-owned space. Including space occupied by Federal agencies in U.S. Postal Service facilities, GSA provided 192,513 thousand RSF of space in FY 2015. GSA expects to provide 190,135 thousand RSF of space in FY 2016 and 188,482 thousand square feet of RSF of space in FY 2017

The FY 2017 Rental of Space request consists of the following requirements which have been offset by \$50,000 thousand for FY 2017 anticipated prior year recoveries:

- \$5,595,217 thousand for annual rent for leases already in the inventory;
- \$30,214 thousand for rent increases, usually associated with replacement leases;
- \$147,038 thousand for real estate taxes and one-time payments, such as claims and buyouts;
- (\$51,371) thousand for cancellations, the amount of space leaving the inventory; and
- \$9,483 thousand for expansion space, the amount of space entering the inventory for temporary leases in support of major repair and alteration projects and relocations due to forced moves or health and safety conditions.

Leasing Inventory

Note: Figures include 4.7 million RSF of lease delegations that returned to the inventory between FY 2015 and FY 2017 and unbilled space.

FY 2017 estimated RSF: 188,482 thousand

FY 2016 estimated RSF: 190,135 thousand

Projected annual decrease in RSF from FY 2016 to FY 2017: 0.87 percent

Rental of Space, Explanation of Changes

(Dollars in Thousands)

| | New Obligational Authority (NOA) |
|---|---|
| Fiscal Year 2016 | \$ 5,579,055 |
| FY 2016 Program Changes | 25,035 |
| Annualization of remaining FY 2016 Program Changes | (8,873) |
| Fiscal Year 2017 Base | \$ 5,595,217 |
| FY 2016 Unobligated Balance Used to Fund FY 2017 Requirements | (25,000) |
| FY 2017 Anticipated Prior Year Recoveries Used to Fund FY 2017 Requirements | (50,000) |
| Rental Rate Increases | 30,214 |
| Lump Sum Payments for real estate taxes and lease buyouts | 147,038 |
| Lease Cancellations | (51,371) |
| New Lease Space | 9,483 |
| Fiscal Year 2017 Request | \$ 5,655,581 |

Rental of Space, Delegation Obligations

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Current* | FY 2017 Request |
|-----------------------------|-------------------|---------------------|--------------------|
| Department of Commerce..... | \$ 5,618 | \$ 5,879 | \$ 0 |

* Last remaining ACO delegated lease expires in FY 2016.

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

Rental of Space, Fiscal Year 2018 Advance Appropriations

As part of the advance appropriations request, GSA has identified \$5,711,494 thousand for Rental of Space in FY 2018. This is an increase of \$56 million from the FY 2017 request. This request is based on leases currently in the inventory and includes estimates for cancellations, rent increases, taxes, and operating cost escalation factors related to those leases. Advanced funding for Rental of Space will allow for better planning and provide greater certainty to the market by reducing risk for private sector landlords who lease to the Federal Government.

U.S. General Services Administration
Federal Buildings Fund

Building Operations, Explanation of Changes

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|---------------------------|----------------------------|----------------------------|
| BASE BUILDING | \$ 1,052,040 | \$ 1,063,334 | \$ 1,155,711 |
| Utilities | \$ 268,871 | \$ 322,887 | \$ 378,463 |
| Maintenance | \$ 372,193 | \$ 351,255 | \$ 372,029 |
| Cleaning | \$ 351,720 | \$ 321,596 | \$ 341,719 |
| Security | \$ 59,256 | \$ 67,596 | \$ 63,499 |
| OTHER / MISC BUILDING | \$ 161,284 | \$ 73,666 | \$ 31,530 |
| Misc Bldg Support | \$ 135,402 | \$ 81,950 | \$ 90,579 |
| Building Moves | \$ 6,001 | \$ 11,963 | \$ 5,698 |
| Studies | \$ 19,881 | \$ 20,561 | \$ 26,253 |
| Other Funding Sources | \$ - | \$ (40,808) | \$ (91,000) |
| TOTAL BUILDING SERVICES | \$ 1,213,324 | \$ 1,137,000 | \$ 1,187,240 |
| PBS ADMINISTRATIVE | \$ 1,096,314 | \$ 1,130,080 | \$ 1,153,109 |
| PBS IT Services | \$ 57,804 | \$ 53,823 | \$ 49,952 |
| Personnel Compensation and Benefits | \$ 617,450 | \$ 656,764 | \$ 678,395 |
| IT MOU / GSA Working Capital Fund | \$ 350,132 | \$ 345,177 | \$ 352,223 |
| Management Support | \$ 62,857 | \$ 62,730 | \$ 55,373 |
| Administrative Services | \$ 8,071 | \$ 11,586 | \$ 17,165 |
| OTHER / MISC PBS ADMINISTRATIVE | \$ 2,325 | \$ 6,920 | \$ 10,269 |
| Transportation | \$ 42 | \$ 24 | \$ 21 |
| Telephones | \$ 6,946 | \$ 6,736 | \$ 6,780 |
| Printing | \$ 218 | \$ 220 | \$ 224 |
| Training | \$ 6,497 | \$ 7,263 | \$ 11,901 |
| Supplies | \$ 1,566 | \$ 1,878 | \$ 1,846 |
| Equipment | \$ 2,684 | \$ 12,067 | \$ 1,457 |
| Travel | \$ 9,644 | \$ 7,000 | \$ 10,000 |
| Other Funding Sources | \$ (25,272) | \$ (28,268) | \$ (21,960) |
| TOTAL SALARIES AND EXPENSES | \$ 1,098,639 | \$ 1,137,000 | \$ 1,163,378 |
| TOTAL BUILDING OPERATIONS | \$ 2,311,963 | \$ 2,274,000 | \$ 2,350,618 |

Building Services
(Dollars in Thousands)

| FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request |
|--------------------|--------------------|--------------------|
| \$ 1,122,727 | \$1,137,000 | \$1,187,240 |

Note: Figures do not include indefinite authority

Program Description – Building Services

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

Cleaning: The cleaning budget consists of the interior cleaning, exterior cleaning, trash removal, landscaping, and snow removal operations of the buildings within GSA's control. The FY 2017 request includes \$341,719 thousand, an increase of 6.3 percent from the FY 2016 enacted funding for cleaning. This includes \$12.5 million to transition recurring service contracts from monthly funding to full funding at the time of award. Increases related to new inventory and labor wage escalations are offset by targeting cleaning contracts that have costs above the industry benchmarks and consolidating contracts.

Utilities: The utility budget consists of the cost of energy needed to heat, cool, and power the operations of the buildings and the cost of water and sewage. The FY 2017 request includes \$378,463 thousand, an increase of 17.2 percent from the FY 2016 enacted funding for utilities. The majority of this increase is associated with the policy change to fund CBP's overtime utilities directly from the FBF and collect tenant funds through rent rather than through RWAs. The annual costs of Energy Saving Performance Contracts, and Utility Savings Performance Contracts are paid out of the utilities budget; however, most costs are offset by reductions to utility bills paid by PBS and some cost avoidance within the Maintenance and Basic Repairs and Alterations budgets.

Maintenance: The maintenance budget consists of the electrical, plumbing, HVAC, elevator/escalator operations, and labor in support of the operations of the buildings within GSA's control. The FY 2017 request includes \$372,029 thousand, an increase of 5.9 percent from the FY 2016 enacted funding for maintenance. This includes \$12.5 million to transition recurring service contracts from monthly funding to full funding at the time of award. Targeting operations and maintenance contracts that have costs above the industry benchmarks and consolidating contracts will slow the growth of maintenance costs. These strategies will improve efficiency and reduce costs without impacting services to agency customers. The FY 2017 request includes buildings that will come into PBS's inventory between FY 2014 and FY 2017.

Security: The security budget provides funding for the work the Federal Protective Service (FPS) performs for GSA, including building security and clearances. The FY 2017 request includes \$63,499 thousand, a decrease of 6.1 percent from the FY 2016 enacted funding for security. The decrease is the result of continued efforts to control for vacant space security charges, and reduce PBS's real estate footprint. The funding level provides for the rate increases FPS will establish in FY 2017.

Miscellaneous Building Support: The FY 2017 request includes \$90,579 thousand, an increase of 10.5 percent from the FY 2016 enacted funding for other building support. The Fire Protection and Life Safety Program identifies fire and safety hazards for GSA personnel, occupant agencies, or the general public in GSA-controlled buildings; the Space Alterations and Changes Program that funds Federal space requirements development, including expansion space and alterations; the Energy and Environmental Program deals with environmental testing and toxic abatement, as well as improving efficiencies by diagnosing, metering, and enhancing building systems with renewable energy and advanced automation systems; Realty Services that include leased space requirements development, market surveys and appraisals, brokerage commissions and assigning and backfilling space; Special Programs that include land acquisition, cafeteria and childcare operations and the historic preservation program; and Miscellaneous Building Support that funds various support functions not chargeable elsewhere such as key making, purchasing signage, renting operating equipment and tools, and raising and lowering flags. The majority of this increase is from PBS better defining these activities as a result of a more centralized approach to budgeting.

Building Moves: This category funds costs associated with moving an agency into or out of space, or moving GSA assigned space. The FY 2017 request includes \$5,698 thousand, a decrease of 52.4 percent from the FY 2016 enacted funding for building moves. While the FY 2017 request includes additional investments to support ongoing space utilization initiatives for both PBS assigned space as well as customer agency consolidations, it decreases because as PBS's internal Freeze the Footprint efforts come to a close.

Studies: The FY 2017 request includes \$26,253 thousand, an increase of 27.7 percent from the FY 2016 enacted funding for building studies. This category includes various building studies such as environmental studies and assessments, project development studies, building engineering reports, and planning studies. Studies are the first phase in successfully completing a capital project, and PBS will invest additional funds to studies in FY 2017 in support of the Capital program. Studies are vital to the formulation of the Five-Year Capital Plan, however, energy audits are not included in this category.

Salaries and Expenses

(Dollars in Thousands)

| FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request |
|--------------------|--------------------|--------------------|
| \$ 1,121,405 | \$1,137,000 | \$1,163,378 |

Program Description – Salaries and Expenses

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

PBS IT Services: The FY 2017 request includes \$49,952 thousand, a decrease of 7.2 percent from the FY 2016 enacted funding for PBS IT Services. This category provides funding for PBS-specific IT investments, including operation, maintenance, and enhancements of national applications.

Personnel Compensation and Benefits (PC&B): The FY 2017 request includes \$678,395 thousand, an increase of 3.3 percent from the FY 2016 enacted funding for PC&B. The Building Operations portion of PC&B funds 5,085 FTE with the remaining FTE funded from reimbursable authority.

GSA Working Capital Fund: The FY 2017 request includes \$352,223 thousand, no change from the FY 2016 revised plan. This category provides funding for GSA's non-IT overhead costs, such as legal and human resources, as well as all consolidated activities, such as Budget and Finance, Human Resources, and GSA IT services.

Management Support: The FY 2017 request includes \$55,373 thousand, a decrease of 11.7 percent from the FY 2016 enacted funding for management support. Management Support refers to PBS functions that are contracted out rather than maintained in-house, including administrative functions as well as subject matter expertise in other core areas of PBS's business, such as leasing and building support. PBS will reduce spending on management support contracts by \$7 million from the FY 2016 enacted funding through continued insourcing efforts that will take place in FY 2016; savings realized above the \$8 million included in the FY 2016 Budget will go toward the FERS adjustment.

Other/Miscellaneous PBS Administrative: This category provides funding for PBS's administrative costs, such as transportation, telephones, printing, supplies, equipment, and travel, as well as programmatic spending not associated with Management Support. This category also funds training, which is funded at \$11.9 million, which represents 1.5 percent of

base salaries to fund discretionary training and includes \$4.7 million to fund mandatory training requirements for PBS's Acquisition and Project Management personnel

Building Operations, Fiscal Year 2018 Advance Appropriations

GSA requests \$2,470,057 thousand for Building Operations in FY 2018. This is an increase of \$119,439 million over the FY 2017 request. The request is based on the FY 2017 level of FTE, information technology, and Working Capital Fund contributions. Increases are projected for inflation as well as cleaning, maintenance, and utilities associated with new inventory.

Reimbursable Program
(Dollars in Thousands)

| | FTE | | New Obligational Authority (NOA) |
|------------------------|------------|-----------|-------------------------------------|
| FY 2016 Plan | 350 | \$ | 1,787,525 |
| Workload Decreases | | \$ | (186,665) |
| FY 2017 Request | 350 | \$ | 1,600,860 |

Program Description – Reimbursable Program

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

Schedule of Indefinite Authorities

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

Five-Year Capital Investment Plan

GSA develops a Five Year Capital Investment Plan for its major New Construction and Repair and Alteration projects. The list represents GSA's plan to address known critical customer requirements and building infrastructure needs for the government-owned portfolio and assumes approximately \$2 billion in New Obligational Authority (NOA) for GSA's New Construction and Repair and Alterations program combined and includes priority U.S. Courthouse and Land Port of Entry Projects as identified by the Judiciary and U.S. Customs and Border Protection. Future year funding requests will vary based upon priorities and circumstances.

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

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

Project Types include:

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

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

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

U.S. General Services Administration
Federal Buildings Fund

| Fiscal Year | Project Name | City | State | Project Type | Project Description | Prior Funding to Date | Additional Funding Required (\$000's) (FY Request Amount) | Estimated Total Project Costs (\$000's) |
|----------------|--|---------------------------|-------|--------------|----------------------------------|-----------------------|---|---|
| FY16 | | | | | | | | |
| ENACTED | DHS Consolidation at St. Elizabeths | Washington | DC | NC | Phased Construction | \$ 1,250,400 | \$ 341,000 | \$ 2,414,444 |
| FY16 | Alexandria Bay Land Port of Entry Phase I | Alexandria Bay | NY | NC | LPOE Construction | \$ 20,560 | \$ 105,600 | \$ 256,155 |
| FY16 | Columbus Land Port of Entry | Columbus | NM | NC | LPOE Construction | \$ 10,738 | \$ 85,645 | \$ 96,383 |
| FY16 | U.S. Courthouses on the Federal Judiciary Courthouse Program | Multiple Locations | | NC | U.S. Courts Construction | | \$ 947,760 | \$ 947,760 |
| FY16 | Greenville, MS and Rutland, VT | Multiple Locations | | NC/Acq | New Construction and Acquisition | \$ - | \$ 52,733 | \$ 52,733 |
| FY16 | FBI HQ Consolidation | TBD | | NC | New Construction | \$ - | \$ 75,000 | \$ 834,000 |
| FY16 | Nonprospective (Basic) Repairs and Alterations Program | Nationwide | | R&A | Minor Repairs and Alterations | | \$ 300,000 | \$ 300,000 |
| FY16 | Energy and Water Retrofit and Conservation Measures | Nationwide | | R&A | Special Emphasis | | \$ 10,000 | \$ 10,000 |
| FY16 | Consolidation Activities Program | Nationwide | | R&A | Special Emphasis | | \$ 75,000 | \$ 75,000 |
| FY16 | Fire Protection and Life Safety Program | Nationwide | | R&A | Special Emphasis | | \$ 20,000 | \$ 20,000 |
| FY16 | Judiciary Capital Security Program | Nationwide | | R&A | Special Emphasis | | \$ 20,000 | \$ 20,000 |
| FY16 | Jacob K. Javits Federal Building | New York | NY | R&A | Space Renovation/Consolidation | | \$ 96,344 | \$ 104,004 |
| FY16 | Edward J. Schwartz Federal Building and U.S. Courthouse | San Diego | CA | R&A | System Upgrades | \$ 19,729 | \$ 54,833 | \$ 74,562 |
| FY16 | Sixth Street Federal Building | Los Angeles | CA | R&A | System Upgrades | | \$ 6,955 | \$ 6,955 |
| FY16 | Theodore Levin U.S. Courthouse Modernization Phase III | Detroit | MI | R&A | Phased Construction | \$ 71,499 | \$ 68,792 | \$ 140,291 |
| FY16 | Federal Building & U.S. Courthouse Facade Restoration | Milwaukee | WI | R&A | Exterior/Structural Repairs | | \$ 26,151 | \$ 26,151 |
| FY16 | Goodfellow Federal Complex | St. Louis | MO | R&A | System Upgrades | \$ - | \$ 12,256 | \$ 46,156 |
| FY16 | William J. Green Jr. Federal Building Phase I of II | Philadelphia | PA | R&A | Space Renovation/Consolidation | \$ 6,500 | \$ 45,000 | \$ 94,100 |
| FY16 | | | | | | | | |
| TOTAL | | | | | | \$ 1,379,426 | \$ 2,343,069 | \$ 5,518,694 |
| FY17 | DHS Consolidation at St. Elizabeths | Washington | DC | NC | Phased Construction | \$ 1,591,400 | \$ 266,604 | \$ 2,414,444 |
| FY17 | South East Federal Center Remediation | Washington | DC | NC | Remediation | \$ 75,857 | \$ 7,000 | \$ 91,857 |
| FY17 | FBI HQ Consolidation | Nationwide Capital Region | | NC | New Construction | \$ 75,000 | \$ 759,000 | \$ 834,000 |
| FY17 | APHIS Building | Pembina | ND | NC | New Construction | \$ - | \$ 5,749 | \$ 5,749 |
| FY17 | New Federal Office Building | Boyers | PA | NC | New Construction | \$ - | \$ 31,200 | \$ 211,150 |
| FY17 | IRS Annex Building Purchase | Austin | TX | NC | Lease Purchase | \$ - | \$ 12,756 | \$ 12,756 |
| FY17 | Calexico West Land Port of Entry Phase II of II | Calexico | CA | NC | LPOE Construction | \$ 121,849 | \$ 248,213 | \$ 370,062 |
| FY17 | Nonprospective (Basic) Repairs and Alterations Program | Nationwide | | R&A | Minor Repairs and Alterations | \$ - | \$ 312,090 | \$ 312,090 |
| FY17 | Energy and Water Retrofit and Conservation Measures | Nationwide | | R&A | Special Emphasis | \$ - | \$ 10,000 | \$ 10,000 |
| FY17 | Consolidation Activities Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 75,000 | \$ 75,000 |
| FY17 | Fire Protection and Life Safety Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| FY17 | Judiciary Capital Security Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 26,700 | \$ 26,700 |
| FY17 | 985 Michigan Avenue | Detroit | MI | R&A | Construction | \$ 8,227 | \$ 81,303 | \$ 89,530 |
| FY17 | 911 Federal Building | Portland | OR | R&A | Exterior/Structural Repairs | \$ - | \$ 22,500 | \$ 22,500 |
| FY17 | William J. Green Jr. Federal Building Phase II of II | Philadelphia | PA | R&A | Phased Construction | \$ 51,500 | \$ 52,300 | \$ 103,800 |
| FY17 | Edward Hebert Federal Building | New Orleans | LA | R&A | Full Modernization | \$ - | \$ 66,608 | \$ 66,608 |
| FY17 | 2306/2312 Bannister Road | Kansas City | KS | R&A | Full Modernization | \$ - | \$ 66,534 | \$ 66,534 |
| FY17 | Patrick V. McNamara Federal Building Garage | Detroit | MI | R&A | Exterior/Structural Repairs | \$ - | \$ 10,720 | \$ 10,720 |
| FY17 | Minton-Capehart Federal Building | Indianapolis | IN | R&A | Exterior/Structural Repairs | \$ - | \$ 10,784 | \$ 10,784 |
| FY17 | Austin Finance Center | Austin | TX | R&A | Multiple Systems Upgrade | \$ - | \$ 22,781 | \$ 22,781 |
| FY17 | Carl B. Stokes U.S. Courthouse | Cleveland | OH | R&A | Exterior/Structural Repairs | \$ - | \$ 15,524 | \$ 15,524 |
| FY17 | John F. Kennedy Federal Building | Boston | MA | R&A | Exterior/Structural Repairs | \$ - | \$ 40,273 | \$ 40,273 |
| FY17 | Joseph Addabbo Federal Office Building | Queens | NY | R&A | Design | \$ - | \$ 8,500 | \$ 65,000 |
| FY17 | | | | | | | | |
| TOTAL | | | | | | \$ 1,923,833 | \$ 2,172,139 | \$ 4,897,862 |
| FY18 | DHS Consolidation at St. Elizabeths | Washington | DC | NC | Phased Construction | \$ 1,858,004 | \$ 345,516 | \$ 2,414,444 |
| FY18 | South East Federal Center | Washington | DC | NC | Remediation | \$ 82,857 | \$ 9,000 | \$ 91,857 |
| FY18 | Alexandria Bay Land Port of Entry Phase II of II | Alexandria Bay | NY | NC | LPOE Construction | \$ 126,160 | \$ 129,995 | \$ 256,155 |
| FY18 | Department of Transportation Lease Purchase | Washington | DC | NC | Lease Purchase | \$ - | \$ 637,000 | \$ 637,000 |
| FY18 | New Federal Office Building | Boyers | PA | NC | New Construction | \$ 31,200 | \$ 179,950 | \$ 211,150 |
| FY18 | Nonprospective (Basic) Repairs and Alterations Program | Nationwide | | R&A | Minor Repairs and Alterations | \$ - | \$ 351,850 | \$ 351,850 |
| FY18 | Energy and Water Retrofit and Conservation Measures | Nationwide | | R&A | Special Emphasis | \$ - | \$ 10,000 | \$ 10,000 |
| FY18 | Consolidation Activities Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 75,000 | \$ 75,000 |
| FY18 | Fire Protection and Life Safety Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| FY18 | Judiciary Capital Security Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| FY18 | Herbert C. Hoover Federal Building Phase V of VIII | Washington | DC | R&A | Phased Construction | \$ 333,916 | \$ 155,271 | \$ 786,759 |
| FY18 | 911 Federal Building | Portland | OR | R&A | System Upgrades | \$ - | \$ 7,983 | \$ 7,983 |
| FY18 | Denver Federal Center Building 56 | Lakewood | CO | R&A | System Upgrades | \$ - | \$ 6,591 | \$ 6,591 |
| FY18 | Goodfellow Federal Complex | St. Louis | MO | R&A | System Upgrades | \$ 12,256 | \$ 33,900 | \$ 46,156 |
| FY18 | | | | | | | | |
| TOTAL | | | | | | \$ 2,444,393 | \$ 1,982,056 | \$ 4,934,945 |

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

| Fiscal Year | Project Name | City | State | Project Type | Project Description | Prior Funding to Date | Additional Funding Required (\$000's) (FY Request Amount) | Estimated Total Project Costs (\$000's) |
|-------------|--|---------------|-------|--------------|--|-----------------------|---|---|
| Outyear | DHS Consolidation at St. Elizabeths | Washington | DC | NC | Phased Construction | \$ 2,203,520 | \$ 190,285 | \$ 2,414,444 |
| Outyear | New LPOE - TBD per CBP Five Year Plan | TBD | | NC | LPOE Construction | \$ - | \$ 150,000 | \$ 150,000 |
| Outyear | IRS Service Center | Austin | TX | NC | Design | \$ - | \$ 15,182 | \$ 151,822 |
| Outyear | Nonprospective (Basic) Repairs and Alterations Program | Nationwide | | R&A | Minor Repairs and Alterations | \$ - | \$ 390,000 | \$ 390,000 |
| Outyear | Energy and Water Retrofit and Conservation Measures | Nationwide | | R&A | Special Emphasis | \$ - | \$ 10,000 | \$ 10,000 |
| Outyear | Consolidation Activities Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 75,000 | \$ 75,000 |
| Outyear | Fire Protection and Life Safety Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| Outyear | Judiciary Capital Security Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| Outyear | Herbert C. Hoover Building Phase VI of VIII | Washington | DC | R&A | Phased Construction | \$ 489,187 | \$ 99,690 | \$ 755,914 |
| Outyear | Denver Federal Center Building 48 | Lakewood | CO | R&A | Space Renovation/Consolidation | \$ - | \$ 46,755 | \$ 46,755 |
| Outyear | Lyndon B. Johnson Federal Building | Washington | DC | R&A | Space Renovation/Consolidation | \$ - | \$ 81,590 | \$ 81,590 |
| Outyear | U.S. Customhouse (Design and Phase I of II) | Philadelphia | PA | R&A | Full Modernization | \$ - | \$ 95,675 | \$ 178,350 |
| Outyear | Emmett J. Bean Federal Center | Indianapolis | IN | R&A | Space Renovation/Consolidation | \$ - | \$ 23,929 | \$ 23,929 |
| Outyear | Anthony J. Celebrezze Federal Building | Cleveland | OH | R&A | Space Renovation/Consolidation | \$ - | \$ 74,661 | \$ 74,661 |
| Outyear | Robert Denney Federal Building and U.S. Courthouse | Lincoln | NE | R&A | Full Modernization | \$ - | \$ 105,910 | \$ 105,910 |
| Outyear | 11000 Wilshire Federal Building | Los Angeles | CA | R&A | Structural/Seismic/Full Modernization | \$ - | \$ 129,593 | \$ 129,593 |
| Outyear | Oklahoma City Federal Building and U.S. Courthouse and Oklahoma City Post Office and U.S. Courthouse | Oklahoma City | OK | R&A | Full Modernization | \$ - | \$ 122,861 | \$ 122,861 |
| Outyear | James C. Corman Federal Building | Van Nuys | CA | R&A | Exterior/Structural Repairs/Interior Alterations | \$ - | \$ 6,000 | \$ 6,000 |
| Outyear | Joseph Addabbo Federal Office Building | Queens | NY | R&A | Space Renovation/Consolidation | \$ 8,500 | \$ 56,500 | \$ 65,000 |
| Outyear | Thomas O'Neill Federal Building | Boston | MA | R&A | Exterior/Structural Repairs | \$ - | \$ 8,367 | \$ 8,367 |
| Outyear | Lewis F. Powell U.S. Courthouse | Richmond | VA | R&A | Exterior/Structural Repairs | \$ - | \$ 19,825 | \$ 19,825 |
| Outyear | IRS Service Center | Holtsville | NY | R&A | Electrical Systems Upgrade | \$ - | \$ 6,852 | \$ 6,852 |
| Outyear | Daniel P. Moynihan U.S. Courthouse | New York | NY | R&A | Exterior/Structural Repairs | \$ - | \$ 23,196 | \$ 23,196 |
| Outyear | John F. Seiberling U.S. Courthouse | Akron | OH | R&A | Exterior/Structural Repairs | \$ - | \$ 18,317 | \$ 18,317 |
| Outyear | Pacific Highway LPOE Envelope Upgrade | Blaine | WA | R&A | Exterior/Structural Repairs | \$ - | \$ 12,395 | \$ 12,395 |
| Outyear | Alexander Hamilton U.S. Customhouse Phase I of II | New York | NY | R&A | Phased Construction | \$ - | \$ 48,167 | \$ 48,167 |
| Outyear | James L. Watson U.S. Court of InterNationalwide Trade | New York | NY | R&A | Exterior/Structural Repairs | \$ - | \$ 5,735 | \$ 5,735 |
| Outyear | William Kenzo Nakamura U.S. Courthouse | Seattle | WA | R&A | Exterior/Structural Repairs | \$ - | \$ 9,138 | \$ 9,138 |
| Outyear | IRS Service Center | Ogden | UT | R&A | Systems Upgrade | \$ - | \$ 61,305 | \$ 61,305 |
| Outyear | Federal Office Building Exterior Restoration | Seattle | WA | R&A | Exterior/Structural Repairs | \$ - | \$ 21,599 | \$ 21,599 |
| Outyear | Harry S. Truman Building | Washington | DC | R&A | Systems Upgrade | \$ - | \$ 13,467 | \$ 13,467 |
| Outyear | Abraham Alexander Ribicoff U.S. Courthouse and Federal Building Annex | Hartford | CT | R&A | Exterior/Structural Repairs | \$ - | \$ 10,328 | \$ 10,328 |
| Outyear | Ralph H. Metcalfe Federal Building | Chicago | IL | R&A | Systems Upgrade | \$ - | \$ 8,447 | \$ 8,447 |
| Outyear | U.S. Courthouse | TBD | | NC | U.S. Courts Construction | \$ - | \$ 200,000 | \$ 200,000 |
| Outyear | New LPOE - TBD per CBP Five Year Plan | TBD | | NC | LPOE Construction | \$ - | \$ 150,000 | \$ 150,000 |
| Outyear | Nonprospective (Basic) Repairs and Alterations Program | Nationwide | | R&A | Minor Repairs and Alterations | \$ - | \$ 390,000 | \$ 390,000 |
| Outyear | Energy and Water Retrofit and Conservation Measures | Nationwide | | R&A | Special Emphasis | \$ - | \$ 10,000 | \$ 10,000 |
| Outyear | Consolidation Activities Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 75,000 | \$ 75,000 |
| Outyear | Fire Protection and Life Safety Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| Outyear | Judiciary Capital Security Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| Outyear | Herbert C. Hoover Building Phase VII of VIII | Washington | DC | R&A | Phased Construction | \$ 588,877 | \$ 98,939 | \$ 786,759 |
| Outyear | U.S. Customhouse (Phase II of II) | Philadelphia | PA | R&A | Full Modernization | \$ 95,675 | \$ 82,675 | \$ 178,350 |
| Outyear | Potter Stewart U.S. Courthouse | Cincinnati | OH | R&A | Space Renovation/Consolidation/Systems | \$ - | \$ 16,021 | \$ 16,021 |
| Outyear | San Francisco Federal Building | San Francisco | CA | R&A | Space Renovation/Consolidation | \$ - | \$ 26,415 | \$ 26,415 |
| Outyear | Earle Cabell Federal Building and U.S. Courthouse | Dallas | TX | R&A | Full Modernization | \$ - | \$ 128,771 | \$ 128,771 |
| Outyear | Frank Hagel Federal Building | Richmond | CA | R&A | Exterior/Structural/Full Modernization | \$ - | \$ 92,826 | \$ 92,826 |
| Outyear | El Paso U.S. Courthouse | El Paso | TX | R&A | Full Modernization | \$ - | \$ 37,343 | \$ 37,343 |
| Outyear | Tacoma Union Station | Tacoma | WA | R&A | Full Modernization | \$ - | \$ 32,000 | \$ 32,000 |
| Outyear | Hiram Ward Federal Building and U.S. Courthouse | Winston Salem | NC | R&A | Full Modernization | \$ - | \$ 52,474 | \$ 52,474 |
| Outyear | Clifford Davis-O'Dell Horton Federal Building | Memphis | TN | R&A | Full Modernization | \$ - | \$ 39,050 | \$ 39,050 |
| Outyear | U.S. Customhouse | Denver | CO | R&A | Multiple Systems Upgrade | \$ - | \$ 14,204 | \$ 14,204 |
| Outyear | Frank Carlson Federal Building and U.S. Courthouse | Topeka | KS | R&A | Full Modernization | \$ - | \$ 45,585 | \$ 45,585 |
| Outyear | Sioux City Federal Building and U.S. Courthouse | Sioux City | IA | R&A | Systems Upgrade | \$ - | \$ 10,114 | \$ 10,114 |
| Outyear | Denver Federal Center Building 20 | Lakewood | CO | R&A | Systems Upgrade | \$ - | \$ 37,283 | \$ 37,283 |
| Outyear | 8930 Ward Parkway Federal Building | Kansas City | MO | R&A | Full Modernization | \$ - | \$ 29,966 | \$ 29,966 |
| Outyear | E.M. Dirksen U.S. Courthouse | Chicago | IL | R&A | Systems Upgrade | \$ - | \$ 12,132 | \$ 12,132 |
| Outyear | Joseph F. Weis Jr. U.S. Courthouse | Pittsburgh | PA | R&A | Systems Upgrade | \$ - | \$ 6,735 | \$ 6,735 |
| Outyear | John J. Moakley U.S. Courthouse | Boston | MA | R&A | Exterior/Structural Repairs/F&LS/Systems | \$ - | \$ 32,346 | \$ 32,346 |
| Outyear | FDA Forensic Chemistry Center | Cincinnati | OH | R&A | Systems Upgrade | \$ - | \$ 10,391 | \$ 10,391 |
| Outyear | Alexander Hamilton U.S. Customs House Phase II of II | New York | NY | R&A | Exterior/Structural Repairs | \$ 46,498 | \$ 31,540 | \$ 78,038 |
| Outyear | James A. Byrne Courthouse | Philadelphia | PA | R&A | Systems Upgrade | \$ - | \$ 28,350 | \$ 28,350 |
| Outyear | James C. Cleveland Federal Building | Concord | NH | R&A | Exterior/Structural Repairs | \$ - | \$ 7,901 | \$ 7,901 |
| Outyear | U.S. Courthouse | Minneapolis | MN | R&A | Exterior/Structural Upgrades/Systems | \$ - | \$ 15,539 | \$ 15,539 |
| Outyear | John F. Kennedy Federal Building | Boston | MA | R&A | Systems Upgrades | \$ - | \$ 21,675 | \$ 21,675 |
| Outyear | Patrick V. McNamara Federal Building | Detroit | MI | R&A | Systems Upgrade | \$ - | \$ 22,146 | \$ 22,146 |
| Outyear | Montoya Federal Building | Santa Fe | NM | R&A | Systems Upgrade | \$ - | \$ 39,919 | \$ 39,919 |
| Outyear | Prince J. Kuhio Kalaniano'le Federal Building | Honolulu | HI | R&A | Full Modernization | \$ - | \$ 92,092 | \$ 92,092 |
| Outyear | Henry M. Jackson Federal Building | Seattle | WA | R&A | Multiple Systems Upgrade | \$ - | \$ 3,756 | \$ 3,756 |
| Outyear | Harry S. Truman Federal Building (New State) | Washington | DC | R&A | Design | \$ - | \$ 21,600 | \$ 540,000 |
| Outyear | Federal Center South Office Building | Seattle | WA | R&A | Design | \$ - | \$ 10,359 | \$ 160,000 |
| Outyear | Chet Holifield Federal Building | Laguna Niguel | CA | R&A | Design | \$ - | \$ 7,251 | \$ 80,221 |
| Outyear | Mid-Atlantic Social Security Center | Philadelphia | PA | R&A | Design | \$ - | \$ 8,010 | \$ 80,102 |
| Outyear | Harold Washington Social Security Center | Chicago | IL | R&A | Design | \$ - | \$ 10,195 | \$ 101,952 |
| Outyear | U.S. Courthouse | TBD | | NC | U.S. Courts Construction | \$ - | \$ 200,000 | \$ 200,000 |
| Outyear | New LPOE - TBD per CBP Five Year Plan | TBD | | NC | LPOE Construction | \$ - | \$ 150,000 | \$ 150,000 |
| Outyear | IRS Service Center | Austin | TX | NC | Construction | \$ 15,182 | \$ 136,640 | \$ 151,822 |

U.S. General Services Administration
Federal Buildings Fund

| Fiscal Year | Project Name | City | State | Project Type | Project Description | Prior Funding to Date | Additional Funding Required (\$000's) (FY Request Amount) | Estimated Total Project Costs (\$000's) |
|-------------|---|--------------|-------|--------------|---------------------------------|-----------------------|---|---|
| Outyear | Nonprospective (Basic) Repairs and Alterations Program | Nationwide | | R&A | Minor Repairs and Alterations | \$ - | \$ 390,000 | \$ 390,000 |
| Outyear | Energy and Water Retrofit and Conservation Measures | Nationwide | | R&A | Special Emphasis | \$ - | \$ 10,000 | \$ 10,000 |
| Outyear | Consolidation Activities Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 75,000 | \$ 75,000 |
| Outyear | Fire Protection and Life Safety Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| Outyear | Judiciary Capital Security Program | Nationwide | | R&A | Special Emphasis | \$ - | \$ 20,000 | \$ 20,000 |
| Outyear | Harry S. Truman Federal Building (New State) Phase VI of IX | Washington | DC | R&A | Phased Construction | \$ 21,600 | \$ 148,000 | \$ 540,000 |
| Outyear | Herbert C. Hoover Building Phase VIII of VIII | Washington | DC | R&A | Phased Construction | \$ 687,816 | \$ 92,286 | \$ 786,759 |
| Outyear | Bozeman Federal Building and U.S. Post Office | Bozeman | MT | R&A | Space Renovations/Consolidation | \$ - | \$ 6,284 | \$ 6,284 |
| Outyear | Degetau Federal Building & Ruiz-Nazario U.S. Courthouse | Hato Rey | PR | R&A | Full Modernization | \$ - | \$ 54,942 | \$ 51,200 |
| Outyear | Jacob K. Javits Federal Building | New York | NY | R&A | Exterior/Structural Repairs | \$ - | \$ 40,466 | \$ 40,466 |
| Outyear | U.S. Customhouse Houston | Houston | TX | R&A | Systems Upgrades | \$ - | \$ 45,600 | \$ 45,600 |
| Outyear | Denver Federal Center Building 67 | Lakewood | CO | R&A | Systems Upgrade | \$ - | \$ 20,000 | \$ 20,000 |
| Outyear | James V. Hansen Federal Building | Ogden | UT | R&A | Exterior/Structural Repairs | \$ - | \$ 15,000 | \$ 15,000 |
| Outyear | Ogden Forest Service Building | Ogden | UT | R&A | Systems Upgrades | \$ - | \$ 8,000 | \$ 8,000 |
| Outyear | Wyoming Federal Office Building | Cheyenne | WY | R&A | Systems Upgrade | \$ - | \$ 5,000 | \$ 5,000 |
| Outyear | Gignoux U.S. Courthouse | Portland | ME | R&A | Systems Upgrade | \$ - | \$ 6,058 | \$ 6,058 |
| Outyear | Bob Casey U.S. Courthouse | Houston | TX | R&A | Full Modernization | \$ - | \$ 156,000 | \$ 156,000 |
| Outyear | Elbert Tuttle U.S. Courthouse and Federal Building | Atlanta | GA | R&A | Full Modernization | \$ - | \$ 53,541 | \$ 53,541 |
| Outyear | John Minor Wisdom U.S. Court of Appeals Building | New Orleans | LA | R&A | Systems Upgrade | \$ - | \$ 67,200 | \$ 67,200 |
| Outyear | U.S. Post Office/Courthouse/Federal Building | Burlington | VT | R&A | Systems Upgrade | \$ - | \$ 6,330 | \$ 6,330 |
| Outyear | J.P. Hammerschmidt Federal Building and U.S. Courthouse | Fayetteville | AK | R&A | Multiple Systems Upgrade | \$ - | \$ 9,074 | \$ 9,074 |
| Outyear | Mid-Atlantic Social Security Center | Philadelphia | PA | R&A | Space Renovations/Consolidation | \$ 8,010 | \$ 72,092 | \$ 80,102 |
| Outyear | Harold Washington Social Security Center | Chicago | IL | R&A | Space Renovations/Consolidation | \$ 10,195 | \$ 91,757 | \$ 101,952 |
| Outyear | Gus J. Solomon U.S. Courthouse | Portland | OR | R&A | Design | \$ - | \$ 6,000 | \$ 75,000 |
| Outyear | SSA West High Rise and West Low Rise Buildings | Woodlawn | MD | R&A | Design | \$ - | \$ 9,000 | \$ 109,000 |
| Outyear | Elijah Barrett Prettyman U.S. Courthouse | Washington | DC | R&A | Design | \$ - | \$ 29,298 | \$ 339,404 |
| Outyear | Internal Revenue Service Headquarters | Washington | DC | R&A | Design | \$ - | \$ 25,000 | \$ 500,000 |
| Outyear | Estes Kefauver Federal Building and U.S. Courthouse | Nashville | TN | R&A | Design | \$ - | \$ 12,000 | \$ 108,000 |

U.S. General Services Administration

GOVERNMENT-WIDE POLICY

Fiscal Year 2017 Budget Request

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Appropriations Language

For expenses authorized by law, not otherwise provided for, for Government-wide policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; Government-wide policy support responsibilities relating to acquisition, travel, motor vehicles, *green buildings*, information technology management, and related technology activities; *the collection and evaluation of data from departments and agencies relating to activities described herein*; *oversight and management of Government-wide shared service mission support function*; and services as authorized by 5 U.S.C. 3109; [\$58,000,000]\$64,497,000.

Program Description

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

Amounts Available for Obligation

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| Discretionary authority: | | | |
| Annual appropriation..... | \$ 58,000 | \$ 58,000 | \$ 64,497 |
| Reimbursable authority: | | | |
| Unobligated balance, start of year..... | \$ 12,905 | \$ 13,892 | \$ 14,800 |
| New authority..... | \$ 2,898 | \$ 6,851 | \$ 3,851 |
| Transfers in for Inter-Agency Councils and CAP goals..... | \$ 15,650 | \$ 32,000 | \$ 32,000 |
| Change in uncollected payments..... | \$ 125 | \$ - | \$ - |
| Unobligated balance, expiring..... | \$ (31) | \$ - | \$ - |
| Subtotal, reimbursable authority..... | \$ 31,547 | \$ 52,743 | \$ 50,651 |
| Unobligated balance, end of year..... | \$ 12,729 | \$ 13,892 | \$ 14,800 |
| Obligations, Reimbursable | \$ 18,818 | \$ 38,851 | \$ 35,851 |
| Obligations, appropriated (annual) | \$ 57,724 | \$ 58,000 | \$ 64,497 |
| Total obligations..... | \$ 76,542 | \$ 96,851 | \$ 100,348 |
| <i>Net Outlays</i> | <i>\$ 52,723</i> | <i>\$ 59,745</i> | <i>\$ 60,236</i> |

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

| | FTE | FY 2015 Actual | FTE | FY 2016 Enacted | FTE | FY 2017 Request |
|---|-------|-------------------|-------|--------------------|-------|--------------------|
| | 120.0 | \$ 57,724 | 142.0 | \$58,000 | 170.0 | \$ 64,497 |
| Maintaining Current Levels: | | | | | | |
| FY 2017 Pay Increase (1.6%), Effective January 2017 | | | | | - | \$ 270 |
| Program Increases: | | | | | | |
| Establish Unified Shared Services Management Office | | | | | 20 | \$ 5,000 |
| ROCIS Enhancements | | | | | - | \$ 1,000 |
| Evidence-based Policy initiative: Contractual support for data analytics priority analysis | | | | | - | \$ 500 |
| Improve policy information and access for acquisition professionals (FAR & acquisition.gov) | | | | | - | \$ 466 |
| Data to Decisions (D2D) Implementation & Operations Support | | | | | - | \$ 350 |
| Benchmarking and priority evidence based policy surge support | | | | | - | \$ 150 |
| WCF Bill Increase | | | | | - | \$ 984 |
| Subtotal, Program Increases..... | | | | | 20 | \$ 8,720 |
| Program Decreases: | | | | | | |
| IT platform consolidation | | | | | - | \$ (400) |
| FTE reduction in asset & transportation management | | | | | (2) | \$ (333) |
| Reduction of contractual services through talent insourcing | | | | | 10 | \$ (1,490) |
| Subtotal, Program Decreases..... | | | | | 8 | \$ (2,223) |
| Total Adjustments..... | | | | | | |
| | | | | | 28.0 | \$ 6,497 |

Explanation of Changes by Office, Appropriated Dollars and FTE

(Dollars in Thousands)

| | FY 2015 | | FY 2016 | | FY 2017 | |
|---|--------------|------------------|--------------|------------------|--------------|------------------|
| | FTE | Obligations | FTE | Authority | FTE | Authority |
| 1. Administration | | | | | | |
| Annual appropriation | 15.0 | \$ 15,402 | 6.0 | \$ 11,196 | 6.0 | \$ 12,180 |
| Subtotal, Administration | 15.0 | \$ 15,402 | 6.0 | \$ 11,196 | 6.0 | \$ 12,180 |
| 2. Evidence and Analysis | | | | | | |
| Annual appropriation | 5.0 | \$ 471 | 10.0 | \$ 2,597 | 10.0 | \$ 3,200 |
| Subtotal, Evidence and Analysis | 5.0 | \$ 471 | 10.0 | \$ 2,597 | 10.0 | \$ 3,200 |
| 3. Evaluation Sciences | | | | | | |
| Annual appropriation | 3.0 | \$ 535 | 9.0 | \$ 1,534 | 9.0 | \$ 1,534 |
| Subtotal, Evaluation Sciences | 3.0 | \$ 535 | 9.0 | \$ 1,534 | 9.0 | \$ 1,534 |
| 4. Asset and Transportation Management | | | | | | |
| Annual appropriation | 35.0 | \$ 9,409 | 47.0 | \$ 11,536 | 45.0 | \$ 11,353 |
| Reimbursable authority | 0.0 | \$ - | 0.0 | \$ - | 0.0 | \$ - |
| Subtotal, Asset and Transportation | 35.0 | \$ 9,409 | 47.0 | \$ 11,536 | 45.0 | \$ 11,353 |
| 5. Information, Integrity, and Access Management | | | | | | |
| Annual appropriation | 19.0 | \$ 17,252 | 24.0 | \$ 18,430 | 34.0 | \$ 17,007 |
| Reimbursable authority | 0.0 | \$ 546 | 0.0 | \$ 1,000 | 0.0 | \$ 1,000 |
| Subtotal, Information, Integrity, and Access | 19.0 | \$ 17,798 | 24.0 | \$ 19,430 | 34.0 | \$ 18,007 |
| 6. Federal High Performance Green Buildings | | | | | | |
| Annual appropriation | 11.0 | \$ 4,753 | 12.0 | \$ 4,315 | 12.0 | \$ 4,315 |
| Subtotal, High Performance Green Buildings | 11.0 | \$ 4,753 | 12.0 | \$ 4,315 | 12.0 | \$ 4,315 |
| 7. Acquisition Policy | | | | | | |
| Annual appropriation | 32.0 | \$ 9,902 | 34.0 | \$ 8,392 | 34.0 | \$ 9,908 |
| Reimbursable authority | 10.0 | \$ 2,350 | 12.0 | \$ 2,851 | 12.0 | \$ 2,851 |
| Subtotal, Acquisition Policy | 42.0 | \$ 12,252 | 46.0 | \$ 11,243 | 46.0 | \$ 12,759 |
| 8. Unified Shared Services Management | | | | | | |
| Annual appropriation | 0.0 | \$ - | 0.0 | \$ - | 20.0 | \$ 5,000 |
| Reimbursable authority | 0.0 | \$ - | 6.0 | \$ 3,000 | 0.0 | \$ - |
| Subtotal, Unified Shared Services | 0.0 | \$ - | 6.0 | \$ 3,000 | 20.0 | \$ 5,000 |
| 9. Executive Councils | | | | | | |
| Reimbursable authority | 11.0 | \$ 15,922 | 20.0 | \$ 32,000 | 23.0 | \$ 32,000 |
| Subtotal, Executive Councils | 11.0 | \$ 15,922 | 20.0 | \$ 32,000 | 23.0 | \$ 32,000 |
| Total, Annual appropriated | 120.0 | \$ 57,724 | 142.0 | \$ 58,000 | 170.0 | \$ 64,497 |
| Total, Reimbursable | 21.0 | \$ 18,818 | 38.0 | \$ 38,851 | 35.0 | \$ 35,851 |
| Total, Budget Authority | 141.0 | \$ 76,542 | 180.0 | \$ 96,851 | 205.0 | \$ 100,348 |

Summary

The FY 2017 appropriated budget request provides \$64,497 thousand for the Office of Government-wide Policy (OGP), an increase of \$6,497 thousand from the FY 2016 enacted level.

In FY 2017, OGP will continue to develop and analyze administrative policies for the Federal government in multiple functional areas, including real and personal property; aircraft and motor vehicles; travel and transportation of goods and people; acquisition of goods and services; information sharing, integrity and access policy; and economically and environmentally high performance Federal buildings, among others.

The FY 2017 Budget provides the funding required to assist agencies in developing and utilizing the best and most cost effective management practices to meet their programmatic goals. Guided by the principles of the President's Management Agenda and the Office of Management and Budget (OMB), some of OGP's recent efforts have led to the development of a policy environment for electronic government and have supported OMB in the implementation of various E-Gov and acquisition initiatives to standardize and streamline government processes. To do so, OGP has worked with other Federal agencies, the private sector, interested parties, and other stakeholders from the very onset of policy review and formulation. Such collaborative efforts offer numerous advantages, not least of which is to ensure "buy-in" from the policy customers.

OGP currently consists of five major policy offices including the Office of Asset and Transportation Management; the Office of Information, Integrity, and Access; the Office of Federal High-Performance Green Buildings; the Office of Acquisition Policy; and the Office of Executive Councils. In FY 2017, OGP will have fully staffed two additional business lines: the Office of Evidence and Analysis and the Office of Evaluation Sciences. These offices will continue to expand OGP's ability to leverage data in order to aid agencies in implementing new strategies for reducing costs, raising compliance, and effectively managing programs. OGP is also establishing the Unified Shared Service Management Office using reimbursable funds in FY 2016 and direct funding in FY 2017. This new office will serve as a government-wide integration body, collaborating across administrative functions and the provider and customer landscapes to improve shared service delivery, increase agency adoption, and establish the long term vision for mission support functions.

Program Financing

OGP is financed from annual appropriations to pay for the salaries and expenses of OGP staff and government-wide policy programs. Additionally, OGP receives reimbursable authority allowing Federal agencies to pay for the cost of government-wide services. Reimbursable costs include the Federal Acquisition Institute (FAI) governance boards, policy coordination efforts, multi-agency training development and maintenance, and the ability to acquire training services from pre-qualified vendors. It also covers OGP's management of the Federal Management

Councils in coordination with OMB, which identify and pursue performance improvement initiatives across agencies.

Reimbursable Programs

In FY 2017, OGP anticipates providing reimbursable services to other Federal agencies and councils in the amount of \$35,851 thousand and 32 FTE, which maintains the FY 2016 funding levels with the exception of the Shared Service Management functions that will be funded directly in FY 2017.

The Federal Acquisition Institute (FAI) requests \$2,851 thousand and 12 FTE to support implementation of the FAI Improvement Act (41 USC S 1201 P.L. 112-81), which promotes career development and strategic human capital management for the Federal acquisition workforce. The FAI deploys a civilian agency training consortium board that uses innovative tools and technology to reduce redundancies, leverages resources, and align acquisition workforce development training objectives across Federal agencies.

The Government-wide Executive Councils budget includes \$17,000 thousand and 23 FTE for continued support of innovations, initiatives, and activities designed to help the intergovernmental Federal Management Councils improve performance in mission-support functions such as acquisition, financial management, human capital and IT management.

An additional \$15,000 thousand is budgeted for the Cross-Agency Priority (CAP) Goals. This funding enables CAP Goal leaders across government to support key implementation activities for achieving and accelerating progress on the CAP Goals. These activities are discussed in more detail in the Executive Office of the President's FY 2017 Congressional Justification.

Finally, the budget request includes \$1,000 in reimbursable authority for the Office of Information, Integrity, and Access.

Savings

In FY 2017, OGP will achieve \$2,223 thousand in savings through three key initiatives--insourcing contractual support to achieve savings of \$1,490 thousand by hiring 10 FTE; increased operational efficiencies through continued consolidation of OGP's government-wide IT systems into a common platform resulting in contractual savings of \$400 thousand; and a reduction of 2 FTE in asset and transportation management for a savings of \$333 thousand.

Investments

In FY 2017, OGP will make investments to advance evidence-based policy initiatives to improve the efficiency and effectiveness of administrative functions government-wide, totaling \$8,653 thousand and 20 FTE. Activities include support to key OMB initiatives and Presidential Executive Orders, such as FedStat; implementation of M-12-12 *Promoting Efficient Spending to Support Agency Operations*, to include "Reduce the Footprint"; M-13-17 *Next Steps in the*

Evidence and Innovation Agenda; Transforming the Marketplace: Simplifying Federal Procurement to Improve Performance, Drive Innovation, and Increase Savings; and E.O. 13693 Planning for Federal Sustainability in the Next Decade; among others. OGP will continue to improve information and decision-support tools to support the acquisition community with an investment of \$466 thousand. OGP will invest \$5,000 thousand and 20 FTE in establishing the Unified Shared Services Management Office. Finally, the investment includes an increase of \$984 thousand to support OGP's contribution to the Working Capital Fund.

Obligations by Object Class

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time permanent..... | \$ 15,069 | \$ 16,749 | \$ 22,055 |
| 11.3 Other than full-time permanent..... | \$ 123 | \$ 155 | \$ 194 |
| 11.5 Other personnel compensation..... | \$ 128 | \$ 173 | \$ 201 |
| 11.8 Special personnel services payments..... | \$ 747 | \$ 873 | \$ 274 |
| 12.1 Civilian personnel benefits..... | \$ 4,211 | \$ 4,717 | \$ 6,510 |
| 13.0 Benefits for former personnel..... | \$ - | \$ - | \$ - |
| 21.0 Travel and transportation of persons..... | \$ 188 | \$ 206 | \$ 201 |
| 22.0 Transportation of things..... | \$ - | \$ - | \$ - |
| 23.1 Rental payments to GSA..... | \$ - | \$ - | \$ - |
| 23.2 Rental payments to others..... | \$ - | \$ - | \$ - |
| 23.3 Communications and utilities..... | \$ 38 | \$ 38 | \$ 38 |
| 24.0 Printing and reproduction..... | \$ 364 | \$ 514 | \$ 514 |
| 25.1 Advisory and assistance services..... | \$ 21,450 | \$ 19,405 | \$ 21,404 |
| 25.2 Other services from non-Federal sources..... | \$ 353 | \$ 2,746 | \$ 146 |
| 25.3 Other goods & services from Federal sources.. | \$ 14,736 | \$ 12,368 | \$ 12,904 |
| 25.4 Operation and maintenance of facilities..... | \$ - | \$ - | \$ - |
| 25.6 Medical care..... | \$ - | \$ - | \$ - |
| 25.7 Operation and maintenance of equipment..... | \$ - | \$ - | \$ - |
| 26.0 Supplies and materials..... | \$ 66 | \$ 46 | \$ 46 |
| 31.0 Equipment..... | \$ 17 | \$ 10 | \$ 10 |
| 32.0 Land and structures..... | \$ - | \$ - | \$ - |
| 33.0 Investments and loans..... | \$ - | \$ - | \$ - |
| 41.0 Grants, subsidies, and contributions..... | \$ - | \$ - | \$ - |
| 42.0 Insurance claims and indemnities..... | \$ 205 | \$ - | \$ - |
| 43.0 Interest and dividends..... | \$ - | \$ - | \$ - |
| 44.0 Refunds..... | \$ 29 | \$ - | \$ - |
| 99.0 Obligations, Appropriated (Annual)..... | \$ 57,724 | \$ 58,000 | \$ 64,497 |
| <i>Subtotal, PC&B.....</i> | <i>\$ 20,278</i> | <i>\$ 22,667</i> | <i>\$ 29,234</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$ 37,446</i> | <i>\$ 35,333</i> | <i>\$ 35,263</i> |
| 99.2 Obligations, reimbursable..... | 18,818 | 38,851 | 35,851 |
| 99.9 Total obligations..... | 76,542 | 96,851 | 100,348 |

OGP Policy Offices

Office of Asset and Transportation Management

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

Office of Evidence and Analysis

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

Office of Information, Integrity, and Access

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

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

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

Office of Federal High Performance Green Buildings

The Office of Federal High Performance and Green Buildings (OFHPGB) supports the overall Federal government mission of operating more effectively and efficiently. The office supports the Administration's sustainability goals by minimizing the Federal footprint through efficient use of energy, water, and resources.

Office of Evaluation Sciences

The Office of Evaluation Sciences (OES), which houses the Social and Behavioral Sciences Team (SBST), is an innovative group that includes prominent scientists from academia and related research institutions that translate insights into concrete program and policy changes. The team conducts rigorous evaluation trials that test the impact of recommended policy, system, and communication changes. This office is committed to furthering evidence-based innovations that will improve policy efficacy and government performance.

Office of Acquisition Policy

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

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

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

Unified Shared Service Management Office

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

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

The establishment of this office is a critical step in creating a more effective and efficient government. A government that enables agencies to focus even more on core mission programs that can improve the lives of taxpayers and put taxpayer dollars to better use.

Office of Executive Councils

The Office of Executive Councils provides dedicated support to Federal interagency management councils, increasing their effectiveness in solving challenges across agencies,

spurring innovation, and improving policy outcomes. The office provides analytical, management and administrative services to the following Federal management councils and advisory boards:

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

U.S. General Services Administration

OPERATING EXPENSES

Fiscal Year 2017 Budget Request

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Appropriations Language

For expenses authorized by law, not otherwise provided for, for Government-wide activities associated with utilization and donation of surplus personal property; disposal of real property; agency-wide policy direction, management, and communications; [the Civilian Board of Contract Appeals;] and services as authorized by 5 U.S.C. 3109; [\$58,560,000, of which \$25,979,000 is for Real and Personal Property Management and Disposal; \$23,397,000 is for the Office of the Administrator] \$50,174,000, of which not to exceed \$7,500 is for official reception and representation expenses[; and \$9,184,000 is for the Civilian Board of Contract Appeals: Provided, That not to exceed 5 percent of the appropriation made available under this heading for Office of the Administrator may be transferred to the appropriation for the Real and Personal Property Management and Disposal upon notification to the Committees on Appropriations of the House of Representatives and the Senate, but the appropriation for the Real and Personal Property Management and Disposal may not be increased by more than 5 percent by any such transfer].

Analysis of Language Provisions and Changes

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

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

Program Description

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

U.S. General Services Administration
Operating Expenses

Amounts Available for Obligation

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|-------------------|--------------------|--------------------|
| <i>Unobligated balance, start of year.....</i> | \$ 772 | \$ 772 | \$ 772 |
| Discretionary authority: | | | |
| Annual appropriation..... | \$ 52,057 | \$ 49,376 | \$ 50,174 |
| Reimbursable authority: | | | |
| New authority..... | \$ 2,726 | \$ 14,740 | \$ 14,740 |
| Change in uncollected payments..... | \$ 1,734 | \$ - | \$ - |
| Subtotal, reimbursable authority..... | \$ 4,460 | \$ 14,740 | \$ 14,740 |
| Reimbursable authority, expiring..... | \$ (101) | | |
| Appropriations authority, expiring..... | \$ (3,181) | | |
| Recovery of prior-year obligations..... | \$ - | \$ - | \$ - |
| Unobligated balance, lapsing..... | \$ - | \$ - | \$ - |
| Unobligated balance, reimbursable..... | \$ - | \$ - | \$ - |
| Unobligated balance, rescinded..... | \$ - | \$ - | \$ - |
| Unobligated balance, sequestered..... | \$ - | \$ - | \$ - |
| Unobligated balance, end of year..... | <u>\$ (772)</u> | <u>\$ (772)</u> | <u>\$ (772)</u> |
| Total, obligations..... | \$ 56,517 | \$ 64,116 | \$ 64,914 |
| Obligations, appropriated (annual)..... | \$ 49,006 | \$ 49,376 | \$ 50,174 |
| Obligations, reimbursable..... | \$ 4,359 | \$ 14,740 | \$ 14,740 |
| Net Outlays | \$ 54,593 | \$ 50,432 | \$ 50,826 |

Note: \$772 thousand in funding is associated with the Governors Island and Lorton Correctional Complex disposal projects. CBCA amounts were included in the FY 2015 and FY 2016 enacted appropriations but are now shown separately in a CBCA section for ease of comparison.

U.S. General Services Administration
 Operating Expenses

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

| | FTE | FY 2015 Actual | FTE | FY 2016 Enacted | FTE | FY 2017 Request |
|--|-------|-------------------|-------|--------------------|-------|--------------------|
| | 253.0 | \$ 49,006 | 255.0 | \$ 49,376 | 258.0 | \$ 50,174 |

Maintaining Current Levels:

FY 2017 Pay Increase (1.6%), Effective January 2017 \$ 430

Program Increases:

| | | |
|-------------------------------------|-----|--------|
| Personnel Compensation and Benefits | 3.0 | \$ 283 |
| Rent | | \$ 513 |
| Subtotal, Program Increases..... | 3.0 | \$ 796 |

Program Decreases:

| | | |
|--|---|----------|
| Travel and Transportation | | \$ (102) |
| Contractual Services | | \$ (306) |
| Communications, Printing, and Reproduction | | \$ (9) |
| Supplies, Materials, and Equipment | | \$ (12) |
| Subtotal, Program Decreases..... | - | \$ (429) |

Total Adjustments..... 3.0 \$ 798

Note: CBCA amounts were included in the FY 2015 and FY 2016 enacted appropriations but are now shown separately in a CBCA section for ease of comparison.

U.S. General Services Administration
Operating Expenses

Explanation of Changes by Program, Appropriated Dollars and FTE

(Dollars in Thousands)

| | PPM | | RPD | | OCM | | M&A | | TOTAL | |
|---|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|--------------|-------------------|
| | FTE | Authority (\$000) | FTE | Authority (\$000) |
| FY 2016 Enacted | 64.0 | \$ 10,661 | 86.0 | \$ 15,318 | 17.0 | \$ 3,236 | 88.0 | \$ 20,161 | 255.0 | \$ 49,376 |
| Maintaining Current Levels: | | | | | | | | | | |
| FY 2017 Pay Increase (1.6%), Effective January 2017 | | \$ 96 | | \$ 145 | | \$ 30 | | \$ 159 | | \$ 430 |
| Program Increases: | | | | | | | | | | |
| Personnel Compensation and Benefits | | | 4.0 | \$ 397 | | | 3.0 | \$ 329 | | \$ 727 |
| Travel and Transportation | | | | | | | | | | \$ - |
| Rent | | | | | | | | \$ 513 | | \$ 513 |
| Communications, Printing, and Reproduction | | | | \$ 9 | | | | | | \$ 9 |
| Supplies, Materials, and Equipment | | | | | | \$ 2 | | \$ 3 | | \$ 5 |
| Contractual Services | | \$ - | | \$ 560 | | \$ 994 | | \$ - | | \$ 1,553 |
| Subtotal, Program Increases: | | \$ - | 4.0 | \$ 966 | | \$ 996 | 3.0 | \$ 845 | 7.0 | \$ 2,807 |
| Program Decreases: | | | | | | | | | | |
| Personnel Compensation and Benefits | (3.0) | \$ (237) | | | (1.0) | \$ (207) | | | (4.0) | \$ (444) |
| Travel and Transportation | | \$ (40) | | | | \$ (1) | | \$ (61) | | \$ (102) |
| Communications, Printing, and Reproduction | | \$ (9) | | | | | | \$ (9) | | \$ (18) |
| Contractual Services | | \$ (1,014) | | | | | | \$ (844) | | \$ (1,859) |
| Supplies, Materials, and Equipment | | \$ (7) | | \$ (10) | | \$ - | | \$ - | | \$ (17) |
| Subtotal, Program Decreases: | (3.0) | \$ (1,308) | | \$ (10) | (1.0) | \$ (208) | | \$ (914) | (4.0) | \$ (2,440) |
| FY 2017 Request | 61.0 | \$ 9,450 | 90.0 | \$ 16,419 | 16.0 | \$ 4,054 | 91.0 | \$ 20,251 | 258.0 | \$ 50,174 |

Note: CBCA amounts were included in the FY 2015 and FY 2016 enacted appropriations but are now shown separately in a CBCA section for ease of comparison.

Summary of the Request

The FY 2017 proposed budget provides a total of \$50,174 thousand and 258 FTE for the base program for Operating Expenses (OE). The Civilian Boards of Contract Appeals was separated from the Operating Expenses request and, as proposed, will have its own appropriation beginning in FY 2017. The remaining segments request a net increase of \$798 thousand and increase of 3 FTE from the FY 2016 enacted level.

U.S. General Services Administration
 Operating Expenses

Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent..... | \$ 24,187 | \$ 24,599 | \$ 24,557 |
| 11.3 Other than full-time permanent..... | \$ 2,371 | \$ 2,307 | \$ 2,345 |
| 11.5 Other personnel compensation..... | \$ 238 | \$ 264 | \$ 273 |
| 11.8 Special personnel services payments..... | \$ 17 | \$ 19 | \$ - |
| 12.1 Civilian personnel benefits..... | \$ 7,963 | \$ 7,184 | \$ 7,943 |
| 13.0 Benefits for former personnel..... | \$ - | \$ 32 | \$ - |
| 21.0 Travel and transportation of persons..... | \$ 630 | \$ 719 | \$ 617 |
| 22.0 Transportation of things..... | \$ 1 | \$ - | \$ - |
| 23.1 Rental payments to GSA..... | \$ 3 | \$ - | \$ 513 |
| 23.2 Rental payments to others..... | \$ - | \$ - | \$ - |
| 23.3 Communications and utilities..... | \$ 142 | \$ 133 | \$ 129 |
| 24.0 Printing and reproduction..... | \$ - | \$ 10 | \$ 5 |
| 25.1 Advisory and assistance services..... | \$ 1,436 | \$ 1,447 | \$ 1,171 |
| 25.2 Other services from non-Federal sources..... | \$ 19 | \$ 92 | \$ 84 |
| 25.3 Other goods & services from Federal sources | \$ 11,870 | \$ 12,426 | \$ 12,387 |
| 25.4 Operation and maintenance of facilities..... | \$ 2 | \$ - | \$ - |
| 25.6 Medical care..... | \$ - | \$ - | \$ - |
| 25.7 Operation and maintenance of equipment..... | \$ 2 | \$ - | \$ 18 |
| 26.0 Supplies and materials..... | \$ 100 | \$ 122 | \$ 114 |
| 31.0 Equipment..... | \$ 17 | \$ 23 | \$ 19 |
| 41.0 Grants, subsidies, and contributions..... | \$ 8 | \$ - | \$ - |
| 42.0 Insurance claims and indemnities..... | \$ - | \$ - | \$ - |
| 99.0 Obligations, Appropriated (Annual)..... | \$ 49,006 | \$ 49,376 | \$ 50,174 |
| <i>Subtotal, PC&B.....</i> | <i>\$ 34,776</i> | <i>\$ 34,404</i> | <i>\$ 35,117</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$ 14,230</i> | <i>\$ 14,972</i> | <i>\$ 15,056</i> |
| 99.2 Obligations, reimbursable..... | \$ 4,359 | \$ 14,740 | \$ 14,740 |
| 99.9 Total obligations..... | \$ 53,365 | \$ 64,116 | \$ 64,914 |

Note: CBCA amounts were included in the FY 2015 and FY 2016 enacted appropriations but are now shown separately in a CBCA section for ease of comparison.

U.S. General Services Administration
Operating Expenses

Obligations by Program

(Dollars in Thousands)

| | FY 2015 | | FY 2016 | | FY 2017 | |
|--|--------------|------------------|--------------|------------------|--------------|------------------|
| | FTE | Obligations | FTE | Authority | FTE | Authority |
| 1. Personal Property Management | | | | | | |
| Annual appropriation | 62.0 | \$ 9,605 | 64.0 | \$ 10,661 | 61.0 | \$ 9,450 |
| Reimbursable authority | 8.0 | \$ 1,584 | 9.0 | \$ 3,165 | 9.0 | \$ 3,165 |
| Subtotal, PPM | 70.0 | \$ 11,189 | 73.0 | \$ 13,826 | 70.0 | \$ 12,615 |
| 2. Real Property Disposal | | | | | | |
| Annual appropriation | 80.0 | \$ 15,075 | 86.0 | \$ 15,318 | 90.0 | \$ 16,419 |
| Reimbursable authority | 6.0 | \$ 2,775 | 7.0 | \$ 11,500 | 7.0 | \$ 11,500 |
| Subtotal, RPD | 86.0 | \$ 17,850 | 93.0 | \$ 26,818 | 97.0 | \$ 27,919 |
| 3. Office of Communications & Marketing | | | | | | |
| Annual appropriation | 28.0 | \$ 5,917 | 17.0 | \$ 3,236 | 16.0 | \$ 4,054 |
| Subtotal, OCM | 28.0 | \$ 5,917 | 17.0 | \$ 3,236 | 16.0 | \$ 4,054 |
| 4. Management & Administration | | | | | | |
| Annual appropriation | 83.0 | \$ 18,408 | 88.0 | \$ 20,161 | 91.0 | \$ 20,251 |
| Reimbursable authority | 0.0 | \$ - | 0.0 | \$ 75 | 0.0 | \$ 75 |
| Subtotal, M&A | 83.0 | \$ 18,408 | 88.0 | \$ 20,236 | 91.0 | \$ 20,326 |
| Total, Annual appropriated | 253.0 | \$ 49,006 | 255.0 | \$ 49,376 | 258.0 | \$ 50,174 |
| Total, Reimbursable | 14.0 | \$ 4,359 | 16.0 | \$ 14,740 | 16.0 | \$ 14,740 |
| Total, Budget Authority | 267.0 | \$ 53,365 | 271.0 | \$ 64,116 | 274.0 | \$ 64,914 |

Note: CBCA amounts were included in the FY 2015 and FY 2016 enacted appropriations but are now shown separately in a CBCA section for ease of comparison.

U.S. General Services Administration
Operating Expenses

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

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

Reimbursable Program: In FY 2017, the programs of the Operating Expenses appropriation anticipate to provide reimbursable services to other Federal agencies in the amount of \$15,240 thousand and 16 FTE. This amount includes:

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

Federal Acquisition Service, Personal Property Utilization and Donation

FY 2017 Budget Request

The FY 2017 budget request provides \$9,450 thousand for the Personal Property Utilization and Donation program, a decrease of \$1,211 thousand from the FY 2016 enacted level.

Program Description

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

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

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

Sales: When excess personal property cannot be disposed of through re-utilization or donation, the FAS Personal Property Sales Program provides sales services to Federal agencies for sale of property directly to the public. GSA sells agency surplus property through GSA Auctions® to ensure quick disposal of assets, reduced administrative costs, and maximized return on investment. Expenses incurred to operate the Personal Property program functions within GSA Auctions® are financed by the Acquisition Services Fund through a portion of the proceeds realized from the sale of surplus personal property and exchange/sale property.

Public Buildings Service, Office of Real Property Utilization and Disposal

FY 2017 Budget Request

The FY 2017 Budget request provides \$16,419 thousand for the Office of Real Property Utilization and Disposal (RPUD), an increase of \$1,101 thousand from the FY 2016 President's Budget request. This program's activities are necessary in order to comply with the Presidential memorandum on "Disposing of Unneeded Federal Real Estate", Executive Order 13327, and the Federal Real Property Council's efforts requiring further reductions to the federal footprint.

Program Description

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

Investments

To date, RPUD has been effective in working to right-size the Federal real estate footprint and returning underutilized assets to the productive economy. Continued mission achievement under these conditions requires the investment in human capital supported in this request. As part of the increased request for FY 2017, RPUD proposes a \$424 thousand increase in Personnel Costs and Benefits to ensure adequate staff is on board to meet its increasing workload. RPUD will use this increase to ensure necessary staffing levels of realty specialists in the regions and cover expected inflation and time in grade promotion costs of current staffing level. The program is also requesting an additional \$560 thousand to fully fund the FY 2017 WCF bill for this program. The program has identified \$10 thousand in reductions to supplies, materials, and equipment in the FY 2017 request.

Office of Communications and Marketing

FY 2017 Proposed Budget

The FY 2017 request provides \$4,054 thousand, an increase of \$818 thousand from the FY 2016 enacted level to fully fund the required staffing level and WCF bill for this office.

Program Description

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

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

Management and Administration

FY 2017 Proposed Budget

The FY 2017 request for Management and Administration (M&A) provides \$20,251 thousand, an increase of \$90 thousand from the FY 2016 enacted level.

Program Description

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

The Office of the Administrator and Regional Administrators are responsible for the execution of all functions assigned to GSA by law and regulation. In order to contribute to agency savings targets, the Offices of the Administrator and Regional Administrators will reduce management support contracts.

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

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

The Office of Management and Administration Corporate Account funds WCF payments, rent, and security for the organizations under M&A. Reductions in this account include \$265

thousand in reduced WCF payments, and one time needs for Freeze the Footprint initiatives. These reductions are partially offset by an increase in funding for rental payments to the Federal Buildings Fund.

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

Fiscal Year 2017 Budget Request

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Appropriations Language

For expenses authorized by law, not otherwise provided for, for the activities associated with the Civilian Board of Contract Appeals, \$9,275,000.

Analysis of Language Provisions and Changes

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

Program Description

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

The CBCA hears and decides contract disputes between Government contractors and all civilian executive agencies (other than the National Aeronautics and Space Administration, the United States Postal Service, the Postal Rate Commission, and the Tennessee Valley Authority) according to the provisions of the Contract Disputes Act and associated regulations and rulings.

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

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

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

Amounts Available for Obligation

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| Discretionary authority: | | | |
| Annual appropriation | \$ 8,992 | \$ 9,184 | \$ 9,275 |
| Reimbursable authority: | | | |
| New authority..... | \$ - | \$ 500 | \$ 500 |
| Change in uncollected payments..... | \$ - | \$ - | \$ - |
| Subtotal, reimbursable authority..... | \$ - | \$ 500 | \$ 500 |
| Appropriations authority, expiring..... | \$ (130) | | |
| Total, obligations..... | \$ 8,862 | \$ 9,684 | \$ 9,775 |
| Obligations, appropriated (annual) | \$ 8,862 | \$ 9,184 | \$ 9,275 |
| Obligations, reimbursable..... | \$ - | \$ 500 | \$ 500 |
| <i>Net Outlays</i> | <i>\$ 8,424</i> | <i>\$ 9,000</i> | <i>\$ 9,200</i> |

Note: The FY 2015 and FY 2016 amounts reflected in this table were included in the enacted appropriations for GSA's Operating Expenses (OE) account but are instead reflected here for ease of comparison pursuant to the proposed separation of CBCA from the OE appropriation.

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

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

| | FTE | FY 2015 Actual | FTE | FY 2016 Enacted | FTE | FY 2017 Request |
|--|------|-------------------|------|--------------------|------|--------------------|
| | 37.0 | \$ 8,862 | 41.0 | \$ 9,184 | 41.0 | \$ 9,275 |

Maintaining Current Levels:

FY 2017 Pay Increase (1.6%), Effective January 2017..... \$ 47

Program Increases:

Rent \$ 40

Communications, Printing, and Reproduction \$ 4

Subtotal, Program Increases..... - \$ 44

Total Adjustments..... - \$ 91

Note: The FY 2015 and FY 2016 amounts reflected in this table were included in the enacted appropriations for GSA's Operating Expenses (OE) account but are instead reflected here for ease of comparison pursuant to the proposed separation of CBCA from the OE appropriation.

Summary of the Request

The FY 2017 budget provides \$9,275 thousand and 41 FTE for the CBCA, an increase of \$91 thousand from the FY 2016 enacted level. In addition, the budget includes \$500 thousand for reimbursable services to external customers for arbitration services provided by CBCA in accordance with 5 U.S.C. 573.

Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent..... | \$ 4,253 | \$ 4,510 | \$ 4,526 |
| 11.3 Other than full-time permanent..... | \$ 286 | \$ 308 | \$ 312 |
| 11.5 Other personnel compensation..... | \$ 20 | \$ 25 | \$ 28 |
| 12.1 Civilian personnel benefits..... | \$ 1,119 | \$ 1,127 | \$ 1,151 |
| 21.0 Travel and transportation of persons..... | \$ 22 | \$ 30 | \$ 30 |
| 23.1 Rental payments to GSA..... | \$ 2,095 | \$ 2,297 | \$ 2,337 |
| 23.3 Communications and utilities..... | \$ 34 | \$ 38 | \$ 42 |
| 25.1 Advisory and assistance services..... | \$ 50 | \$ 49 | \$ 49 |
| 25.2 Other services from non-Federal sources..... | \$ 21 | \$ 20 | \$ 20 |
| 25.3 Other goods & services from Federal sources. | \$ 629 | \$ 630 | \$ 630 |
| 25.4 Operation and maintenance of facilities..... | \$ 29 | \$ 20 | \$ 20 |
| 25.7 Operation and maintenance of equipment..... | \$ 14 | \$ 35 | \$ 35 |
| 26.0 Supplies and materials..... | \$ 118 | \$ 45 | \$ 45 |
| 31.0 Equipment..... | \$ 172 | \$ 50 | \$ 50 |
| 99.0 Obligations, Appropriated (Annual)..... | \$ 8,862 | \$ 9,184 | \$ 9,275 |
| <i>Subtotal, PC&B.....</i> | <i>\$ 5,678</i> | <i>\$ 5,970</i> | <i>\$ 6,017</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$ 3,184</i> | <i>\$ 3,214</i> | <i>\$ 3,258</i> |
| 99.2 Obligations, Reimbursable..... | \$ - | \$ 500 | \$ 500 |
| 99.9 Total obligations..... | \$ 8,862 | \$ 9,684 | \$ 9,775 |

Note: The FY 2015 and FY 2016 amounts reflected in this table were included in the enacted appropriations for GSA's Operating Expenses (OE) account but are instead reflected here for ease of comparison pursuant to the proposed separation of CBCA from the OE appropriation.

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Fiscal Year 2017 Budget Request

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Appropriations Language

For necessary expenses of the Office of Inspector General and service authorized by 5 U.S.C. 3109, **\$66,000,000** of which \$2,000,000 is available until expended: *Provided*, that not to exceed **\$50,000** shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, that not to exceed **\$2,500** shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

Program Description

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

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

5-Year Appropriation History Table

| | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 Request |
|------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------------|
| Estimate to Congress: | \$58,960,000 | \$62,908,000 | \$66,978,000 | \$67,803,000 | \$66,000,000 |
| Appropriated: | | | | | |
| Annual Funds | \$58,000,000 | \$63,000,000 | \$63,000,000 | \$63,000,000 | |
| Rescissions | (\$116,000) | | | | |
| Sequestration | (\$2,917,748) | | | | |
| No-Year Funds | | \$2,000,000 | \$2,000,000 | \$2,000,000 | |
| Total..... | \$54,966,252 | \$65,000,000 | \$65,000,000 | \$65,000,000 | |

U.S. General Services Administration
Office of Inspector General

Amounts Available for Obligation

(Dollars in Thousands)

| | FY 2015 Actuals | FY 2016 Enacted | FY 2017 Request |
|---|----------------------------|----------------------------|----------------------------|
| Unobligated balance ¹ , start of year..... | \$2,000 | \$4,000 | \$4,000 |
| <i>Discretionary authority:</i> | | | |
| Appropriation (annual)..... | \$63,000 | \$63,000 | \$64,000 |
| Appropriation (no-year)..... | \$2,000 | \$2,000 | \$2,000 |
| <i>Reimbursable authority:</i> | | | |
| Offsetting collections..... | \$600 | \$600 | \$600 |
| Subtotal amount available for obligation | \$67,600 | \$69,600 | \$70,600 |
| <i>Discretionary authority:</i> | | | |
| Unobligated balance, expiring..... | (\$4,663) | \$0 | \$0 |
| Unobligated balance, end of year..... | (\$4,000) | (\$4,000) | \$0 |
| <i>Reimbursable authority:</i> | | | |
| Unobligated balance, expiring..... | (\$264) | \$0 | \$0 |
| Total obligations | \$58,673 | \$65,600 | \$70,600 |
| Obligations, appropriated (annual)..... | \$58,337 | \$63,000 | \$64,000 |
| Obligations, appropriated (no-year)..... | \$0 | \$2,000 | \$6,000 |
| Obligations, reimbursable..... | \$336 | \$600 | \$600 |
| Net outlays, appropriated..... | \$58,507 | \$65,254 | \$70,350 |

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

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

Explanation of Changes, Appropriated Dollars, and FTE

(Dollars in Thousands)

| | <u>FTE</u> | <u>Budget Authority</u> |
|--------------------|------------|-----------------------------|
| 2016 Request | 326 | \$65,000 |
| 2017 Request | <u>326</u> | <u>\$66,000</u> |
| Net Change..... | 0 | \$1,000 |

| Maintaining Current Levels: | <u>FTE</u> | <u>Budget Authority</u> |
|---|------------|-----------------------------|
| Annualization of FY 2016 Pay Increase (1.3%), effective January 2016 | | \$176 |
| FY 2017 Pay Increase (1.6%), effective January 2017 | | \$642 |
| Inflation (1.8%) | | <u>\$182</u> |
| Net Change..... | 0 | \$1,000 |

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

Summary of Request

The FY 2017 budget requests a total of **\$66,000 thousand** for the Office of Inspector General. This represents a net increase of **\$1,000 thousand** from the FY 2016 request level, including the following:

\$176 thousand for annualization of FY 2016 pay increase (1.3%), effective January 2016

\$642 thousand for cost of living allowance (1.6%), effective January 2017

\$182 thousand for inflation (1.8%)

Reimbursable Programs: The FY 2017 OIG reimbursable request includes **\$600 thousand** for the following reimbursable work: (1) \$350 thousand for the Fleet Card Program; and (2) \$250 thousand for on-going reimbursable work with other agencies and independent commissions.

| | |
|--|------------------|
| FY 2017 Annual CIGIE Assessment | \$198,000 |
| FY 2017 Annual Training Request: Certified by the Inspector General | \$493,000 |

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

Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 | FY 2016 | FY 2017 |
|---|-----------------|-----------------|-----------------|
| | Actual | Enacted | Request |
| 11.1 Full-time permanent | \$30,784 | \$34,297 | \$34,872 |
| 11.3 Other than full-time permanent | \$216 | \$185 | \$188 |
| 11.5 Other personnel compensation | \$1,885 | \$2,245 | \$2,279 |
| 11.8 Special personal services payments | \$0 | \$0 | \$0 |
| 11.9 Total personnel compensation | \$32,885 | \$36,727 | \$37,339 |
| 12.1 Civilian personnel benefits | \$11,654 | \$12,036 | \$12,242 |
| 21.0 Travel and transportation of persons | \$1,490 | \$1,590 | \$1,637 |
| 22.0 Transportation of things | \$47 | \$0 | \$0 |
| 23.1 Rental payments to GSA | \$4,303 | \$4,464 | \$4,526 |
| 23.2 Rental payments to others | \$0 | \$0 | \$0 |
| 23.3 Communications, utilities and miscellaneous charges | \$496 | \$500 | \$509 |
| 24.0 Printing and reproduction | \$10 | \$15 | \$15 |
| 25.1 Advisory and assistance services | \$1,264 | \$2,216 | \$2,229 |
| 25.2 Other services | \$21 | \$8 | \$8 |
| 25.3 Purchases of goods and services from government accounts | \$3,632 | \$4,627 | \$4,627 |
| 25.4 Operation and maintenance of facilities | \$5 | \$0 | \$0 |
| 25.7 Operation and maintenance of equipment | \$801 | \$1,019 | \$1,037 |
| 26.0 Supplies and materials | \$335 | \$289 | \$294 |
| 31.0 Equipment | \$1,189 | \$1,509 | \$1,537 |
| 42.0 Insurance claims and indemnities | \$205 | \$0 | \$0 |
| 99.0 Subtotal | \$58,337 | \$65,000 | \$66,000 |
| 99.0 Reimbursable obligations | \$336 | \$600 | \$600 |
| 99.9 Total Obligations | \$58,673 | \$65,600 | \$66,600 |

FY 2017 OIG Request

The FY 2016 appropriation is allowing the General Services Administration (GSA) Office of Inspector General (OIG) to increase staffing our operations to its fullest capacity after sequestration resulted in a significant reduction in personnel. A full OIG staff maximizes our ability to oversee GSA programs and operations, particularly as GSA implements new programs and initiatives. For FY 2017, we request \$66,000 thousand to sustain our recent investment in hiring and to account for inflation.

The OIG's success in carrying out its mission is directly tied to having the expertise of auditors, special agents, inspectors, and lawyers on staff. Accordingly, our staff represents the OIG's largest investment and consistently achieves significant savings for the United States. For instance, in FY 2015, we made 400 referrals for criminal prosecution, civil litigation, administrative action, suspension, and debarment; issued 85 audit reports; recommended over \$1.3 billion in funds to be put to better use; and achieved over \$243 million in civil settlements and court-ordered and investigative recoveries.

In the beginning part of FY 2015, the Office of Audits issued a report that found that GSA had not followed some of its own telework procedures and did not know its number of virtual employees. As GSA reduces its workspace and implements a mobile workforce strategy, the Office of Audits will continue to monitor the effects of the initiative. Additionally, our Office of Audits issued its fourth memorandum outlining major recurring issues in the Schedules program as identified by our cost-saving preaward audits. The sustained growth of our Office of Audits will amplify these efforts, as well as allow us to closely monitor major GSA initiatives, such as the use of its Section 412 authorities, the FBI consolidation project, and new acquisition models.

The OIG will continue to hire additional auditors throughout the country for oversight, as well as to assist the Department of Justice (DOJ) on False Claims Act recoveries. Such cases are particularly significant to the taxpayer, as evidenced by an FY 2012 settlement in which Oracle agreed to pay the United States \$199.5 million plus interest, and most recently by Carahsoft and VMWare's agreement to pay \$75.5 million to resolve False Claims Act allegations. The OIG's Office of Audits is also uniquely qualified to assist the Agency in complicated construction claims, particularly as Recovery Act work finishes.

Similarly, hiring more special agents increases the OIG's ability to pursue allegations of fraud and misconduct, and achieve even greater civil and criminal recoveries. Our Office of Investigations has continued to focus on high dollar procurement fraud, resulting in the FY 2015 agreement by Iron Mountain, Inc., to pay \$44.5 million to the United States to resolve allegations that the company overcharged federal agencies. Our special agents have conducted numerous investigations into bribery and bid-rigging schemes, and we are increasingly pursuing complex service-disabled veteran-owned small business fraud cases to the benefit of the taxpayer.

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

Finally, the Office of Inspections and Forensic Auditing assumed a new mission providing inspections oversight of GSA operations and programs to great effect. In an effort to review GSA programs in a cross-collaborative approach, the Office of Inspections and Forensic Auditing reviewed the effects of GSA's workspace changes and issued a report on security vulnerabilities in GSA's new open space design. It also issued reports on GSA's mismanagement of the Army Fee Assistance program for military families' subsidized childcare as well as a lack of inventory controls on its firearm donation program.

The OIG will continue to utilize its components to audit, investigate, and review GSA programs and operations in a cross-cutting way. In the same vein as our Office of Audits and Office of Inspections and Forensic Auditing's reviews of GSA's reduction of workspace, an Inspections and Audits partnership discovered unprotected building security and PII information in GSA's cloud environment. They issued several memoranda and audit alert reports, ensured that GSA fully reported the security breaches, and addressed system vulnerabilities. In view of our findings, available resources are being used to strengthen our IT oversight staff in order to provide better security for GSA systems. Our FY 2017 budget request reflects the need for sustaining the OIG's major audit, investigatory, and inspection oversight initiatives into GSA programs.

Business Component Justifications

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

Office of Audits

Program Description

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

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

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- Oversight of the Agency's contracts for the annual financial statement required under the 1990 Chief Financial Officer's Act, and the independent evaluation of GSA's information security program and practices required under the Federal Information Security Management Act;

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

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

Three recent audit reports demonstrate the significant benefits of our internal audit work. First, in January 2015, we reported that GSA needs to strengthen its controls over virtual employees and teleworkers. Specifically, GSA did not know the number of virtual employees it has, and some virtual employee work arrangements were not fully approved. In addition, travel costs related to virtual work arrangements were not assessed annually, official duty stations were incorrect for some virtual employees, and virtual employee hours were not accurately reported. We also identified that GSA needed to improve its controls over transit subsidies and training for all GSA teleworkers.

Second, in February 2015, we reported that the transition of GSA's Financial Management Line of Business (FMLoB) to the U.S. Department of Agriculture (USDA) has three major challenges: planning, documentation, and the completion of the Memorandum of Understanding (MOU) and supporting agreements with USDA. First, while GSA has developed initial plans, the Agency's planning process should include the development of contingency plans to establish ready-to-employ alternatives in the event that any aspect of the transition does not occur as anticipated. Further, GSA needs to develop plans for how its financial operations and management will function in the future. Second, GSA should take steps to document all major project actions and maintain complete records of decisions to ensure accountability and historical reference for future decisions and/or new decision makers. Third, GSA and USDA should continue to work together to ensure all roles and responsibilities governing the annual financial statements audit are clearly defined and understood by both parties.

Third, in March 2015, we reported that the Public Buildings Service (PBS) lacks procedures to sufficiently identify, quantify, and manage environmental contamination in

accordance with government orders, laws, and PBS guidance. As a result, PBS facilities, tenants, and the surrounding environment are potentially at risk. Specifically, PBS lacks a system to effectively monitor environmental management risks nationwide. In addition, PBS has not conducted environmental compliance audits on its entire building inventory and lacks policy and guidance to ensure audit consistency and effectiveness. Environmental management practices are also inconsistent across regions due to a lack of centralized policy. Finally, environmental management responsibility in tenant space is unclear, which can lead to undetected risks.

In addition to our internal audit workload, our auditors provide extensive oversight of billions of dollars in contracts awarded by the Agency for products, services, and real property. For instance, between October 1, 2013, and September 30, 2014, our audits recommended over \$525 million in cost avoidances and recoveries. During this period, construction contract audits resulted in savings and recoveries of more than \$22 million. We also monitor and process contractor self-disclosures as required by the Federal Acquisition Regulation (FAR). Under the FAR, government contractors must disclose credible evidence of violations of federal criminal law under Title 18 of the United States Code and the False Claims Act to agencies' OIGs. In FY 2014, we concluded evaluations of 27 disclosures that resulted in over \$45 million in recoveries to the Government. Contract auditors also provide key assistance to the Department of Justice in settlements with contractors.

Two examples of such assistance are settlements reached with Iron Mountain Incorporated and Iron Mountain Information Management, LLC (collectively known as Iron Mountain) for \$44.5 million and with ITS Services, Inc. for \$2 million. The December 2014 settlement reached with Iron Mountain resolved allegations under the False Claims Act that Iron Mountain overcharged federal agencies for record storage services under GSA Multiple Award Schedule contracts. Specifically, the settlement resolved allegations that Iron Mountain failed to provide accurate information about its commercial sales practices during negotiations, comply with the Price Reductions clause of its GSA contracts, and overcharged for storage that did not meet National Archives and Records Administration requirements. The February 2015 settlement with ITS Services resolved a claim that the company overbilled the Government under its Multiple Award Schedule contract. Specifically, ITS Services' overbillings related to markups on other direct costs billed under the contract.

Office of Investigations

Program Description

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

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statements, and a variety of other fraud-related crimes.

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

- Investigations of alleged criminal violations and civil fraud by contractors, employees, and others relating to GSA acquisition programs;
- Criminal investigations relating to the integrity of GSA programs, operations, and personnel;
- The development and implementation of proactive investigations which address systemic investigative issues that cross GSA regional boundaries; and
- Investigations of allegations into serious misconduct by high-ranking GSA officials.

As noted earlier, the investigation of allegations in the Iron Mountain *qui tam* led to the substantial settlement in that case. Moreover, March 11, 2015, Global Computer Enterprises, Inc., (GCE) and Raed Muslimani, the company's president and sole owner, agreed to pay the government \$9 million to resolve claims that GCE improperly used foreign employees expressly prohibited from working on government contracts to perform work on the contract. This investigation was initiated in 2012 after an anonymous complaint to GSA OIG alleged GCE was using its subsidiary in India, ReThink IT Services Private Limited, to develop software for GSA's System for Award Management in violation of contract's place of performance clause. The investigation revealed GCE similarly violated its place of performance clause on other federal contracts involving GSA, EEOC, the U.S. Coast Guard, and the U.S. Secret Service. GCE filed for Chapter 11 bankruptcy protection in September 2014. The settlement agreement is contingent upon approval by the presiding bankruptcy judge.

A joint investigation disclosed that Keith Hedman, former owner of Protection Strategies Inc. (PSI), Arlington, VA, conspired with Dawn Hamilton to create a front company, Security Assistance Corporation (SAC), to obtain contracts through the Small Business Administration 8(a) disadvantaged business program. The investigation determined SAC was in fact controlled by PSI and that officials at PSI and SAC submitted falsified documents to the SBA to gain 8(a) status and set-aside contracts with several federal agencies. From 2013 to 2014, several officials, including Hedman and Hamilton, were sentenced in federal court for their role in the conspiracy. On December 22, 2014, Hedman agreed to pay \$4.5 million to settle civil claims relating to his involvement and Hamilton subsequently agreed to pay \$300,000 to settle civil claims relating to her involvement.

On March 31, 2015, former PBS Commissioner, Jeffrey Neely, pleaded guilty to a violation of false, fictitious or fraudulent claims; he was sentenced on June 30, 2015. Neely was the top GSA official responsible for the wasteful and prohibited spending during GSA's 2010

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Western Regions Conference in Las Vegas, Nevada. A Congressional panel conducted hearings into the abusive spending in April 2012. On September 25, 2014, a federal grand jury in San Francisco indicted Neely on five counts of fraud related to false statements and fraudulent travel claims he submitted while working for GSA.

A joint investigation revealed that Miriam Friedman, the owner of Office Dimensions, Inc., in Teaneck, NJ, fraudulently certified that her business was a service-disabled veteran-owned small business (SDVOSB) in order to obtain dozens of government contracts set aside for businesses owned by service-disabled veterans. Friedman, who never served in the U.S. military, certified in a central registry for government contractors that her father-in-law, who was retired, unemployed, and had very little involvement with Office Dimensions; was the owner and operator of the business. Friedman's father-in-law had served in the U.S. military, but was not classified as a service-disabled veteran. Our investigation determined that Friedman was the individual who controlled the day-to-day management and finances of Office Dimensions. On October 27, 2014, Friedman was sentenced in federal court to eight months' home confinement, two years of supervised release, and was ordered to pay \$100,000 in restitution. Friedman previously pled guilty to submitting false claims to the government in relation to the scheme, which netted her company approximately \$1.2 million in set-aside contracts.

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

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

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

Office of Inspections and Forensic Auditing

Program Description

The Office of Inspections and Forensic Auditing is responsible for independently and objectively analyzing and evaluating GSA's programs and operations through management and programmatic inspections that are intended to provide insight into issues of concern to GSA, Congress, and the American public. The office also reviews and evaluates potentially fraudulent or otherwise criminal activities through the use of forensic auditing skills, tools, techniques, and methodologies, and formulates, directs, and coordinates quality assurance for the OIG.

Inspections are systematic and independent assessments of the design, implementation, and/or results of GSA's operations, programs, and policies. Issues targeted in 2015 included inappropriate access to sensitive information by GSA contractors and critical vulnerabilities in GSA's surplus firearm donation program.

- An evaluation of GSA's administration of the Department of the Army (Army) childcare subsidy program found that GSA contractor personnel (contractors) who were hired to process the applications for subsidy payments were able to access sensitive information, including personally identifiable information (PII), without any background investigations or fingerprint checks in place. These contractors were also given access to Army families' PII without first completing all of the privacy training required by GSA policy and without having executed the non-disclosure agreements required by the contract.
- A review of GSA's surplus firearm donation program revealed inadequate data management controls that reduced the capacity for agency staff and managers to maintain program records or access the information needed to provide program support and oversight. The review also raised concerns regarding donated firearms that are unmonitored and vulnerable to theft, loss, or unauthorized use.

Cutting-edge forensic auditing technology, combined with a unique blend of staffing, allows the office to engage in proactive and innovative methodologies that bolster traditional audit and investigative practices and procedures. An Inspections and Forensic Auditing team first identified the unprotected sensitive information residing in GSA's cloud computing environment, providing the foundation for the Office of Audits to initiate further oversight and monitoring.

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

Executive Direction and Business Support Offices

Program Descriptions

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

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

Office of Administration: This office consists of a multidisciplinary staff that provides budgetary, human resources, information technology, facilities, space, and other administrative support and services to all OIG offices. The Office of Administration is responsible for providing the technical, financial, and administrative infrastructure to the OIG.

The FY 2017 Performance Plan

The OIG has recently updated its Strategic Plan to align more closely with our statutory reporting requirements. The OIG provides its report to Congress every six months. The Semiannual Report to the Congress (SAR) provides OIG's Annual Performance in the edition published shortly after the end of each fiscal year.

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

Discussion

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

Performance Goals:

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

Performance Measures:

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

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

Discussion

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

Performance Goals:

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

Performance Measures:

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

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

Discussion

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

Performance Goals:

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

Performance Measures:

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

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ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Fiscal Year 2017 Budget Request

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 Allowances and Office Staff for Former Presidents*

Appropriations Language

For carrying out the provisions of the Act of August 25, 1958 (3 U.S.C. 102 note), and Public Law 95-138, [\$3,277,000] \$3,865,000.

Program Description

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

Explanation of Changes

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|-------------------|--------------------|--------------------|
| | \$ 3,068 | \$ 3,277 | \$ 3,865 |

Maintaining Current Levels:

FY 2017 Pay Increase (1.6%), Effective January 2017 \$ 17

Program Decreases:

| | |
|--------------------------------------|---------|
| Travel and Transportation of Persons | \$ (11) |
| Subtotal, Program Decreases..... | \$ (11) |

Program Increases:

| | |
|------------------------------------|--------|
| New Former President Barack Obama | \$ 359 |
| Personnel Benefits | \$ 13 |
| Printing and Communications | \$ 36 |
| Supplies, Materials, and Equipment | \$ 6 |
| Contractual Services | \$ 5 |
| Rental Payments | \$ 163 |
| Subtotal, Program Increases..... | \$ 582 |

| | |
|-------------------------------|---------------|
| Total Adjustments..... | \$ 588 |
|-------------------------------|---------------|

Summary of the Request

The FY 2017 proposed budget provides a total of \$3,865 thousand for the annual pensions of the former Presidents and compensation of their office staffs and related expenses.

- Net increase of \$588 thousand as follows:
 - o \$9 thousand increased cost in Pensions for Presidents G. W. Bush, Clinton, G. H. W. Bush and Carter.
 - o -\$9 thousand decreased cost in Travel and Transportation of Persons for President G. H. W. Bush.
 - o \$359 thousand in new spending for new former President Barack Obama's pension, beginning immediately after inauguration of the new President, and payroll and benefits of his staff, office space, office furnishings and other related expenses beginning on July 21, 2017.
 - o \$19 thousand increased cost in Civilian Personnel Benefits Compensation for Presidents G.H. W. Bush and G. W. Bush.
 - o \$36 thousand for increased in Printing and Communication cost for Presidents Carter, G. W. Bush, and G. H. W. Bush.
 - o \$163 thousand increased cost in Rental Payments to GSA for Presidents Carter, G. W. Bush, Clinton, and G. H. W. Bush.
 - o \$6 thousand for increased in equipment purchases for Presidents G. H. W. Bush and G. W. Bush.
 - o \$5 thousand for increased contractual services for Presidents G. H. W. Bush, Carter, and G. W. Bush.

Beginning in January 2017, the program will fund the pension for President Obama, and after July 21, 2017 the program will fund payroll and benefits of his staff, office space, office furnishings, and other related expenses. The estimated cost of these part year expenses increases the budget request by \$359 thousand. In addition, this budget request includes additional funding for rent, operating costs, and pensions that will allow the Former Presidents account to fully execute its mission.

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

Amounts Available for Obligation

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---------------------------------------|-------------------|--------------------|--------------------|
| Discretionary authority: | | | |
| Annual appropriation | \$ 3,250 | \$ 3,277 | \$ 3,865 |
| Unobligated balance, rescinded..... | \$ - | \$ - | \$ - |
| Unobligated balance, sequestered..... | \$ - | \$ - | \$ - |
| Unobligated balance, end of year..... | \$ 182 | \$ - | \$ - |
| Total, obligations..... | \$ 3,068 | \$ 3,277 | \$ 3,865 |
| <i>Net Outlays</i> | \$ 2,990 | \$ 3,277 | \$ 3,865 |

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 Allowances and Office Staff for the Former Presidents

Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent..... | \$ - | \$ - | \$ - |
| 11.3 Other than full-time permanent..... | \$ - | \$ - | \$ - |
| 11.5 Other personnel compensation..... | \$ - | \$ - | \$ - |
| 11.8 Special personnel services payments..... | \$ 283 | \$ 288 | \$ 317 |
| 12.1 Civilian personnel benefits..... | \$ 216 | \$ 274 | \$ 329 |
| 13.0 Benefits for former personnel..... | \$ 834 | \$ 852 | \$ 1,018 |
| 21.0 Travel and transportation of persons..... | \$ 66 | \$ 80 | \$ 72 |
| 22.0 Transportation of things..... | \$ - | \$ - | \$ - |
| 23.1 Rental payments to GSA..... | \$ 1,185 | \$ 1,201 | \$ 1,444 |
| 23.2 Rental payments to others..... | \$ - | \$ - | \$ - |
| 23.3 Communications and utilities..... | \$ 155 | \$ 155 | \$ 188 |
| 24.0 Printing and reproduction..... | \$ 45 | \$ 46 | \$ 66 |
| 25.1 Advisory and assistance services..... | \$ 124 | \$ 133 | \$ 156 |
| 25.2 Other services from non-Federal sources..... | \$ - | \$ 1 | \$ - |
| 25.3 Other goods & services from Federal sources..... | \$ 40 | \$ 42 | \$ 58 |
| 25.4 Operation and maintenance of facilities..... | \$ 50 | \$ 60 | \$ 47 |
| 25.6 Medical care..... | \$ - | \$ - | \$ - |
| 25.7 Operation and maintenance of equipment..... | \$ - | \$ - | \$ - |
| 26.0 Supplies and materials..... | \$ 47 | \$ 57 | \$ 56 |
| 31.0 Equipment..... | \$ 23 | \$ 88 | \$ 114 |
| 99.0 Obligations, Appropriated (Annual)..... | \$ 3,068 | \$ 3,277 | \$ 3,865 |
| <i>Subtotal, PC&B.....</i> | <i>\$ 1,333</i> | <i>\$ 1,414</i> | <i>\$ 1,664</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$ 1,735</i> | <i>\$ 1,863</i> | <i>\$ 2,201</i> |

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 Allowances and Office Staff for Former Presidents

FY 2017 Budget Request by Former President

(Dollars in Thousands)

| | CARTER | G H W BUSH | CLINTON | G W BUSH | OBAMA | WIDOW REAGAN | TOTAL |
|--|---------------|---------------|-----------------|-----------------|---------------|--------------|-----------------|
| Personnel Compensation..... | \$ - | \$ 96 | \$ 96 | \$ 96 | \$ 29 | \$ - | \$ 317 |
| Personnel Benefits..... | \$ - | \$ 68 | \$ 119 | \$ 106 | \$ 36 | \$ - | \$ 329 |
| Benefits for Former Presidents (pensions)..... | \$ 209 | \$ 209 | \$ 224 | \$ 219 | \$ 157 | \$ - | \$ 1,018 |
| Travel..... | \$ - | \$ 58 | \$ - | \$ 10 | \$ 3 | \$ - | \$ 71 |
| Rental Payments to GSA..... | \$ 130 | \$ 261 | \$ 518 | \$ 473 | \$ 79 | \$ - | \$ 1,461 |
| Communications, Utilities, and Misc..... | \$ - | \$ 57 | \$ 14 | \$ 83 | \$ 11 | \$ 6 | \$ 171 |
| Printing..... | \$ 12 | \$ 10 | \$ 17 | \$ 21 | \$ 6 | \$ - | \$ 66 |
| Other Services..... | \$ 95 | \$ 75 | \$ 26 | \$ 45 | \$ 20 | \$ - | \$ 261 |
| Supplies..... | \$ 1 | \$ 10 | \$ 7 | \$ 35 | \$ 3 | \$ - | \$ 56 |
| Equipment..... | \$ - | \$ 23 | \$ 26 | \$ 50 | \$ 15 | \$ - | \$ 114 |
| FY 2017 Request | \$ 447 | \$ 868 | \$ 1,047 | \$ 1,138 | \$ 359 | \$ 6 | \$ 3,865 |

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FEDERAL CITIZEN SERVICES FUND

Fiscal Year 2017 Budget Request

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Appropriations Language

For necessary expenses of the Office of Citizen Services and Innovative Technologies, including services authorized by 40 U.S.C. 323 and 44 U.S.C. 3604; and for necessary expenses in support of interagency projects that enable the Federal Government to enhance its ability to conduct activities electronically, through the development and implementation of innovative uses of information technology; ~~[\$55,894,000]~~ \$58,428,000, to be deposited into the Federal Citizen Services Fund: Provided, That the previous amount may be transferred to Federal agencies to carry out the purpose of the Federal Citizen Services Fund: Provided further, That the appropriations, revenues, reimbursements, and collections deposited into the Fund shall be available until expended for necessary expenses of Federal Citizen Services and other activities that enable the Federal Government to enhance its ability to conduct activities electronically [in the aggregate amount not to exceed \$90,000,000: Provided further, That appropriations, revenues, reimbursements, and collections accruing to this Fund during fiscal year 2016 in excess of such amount shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts]: Provided further, That any appropriations provided to the Electronic Government Fund that remain unobligated may be transferred to the Federal Citizen Services Fund: Provided further, That the transfer authorities provided herein shall be in addition to any other transfer authority provided in this Act.

Program Description

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

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

operations, using IT to improve the transparency, efficiency and effectiveness of Federal operations, and increase citizen participation in Government.

The FCSF is financed from annual appropriations to pay for the salaries and expenses of OCSIT staff and Citizen Services programs. Reimbursements from Federal agencies pay for the direct costs of information services OCSIT provides on behalf of the agencies. The FCSF also allows for user fees for publications ordered by the public, payments from private entities for services rendered, and gifts from the public. All income is available without regard to fiscal year limitations. OCSIT also includes the Office of 18F, a digital services development and delivery organization which houses the Presidential Innovation Fellows Program (PIF). 18F and the PIF program are funded on a reimbursable basis outside the FCSF by the Acquisition Services Fund (ASF).

Summary of the Request

The FY 2017 proposed budget provides a total of \$58,428 thousand for the Federal Citizen Services Fund.

Key Changes

OCSIT/18F will use FCSF funding to support the adoption of emerging technologies and a more transparent government, through projects that drive innovation, performance, and accountability and to provide new ways for citizens, businesses, other governments, and the media to easily obtain and use information, data and services from the government.

The program request includes \$37,428 thousand to support base operations of the Office of Citizen Services and Innovative Technologies & 18F. In addition, the program request includes \$15,000 thousand for Electronic Government initiatives and \$7,000 thousand for non-reimbursable Digital Services initiatives.

In the FY 2017 request for the OCSIT base operations, GSA is requesting \$2,000 thousand to support the Innovation Labs Innovation toolkit, which will support the development of knowledge-sharing resources to support the deployment, government-wide, of proven technology and innovation practices. The program is also undergoing a realignment of functions, transferring 12 FTE to the Office of GSA Information Technology and reducing contract support to fund 12 new FTE. These and other small program adjustments account for the \$2,534 thousand increase to the request from the FY 2016 enacted level.

FCSF-Funded Portfolios

The FY 2017 Budget request will support projects, programs, and/or initiatives in the following portfolios:

Secure Cloud Portfolio

The Secure Cloud Portfolio's mission is to improve cybersecurity performance through ongoing awareness of information security, vulnerabilities, and threats impacting the operating information environment, ensuring that only authorized users have access to resources and information. The portfolio focuses on helping agencies move to the cloud in a secure manner.

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

FedRAMP

The Federal Risk and Authorization Management program (FedRAMP) is a government-wide program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.

Customer Experience Portfolio

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

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

USA.Gov

USA.gov, Goberino.gov and kids.gov make it easy for the public to find and consume U.S. government information and services on the web. In FY 2015, the USA.gov platform connected people more than 700 million times with government information through its websites, social media, publications, email, and phone calls through its USA.gov Contact Center. USA.gov makes content accessible to the broadest audience possible, and recently implemented a responsive design approach on its websites to ensure consistent user experience on any device, leading to 25 percent growth in both mobile and tablet usage.

Labs.USA.gov

In FY 2015, OCSIT/18F began work on Labs.USA.gov which creates, tests, refines and deploys new functionality for cross-agency and agency-agnostic content or services.

U.S. Web Design (Draft) Standards

In FY 2015, OCSIT/18F began work on the U.S. Web Design (Draft) Standards. These draft standards are common user interface components and visual styles for U.S. government websites.

Data Services Portfolio

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

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

Data.gov

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

Digital Analytics Program (DAP)

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

Smarter IT Delivery

The Smarter IT Delivery Portfolio's mission is to improve technology outcomes and customer satisfaction with Federal services through the efficient development and delivery of modern consumer services. The portfolio focuses on providing Federal agencies with common technology components that are modular, interoperable and secure in nature and assisting Federal agencies with their digital acquisitions.

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

Identity and Authentication

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

Digital Acquisitions

Given the dependence of Federal agencies on acquiring their digital platforms and services, educating and assisting agencies in their digital acquisitions is an important component of improving technology outcomes and customer satisfaction with Federal services.

Open Innovation Portfolio

The Open Innovation Portfolio's mission is to support the government's various initiatives to explore and prototype new methods, processes and products. The portfolio focuses on a series of internal and external government-wide initiatives, strategies, programs and outreach efforts that invite participation and fresh perspectives from a broad range of stakeholders to innovate and help solve problems across government.

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

Challenge.gov

Challenge.gov is a technical platform and government wide repository of challenge and prize competitions across the Federal government. These include technical, scientific, ideation, and creative competitions where the U.S. government seeks innovative solutions from the public. The use of prizes and challenges, one type of open innovation tool, have accelerated since the program was established in 2010, with over 666 challenges run as of January 2016 that have made over \$150M available to the public.

Innovation Lab/Innovation Toolkit

The Innovation Lab will support the development of knowledge-sharing resources to support the deployment, government-wide, of proven technology and innovation practices. The Innovation Toolkit consists of innovative approaches to core government functions that can help deliver significantly better government for the American people at lower cost, but have not yet achieved widespread adoption because too few Federal employees are aware that they exist and know how to use them. Examples of proven tools include agile IT contracting approaches to pay only for what works, incentive prizes and challenges to harness the efforts of outside innovators, open Federal data to catalyze marketplace innovation, fellowships and accelerated hiring approaches to tap outside talent, and tiered-evidence grant programs to test and scale what works.

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

Program Financing

The Federal Citizens Services Fund is financed from annual appropriations, recoveries from prior year appropriations, reimbursements from other Federal entities, transfers of funds from other Federal agencies to support joint operations, user fees from private entities, and gifts.

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

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

| | FTE | FY 2015 Actual | FTE | FY 2016 Enacted | FTE | FY 2017 Request |
|--|-----|-------------------|-----|--------------------|-----|--------------------|
| | 91 | \$51,337 | 97 | \$55,894 | 97 | \$58,428 |

Maintaining Current Levels:

FY 2017 Pay Increase (1.6%), Effective January 2017 \$ 136

Program Increases:

| | | |
|---|----|----------|
| Full-time, permanent personnel compensation | 12 | \$ 1,508 |
| Civilian personnel benefits | | \$ 468 |
| Innovation Labs Innovation Toolkit | | \$ 2,000 |
| Advisory and assistance services | | \$ 2,061 |
| Subtotal, Program Increases..... | 12 | \$ 6,037 |

Program Decreases:

| | | |
|---|-----|------------|
| FTE transfer to the Working Capital Fund | -12 | \$ (2,014) |
| Printing and reproduction | | \$ (41) |
| Goods and services from Government accounts | | \$ (1,584) |
| Subtotal, Program Decreases..... | -12 | \$ (3,639) |

| | | |
|-------------------------------|----------|-----------------|
| Total Adjustments..... | 0 | \$ 2,534 |
|-------------------------------|----------|-----------------|

U.S. General Services Administration
Federal Citizen Services Fund

Amounts Available for Obligation

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| <i>Unobligated balance, start of year.....</i> | \$ 21,223 | \$ 14,889 | \$ 14,889 |
| Discretionary authority: | | | |
| Annual appropriation..... | \$ 53,294 | \$ 55,894 | \$ 58,428 |
| Total Collections: | | | |
| Reimbursable Services: | | | |
| From Federal Agencies..... | \$ 8,014 | \$ 13,792 | \$ 7,353 |
| From the Private Sector..... | \$ - | \$ - | \$ - |
| User Fees..... | \$ 50 | \$ 50 | \$ 40 |
| Gifts from the Private Sector..... | \$ 261 | \$ 257 | \$ 15 |
| Change in Unfilled Customer Orders..... | \$ (6,635) | \$ - | \$ - |
| Subtotal, reimbursable authority..... | \$ 1,690 | \$ 14,099 | \$ 7,408 |
| Recovery of prior-year obligations..... | \$ 1,265 | | |
| Unobligated balance, reimbursable..... | \$ (920) | | |
| Unobligated balance, direct..... | \$ (13,969) | \$ (14,889) | \$ (14,889) |
| Total, obligations..... | \$ 62,583 | \$ 69,993 | \$ 65,836 |
| Obligations, appropriated (no year)..... | \$ 56,372 | \$ 55,894 | \$ 58,428 |
| Obligations, reimbursable..... | \$ 6,211 | \$ 14,099 | \$ 7,408 |
| <i>Net Outlays</i> | \$ 48,340 | \$ 64,735 | \$ 66,108 |

U.S. General Services Administration
Federal Citizen Services Fund

Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent..... | \$10,478 | \$8,723 | \$8,836 |
| 11.3 Other than full-time permanent..... | \$42 | \$0 | \$0 |
| 11.5 Other personnel compensation..... | \$77 | \$155 | \$100 |
| 11.8 Special personnel services payments..... | \$0 | \$0 | \$0 |
| 12.1 Civilian personnel benefits..... | \$3,059 | \$2,451 | \$2,491 |
| 21.0 Travel and transportation of persons..... | \$96 | \$57 | \$65 |
| 22.0 Transportation of things..... | \$14 | \$20 | \$0 |
| 23.1 Rental payments to GSA..... | \$0 | \$0 | \$0 |
| 23.3 Communications and utilities..... | \$135 | \$139 | \$152 |
| 24.0 Printing and reproduction..... | \$448 | \$276 | \$235 |
| 25.1 Advisory and assistance services..... | \$29,057 | \$33,991 | \$38,053 |
| 25.3 Goods & services from Gov't accounts..... | \$12,949 | \$10,059 | \$8,475 |
| 26.0 Supplies and materials..... | \$8 | \$14 | \$12 |
| 31.0 Equipment..... | \$9 | \$9 | \$9 |
| 42.0 Insurance claims and indemnities..... | \$0 | \$0 | \$0 |
| 99.0 Obligations, appropriated..... | \$56,372 | \$55,894 | \$58,428 |
| <i>Subtotal, PC&B.....</i> | <i>\$13,656</i> | <i>\$11,329</i> | <i>\$11,427</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$42,716</i> | <i>\$44,565</i> | <i>\$47,001</i> |
| 99.0 Obligations, reimbursable..... | \$6,211 | \$14,099 | \$7,409 |
| 99.9 Total obligations..... | \$62,583 | \$69,993 | \$65,836 |
| <i>Full-Time Equivalent (FTE)</i> | <i>91.0</i> | <i>97.0</i> | <i>97.0</i> |

Office of Citizen Services and Innovative Technologies and 18F

The Office of Citizen Services and Innovative Technologies and 18F (OCSIT/18F) exists to help improve the public's experience with the American government. The Office develops and delivers user-centric shared services, solutions, platforms and practices to improve information and service delivery across government, enabling more efficient, effective, citizen-centered government.

OCSIT/18F fulfills its mission through two divisions, OCSIT and 18F. OCSIT is further divided into two organizations: the Federal Citizen Information Center and the Office of Innovative Technologies.

The Office of Citizen Services (OCSIT)

Federal Citizen Information Center

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

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

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

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

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

Office of Innovative Technologies

The Office of Innovative Technologies (OIT) develops and manages shared services and solutions that enable agencies to more effectively and efficiently operate digital government services that meet the needs of their customers. These initiatives advance implementation of the President's technology and digital government agenda, and enable open, transparent government. Key initiatives accelerate the use of cloud computing, open data, and digital analytics and other innovative technologies that increase operational efficiency and improve mission delivery across government.

The Office of 18F

Built in the spirit of America's top tech startups, 18F is a team of designers, developers, and product specialists inside the General Services Administration. 18F is a civic consultancy for the government, inside the government, enabling agencies to rapidly deploy tools and services that are easy to operate, cost efficient, and reusable.

While the 18F program is managed out of the GSA Office of Citizen Services and Innovative Technologies and 18F (OCSIT/18F), it is funded through the Acquisition Services Fund (ASF). For further detail on the funding level, please refer to the ASF Congressional Justification.

18F is made up of designers, developers, product managers, business process engineers, and acquisition experts with a mission of helping the government deliver modern digital services. In collaboration with its clients and partners, 18F rapidly deploys tools and online services that are reusable, cut costs, and are easier for people and businesses to use. All 18F efforts are centered around the following core principles:

- Putting the needs of the public first;
- Being user-centric, agile, open, and data-driven;
- Working in the open to make our products stronger; and
- Deploying our tools and services early and often.

18F operates on a cost reimbursable basis by providing various service types, including the following: (1) Custom Solutions; (2) Common Products and Platforms; and (3) Digital Acquisition Services and Marketplaces. Client engagements that 18F has engaged in over the last fiscal year include, but are not limited to, the following:

Custom Solutions

18F provides Federal agencies with custom, user-centric customer solutions that address a client's unique challenges

Federal Election Commission

18F worked with the Federal Election Commission (FEC) to make campaign finance data more accessible to the public. In October, 18F launched www.betaFEC.gov, the first piece in a complete redesign of the FEC's online presence.

Common Products and Platforms

18F develops and maintains high-demand products and platforms that are shared across government.

Cloud.gov

18F created a government wide Platform-as-a-Service called cloud.gov. The platform frees development teams to focus on creating quality services securely hosted in the

cloud and uses only FedRAMP authorized, FISMA-ready, hardened machine images, which allows teams to focus on software features and security.

Federalist

18F created the Federalist platform to provide agencies with an easy way to publish static government websites.

Digital Acquisition Services and Marketplaces

18F advises clients on digital acquisitions practices and develops marketplaces for digital development

Health and Human Services

18F worked with the Health and Human Services to help re-write the State of California's Child Welfare System technology "request for proposal." The rewrite produced a more agile, modular purchase of the technology and reduced the anticipated cost significantly.

Developer Services Marketplace

18F has created a "blanket purchase agreement" where 18F and 18F customers can access private sector agile technology development and design firms. This marketplace is considered a first of its kind because it accepted live, working code into an open source repository as a means of evaluation and entry rather than the lengthy documentation typically required by acquisition vehicles.

U.S. General Services Administration

IT MODERNIZATION FUND

Fiscal Year 2017 Budget Request

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Appropriations Language

Contingent upon enactment of authorizing legislation to establish an Information Technology Modernization Fund, \$100,000,000, to remain available until expended, is appropriated to such Fund to improve information technology and enhance cybersecurity across the Federal government, finance the retirement of antiquated, legacy information technology systems and transition to new, more secure, more efficient, modern information technology platforms, including the development of information technology products and services for the use of federal agencies in the proper discharge of their responsibilities.

Program Description

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

The Fund is to be managed by GSA, including a project review board, comprised of experts in IT acquisition, cybersecurity, and agile development. The board reviews agency modernization proposals and selects projects for funding to ensure prioritization of projects with the greatest risk profile, government-wide impact, and probability of success. In addition, a team of systems architects and developers at GSA provide additional expertise, oversight, and development capabilities as agencies make these major transitions.

Summary of the Request

The continued and pervasive use of legacy information technology (IT) systems results in increased cybersecurity risks to Federal IT systems, downgraded services for the American people and businesses, and increased carrying costs to operate and maintain aging systems. Many Federal agencies are unable to effectively modernize and upgrade their IT infrastructure and mission critical systems because of the increasing share of costs that maintaining older, existing systems occupy in technology budgets.

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

The growth of maintenance and operation in IT budgets across agencies has frequently crowded out the ability to invest in the future and modernize to more secure and capable technology. Of the more than \$51 billion in Federal civilian IT spending planned for fiscal year 2017, about \$36 billion (71 percent) is dedicated to the operations and maintenance of legacy investments. Additionally, GAO has reported that from fiscal year 2010 to fiscal year 2016, the amount of money that agencies spend on maintaining their existing IT portfolio has increased, while the amount invested in developing new systems has decreased by about \$7.1 billion.

Aging legacy systems pose numerous cybersecurity and operational risks. These systems are more likely than modern systems to operate with vulnerabilities that are technically difficult or prohibitively expensive to address and could hinder an agency's ability to protect sensitive data. For example, legacy systems may not support current best practices such as data encryption or multi-factor authentication. Additionally, unsupported commercial software can be impossible to update. For agencies in which the majority of IT dollars is spent merely "keeping the lights on," changes in appropriations or unanticipated costs (such as those due to a system failure or data breach) could pose immediate and direct risks to the agency's ability to accomplish its mission. To date, many agencies have found it difficult to fund these major modernization projects while continuing operation and maintenance of legacy IT systems.

To address this issue, the President's FY 2017 Budget requests the establishment of a \$3.1 billion IT Modernization Fund housed within the General Services Administration, which would provide a long-term mechanism to fund the retirement, replacement or modernization of legacy IT systems. As part of this proposal, the Administration is requesting a \$100 million discretionary appropriation in FY 2017 to accompany authorizing legislation establishing the fund with a one-time \$3 billion injection of mandatory budget authority. Further, OMB will issue guidance to agencies requiring the identification and prioritization of high-risk legacy IT systems, as well as the development of standardized modernization proposals that can be utilized by the fund to target the Federal government's highest-priority projects.

The predominant use of the IT Modernization Fund will be the direct allocation of upfront funding to agencies. This will enable agencies to amortize upfront costs and more appropriately plan for the retirement, replacement and modernization of priority legacy systems. Since the IT Modernization Fund is a revolving fund that is self-sustaining, agencies will be required to repay the fund over a period of time, typically not greater than five years, with the assumption that there are out-year savings gained from modernization. Because the fund revolves, corpus funding of \$3.1 billion would address an estimated \$12 billion worth of projects over 10 years.

The centralized nature of the IT Modernization Fund will also strengthen the ability of the Federal government to strategically prioritize investments across government, rather than on an agency-by-agency basis, ensuring that the Federal government's most pressing and highest-priority systems are targeted for replacement. Through this initiative, the Administration will make it a priority to identify opportunities to replace multiple legacy systems with common platforms and to prompt agencies to consider provisioning services rather than owning and

operating single-agency infrastructure and platforms. Traditionally, agencies have found it difficult to leverage the shared nature of common platforms due to limited insight into peer agencies' operations. Further, agencies have less practical experience in alternative delivery models that have become a more common commercial practice over the past five to ten years. This initiative will achieve a greater and more rapid impact on the efficiency, security, and governance of Federal IT, rather than the disaggregated funding of single-agency projects.

The goal of the IT Modernization Fund will be to better protect Federal systems, data, and infrastructure while enabling the most efficient delivery of services to the American taxpayer. To achieve this goal, agencies will leverage the funding provided to gain much needed efficiencies by transitioning to modern technologies that are both more secure and more cost effective. This initiative will also support activities to promote foundational technology products as a means to reduce the IT footprint. For example, moving multiple legacy IT systems with similar functions to a smaller number of common platforms will decrease long-term maintenance costs, and allow agencies to dedicate personnel to more mission-focused work.

The Administration's proposal would allow agencies to apply for funds by submitting modernization proposals for review by an interagency board of experts. The Board would consider criteria including the risks of the legacy IT system, capacity for reuse of the modernized system, potential savings, sustainability and lifecycle management, improvements in flexibility and nimbleness, and improvements in governance. A program management office (PMO) at GSA would provide oversight and expertise in helping agencies to transition major legacy systems. Building off its mission to help the government deliver modern digital services, GSA will deploy a team of subject matter experts in the PMO (in areas including design, development, product management, business process engineering, acquisition, and security architecture and configuration) to assist agencies and rapidly transition legacy IT systems to modern systems that are more secure, reliable, cost effective, and improve the ability of Federal agencies to deliver world-class services to the public.

As the Administration works to identify opportunities to retire legacy IT systems, a good example of the type of legacy system that could be targeted for replacement through the IT Modernization Fund is the Department of Housing and Urban Development's (HUD) mainframe. The mainframe, which has been in operation since the late 1980s, currently houses applications related to mortgage underwriting, verification of creditworthiness, and related functions. Although these applications house sensitive financial data on millions of Americans, they pose several security risks that require modernization to address. Due to the age of the mainframe, HUD estimates the \$15 million per year it spends on its maintenance contract is significantly higher than what would be required to maintain the same applications on more modern platforms. HUD estimates the annual operations and maintenance costs associated with housing these applications on a cloud environment would be roughly a third of those related to the mainframe, resulting in savings of roughly \$10 million per year.

To illustrate how the IT Modernization Fund will work in practice, agencies would submit standardized modernization proposals. Upon receipt of modernization proposals, the IT

Modernization Board, with assistance from the PMO, would analyze and evaluate the proposals. Based on this evaluation, IT experts at GSA would help selected agencies develop comprehensive modernization plans. The IT Modernization Board would then approve funding for the most promising projects. Approved projects would receive funding in incremental tranches, tied to successful iterative development, and would be subject to ongoing oversight and monitoring. Upon successful implementation, agencies would begin repayment of the funds received from the IT Modernization Fund. The Board could make immediate use of the incoming repayments by continuously running their review process to select new modernization projects, thereby establishing a self-sustaining mechanism for the continuous retirement of legacy IT systems.

Amounts Available for Obligation

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|---------------------------------------|-------------------|--------------------|--------------------|
| Discretionary authority: | | | |
| Annual appropriation | \$ - | \$ - | \$ 100,000 |
| Mandatory authority: | | | |
| Appropriation | \$ - | \$ - | \$ 3,000,000 |
| Total Authority | | | \$ 3,100,000 |
| Unobligated balance, end of year..... | \$ - | \$ - | \$ - |
| Total, obligations | \$ - | \$ - | \$ 3,100,000 |
| <i>Net Outlays</i> | \$ - | \$ - | \$ 1,550,000 |

U.S. General Services Administration
IT Modernization Fund

Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|--|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent..... | \$ - | \$ - | \$ 8,316 |
| 11.3 Other than full-time permanent..... | \$ - | \$ - | \$ 54 |
| 11.5 Other personnel compensation..... | \$ - | \$ - | \$ 3 |
| 12.1 Civilian personnel benefits..... | \$ - | \$ - | \$ 2,501 |
| 21.0 Travel and transportation of persons..... | \$ - | \$ - | \$ 45 |
| 23.1 Rental payments to GSA..... | \$ - | \$ - | \$ 506 |
| 23.3 Communications and utilities..... | \$ - | \$ - | \$ 68 |
| 24.0 Printing and reproduction..... | \$ - | \$ - | \$ 56 |
| 25.1 Advisory and assistance services..... | \$ - | \$ - | \$ 462,991 |
| 25.3 Other goods & services from Federal sources.... | \$ - | \$ - | \$ 159,090 |
| 26.0 Supplies and materials..... | \$ - | \$ - | \$ 225 |
| 31.0 Equipment..... | \$ - | \$ - | \$2,466,145 |
| 99.0 Obligations, Appropriated (Annual)..... | \$ - | \$ - | \$3,100,000 |
| Subtotal, PC&B..... | \$ - | \$ - | \$ 10,874 |
| Subtotal, Non-labor..... | \$ - | \$ - | \$3,089,126 |

FTE by Fiscal Year

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|------------------------------|-------------------|--------------------|--------------------|
| IT Modernization Fund | 0 | 0 | 75 |

U.S. General Services Administration

ACQUISITION SERVICES FUND

Fiscal Year 2017 Budget Request

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Program Financing

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

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

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

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

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

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

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

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

Common Acquisition Platform (CAP), to be renamed FAS Systems Transformation (FAS-ST) — repurposes existing IT systems and develops new systems in support of GSA-wide acquisition shared services. The newly developed systems provide Federal agencies with access to acquisition support data (e.g. prices paid, qualified suppliers) that allows for informed purchases.

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

While these portfolios and initiatives represent FAS's current operating structure, FAS is undertaking an assessment of the current organization and how closely it aligns with the principles of category management.

Summary of Budget Estimate

The FY 2017 budget estimate provides a total of \$11,103,142 thousand and 3,308 FTE for the Acquisition Services fund. This is an increase of \$431,871 thousand and 173 FTE from the FY 2016 operating plan. The FY 2016 operating plan and FY 2017 budget reflect FAS's concerted effort to increase savings government-wide by increasing the utilization of current offerings, launching several new offerings, and achieving internal operational efficiencies.

The FY 2017 budget estimate includes an additional **\$338,692 thousand** in business volumes and operational costs to meet customer demand:

- **\$307,180 thousand** increase in business volume, primarily from increased acquisition support services, Schedules sales, and customer adoption of OASIS.
- **\$24,333 thousand** increase to fund additional FTE to grow business volume and increase customer support.
- **\$7,179 thousand** increase in transportation expenses and Fleet related vehicle costs.

The FY 2017 budget estimate also includes **-\$91,843 thousand** in program reductions:

- **-\$55,878 thousand** in reductions to long-term investments and projects funded out of retained earnings.
- **-\$22,595 thousand** in reductions to other operational support costs.
- **-\$8,044 thousand** in reduction to capital purchases supporting regional office moves and IT equipment.
- **-\$5,326 thousand** in reductions in payments to the Working Capital Fund.

In addition, the FY 2017 budget estimate accounts for inflation on goods and services of 1.9% and the FY 2017 pay raise of 1.6% in January of 2017. These adjustments total \$185,023 thousand.

Explanation of Changes

(Dollars in Thousands)

| | FTE | Obligations |
|------------------------|------------|-------------------|
| 2016 Plan..... | 3,135 | \$ 10,671,271 |
| 2017 Request..... | 3,308 | \$ 11,103,142 |
| Net Change..... | 173 | \$ 431,871 |

| | FTE | Obligations |
|--|------------|--------------------|
| Maintaining Current Levels: | | |
| FY 2017 Pay Increase (1.6% Effective January 2017) | | \$ 6,722 |
| Inflation on Goods and Services Sold (1.9%) | | \$ 178,300 |
| Subtotal, Maintaining Current Levels..... | - | \$ 185,023 |
| Program Increases | | |
| Increased Business Volume through FAS Offerings | | \$ 307,180 |
| Increased FTE to Support Business Volume Growth | 173 | \$ 24,333 |
| Increased Fleet and Transportation Costs | | \$ 7,179 |
| Subtotal, Program Increases..... | 173 | \$ 338,692 |
| Program Reductions | | |
| Reduced Investments | | \$ (55,878) |
| Reduced Operating Costs | | \$ (22,595) |
| Reduced Operating Capital Equipment Purchases | | \$ (8,044) |
| Reduced Working Capital Fund Bill | | \$ (5,326) |
| Subtotal, Reductions..... | - | \$ (91,843) |
| Net Change..... | 173 | \$ 431,871 |

Summary of Results of Operations

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

In FY 2016 and FY 2017, total ASF revenue is projected to be \$10.208 billion and \$10.730 billion respectively. This revenue is generated across FAS's four portfolios and three initiatives and revenue for all programs is projected to increase from both FY 2015 actuals and also FY 2016 plans due to increased utilization of current offerings as well as several new offerings. Below is a breakdown of the \$520 million in anticipated revenue increases from FY 2016 to FY 2017.

- \$268 million is associated with expected growth of customer orders in the Assisted Acquisition Services program. Most of this growth is associated with increased business volume related to Ginnie Mae's transition of its acquisition functions to GSA.
- \$75 million associated with increased adoption of IT schedule offerings and Network Services through the Integrated Technology Service Portfolio.
- \$40 million associated with volume increases from FSSI solutions and the launch of OASIS within the General Supply and Services Portfolio.
- \$43 million is associated with increases to the TMVCS portfolio. Agency motor vehicle consolidations are planned to increase growth in FY 2017.
- \$96 million is associated with anticipated increases to business activity for the IAE, CAP and 18F initiatives.

In FY 2016 and 2017, reserves will support business system and offering modernization, enhancements to the Integrated Award Environment, and contract transition for the Network Services Program. Encompassed within these categories are investments in critical agency and Government-wide initiatives, including development of the Common Acquisition Platform and the Acquisition Gateway as well as the institutionalization of Category Management within FAS's business operations.

Results of Operations by Program
(Dollars in Thousands)

| Income and Expense Statement | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|--|-------------------|-----------------|--------------------|
| 1. Assisted Acquisition Services (AAS) | | | |
| Revenue | \$ 4,001,490 | \$ 4,522,381 | \$ 4,790,368 |
| Acquisition Training Fund | \$ - | \$ - | \$ - |
| Cost of Goods Sold | \$ 3,862,903 | \$ 4,371,144 | \$ 4,635,625 |
| Gross Margin | \$ 138,587 | \$ 151,237 | \$ 154,743 |
| <i>Cost of Operations</i> | | | |
| Program Expenses | \$ 88,962 | \$ 101,149 | \$ 100,316 |
| Corporate Overhead | \$ 37,229 | \$ 37,311 | \$ 36,550 |
| Other Cost of Operations | \$ 2,929 | \$ 3,122 | \$ 3,798 |
| Total Cost of Operations | \$ 129,120 | \$ 141,583 | \$ 140,664 |
| Operating Results Before Reserves | \$ 9,466 | \$ 9,655 | \$ 14,079 |
| Reserve Expenses | \$ 7,263 | \$ 17,336 | \$ 10,207 |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ 2,204 | \$ (7,681) | \$ 3,872 |
| 2. General Supplies and Services (GSS) | | | |
| Revenue | \$ 995,259 | \$ 1,155,725 | \$ 1,195,836 |
| Acquisition Training Fund | \$ (6,829) | \$ (6,927) | \$ (7,249) |
| Cost of Goods Sold | \$ 716,504 | \$ 871,889 | \$ 891,034 |
| Gross Margin | \$ 271,926 | \$ 276,908 | \$ 297,554 |
| <i>Cost of Operations</i> | | | |
| Program Expenses | \$ 218,425 | \$ 209,070 | \$ 200,990 |
| Corporate Overhead | \$ 81,069 | \$ 71,831 | \$ 69,217 |
| Other Cost of Operations | \$ 6,108 | \$ 13,429 | \$ 20,645 |
| Total Cost of Operations | \$ 305,602 | \$ 294,331 | \$ 290,851 |
| Operating Results Before Reserves | \$ (33,676) | \$ (17,422) | \$ 6,702 |
| Reserve Expenses | \$ 75,575 | \$ 35,641 | \$ 11,241 |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ (109,250) | \$ (53,064) | \$ (4,539) |
| 3. Integrated Technology Services (ITS) | | | |
| Revenue | \$ 1,710,626 | \$ 1,822,384 | \$ 1,896,823 |
| Acquisition Training Fund | \$ (7,059) | \$ (7,255) | \$ (7,352) |
| Cost of Goods Sold | \$ 1,361,859 | \$ 1,489,257 | \$ 1,549,435 |
| Gross Margin | \$ 341,707 | \$ 325,872 | \$ 340,036 |
| <i>Cost of Operations</i> | | | |
| Program Expenses | \$ 192,594 | \$ 215,396 | \$ 210,241 |
| Corporate Overhead | \$ 70,144 | \$ 72,806 | \$ 71,553 |
| Other Cost of Operations | \$ 11,289 | \$ 10,661 | \$ 14,055 |
| Total Cost of Operations | \$ 274,028 | \$ 299,106 | \$ 299,051 |
| Operating Results Before Reserves | \$ 67,680 | \$ 26,767 | \$ 40,985 |
| Reserve Expenses | \$ 30,971 | \$ 78,882 | \$ 69,820 |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ 36,708 | \$ (52,116) | \$ (28,835) |

U.S. General Services Administration
Acquisition Services Fund

| Income and Expense Statement | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|---|-------------------|-----------------|--------------------|
| 4. Travel, Motor Vehicle and Card Services (TMVCS) | | | |
| Revenue ¹ | \$ 2,363,558 | \$ 2,550,206 | \$ 2,592,677 |
| Acquisition Training Fund | \$ (999) | \$ (946) | \$ (967) |
| Cost of Goods Sold ¹ | \$ 1,310,168 | \$ 1,356,000 | \$ 1,393,000 |
| Gross Margin | \$ 1,052,391 | \$ 1,193,260 | \$ 1,198,710 |
| <i>Cost of Operations</i> | | | |
| Program Expenses | \$ 464,562 | \$ 479,983 | \$ 516,592 |
| Corporate Overhead | \$ 58,796 | \$ 54,840 | \$ 53,283 |
| Other Cost of Operations | \$ 501,679 | \$ 528,536 | \$ 541,883 |
| Total Cost of Operations | \$ 1,025,036 | \$ 1,063,360 | \$ 1,111,758 |
| Operating Results Before Reserves | \$ 27,354 | \$ 129,900 | \$ 86,952 |
| Replacement Cost Pricing | \$ 40,320 | \$ 127,300 | \$ 69,100 |
| Reserve Expenses | \$ 3,057 | \$ 11,537 | \$ 8,814 |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ (16,023) | \$ (8,937) | \$ 9,038 |
| 5. Integrated Award Environment (IAE) | | | |
| Revenue | \$ 62,780 | \$ 62,500 | \$ 63,800 |
| Acquisition Training Fund | \$ - | \$ - | \$ - |
| Cost of Goods Sold | \$ 68,338 | \$ 62,500 | \$ 63,800 |
| Gross Margin | \$ (5,558) | \$ - | \$ - |
| <i>Cost of Operations</i> | | | |
| Program Expenses | \$ 5,746 | \$ 6,707 | \$ 7,147 |
| Corporate Overhead | \$ 5,032 | \$ 6,383 | \$ 6,682 |
| Other Cost of Operations | \$ 910 | \$ 873 | \$ 899 |
| Total Cost of Operations | \$ 11,688 | \$ 13,963 | \$ 14,728 |
| Operating Results Before Reserves | \$ (17,245) | \$ (13,963) | \$ (14,728) |
| Reserve Expenses | \$ 23,375 | \$ 38,492 | \$ 30,970 |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ (40,620) | \$ (52,455) | \$ (45,697) |
| 6. Common Acquisition Platform (CAP) | | | |
| Revenue | \$ - | \$ 10,466 | \$ 28,548 |
| Acquisition Training Fund | \$ - | \$ - | \$ - |
| Cost of Goods Sold | \$ - | \$ 3,506 | \$ 5,773 |
| Gross Margin | \$ - | \$ 6,960 | \$ 22,775 |
| <i>Cost of Operations</i> | | | |
| Program Expenses | \$ 4,921 | \$ 6,043 | \$ 6,920 |
| Corporate Overhead | \$ 1,833 | \$ 2,570 | \$ 2,684 |
| Other Cost of Operations | \$ 234 | \$ 125 | \$ 129 |
| Total Cost of Operations | \$ 6,988 | \$ 8,738 | \$ 9,734 |
| Operating Results Before Reserves | \$ (6,988) | \$ (1,778) | \$ 13,042 |
| Reserve Expenses | \$ 15,594 | \$ 13,774 | \$ 9,704 |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ (22,582) | \$ (15,552) | \$ 3,338 |

U.S. General Services Administration
Acquisition Services Fund

| Income and Expense Statement | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|---|-------------------|-----------------|--------------------|
| 7. 18F | | | |
| Revenue | \$ 22,262 | \$ 84,182 | \$ 161,725 |
| Acquisition Training Fund | \$ - | \$ - | \$ - |
| Cost of Goods Sold | \$ 2,883 | \$ 36,244 | \$ 79,292 |
| Gross Margin | \$ 19,380 | \$ 47,939 | \$ 82,433 |
| <i>Cost of Operations</i> | | | |
| Program Expenses | \$ 19,465 | \$ 34,282 | \$ 51,956 |
| Corporate Overhead | \$ 8,717 | \$ 8,934 | \$ 8,615 |
| Other Cost of Operations | \$ 695 | \$ 361 | \$ 369 |
| Total Cost of Operations | \$ 28,877 | \$ 43,577 | \$ 60,940 |
| Operating Results Before Reserves | \$ (9,497) | \$ 4,361 | \$ 21,493 |
| Reserve Expenses | \$ - | \$ - | \$ - |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ (9,497) | \$ 4,361 | \$ 21,493 |
| 8. Total Acquisition Services Fund (ASF) | | | |
| Revenue | \$ 9,155,975 | \$ 10,207,845 | \$ 10,729,777 |
| Acquisition Training Fund | \$ (14,887) | \$ (15,129) | \$ (15,568) |
| Cost of Goods Sold | \$ 7,322,655 | \$ 8,190,539 | \$ 8,617,959 |
| Gross Margin | \$ 1,818,433 | \$ 2,002,177 | \$ 2,096,250 |
| Total Cost of Operations | \$ 1,781,338 | \$ 1,864,657 | \$ 1,927,726 |
| Operating Results Before Reserves | \$ 37,094 | \$ 137,519 | \$ 168,524 |
| Replacement Cost Pricing | \$ 40,320 | \$ 127,300 | \$ 69,100 |
| Reserve Expenses | \$ 155,835 | \$ 195,662 | \$ 140,755 |
| Extraordinary Adjustment | \$ - | \$ - | \$ - |
| Net Operating Results | \$ (159,061) | \$ (185,443) | \$ (41,331) |
| <i>Net Outlays</i> | | | |
| Full-Time Equivalent (FTE) | (2,279) | - | - |
| | 2,960 | 3,135 | 3,308 |

¹ - TMVCS Portfolio Revenue and Cost of Goods Sold include \$739.8 million, \$918.2 million, and \$940.0 million in intra-GSA sales of vehicles that GSA Fleet has purchased or plans to purchase from GSA Automotive in FY 2015, FY 2016, and FY 2017, respectively, for its leasing program for Federal agencies.

U.S. General Services Administration
Acquisition Services Fund

Obligations by Object Classification
(Dollars in Thousands)

| | | 2015 | | 2016 | | 2017 |
|------|--|----------------------|-----------|-------------------|-----------|-------------------|
| | | Actual | | Plan | | Request |
| 11.1 | Full-time permanent..... | \$ 296,085 | \$ | 318,507 | \$ | 342,120 |
| 11.3 | Other than permanent..... | \$ 584 | \$ | 1,348 | \$ | 1,410 |
| 11.5 | Other personnel compensation..... | \$ 3,611 | \$ | 3,188 | \$ | 3,424 |
| 11.9 | Total personnel compensation..... | \$ 300,280 | \$ | 323,043 | \$ | 346,954 |
| 12.1 | Civilian personnel benefits..... | \$ 90,939 | \$ | 97,113 | \$ | 104,257 |
| 13.0 | Benefits for Former Personnel..... | \$ 1,252 | \$ | 25 | \$ | - |
| 21.0 | Travel and transportation of persons..... | \$ 4,621 | \$ | 7,269 | \$ | 7,417 |
| 22.0 | Transportation of things..... | \$ 21,014 | \$ | 4,949 | \$ | 5,123 |
| 23.1 | Rental payments to GSA..... | \$ 25,655 | \$ | 25,269 | \$ | 24,379 |
| 23.3 | Communications, utilities, and miscellaneous charges..... | \$ 1,224,787 | \$ | 1,317,292 | \$ | 1,385,728 |
| 24.0 | Printing and reproduction..... | \$ 1,483 | \$ | 2,013 | \$ | 2,040 |
| 25.1 | Advisory and Assistant Service..... | \$ 5,046,941 | \$ | 4,891,106 | \$ | 5,120,587 |
| 25.2 | Other good and services from non-Federal sources..... | \$ 877 | \$ | 4,999 | \$ | 5,115 |
| 25.3 | Other purchases of goods and services from Federal sources | \$ 351,494 | \$ | 269,043 | \$ | 263,783 |
| 25.7 | Operations and maintenance of equipment..... | \$ 171,589 | \$ | 110,700 | \$ | 113,300 |
| 26.0 | Supplies and materials..... | \$ 974,794 | \$ | 1,059,212 | \$ | 1,114,481 |
| 31.0 | Equipment..... | \$ 2,296,497 | \$ | 2,559,237 | \$ | 2,609,977 |
| 32.0 | Land and structures | \$ 1,364 | \$ | - | \$ | - |
| | Total new obligations..... | \$ 10,513,587 | \$ | 10,671,271 | \$ | 11,103,142 |
| | Subtotal, PC&B..... | \$ 392,471 | \$ | 420,156 | \$ | 451,212 |
| | Subtotal, Non-labor..... | \$ 10,121,116 | \$ | 10,251,115 | \$ | 10,651,930 |
| | Civilian full-time equivalent employment..... | 2,960 | | 3,135 | | 3,308 |

FTE by Portfolio, Initiative, and Integrator Office

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|--|----------------|--------------|-----------------|
| Portfolios & Initiatives | | | |
| Assisted Acquisition Services | 295 | 307 | 320 |
| General Supplies Services | 672 | 655 | 659 |
| Integrated Technology Services | 573 | 611 | 641 |
| Travel, Motor Vehicle, and Card Services | 624 | 637 | 650 |
| Integrated Award Environment | 26 | 34 | 36 |
| Common Acquisition Platform | 24 | 32 | 38 |
| 18F | 111 | 200 | 306 |
| Integrator | | | |
| Office of the Commissioner | 6 | 6 | 6 |
| Regional Commissioners | 100 | 98 | 90 |
| Office of Strategy Management | 25 | 35 | 39 |
| Office of Customer Accounts and Research | 215 | 220 | 223 |
| Office of Acquisition Management | 208 | 216 | 212 |
| Regional Acquisition Operations | 80 | 86 | 90 |
| Total FAS FTE * | 2,960 | 3,135 | 3,308 |

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

Federal Acquisition Service

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

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

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

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

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

Assisted Acquisition Services Portfolio

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

The AAS portfolio includes the Center for Federal Systems Integration and Management (FEDSIM) which provides support on a national and global basis and nine Client Support Centers (CSC) that are geographically based.

In FY 2016 and FY 2017, AAS will continually promote transparent, sustainable and superior quality acquisitions across the government. To meet demand, AAS is increasing agency partner support through higher staffing levels in FEDSIM and the CSCs. AAS continues to utilize a business model that channels demand to acquisition professionals who have the expertise to meet agency requirements. Key investments in business systems will continue in FY 2016 in close coordination with the GSA OCIO, eliminating duplicative processes and streamlining redundant systems functionality.

AAS is expanding its focus beyond individual complex procurement transactions. This enlarged scope of activity includes providing service and commodity contracting support in a broader range of spending categories, as well as developing a range of acquisition-related services to agencies from developing requirements through awarding and administering contracts and task orders. AAS is positioning itself to support smaller strategic procurements as well as full migration of an agency's procurement function to this FAS shared service.

In FY 2015, AAS initiated efforts to stand up expanded support and has begun building relationships with potential agency partners. For example, AAS's expertise in acquisition has drawn the attention of Ginnie Mae in recent years. After the completion of a round of pilot procurements with AAS, Ginnie Mae and AAS have built a strategic alliance to reduce their cost of acquisition while increasing compliance with the Federal Acquisition Regulation. This strategic alliance will allow the acquisition functions of Ginnie Mae to be handled by GSA through a phased migration approach.

In FY 2016, AAS will continue working with agency partners to identify and execute on expanded range of acquisition shared service opportunities that will serve as the foundation for future growth in FY 2017 and beyond.

General Supplies and Services Portfolio

The Office of General Supplies and Services (GSS) portfolio leverages the Federal Government's economies of scale to procure non-IT products and services at reduced prices, with fast delivery times and in compliance with the Federal Acquisition Regulations. By establishing contract vehicles that can be used government-wide, GSS allows Federal agencies to avoid contract duplication and eliminate the need for other agencies to develop their own contract vehicles. GSS includes Personal Property Management (PPM) which provides property

disposal guidance and offers sale services to partner agencies. This program is partially funded by the operating expenses appropriation.

Office of Supply Chain Management (SCM) — provides Federal agencies access to competitively priced products and global supply chain services. These activities were historically supported through GSA-owned distribution facilities and direct vendor distribution channels. The Western Distribution Center closed on September 30, 2014, and the Eastern Distribution Center closed on December 31, 2014. The distribution centers' closure and accompanying reductions in FTE, contractual services and transportation costs resulted in cost savings of nearly \$100 million in FY 2015 as compared to FY 2013. As part of the closure process, GSA transitioned supply responsibility associated with the Wildland Fire Program and Federal Supply Group 80 (brushes, paints, sealants and adhesives) to the Defense Logistics Agency, allowing GSA to embrace a modern business model for supply chain management.

SCM's new business model utilizes Strategic Partner Delivery (SPD) for commercially available items and provides assisted acquisitions for products without a pre-existing contract. SPD is essentially direct vendor delivery supported through a number of vendor contract vehicles. In FY 2016 and into FY 2017, and in conjunction with the Office of Acquisition Operations, SCM's new business model will include FSSI requisition channels for Office Supplies (OS3), Janitorial and Sanitation products (JanSan) and Maintenance, Repair and Operations Supplies (MRO); (see Office of Acquisition Operations). These primary methods of supply allow the program to efficiently meet agency demands for competitively priced products, faster delivery, and reduced inventory costs to the government.

Office of Retail Operations (RO) — consists primarily of physical store operations, both classic and Fourth Party Logistics (4PL) locations, an operating model under which commercial vendors retain ownership of their inventory and provide all services and related personnel necessary to maintain store operations. As the distribution centers will no longer provide replenishments of government managed inventory to classic stores, it has become a priority to convert the classic stores to the 4PL model. Currently there are 25 locations (14 4PL and 11 classic) with all of the classic locations eventually transitioning to 4PL. Retail Operations has positive estimates for future growth, with plans to open new stores based on growing agency demand beginning in FY 2016.

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

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

In FY 2016 and FY 2017, AO will continue to expand on FSSI solutions. The solutions include Janitorial and Sanitation products (JanSan), Maintenance, Repair and Operations Supplies (MRO), Building Maintenance and Operations (BMO), Office Supplies 3 (OS3) and Human Capital and Training Solutions (HCaTS). In FY 2015, GSS FSSI offerings have generated \$219 million in business volume, resulting in \$65 million in savings for the government. The offerings continue to leverage the growing FSSI infrastructure by streamlining the acquisition and management of these commodities, driving competition and economies of scale for agencies and industry partners.

FAS co-leads with the Federal Emergency Management Agency (FEMA) to provide emergency logistics and resource support in the Department of Homeland Security's National Response Plan. FAS's Center for Innovative Acquisition Development program provides FEMA millions in emergency support. Through various contracting vehicles, FAS's support to FEMA includes providing generators for temporary backup power, blankets, cots, tarps, plastic sheeting, emergency lodging, rental cars, buses, sheltering support items, field office equipment, kitchen support items as well as material handling equipment.

In FY 2015, AO launched the One Acquisition Solution for Integrated Services (OASIS), a next-generation, enterprise-wide contracting vehicle that will ensure agencies obtain best-value solutions for complex professional service requirements. OASIS has gained significant traction within the acquisition community as many agencies are beginning to realize the savings that can be provided by the contracting vehicle, reducing burden for government and industry by avoiding the award of duplicative contracts.

OASIS adoption is supported by a public dashboard that provides interactive data on task order numbers and obligations under the program, including the ability to filter data by contract family, agency and contractor. In FY 2016 and FY 2017, the OASIS Program will be working with individual agency partners to create specific agency dashboards and reports to provide an unprecedented level of insight into agency use of OASIS in an interactive interface. Additionally, OASIS continues to initiate on-ramping of additional contractors, which will carry forward into FY 2016 and FY 2017, in order to cultivate an optimal competitive environment. Finally, OASIS will review the transactional data captured under the program and initiate feeding of actual Prices

Paid labor rate information into the Strategic Sourcing Prices Paid Portal, beginning when statistically significant amounts of data are captured on actual billed labor rates under OASIS task orders. The results will provide agencies with data on actual labor rate information negotiated and billed under time and materials and labor hour task orders.

In FY 2016 and FY 2017, IWAC will continue efforts to maximize contract coverage and to ensure that all product descriptions reflect current commercial standards. The IWAC program will also continue to partner with the GSA Public Building Service (PBS) to provide furniture to Federal agencies through GSA's Total Workplace solution. GSA is helping agencies transition into modern, mobile, and more cost efficient work environments and IWAC is helping agencies furnish their new space with mobile-work friendly office furniture by minimizing the upfront capital needed.

Office of Personal Property Management (PPM) — provides sales services to Federal agencies through the Property Sales Program. Personal property sales staff work with agencies to conduct sales on behalf of agencies that have surplus, forfeited, or outdated personal property under the Exchange/Sale authority with the preponderance of the sales proceeds reimbursed to the partner agency. In FY 2015, PPM sold over 46,000 line items yielding a return of \$121 million in proceeds. One of PPM's current initiatives is to increase the use of Exchange/Sale authority, whereby remaining proceeds, after cost of sale, are reimbursed to the partner agency. In FY 2015 over \$90 million has been returned to partner agencies.

Integrated Technology Services Portfolio

The Integrated Technology Services (ITS) portfolio provides partner agencies with access to best-value IT and telecommunications products, services and solutions. ITS's programs expedite the acquisition cycle and harness the government's buying power, enabling savings for partner agencies on a full range of end-to-end IT and telecommunications products and services. Services provided through the portfolio reduce duplication for both common and complex IT and telecommunications solutions. The government saves over \$1 billion annually using ITS solutions.

Operations within this portfolio include the following business lines:

Network Services — offers a series of comprehensive, best value solutions for Federal agencies to purchase a wide variety of network services. These programs include Networx, the regional local services agreements, the commercial and custom satellite programs, the Connections II program, the Federal Relay Program for the hearing impaired and the FSSI Wireless program. By providing agencies with access to industry with a broad range of network services, the Network Services Program allows over 130 agencies to purchase desired network services at the lowest possible price. As part of the program, Network Services operates business support systems (billing and inventory management) on behalf of agencies and provides technical and ordering assistance.

ITS has developed a comprehensive strategy for the Network Services Program that is reflective of current and emerging technology solutions for global infrastructure and telecommunications services that will carry the Federal Government into 2031. In FY 2016 and FY 2017, ITS will execute a three-pronged strategy which includes (1) development of the successor contract to Networx and the legacy regional local service agreements - the Enterprise Infrastructure Solutions (EIS) acquisition; (2) the planned organizational restructuring and consolidation across central office and the regions; and (3) a systems development effort to provide business support systems for EIS.

A critical component of the strategy is ensuring a smooth transition for agencies from differing contracts. Transition planning began in FY 2015 after analysis of past transition efforts, lessons learned, best practices and increased coordination efforts with agencies to meet their future needs took place. To allow proper planning for both agencies and industry, GSA extended the Networx contracts originally expiring in FY 2017 through FY 2020. GSA is using this extension process to lower pricing on key services and gain more favorable terms and conditions. Agencies are expected to provide GSA with transition plans prior to the award of the EIS contract scheduled for FY 2017.

Due to changes in technology, GSA Network Services are now largely purchased at the enterprise level. In addition, GSA's telecom carrier contracts both regionally and nationally are with the same companies, providing 90 percent of the services to partner agencies. As a result, GSA determined that creating new regional contracts was unnecessary and added transition costs while also burdening industry partners. Agencies will phase in local services requirements into the EIS as local service agreements expire. Additionally, GSA has extended local service agreements to coincide with the expiration of the Network contract expirations, allowing agencies to transition in a phased manner.

GSA's FSSI Wireless Blanket Purchase Agreements (BPAs) will expire in May FY 2018. Enterprise level adoption of FSSI Wireless has increased in FY 2015, leading to growth of over 600 percent over FY 2014. GSA began planning for the next generation of wireless solutions in FY 2015. This follow-on program will also provide an opportunity to identify other procurement approaches, allowing agencies to leverage pooled plans and smart technology.

Multiple Award Schedule for IT (Schedule 70) — provides Federal, State and Local Government agencies with access to over 7.5 million IT products and services from over 4,700 vendors at significant cost and time savings, allowing agencies to focus on their mission. In addition, the contract vehicle delivers over \$14 billion in high quality commercial IT products, services and solutions annually to partner agencies.

In FY 2016, as part of GSA's Category Management initiative, Schedule 70 will further align itself to agency needs by:

- Reducing price variability for IT products and providing agencies with access to task order level pricing data;
- Promoting innovation and competition by lowering barriers to entry for new and innovative technology vendors; and
- Establishing and promoting new offerings in the Laptop/Desktop, Cloud, Cyber-security, Health IT and Agile IT Services marketplace.

IT Commodity Buy (Reverse Auctions) — offers IT commodities at lower prices compared to agency self-serviced IT commodity purchases, providing simplified ordering for Federal, State and Local Government organizations through BPAs off of IT Schedule 70. In FY 2016 and FY 2017, the IT Commodity Buy Program will focus on increasing agency adoption of the newly launched Reverse Auctions Platform which will allow partner agencies to purchase IT commodities at lower prices through increased competition within industry. The IT Commodity Buy Program intends to expand the Reverse Auctions Platform to cover open market acquisitions in FY 2016, realizing greater savings, increasing opportunities for small businesses and capturing open market spend data for Category Management and agencies. The IT Commodity Buy Program will also continue to work with PBS to help agencies adopt a mobile work environment through the Total Workplace effort. Using the Commodity Buy Program as the

purchasing vehicle, the Total Workplace solution will acquire and lease information technology equipment, such as laptops and mobile devices, to partner agencies thereby minimizing their upfront capital requirements.

IT Commodity Buy (Advantage Select) — provides agencies with the ability to “click and pay” for pre-competited, high volume IT commodity items. Through market research and agency/industry feedback, GSA plans to put in place single award BPAs for recurring high volume IT commodity requirements to the best value vendor. These single award BPAs will allow agencies to directly order items off of the Advantage Select landing page without any further competition. This workflow makes acquisition easier for agency partners as GSA is providing the up-front work of issuing single award BPAs on a recurring basis Advantage Select also fosters greater vendor competition as the single award BPAs are set on a very short duration.

SmartBUY program — works in partnership with DoD’s Enterprise Software Initiative and enables Federal, State and Local Government organizations to purchase a wide array of software and supporting services at lower prices through economies of scale for software solutions. SmartBUY agreements feature the latest Department of Homeland Security and National Institute of Standards and Technology Security Content Automation Protocol validations and Office of Management and Budget standards. This service allows agencies to access commercially available software that is compliant with Federal IT standards at reduced cost. SmartBUY is a member of the Office of Management and Budget (OMB) Enterprise Software Category Team and supports FITARA Section 837 for software in development and creation of enterprise license agreements and purchasing instruments.

The Government-Wide Acquisition Contracts Program (GWACs) — provides Federal agencies with flexible access to customized IT services and solutions from a large, diverse pool of pre-qualified industry partners. GWACs are specialized indefinite delivery, indefinite quantity contracts approved by OMB that make it easier for Chief Information Officers to acquire hardware, software and professional services needed to support an IT solution.

In FY 2016 and FY 2017 the program will focus on requirements development with agencies and coordination of new features with vendors for follow-on contracts. The Alliant 2, Alliant 2 Small Business as well as the VETS 2 contracts are expected to be awarded in FY 2017. Finally, due to the success of the vendors on the 8(a) STARS II GWAC, ITS is conducting the first open season to replenish the pool of vendors and will be adding hundreds of vendors to the contract in FY 2016.

Strategic Programs — includes the HSPD-12 (USAccess) program and the Federal Public Key Infrastructure (FPKI) program, which allow Federal agencies to comply with Federal IT security mandates and ensures state-of-the-art security infrastructure for the government.

The Cloud Computing Services Program Management Office (CCS PMO) provides infrastructure as a service and email as a service through BPAs. As a result of market research, GSA has created a SIN on IT Schedule 70 for cloud offerings, which will enable agencies to find cloud services more efficiently. Additionally, GSA has released two Requests for Information to gather information on market offerings to inform future requirements and acquisition planning.

Connect.gov is a secure shared service that conveniently connects citizens to government services and applications online using government approved digital credentials that citizens may already have and trust rather than creating multiple new credentials across government services. The Office of Citizen Services and Innovative Technologies (OCSIT) has played a key role in establishing the proof of concept operational capability for the Connect.gov platform, gathered lessons learned and best practices from case studies of similar platforms being adopted by other governments and worked out a financial model to sustain the platform on long term basis. With the success of the initial operating concept and leveraging existing best practices, OCSIT and ITS are working to develop identity services that are scalable, cost effective and offers low barrier for adoption to all government agencies. In FY 2016, the CCS PMO plans to develop the Connect.gov full operational capability and drive implementation at early adopters. In FY 2017 the CCS PMO plans to oversee the go-live operations of the Connect.gov vehicle.

Travel, Motor Vehicle and Card Services Portfolio

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

Vehicle Purchasing (formerly Automotive) — is a mandatory source for Federal agencies purchasing non-tactical vehicles. TMVCS provides services that allow the government to avoid additional overhead costs associated with multiple vehicle acquisition programs and to purchase vehicles substantially lower than dealer invoice. Each year, the Federal Government procures over 40,000 vehicles from GSA's Vehicle Purchasing program. The purchasing program is also meeting sustainability goals by expanding green vehicle offerings by 255 percent since FY 2011. The program continues to educate agencies on fleet specific mandates and legislation. Most recently, the program is assisting agencies with compliance of Executive Order 13693 by awarding a vast array of competitively priced low emission vehicles (including zero emission vehicles), awarding telematic solutions that provide real-time vehicle level data and by awarding contracts for the purchase of electric vehicle charging stations.

Vehicle Leasing (Fleet Program) — provides full service leases for over 205,000 non-tactical vehicles to Federal agencies each year. The program provides agencies with end-to-end fleet management services including: vehicle acquisition and disposal, maintenance control and accident management, fuel and loss prevention services and a fleet management system that provides data and analytics on fleet operations. These services relieve agency partners of administrative, management and functional responsibilities of fleet management and allow agencies to maintain focus on their core mission. The National Maintenance Control Center and the National Accident Management Center support all leased vehicles by offering agencies preventive maintenance, repair and accident management services at best value. The use of these centers prevents the Federal Government from incurring higher maintenance costs in the future. The program also provides a fleet card with each vehicle for the purchase of fuel and minor maintenance, helping the program control costs and monitor waste, fraud and abuse.

The program is committed to improving fuel efficiency across the leased fleet. Each year, GSA replaces eligible vehicles in the GSA leased fleet with new, more fuel efficient vehicles. Compared to vehicles replaced during the same year, vehicles newly added to the fleet had an average of 13 percent higher miles per gallon rating in FY 2015. Additionally, the leasing program provides several green incentives that put more advanced fuel technology vehicles into use. In FY 2015, Fleet purchased over 2,400 hybrid sedans at no additional incremental cost for GSA partner agencies across the nation. GSA Fleet is actively working with several agencies to consolidate both agency-owned vehicles as well as replace costly commercial leasing arrangements. These are considerable opportunities that have the potential to increase leasing volume by 10 percent. This strategy will increase agency cost savings, while allowing agencies to focus resources on their mission instead of fleet management services that GSA provides efficiently and effectively.

Travel and Transportation — manages two centers of excellence offering a variety of services related to the travel of Federal employees and the transportation of federally-owned goods: the Center for Travel Management and the Center for Transportation Management. In FY 2016 and FY 2017, both centers will focus on increasing agency adoption and upgrading current offerings. In FY 2016 the Travel and Transportation Center for Travel Management plans to re-organize to improve strategic alignment of offerings.

Center for Travel Management — manages the E-Gov Travel Service (ETS), City Pair Program, FedRooms lodging, travel agency services and the GSA Travel Management Information Service. The Center's E-Gov Travel Service provides web-based, end-to-end travel management services that include: travel planning, authorization, online booking, travel agency support and reimbursement to partner agencies. The City Pair Program leverages the government's buying power and negotiates discounted airfares with commercial airlines. In FY 2015, partner agencies used the City Pair Program to purchase over 6.7 million flight segments and saved an estimated \$2.38 billion

government-wide when compared to comparable market-rate fares. The FedRooms lodging program is the first ever government-wide transient lodging program that offers Federal employees over 9,000 properties globally. Despite the government-wide reduction in travel, in FY 2015 FedRooms maintained 8 percent market share that resulted in an estimated savings of \$7.7 million government-wide. At the end of FY 2015, E-Gov Travel Service deployed 41 agencies on the second generation E-Gov Travel Service Solution (ETS2) and will have 48 agencies deployed by FY 2016. Also in FY 2016, the Center for Travel Management will develop a roadmap to the next generation ETS contract aimed at creating operational efficiencies and additional savings government-wide.

Center for Transportation Management — provides three major services: multimodal freight, the Employee Relocation Resource Center and the third generation Domestic Delivery Services (DDS) program. DDS is a FSSI solution that provides significant discounts to the already low prices on GSA schedules for express and ground delivery services. In FY 2015, the Domestic Delivery Services program saved the government over \$54 million through strategic sourcing of a government-wide contract. This FSSI offering also enables agencies to meet sustainability requirements by providing fuel efficient transportation services.

Office of Charge Card Management (OCCM) — manages the government charge card program known as GSA SmartPay, which serves more than 350 Federal agencies, organizations and Native American governments by providing commercial payment solutions, including purchase, travel, integrated and fleet charge cards. Participating agencies and organizations spent over \$28.4 billion through 89.3 million transactions in FY 2015 using GSA SmartPay charge cards and related payment tools. Leveraging this large volume of spending, the program is able to earn substantial refunds from contractor banks based on that spend volume and the speed of bank invoice payment. In FY 2015, the GSA SmartPay program generated \$282.2 million in net refunds for partner agencies to reinvest in mission delivery. Pursuant to Executive Order (EO) 13681, *Improving the Security of Consumer Financial Transactions*, OCCM has substantially increased contractor bank's issuance of higher security chip & PIN charge cards. OCCM is also increasing the use of data analytics to help improve the management of agency implementations of the GSA SmartPay program.

GSA has commenced work on the next generation charge card and related payment services contracts, known as GSA SmartPay 3 (SP3), which will give agencies access to new technologies in the payment industry. SP3 preparation and analysis will continue through FY 2017 as the program evaluates proposals and prepares to award the new contract. OCCM will support partner agencies in selecting a new GSA SmartPay card services provider, obtaining new charge cards and other transition activities leading up to the beginning of the SP3 transactional period of performance in FY 2018.

Integrated Award Environment

The Integrated Award Environment (IAE) is a presidential E-Government initiative managed by GSA to facilitate each phase of the acquisition lifecycle, spanning from market research to contract administration. The goal of the IAE program is to integrate and unify the Federal acquisition process for government buyers and sellers. With IAE's agile approach, and based on the work the program has completed so far, this initiative will achieve the goal of providing a centralized portal for Federal contracting information. With the agile project management approach for the delivery of new functions and features, the program is able to identify and resolve technical or user issues quickly. IAE continues to work closely with cross-government governance councils and sponsors providing regular updates and input.

GSA will continue to develop - and make available - an evolving set of functional capabilities to replace all ten legacy systems currently used to administer Federal awards. The legacy systems will be converted into a common, cloud-based, secure business environment that facilitates and supports cost-effective acquisition for products and services, effective management of Federal acquisition and assistance awards and consistent transparency into Federal acquisition and assistance awards.

GSA has developed and delivered the Common Services Platform and data architecture upon which these capabilities will be available. GSA has held multiple focus groups to identify stakeholders as well as enhancements to existing applications to improve the user experience. These focus groups serve to ensure that the delivered products meet the needs of the user community. For example users may range from small businesses seeking opportunities, procurement officials writing past performance reports, to institutions registering an order to apply for grants. An example of how the new approach changed the delivery mechanism, IAE has been focused on the foundational cloud infrastructure, upon which delivered business applications will rely. The Common Services Platform (CSP) has been developed and delivered using 2-week sprints under the agile methodology. IAE realized strong progress from contract award in September 2014 to a working platform in June 2015. By design, the platform is continuing to incrementally improve through further sprints. Additionally, IAE is engaging the US Digital Service and GSA's 18F program to improve the quality of products delivered.

For FY 2016 and FY 2017, IAE will merge legacy systems into the streamlined environment. This process will begin with the transition of Catalog of Federal Domestic Assistance (CFDA), Wage Determination OnLine (WDOL), Federal Business Opportunities (FBO) and Federal Procurement Data System (FPDS) to the new environment in FY 2016. In FY 2017, the sub-award reporting and past performance systems will migrate to the streamlined environment and improvements will be made to SAM.

Common Acquisition Platform

The Common Acquisition Platform, to be renamed FAS Systems Transformation (FAS-ST), is an initiative that is working to improve the effectiveness of the Federal acquisition environment by supporting a common set of government-wide acquisition systems that will reduce GSA and Federal procurement costs. FAS-ST is focused on providing Federal buyers with access to acquisition support data (e.g. prices paid, qualified suppliers, etc.) by incorporating category management and strategic sourcing principles into Federal purchasing. FAS-ST also supports the administration's shared-first, cloud-first, open API, and open data strategies.

In FY 2015, FAS-ST launched eBuy Open, a web application that displays information on open, closed, and canceled eBuy Requests for Quote and also launched a new Prices Paid Portal platform which provides enhanced visualization of data from multiple platforms to enable greater analytics and decision making in contract negotiation and award. Finally, in FY 2015, all category hallways were launched and a searchable Statement of Work library was launched for the Professional Service Category.

In FY 2016 and FY 2017, FAS-ST is planning to launch a comprehensive acquisition solution that will allow agencies to acquire complex data analytic solutions and contracting writing system as a service. FAS-ST will market its shared services, upgrade the acquisition planning module to interface with GSA's contract writing system and deliver new eCommerce tools.

18F

Built in the spirit of America's top tech startups, 18F is a team of designers, developers, and product specialists inside the General Services Administration. 18F is a civic consultancy for the government, inside the government, enabling agencies to rapidly deploy tools and services that are easy to operate, cost efficient, and reusable. While the 18F program is funded through the ASF, it is managed out of the GSA Office of Citizen Services and Innovative Technologies (OCSIT). For further detail on the program's efforts, please refer to the Federal Citizen Services Fund Congressional Justification.

18F is managed through four separate business lines, each meeting a distinct need in the government's pivot to a more customer centric and efficient delivery of services:

Customer Partner Solutions – Provides agencies with custom application solutions that deeply impact mission achievement. It also engages in short- to medium-term consulting to assist agencies in deciding what to build, how to build it, and who will build it.

Products and Platforms – Develops tools for agency use that address common government-wide needs via single, scalable products and platforms.

Transformation Services – Assisting agencies' transformation into digital organizations through new management models, culture change, modern practices, empowered talent, data access, and collaboration tools.

Acquisition Services – Provides agencies with innovative acquisition solutions to support digital services delivery, including the agile blanket purchase agreement, request for proposal ghostwriting and micro-purchase platforms.

FAS Integrators

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

GSA Consolidation Efforts — From FY 2013 through FY 2015, GSA consolidated administrative, financial, human resource management, emergency preparedness, information technology and mission assurance functions previously performed in FAS into the Working Capital Fund. In FY 2016, GSA is combining small business utilization functions into the Working Capital Fund, centralizing oversight of the duties to achieve enterprise-wide efficiencies.

Executive Direction — is composed of the Office of the Commissioner and the Regional Commissioners' offices. The Office of the Commissioner is responsible for providing leadership and overall executive and program direction to ensure the mission and responsibilities of FAS are effectively carried out. In FY 2015 the FSSI program office, which resided in the Office of the Commissioner, was re-aligned to the Office of Strategy Management. Each of GSA's eleven regions contain a Regional Commissioner's Office, which are responsible for overseeing regional FAS operations while ensuring that the acquisition needs of Federal agencies are met.

Office of Customer Accounts and Research — conducts partner agency and market research and provides agency outreach. This office provides information on the full range of acquisition solutions that FAS offers to agencies. The Office of Customer Accounts and Research helps agency partners select the best value solutions for their specific needs by providing an enterprise-wide representation of FAS offerings. In FY 2016, this office will implement a Voice of the Customer campaign to ensure customer feedback is used to continuously improve the customer experience and the design of FAS offerings.

Office of Strategy Management — oversees all aspects of FAS strategic planning. This office's comprehensive approach ensures FAS continually achieves business excellence by connecting people, ideas, and strategies. In FY 2015, program management of FSSI moved to the Office of Strategy Management from the Office of the Commissioner. This office is focused on improving business intelligence surrounding FAS's current FSSI offerings in order to increase government-wide usage and savings.

FAS is investing in the development of the Acquisition Gateway, a platform and set of digital services to bring information, data, and category management knowledge to the government acquisition workforce. These investments, lead by the Office of Strategy Management, are aligned with the FAS and the government-wide implementation of category management principles and will save the government money through reduced contract duplication, improved engagement with industry, and the incorporation of strategic sourcing principles into the category acquisitions.

Also in FY 2015, the Office of Strategy Management created FAS's Category Management program management office to implement category management as a consistent operating structure focused around product categories, which enables FAS to better serve customer agencies. Additionally, to support the use of best-in-class solutions across government for each category of spend, GSA will share and coordinate intelligence and PMO products through government-wide forums such as the Category Management Leadership Council.

A cross-functional team of representatives across FAS portfolios and integrator offices, along with strategic business partners from human resources and budget, has begun an assessment of the FAS organization and how closely it aligns with the principles of category management and leadership's vision for the organization. The assessment will ultimately result in recommendations to adjust the FAS organizational design and business processes to support and more closely align with category management principles. The implementation of recommended changes is expected to begin in FY 2016.

In FY 2015, the process improvement function was realigned to the Working Capital Fund. The strategic communications function will also realign to the Working Capital Fund in FY 2016.

Office of Acquisition Management — is responsible for establishing the standards and framework for managing FAS's acquisition workforce to best align with policy established by the GSA Chief Acquisition Officer. The Office of Acquisition Management ensures that FAS activities are fully compliant with all laws, regulations, and policies and that operating practices are consistent across business lines. This office is dedicated to contract integrity and facilitating a consistently positive agency partner experience. In FY 2015, FAS began the transition of realigning the Administrative Contracting Officer (ACO) function to the acquisition centers in the

portfolios to better leverage the 1102 workforce and to provide significant developmental opportunities to the ACOs. FAS will complete this transition in FY 2016.

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

FAS IT Systems — the Office of GSA Information Technology (GSA IT) develops and manages business applications and multiple related minor and major systems for FAS in accordance with policy established by the GSA Chief Information Officer. GSA IT and FAS partner in order to anticipate and support FAS’s information technology needs ensure that FAS has the technology solutions necessary to deliver the best value in acquisition and information technology to customer agencies.

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U.S. General Services Administration

WORKING CAPITAL FUND

Fiscal Year 2017 Budget Request

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Working Capital Fund Overview

The FY 2017 request for the Working Capital Fund (WCF) is \$673,434 thousand, which includes shared, selected, and external funding. This is a decrease of \$51,709 thousand or 7.1 percent from the adjusted FY 2016 planned level. In recent years GSA has done a great deal to optimize the internal operations of the agency. GSA is continuing the multi-year effort to consolidate resources and operate more efficiently in order to provide internal support services at a reduced cost to customers, known as the “CxO Consolidation.” By collecting and relying more on data, enhancing reporting structures, and cultivating leaders, we have empowered people throughout GSA to make better decisions. The recently completed realignment and consolidation of major parts of the organization have also put GSA on a promising path, refocusing the agency on its core mission.

Our consolidation of financial management and human resources functions will allow us to save an estimated \$50.6 million (36 percent) and \$14.2 million (15 percent), respectively, as compared to the estimated FY 2013 funding levels for these activities.

The FY 2017 President’s Budget supports this realignment and consolidation. In FY 2017 the Office of Human Resources (OHRM), Office of Mission Assurance (OMA), and the Office of Administrative Services (OAS) will achieve \$15,755 thousand in savings and reductions from the FY 2016 level. For example, OAS will save \$7,188 as Reduce the Footprint investments in improving the utilization and efficiency of the space that GSA occupies as a tenant in the GSA regions begin to wind down in FY 2017.

GSA is continuing to find efficiencies and reduce duplicative contracts in an effort to consolidate resources and operate more efficiently in order to provide internal support services at a reduced cost to customers. In order to capitalize on opportunities identified in GSA’s continuous “Top to Bottom” review, GSA is implementing its divestment of its Human Resources Line of Business (HRLoB) and our Financial Management Line of Business (FMLoB). As a result, GSA’s FY 2017 Budget request includes \$63,460 thousand for FMLoB and \$4,262 thousand for HRLoB in WCF resources.

In FY 2017 GSA IT is replacing its enterprise IT support contract to meet GSA’s support level requirements. This investment will establish a contract that is performance-based, includes objectives for increased scope over the previous contract and pulls in services currently provided under other contracts, thus allowing an overall reduction in number of support vehicles agency-wide.

This year GSA expanded its governance process to include both IT and non-IT related services. As a result, a panel of executives from across the agencies, including those offices that are billed for WCF services, reviewed business cases for new investments over \$500,000.

Program Description

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

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

Shared Services: Shared services are the core services of the WCF: common services including GSA rent, IT and telecommunications services, human resource services, procurement operations, facilities management for GSA-occupied space, legal services, and financial management services. In addition, shared services include acquisition policy development and transmittal, coordination and oversight of warranting and certification programs for the over 5,000 members of GSA's acquisition workforce. This service performs the suspension and debarment services as well as other corrective actions for GSA contracts and ensures that GSA's contracting activities are compliant with acquisition regulation. By centralizing these services within the WCF, GSA is able to realize economies of scale. The WCF provides these necessary services to the customer business lines and bills for the services delivered to ensure full cost recovery. GSA offices may not cancel or opt out of paying for these services.

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

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

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

Amounts Available for Obligation

(Dollars in Thousands)

| (Dollars in Thousands) | FY 2015 Actual | FY 2016 Revised | FY 2017 Request | FY 2016/2017 Change |
|---|--------------------|--------------------|--------------------|------------------------|
| Unobligated Balances: | | | | |
| Carry forward | \$ 119,259 | \$ 97,510 | \$ 45,108 | \$ (52,402) |
| Recoveries from prior year balances | \$ 8,684 | | | |
| Transfers (net) | \$ 3,528 | | | |
| Major Equipment Acquisition and Development | [26,474] | [23,763] | [13,458] | [10,305] |
| Subtotal, Unobligated Balances | \$ 131,471 | \$ 97,510 | \$ 45,108 | \$ (52,402) |
| Revenue: | | | | |
| <u>Operating Programs:</u> | | | | |
| Shared Services | \$ 502,406 | \$ 500,551 | \$ 499,633 | \$ (918) |
| Selected Services | \$ 153,568 | \$ 151,916 | \$ 143,645 | \$ (8,271) |
| External Services | \$ 18,853 | \$ 20,274 | \$ 14,874 | \$ (5,400) |
| Subtotal, Revenue ^{1/} | \$ 674,827 | \$ 672,741 | \$ 658,152 | \$ (14,589) |
| Total Resources Available | \$ 806,298 | \$ 770,251 | \$ 703,260 | \$ (66,991) |
| Obligations: | | | | |
| <u>Operating Programs:</u> | | | | |
| Major Equipment Acquisition and Development | \$ 2,711 | \$ 10,305 | \$ 200 | \$ (10,105) |
| Shared Services ^{2/} | \$ 531,234 | \$ 541,410 | \$ 514,715 | \$ (26,695) |
| Selected Services ^{2/} | \$ 150,432 | \$ 153,154 | \$ 143,645 | \$ (9,509) |
| External Services | \$ 24,411 | \$ 20,274 | \$ 14,874 | \$ (5,400) |
| Subtotal, Obligations | \$ 708,788 | \$ 725,143 | \$ 673,434 | \$ (51,709) |
| Net Outlays | \$ (10,081) | \$ 93,911 | \$ 66,439 | \$ (27,472) |
| Total Employment (FTE) | 2,046 | 2,079 | 2,062 | (17) |

Notes:

1/ The FY 2015 Shared/Selected revenue total is \$25.7 million lower than the FY 2015 planned obligations because of the use of carryover that is non-billable.

2/ Shared/Selected Services include carryover obligations.

U.S. General Services Administration
Working Capital Fund

Explanation of Changes
(Dollars in Thousands)

| | Shared and Selected | | External | | Major Equipment Acquisition & Development | | Total | |
|---|---------------------|--------------------|------------|--------------------|---|--------------------|--------------|--------------------|
| | FTE | \$(000) | FTE | \$(000) | FTE | \$(000) | FTE | \$(000) |
| FY 2016 Congressional Justification | 1,991 | \$ 662,972 | 25 | \$ 36,462 | - | \$ 7,245 | 2016 | \$ 706,679 |
| Increases - Base | | | | | | | | |
| GSA IT insourcing strategy | 15 | | | | | | 15 | \$ - |
| FMLoB Transition Costs | | \$ 13,739 | | | | | - | \$ 13,739 |
| CFO FTE reduction not realized | 20 | \$ 3,392 | | | | | 20 | \$ 3,392 |
| CFO Childcare FTE not in CJ | | | 5 | | | | 5 | \$ - |
| OAS FTE transfer in from PBS and CFO, FTE base adj | 7 | \$ 488 | | | | | 7 | \$ 488 |
| OMA External program grow th | | | 6 | \$ 1,018 | | | 6 | \$ 1,018 |
| OHRM Acquisition Development Program | 2 | \$ 500 | | | | | 2 | \$ 500 |
| OCM Consolidation FTE not in CJ | 4 | | | | | | 4 | \$ - |
| Other program changes (OSBU, OCR, OGP, OGC) | 8 | \$ 1,003 | | | | | 8 | \$ 1,003 |
| Subtotal, Increases - Base | 56 | \$ 19,122 | 11 | \$ 1,018 | - | \$ - | 67 | \$ 20,140 |
| Increases - Investments | | | | | | | | |
| GSA IT GEO increase | | \$ 13,024 | | | | | - | \$ 13,024 |
| OAS Workplace services | 6 | \$ 562 | | | | | 6 | \$ 562 |
| OAS Freeze/Reduce the Footprint shift from External to Internal | | \$ 6,888 | | | | | - | \$ 6,888 |
| OHRM HRLOB | | | | | | | - | \$ - |
| OHRM HRLoB | | \$ 11,321 | | | | \$ 10,000 | - | \$ 21,321 |
| OIG Lapsed Balance spend plan increase | | | | | | \$ 305 | - | \$ 305 |
| Subtotal, Increases - Investments | 6 | \$ 31,795 | - | \$ - | - | \$ 10,305 | 6 | \$ 42,100 |
| Decreases - Base | | | | | | | | |
| GSA IT transfer FMLoB (Lapsed) | | | | | | \$ (7,245) | - | \$ (7,245) |
| GSA IT External program reduction | | | | \$ (170) | | | - | \$ (170) |
| OAS base reduction | | \$ (2,609) | | | | | - | \$ (2,609) |
| OCM base reduction | | \$ (7,319) | | | | | - | \$ (7,319) |
| | | \$ (2,583) | | | | | - | \$ (2,583) |
| OHRM FTE and contract reductions | (9) | \$ (6,815) | | | | | (9) | \$ (6,815) |
| OHRM transfer of U4P program from External to Internal | | | (1) | \$ (3,284) | | | (1) | \$ (3,284) |
| Subtotal, Decreases - Base | (9) | \$ (19,326) | (1) | \$ (3,453) | - | \$ (7,245) | (10) | \$ (30,024) |
| Decreases - Investments | | | | | | | | |
| OAS Freeze/Reduce the Footprint shift from External to Internal | | | | \$ (13,752) | | | - | \$ (13,752) |
| Subtotal, Decreases - Investments | - | \$ - | - | \$ (13,752) | - | \$ - | - | \$ (13,752) |
| Net Change | 53 | \$ 31,591 | 10 | \$ (16,188) | - | \$ 3,060 | 63 | \$ 18,464 |
| Revised FY 2016 Request | 2,044 | \$ 694,563 | 35 | \$ 20,274 | - | \$ 10,305 | 2,079 | \$ 725,143 |
| Increases - Base | | | | | | | | |
| 1.6% Federal Employee Pay Raise | | \$ 3,382 | | \$ 54 | | | - | \$ 3,436 |
| OSBU FTE transfer from FAS | 3 | \$ 440 | | | | | 3 | \$ 440 |
| OMA External program grow th | | | 5 | \$ 792 | | | 5 | \$ 792 |
| OCSIT External program grow th | | | | \$ 648 | | | - | \$ 648 |
| OCIA External program grow th | | | | \$ 97 | | | - | \$ 97 |
| Subtotal, Increases - Base | 3 | \$ 3,822 | 5 | \$ 1,591 | - | \$ - | 8 | \$ 5,413 |
| Increases - Investments | | | | | | | | |
| FMLoB Pegasys Upgrade Costs | | \$ 6,700 | | | | | - | \$ 6,700 |
| Subtotal, Increases - Investments | - | \$ 6,700 | - | \$ - | - | \$ - | - | \$ 6,700 |
| Decreases - Base | | | | | | | | |
| GSA IT Management Support Contract reductions | | \$ (4,175) | | | | | - | \$ (4,175) |
| GSA IT External program reduction | | | | \$ (13) | | | - | \$ (13) |
| OHRM External program reduction | | | | \$ (121) | | | - | \$ (121) |
| OHRM FTE reduction | (2) | | | | | | (2) | \$ - |
| OCFO Childcare program transfer to USDA | | | (8) | \$ (6,803) | | | (8) | \$ (6,803) |
| OCFO Staffing and contractual reductions | (15) | \$ (3,392) | | | | | (15) | \$ (3,392) |
| OCM contract reduction | | \$ (1,948) | | | | | - | \$ (1,948) |
| OMA contract reduction | | \$ (876) | | | | | - | \$ (876) |
| OIG Lapsed Balance spend plan reduction | | | | | | \$ (105) | - | \$ (105) |
| Other program decreases | | \$ (2,799) | | \$ (54) | | | - | \$ (2,853) |
| Subtotal, Decreases - Base | (17) | \$ (13,190) | (8) | \$ (6,992) | - | \$ (105) | (25) | \$ (20,286) |
| Decreases - Investments | | | | | | | | |
| OAS Freeze/Reduce the Footprint reduction | | \$ (7,188) | | | | | - | \$ (7,188) |
| FMLoB transition costs and MOU reduction | | \$ (18,656) | | | | | - | \$ (18,656) |
| HRLoB Lapsed Balance investment reduction | | \$ (7,691) | | | | \$ (10,000) | - | \$ (17,691) |
| Subtotal, Decreases - Investments | - | \$ (33,535) | - | \$ - | - | \$ (10,000) | - | \$ (43,535) |
| Net Change | (14) | \$ (36,203) | (3) | \$ (5,400) | - | \$ (10,105) | (17) | \$ (51,708) |
| FY 2017 Request | 2,030 | \$ 658,360 | 32 | \$ 14,874 | - | \$ 200 | 2,062 | \$ 673,434 |

U.S. General Services Administration
Working Capital Fund

Working Capital Fund by Staff Office

(Dollars in Thousands)

| | FY 2015 | | FY 2016 | | FY 2017 | |
|--|--------------|-------------------|--------------|-------------------|--------------|-------------------|
| | FTE | Actual | FTE | Plan | FTE | Request |
| Office of GSA Information Technology (GSA IT) | 511 | \$ 257,565 | 527 | \$ 282,985 | 527 | \$ 278,810 |
| Chief Financial Officer | 712 | \$ 118,104 | 592 | \$ 94,877 | 577 | \$ 91,485 |
| Office of Human Resources Management | 323 | \$ 97,474 | 319 | \$ 87,755 | 318 | \$ 80,064 |
| General Counsel | 146 | \$ 26,373 | 157 | \$ 28,345 | 157 | \$ 29,050 |
| Chief Acquisition Officer/ Senior Procurement Executive (OGP) | 27 | \$ 5,919 | 31 | \$ 5,971 | 31 | \$ 5,971 |
| Communications & Marketing | 16 | \$ 5,574 | 106 | \$ 19,476 | 106 | \$ 17,528 |
| Civil Rights | 23 | \$ 3,713 | 26 | \$ 4,335 | 26 | \$ 4,396 |
| Office of Mission Assurance | 114 | \$ 34,807 | 123 | \$ 32,437 | 123 | \$ 31,561 |
| Small Business Utilization | 34 | \$ 5,060 | 36 | \$ 4,813 | 38 | \$ 5,030 |
| Office of Administrative Services | 110 | \$ 58,731 | 121 | \$ 56,161 | 121 | \$ 48,973 |
| Office of Customer Experience | 0 | \$ - | 6 | \$ 1,992 | 6 | \$ 2,031 |
| Financial Management Line of Business (FMLoB) | 0 | \$ 68,346 | 0 | \$ 75,416 | 0 | \$ 63,460 |
| Subtotal, Staff Office Internal Authority | 2,015 | \$ 681,666 | 2,044 | \$ 694,563 | 2,030 | \$ 658,360 |
| Office of GSA Information Technology (GSA IT) | 0 | \$ 5,214 | 0 | \$ 2,991 | 0 | \$ 2,977 |
| Chief Financial Officer | 21 | \$ 10,685 | 15 | \$ 8,035 | 7 | \$ 1,232 |
| Office of Human Resources Management | 5 | \$ 1,403 | 7 | \$ 1,923 | 7 | \$ 1,802 |
| Office of Mission Assurance | 4 | \$ 838 | 10 | \$ 1,538 | 15 | \$ 2,330 |
| Office of Citizen Services & Innovative Technologies | 2 | \$ 5,341 | 3 | \$ 4,600 | 3 | \$ 5,248 |
| Office of Congressional & Intergovernmental Affairs | 0 | \$ 929 | 0 | \$ 1,188 | 0 | \$ 1,285 |
| Subtotal, Staff Office External Authority | 31 | \$ 24,411 | 35 | \$ 20,274 | 32 | \$ 14,874 |
| GSA IT Financial Systems Acquisition & Development | 0 | \$ 2,709 | 0 | \$ - | 0 | \$ - |
| OHRM Systems Acquisition & Development | 0 | \$ - | 0 | \$ 10,000 | 0 | \$ - |
| OIG Equipment Acquisition & Development | 0 | \$ 2 | 0 | \$ 305 | 0 | \$ 200 |
| Subtotal, Major Equipment Acquisition & Development | 0 | \$ 2,711 | 0 | \$ 10,305 | 0 | \$ 200 |
| Total, Working Capital Fund | 2,046 | \$ 708,788 | 2,079 | \$ 725,143 | 2,062 | \$ 673,434 |

Notes:

The FY 2015 Shared/Selected total is \$25.7 million higher than the FY 2015 WCF Bill because of the use of carryover that is non-billable.

The FY 2016 Shared/Selected total is \$42.1 million higher than the FY 2016 WCF Bill because of the use of carryover that is non-billable.

The FY 2017 Shared/Selected total is \$15.1 million higher than the FY 2017 WCF Bill because of the proposed use of carryover that is non-billable.

Working Capital Fund Obligations by Object Class

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Revised | FY 2017 Request |
|---|-------------------|--------------------|--------------------|
| 11.1 Full-time, permanent..... | \$ 212,101 | \$ 216,338 | \$ 214,711 |
| 11.3 Other than full-time permanent..... | \$ 1,449 | \$ 780 | \$ 769 |
| 11.5 Other personnel compensation..... | \$ 2,885 | \$ 2,384 | \$ 2,380 |
| 12.1 Civilian personnel benefits..... | \$ 77,250 | \$ 91,245 | \$ 90,869 |
| 13.0 Benefits for former personnel..... | \$ 2,794 | \$ 1,508 | \$ 983 |
| 21.0 Travel and transportation of persons..... | \$ 2,175 | \$ 2,736 | \$ 2,907 |
| 22.0 Transportation of things..... | \$ 966 | \$ 1,168 | \$ 1,228 |
| 23.1 Rental payments to GSA..... | \$ 34,014 | \$ 27,193 | \$ 26,692 |
| 23.3 Communications and utilities..... | \$ 26,701 | \$ 28,130 | \$ 26,412 |
| 24.0 Printing and reproduction..... | \$ 241 | \$ 193 | \$ 161 |
| 25.1 Advisory and assistance services..... | \$ 163,802 | \$ 206,709 | \$ 186,528 |
| 25.2 Other services from non-Federal sources..... | \$ 2,389 | \$ 274 | \$ - |
| 25.3 Other goods & services from Federal sources. | \$ 117,861 | \$ 75,797 | \$ 63,460 |
| 26.0 Supplies and materials..... | \$ 1,267 | \$ 1,226 | \$ 1,207 |
| 31.0 Equipment..... | \$ 48,750 | \$ 69,047 | \$ 54,698 |
| 42.0 Insurance claims and indemnities..... | \$ 374 | \$ 415 | \$ 429 |
| 99.0 Obligations, Appropriated (Annual)..... | \$ 708,788 | \$ 725,143 | \$ 673,434 |
| <i>Subtotal, PC&B.....</i> | <i>\$ 296,663</i> | <i>\$ 312,256</i> | <i>\$ 309,713</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$ 412,125</i> | <i>\$ 412,887</i> | <i>\$ 363,722</i> |

Description of WCF Services by Office

Office of the Chief Financial Officer: FY 2017 Budget Request - \$92,717 thousand

The Office of the Chief Financial Officer (CFO) provides strategic planning, budgeting and payroll services to all GSA business lines and offices as well as to more than 40 independent agencies and commissions. The FY 2017 request, less the component for external services, is \$91,485 thousand which includes a downward adjustment of \$21,275 thousand to account for the Financial Management Line of Business (FMLoB) operation which transferred to USDA in March 2015.

OCFO will decrease by 15 FTE to 577 in FY 2017 while doubling the size of the Strategic Planning Division to 6 FTEs. These FTEs will be used for quarterly strategic reviews to give the GSA Administrator a more robust and detailed view of the Strategic Objective Assessment Review (SOAR). To reach this lower level, OCFO has reduced its staff through buyouts and early retirement incentives. OCFO will increase funding for training to ensure a well-trained workforce ready to handle the diverse demands and regulations of federal finance and budgeting.

Shared Services: FY 2017 Budget Request – \$23,638 thousand

Shared Services corresponds to the operating costs of the different OCFO offices that are charged to the staff offices according to level of support provided by OCFO. The cost of financial services and financial policy are driven by workload statistics. The budget office and general oversight activities in the OCFO are billed based on funded FTE in each service and staff office.

Selected Services: FY 2017 Budget Request – \$67,847 thousand

OCFO selected services consists of customer-focused financial and budget support that is entirely dedicated to support PBS or FAS. The costs for these services are directly charged to the appropriate service. This also includes the Financial Statements Audit which costs are allocated evenly amongst the agency.

External Services: FY 2017 Budget Request – \$1,232 thousand

The OCFO provides payroll support to 36 independent agencies, boards, and commissions. Customers receive these services on a fee-for-service basis.

Financial Management Line of Business (FMLoB): FY 2017 Budget Request - \$63,460 thousand

In line with the Administration's efforts to utilize shared services for financial management systems to promote greater efficiencies and cost savings for the federal government, and as a result of GSA's Top to Bottom review, GSA transitioned out of its Financial Shared Service Provider (FSSP) Line of Business to focus on its core mission. In March 2015, GSA transferred its Financial Management Line of Business (FMLoB) to the United States Department of Agriculture (USDA). GSA transferred accounting functions to USDA including receipt, invoice, and expense report processing; reporting and reconciliation; and customer service. USDA also assumed responsibility for development and operation and maintenance of the GSA financial management systems including Pegasys, the Billing and Accounts Receivable (BAAR) Project, and National Electronic and Accounting and Reporting System (NEAR). The FY 2017 budget request of \$63,460 thousand funds the divested operations including \$6.7M for a Pegasys upgrade which is required every three years.

Office of GSA Information Technology (GSA IT): FY 2017 Budget Request - \$281,787 thousand

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

GSA IT re-competed its main network services contract to incorporate stronger service level agreements with the goal of providing better support and increasing customer satisfaction. This contract will be performance-based and include objectives for increased scope over the previous contract and pull in services currently provided under other contracts, reducing the number of support vehicles agency-wide. Main components of the new contract include the use of Information Technology Infrastructure Library (ITIL) processes and procedures to help continue to mature IT service delivery across the agency. Moving to a new support vehicle will position GSA to continue to innovate and it aligns with GSA's goal of becoming a thought leader for IT in the Federal government.

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

GSA IT found early opportunities to streamline the IT environment and reduce duplication, and, through continued targeted investment, is pursuing innovation and optimization of the GSA IT infrastructure. As optimization is achieved, GSA IT will be able to shift more resources from running legacy applications and infrastructure to investing in efforts to grow and transform GSA's business IT systems. GSA IT also continues to pursue key initiatives such as cloud storage, virtual desktop integration, and network modernization.

GSA IT took reductions in several management contracts due to anticipated insourcing of functions that were previously done by contract personnel. GSA IT also reviewed contracts to identify any that could be reduced as a result of the new enterprise service contract, GSA Enterprise Operations (GEO).

Since the FY 2016 Congressional Justification was sent to Congress, GSA IT has revised its FY 2016 and FY 2017 FTE level from 512 to 527. This increase of 15 FTEs will support increased demand for services from GSA business lines to 1) move to an integrated cloud service environment which will eliminate duplication and reduce infrastructure and application development/deployment needs; 2) secure GSA's cloud services and mobile capabilities through the information security program; 3) provide additional support to the FAS Integrated Award Environment (IAE); and 4) provide additional business analytics and data management capabilities, requiring a significant data and system integration capability.

The FY 2017 request is \$281,787 thousand which includes a full year downward adjustment of \$41.5 million to account for the IT related activities associated with the Financial Management Line of Business (FMLoB) operation which transferred to USDA in March 2015.

Shared Services: FY 2017 Budget Request - \$213,609 thousand

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

Selected Services: FY 2017 Budget Request - \$65,201 thousand

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

External Services: FY 2017 Budget Request - \$2,977 thousand

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

GSA IT external services also include the Performance Management Line of Business (PMLoB), an interagency effort to develop government-wide performance management capabilities to help meet the transparency requirements of the Government Performance and Results Act Modernization Act of 2010 (GPRAMA), and support government-wide performance management efforts including Performance.gov. OMB has worked with GSA and established the PMLoB to deliver solutions that are both cost-effective and useful to agencies and other end users. The creation of the PMLoB was approved by the Director of OMB in November 2011. This office is supported through collections from 13 customer agencies for their use of Performance.gov.

Office of Administrative Services: FY 2017 Budget Request – \$48,973 thousand

The Office of Administrative Services (OAS) is responsible for general administrative and management services for GSA. Specifically, OAS provides agency wide information processing to support executive correspondence, forms, directives, audit responses, and travel and purchase card oversight. OAS also provides internal contracting services for GSA's overhead organizations.

OAS also provides workspace planning, facility design, facilities management, and workplace services on a national scale in addition to administering the rent and security for GSA's headquarters building at 1800F Street. OAS has worked on the Reduce the Footprint initiative for the past two years in order to transform our internal office spaces nationwide. As a result, OAS's overall program needs in FY 2017 have decreased due to the completion of a majority of

internal Reduce the Footprint projects. OAS has also reduced \$1,500 thousand in personnel compensation and benefits to align with their current FY 2015 execution levels and has reduced \$673 thousand in rent to align with the latest FY 2017 Occupancy Agreement.

OAS is also transferring in 7 FTE from PBS for further mailroom consolidation and workplace Services, and 3 FTE from OCFO to further consolidate charge card support.

Shared Services: FY 2017 Budget Request - \$48,611 thousand

Most OAS services, including rent for 1800 F Street, are provided as shared services. OAS allocates its costs in ways that match service and staff office use of those services. For example:

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

Selected Services: FY 2017 Budget Request - \$362 thousand

As a leader of innovation in public service, GSA drives government-wide transformation in workplace design and services through improved space utilization, reduced costs, and superior value. GSA is working to complete the Reduce the Footprint goals in FY 2017. The \$62 thousand for Reduce the Footprint funding will be used for the remaining internal projects that create modern workplaces that can serve as a model for the government and further the objectives of making more efficient use of the Government's real estate assets. More specifically, the funding will pay for furniture and installation, IT equipment and installation, move costs, management support contracts, and design and construction of tenant improvements.

OAS's selected services include \$300 thousand to support the storage and file management of agency records and scanning from the National Archives and Records Administration (NARA). These costs are allocated based on the cubic feet of storage provided to each service and staff office.

Office of Human Resource Management: FY 2017 Budget Request - \$81,866 thousand

The Office of Human Resources Management (OHRM) provides the tools and consultative support that create a diverse, agile and high performing workforce. OHRM contributes to a high performing workforce by focusing on: enhancing GSA performance management, culture, and employee engagement; enhancing workforce readiness; and improving operational efficiency

and cost to enhance the GSA customer experience. OHRM provides and maintains an evolving portfolio of effective and innovative end-to-end human resource and human capital solutions that meet partners' and external stakeholders' needs, including providing meaningful HR data and analysis to help customers make informed business decisions. Through improved service delivery models, OHRM is focused on hiring, developing, and retaining a talented and diverse GSA Mission Ready workforce.

The OHRM FY 2017 Request for shared and selected services is 8.8% less than the FY 2016 revised plan. OHRM will achieve some of these reductions by only filling critical vacancies to achieve a lower shared/selected FTE level of 318, by reducing \$1,200 thousand for GSA Health Units, \$1,800 thousand in contractor support, and \$2,000 thousand in transit subsidies to align with FY 2015 execution rates.

In FY 2017 OHRM will spend \$4.2M for the Human Resource Line of Business (HRLoB). This funding will support business process realignment activities and transition legacy operations and maintenance to the new service provider. OHRM is also requesting \$500K for the Acquisition Professional Development Program (APDP). This funding will support 2 FTEs plus contractor support needed to support entry level acquisition employees and provide leadership development for senior acquisition professionals. Investment in the acquisition workforce will result in a highly qualified contracting specialist workforce, improved employee morale and retention, and better customer savings and service.

Shared Services: FY 2017 Budget Request – \$69,830 thousand

OHRM provides human resource services in a consolidated fashion in order to reduce redundancy and ensure a standard level of service. The costs of these programs are allocated based on workload data when available, such as transit subsidy and workers compensation. Other costs are based on FTE for each staff office. These services include:

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

Selected Services: FY 2017 Request - \$10,234 thousand

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

External Services: FY 2017 Request - \$1,802 thousand

External services provided by OHRM include the University for People program and support for external Commissions and Boards.

The University for People (U4P) program coordinates training contracts and manages networks with local colleges, universities and nationally recognized training vendors to provide opportunities for career exploration, professional certifications, and cultural enrichment.

The OHRM Commissions and Boards division provides HR support services to Presidential commissions, congressional boards, and small government organizations. Services include financial management, human resource management, legal review, contract and acquisition support, and realty support to their more than 36 customer agencies.

Office of General Counsel: FY 2017 Budget Request - \$29,050 thousand

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

OGC also advises on responses to Congressional inquiries, develops and manages the GSA ethics program, and supports alternative dispute resolution efforts and social media initiatives. The OGC is working towards an improved staffing mix that will allow them to operate more efficiently and provide increased legal support for existing programs as well as new innovative initiatives being undertaken by the agency. One FTE in the FY 2016 revised plan and the FY 2017 request support compliance with the Executive Order requiring agencies to have a Labor Compliance Adviser beginning in FY 2016.

Shared Services: FY 2017 Budget Request - \$29,050 thousand

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

Office of Small Business Utilization: FY 2017 Budget Request - \$5,030 thousand

The Office of Small Business Utilization (OSBU) works with GSA services and staff offices to help direct GSA contracts to various categories of small businesses. These include businesses

that are small and disadvantaged, veteran-owned and service-disabled veteran-owned, located in Historically Underutilized Business Zones, and women-owned. The OSBU mission is to promote increased access by small and disadvantaged businesses to GSA's nationwide procurement opportunities.

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

- Meeting with contracting officers and procurement personnel to encourage small business participation for all acquisitions;
- Working with the procurement officials to perform market research;
- Assisting in the development of non-bundling strategies and non-consolidation strategies for contracting;
- Reviewing the Small Business Analysis Record (GSA Form 2689), Acquisition Plans and Subcontracting Plans for completeness and determining if market research is sufficient and all justifications are properly documented and compliant with FAR Part 19;
- Attending all meetings regarding major procurements;
- Conducting training for the GSA acquisition workforce and creating an online knowledge research;
- Identifying potential ways to unbundle contracts and to document and provide rationale for any contracts that were bundled; and
- Regularly providing counseling and assistance to small business on "Doing Business with GSA."

GSA's small business programs nurture entrepreneurial opportunities, open doors to new business horizons, and enhance technological capabilities. Its work is critical to the achievement of GSA's small business goals. The FY 2017 request supports an increase of two FTE and \$217 thousand from the FY 2016 requested level to support this additional staff.

Shared Services: FY 2016 Request - \$5,030 thousand

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

Office of Civil Rights: FY 2017 Budget Request - \$4,396 thousand

The Office of Civil Rights (OCR) Equal Employment Opportunity (EEO) Program protects GSA employees and applicants for employment from being subjected to illegal discrimination and/or harassment in the workplace on the basis of age, color, disability, race, national origin, religion, sex (including pregnancy, sexual orientation and gender identity), genetic information, and

retaliation for protected Equal Employment Opportunity (EEO) activity. OCR promotes the prevention of discrimination through policy, training, outreach and affirmative employment planning and enforces nondiscrimination by processing EEO complaints of discrimination pursuant to 29 C.F.R. Part 1614.

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

The FY 2017 OCR budget is an increase of \$61 thousand from the FY 2016 plan level to support base operations. This funding level supports continued efforts to improve mission achievement through a reorganization effort, which was implemented in FY 2015 and included the transfer of the GSA Affirmative Employment Program (and attendant FTE) from the Office of Human Resources Management. This reorganization transformed EEO complaint processing from a regionally-based to functionally-based process to eliminate fragmentation, standardize and optimize processes, and improved the level of service provided to our customers.

Shared Services: FY 2017 Budget Request - \$4,396 thousand

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

Office of Mission Assurance: FY 2017 Request – \$33,891 thousand

The Office of Mission Assurance (OMA) ensures resilience and continuity of the agency's critical business processes by integrating and coordinating activities across all domains of security (physical, cyber, personnel, and industrial), HSPD-12 credentialing, emergency management, and contingency and continuity planning. OMA provides an enterprise-wide approach to mission

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

The FY 2017 request includes \$1.8 million in funding for GSA employee background investigations and \$4.5 million for GSA contractor HSPD-12 clearances. The FY 2017 OMA budget reflects an \$876 thousand decrease from the FY 2016 Revised level. This reduction will be achieved through the consolidation of various secure communications contracts and improved operational efficiency resulting in the elimination of contracted support.

Shared Services: FY 2017 Budget Request - \$31,561 thousand

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

External Services: FY 2017 Budget Request - \$2,330 thousand

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

Office of Communications and Marketing: FY 2017 Budget Request - \$17,528 thousand

The Office of Communications and Marketing (OCM) provides information on GSA activities to employees and external audiences, including the media, agency customers and the American public. OCM accomplishes its mission with a coordinated, integrated program of messaging and strategic communication initiatives. A separate budget is provided by the Operating Expense appropriation for specific activities related to agency-wide communications activities.

GSA's continuous "Top to Bottom" review and the CxO consolidation process identified additional personnel and activities that are more appropriately managed by the WCF portion of OCM and will consolidate these functions and activities from PBS, FAS, and the Operating Expenses account starting in FY 2016. This will increase OCM's WCF FTE from the FY 2015 actual level of 16 FTE to 106 FTE for FY 2016 and FY 2017 request. A planned consolidation of additional employees from the Federal Acquisition Service Customer Accounts and Research organization that was included in the FY 2016 Congressional Justification was cancelled after further management review determined the office's core research functions would not align with the activities of the consolidated OCM. The program's budget request for FY 2017 is \$17,528 thousand, which represents a reduction of \$1,948 thousand from the revised FY 2016 request as the efficiencies of the consolidation are implemented.

Shared Services: FY 2017 Budget Request - \$17,528 thousand

The OCM Working Capital Fund budget is shared across the staff offices in GSA. These funds provide enterprise web management services and other communication support to GSA. These services include, but are not limited to, multiple forms of visual digital media communications e.g. videography, photography; and large-scale printing services.

Office of Customer Experience: FY 2017 Budget Request - \$2,031 thousand

The Office of Customer Experience (OCE) has been created to transform GSA into a customer-centric powerhouse of service and efficiency to ensure program offices deliver an outstanding experience to GSA employees, partners, and customers. The FY 2017 request of \$2,031 thousand is a straight line from the FY 2016 revised plan which only includes pay inflation and COLA totaling a 2% increase.

Shared Services: FY 2017 Budget Request - \$2,031 thousand

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

- Establish a GSA-wide voice of the customer program.
- Implement a GSA-wide customer relationship management (CRM) strategy.
- Improve GSA's digital presence.
- Develop a robust account management strategy.
- Improve the way customers interact with GSA programs.

Office of Government-wide Policy's Senior Procurement Executive FY 2017 Budget Request - \$5,971 thousand

The Office of Government-wide Policy's (OGP) FY 2017 budget request is \$5,971 thousand and 31 FTE, equal to the FY 2016 revised plan. From this funding, the program will invest \$592 thousand to implement new OMB mandates relating to the acquisition workforce and to continue to support other GSA priorities such as Data Analytics.

Specifically, about half of the funds will support additional staff in the Acquisition Workforce Division. OMB Memorandum "Revisions to the Federal Acquisition Certification in Contracting (FAC-C)" of May 7, 2014, required that all contracting officers, regardless of series, be certified. GSA has over 500 such individuals, including 381 Leasing Contracting Officers and approximately 140 in Fleet, Telecoms, Real Property Disposal, and Personal Property Disposal. To ensure appropriate training curricula, GSA must establish alternative certification programs for each of these specialty areas. In response to requirements of FITARA and the OMB Memorandum "Revisions to the Federal Acquisition Certification for Program and Project Managers" of December 16, 2013, GSA must implement IT cadres for both contracting officers

and program/project managers at GSA. The remainder of the investment will provide contractor support for various GSA priorities. GSA's Acquisition Data Analytics efforts, which leverage FPDS data and other sources along with Tableau software, generate compelling data visualization tools to drive competition and other acquisition priorities as part of GSA's Acquisition Dashboard. GSA is also supporting the Acquisition 360 initiative (OMB memo of March 18, 2015). Contractor support also ensures that GSA's Acquisition Portal, a one-stop shop for GSA's 8,000 acquisition professionals, is maintained.

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

- Updating and maintaining the General Service Acquisition Regulations along with the development of procurement policies and guidance for GSA's contracting activities;
- Supporting professional development of GSA's acquisition workforce, including coordinating and overseeing warranting and certification programs for more than 5,000 members of GSA's acquisition workforce;
- Performing suspension and debarment services as well as other corrective actions for troubled GSA contracts;
- Ensuring compliance and integrity in GSA's contracting functions through procurement management reviews; and
- Conducting data analytics and using the results to promote transparency and drive improvements into the acquisition function.

Shared Services: FY 2017 Budget Request - \$5,971 thousand

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

Office of Congressional and Intergovernmental Affairs: FY 2017 Request - \$1,285 thousand

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

External Services: FY 2017 Budget Request - \$1,285 thousand

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

Office of Citizen Services and Innovative Technologies: FY 2017 Budget Request - \$5,248 thousand

The Office of Citizen Services and Innovative Technologies (OCSIT) uses the WCF to provide reimbursable support through the use of IAAs to other federal agencies for the Government-wide Electronic Capital Planning and Investment Control (eCPIC) program. The eCPIC application is a web-based, Government-owned technology solution that Federal Agencies use to support their internal IT portfolio management, IT capital planning, and IT Governance process as well as meet their external IT reporting requirements to OMB. Through a customizable interface, Agencies can manage their eCPIC environments to improve mission effectiveness and operational efficiency. The various functional Modules within eCPIC - including Investments, reporting, portfolios, systems, and scoring—allow agencies to easily tailor and automate their IT portfolio management and IT governance processes. This allows agencies to spend less time managing data, and more time making value-based decisions to support the mission of their organizations.

External Services: FY 2017 Request - \$5,248 thousand

OCSIT provides support services to agencies that use the eCPIC system. Services include hosting services, help desk support, training, technical support, and dedicated program management. GSA manages the eCPIC program, but all functionality is defined and prioritized by the community of Agencies that use the tool. This community also shares best practices and lessons learned, and collaborates on the latest trends in IT portfolio management and IT Governance practices.

Working Capital Fund Bill by Staff and Service Office

Dollars in Thousands

| GSA Working Capital Fund Bill | FY 2015 Billed | FY 2016 Bill | FY 2017 Request |
|--|-------------------|------------------|--------------------|
| Public Buildings Service | \$351,000 | \$352,189 | \$352,223 |
| Federal Buildings Fund | \$351,000 | \$352,189 | \$352,223 |
| Federal Acquisition Services | \$275,093 | \$266,823 | \$256,150 |
| Acquisition Services Fund | \$275,093 | \$266,823 | \$256,150 |
| Office of Governmentwide Policy | \$10,969 | \$10,622 | \$11,324 |
| Governmentwide Policy | \$10,334 | \$9,916 | \$10,902 |
| Federal Management Counsels Program Analysis | \$459 | \$443 | \$157 |
| Presidential Management Advisory Board | \$176 | \$263 | \$266 |
| Office of Inspector General | \$2,500 | \$2,500 | \$2,500 |
| Office of Citizens Services & Innovative Technologies | \$5,565 | \$8,441 | \$9,574 |
| Federal Citizen Services Fund | \$5,565 | \$8,441 | \$9,574 |
| Former Presidents | \$10 | \$11 | \$9 |
| Operating Expenses | \$9,888 | \$10,728 | \$10,975 |
| Real Property Disposal | \$2,698 | \$2,840 | \$3,433 |
| Office of Communications & Marketing | \$1,873 | \$1,572 | \$1,780 |
| Management & Administration | \$4,987 | \$6,049 | \$5,553 |
| Civilian Board of Contract Appeals | \$330 | \$267 | \$210 |
| Working Capital Fund | \$949 | \$1,152 | \$522 |
| Finance External Services - Internal Agreements | \$654 | \$752 | \$260 |
| Human Resources Mgmt - Commissions & Boards | \$229 | \$343 | \$222 |
| Electronic Capital Planning & Investment Control (eCPIC) System | \$65 | \$57 | \$40 |
| Total | \$655,974 | \$652,467 | \$643,278 |

U.S. General Services Administration
PERMANENT BUDGET AUTHORITY
Fiscal Year FY 2017 Budget Request

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Transportation Audit Contracts and Contract Administration

Program Description

This permanent, indefinite appropriation provides for the detection and recovery of overpayments to carriers for government moves under rate and service agreements established by GSA or other Federal agency transportation managers. Program expenses are financed from overcharges collected from transportation service providers (TSPs) as a result of post-payment audits that examine the validity, propriety, and conformity of charges with the proper rate authority. Funds recovered in excess of expenses are returned to the U.S. Treasury. In FY 2015, the program returned \$1 million to the U.S. Treasury after covering operating costs of \$11 million.

Authorizing Legislation

The Expenses of Transportation Audit Contracts and Contract Administration appropriation is permanently authorized by 31 U.S.C. § 3726(e): “Sec. 3726. Payment for transportation (e) Expenses of transportation audit post payment contracts and contract administration, and the expenses of all other transportation audit and audit-related functions conferred upon the Administrator of General Services, shall be financed from overpayments collected from carriers on transportation bills paid by the Government and other similar type refunds, not to exceed collections. Payment to any contractor for audit services shall not exceed 50 percent of the overpayment identified by contract audit.”

FY 2016 Operating Plan and FY 2017 Budget Request

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

The FY 2017 budget request provides \$13,397 thousand for the Transportation Audits program. In FY 2016 and FY 2017, the Transportation Audits program will continue to focus on its pre-payment oversight and post-payment audits of government-wide transportation bills and recoveries of overcharges, in support of 31 U.S.C. 3726. The program office will oversee the implementation and performance of prepayment audits for transportation services procured around the world by Federal agencies; conduct post-payment audits of transportation bills; execute the collection of overcharges; validate overcharges via evidence, regulation, and background; adjudicate claims brought on by TSPs and Federal agencies as

needed; handle bankruptcies and litigation related to TSPs for Federal agencies; and act as an expert in court cases brought on in litigation, as needed.

U.S. General Services Administration
 Permanent Budget Authority

Obligations by Object Classification
 (Dollars in Thousands)

| | | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|-------------|--|-------------------|------------------|--------------------|
| 11.1 | Full-time, permanent..... | \$ 2,628 | \$ 3,092 | \$ 3,123 |
| 11.3 | Other than full-time permanent..... | \$ - | \$ - | \$ - |
| 11.5 | Other personnel compensation..... | \$ 23 | \$ 31 | \$ 31 |
| 12.1 | Civilian personnel benefits..... | \$ 625 | \$ 759 | \$ 766 |
| 21.0 | Travel and transportation of persons..... | \$ 11 | \$ 16 | \$ 16 |
| 22.0 | Transportation of things..... | \$ - | \$ - | \$ - |
| 23.1 | Rental payments to GSA..... | \$ - | \$ - | \$ - |
| 23.3 | Communications and utilities..... | \$ - | \$ - | \$ - |
| 24.0 | Printing and reproduction..... | \$ - | \$ - | \$ - |
| 25.1 | Advisory and assistance services | \$ 5,328 | \$ 5,905 | \$ 7,115 |
| 25.2 | Other services from non-Federal sources | \$ - | \$ 46 | \$ 47 |
| 25.3 | Other goods and services from Federal sources..... | \$ 2,305 | \$ 2,626 | \$ 2,288 |
| 25.4 | Operations & Maintenance of Facilities..... | \$ 11 | \$ - | \$ - |
| 26.0 | Supplies and materials..... | \$ 5 | \$ 12 | \$ 12 |
| 31.0 | Equipment..... | \$ - | \$ - | \$ - |
| 99.0 | Obligations, appropriated (annual)..... | \$ 10,936 | \$ 12,486 | \$ 13,397 |
| | <i>Subtotal, PC&B.....</i> | \$ 3,276 | \$ 3,881 | \$ 3,920 |
| | <i>Subtotal, Non-labor.....</i> | \$ 7,660 | \$ 8,605 | \$ 9,477 |

Amounts Available for Obligation

(Dollars in Thousands)

Special Fund Receipts:

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|---|--------------------|--------------------|--------------------|
| Balance, start of year..... | \$ 29,470 | \$ 29,101 | \$ 29,479 |
| Receipts..... | \$ 9,551 | \$ 11,426 | \$ 11,903 |
| Excess collections returned to Treasury | \$ (1,000) | \$ (500) | \$ (500) |
| Appropriation to the warranted fund..... | \$ (12,502) | \$ (13,397) | \$ (13,397) |
| Unobligated balance canceled from expenditure fund... | \$ 3,582 | \$ 2,849 | \$ 1,815 |
| Balance, end of year..... | \$ 29,101 | \$ 29,479 | \$ 29,300 |

Special Fund Expenditures:

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|---------------------------------------|-------------------|------------------|--------------------|
| Mandatory authority: | | | |
| Appropriation..... | \$ 12,502 | \$ 13,397 | \$ 13,397 |
| Sequestration..... | \$ (913) | \$ (911) | \$ - |
| Unobligated balance, end of year..... | \$ (653) | \$ - | \$ - |
| Total obligations..... | \$ 10,936 | \$ 12,486 | \$ 13,397 |
| <i>Net Outlays</i> | \$ 9,127 | \$ 10,421 | \$ 11,181 |

Acquisition Workforce Training Fund

Program Description

The Acquisition Workforce Training Fund (AWTF) is a permanent, indefinite appropriation providing a stable source of funds to train the Federal civilian acquisition workforce. The AWTF is financed through a credit of five percent of the fees collected from non-Department of Defense activities by the General Services Administration (GSA) and other civilian agencies that manage Government-wide Acquisition Contracts (GWACs), Multiple Award Schedules (MAS) contracts, and other multi-agency contracts. Receipts are available for expenditure in the fiscal year collected, as well as the two following fiscal years. The AWTF is managed by the Federal Acquisition Institute (FAI) at GSA, in consultation with the White House Office of Federal Procurement Policy and the FAI Board of Directors. FAI works closely with its Board of Directors, the Chief Acquisition Officers' Council, and various agencies and stakeholders to identify activities to fund from the AWTF. FAI supports professional development of the civilian agency acquisition workforce by ensuring availability of exceptional training, providing compelling research, promoting professionalism, and improving acquisition workforce management. The funds collected by the AWTF support FAI activities that fall into the following five categories:

- **Human Capital Initiatives**

Human Capital Initiative funding provides for government-wide human capital resource planning and management initiatives, supporting FAI in the collection, analysis, and reporting of acquisition workforce human capital data. Funds also support the development and execution of the FAI.gov website, which is used as the primary portal for outreach and communications to the acquisition workforce. The program collects data through human capital plan templates and other venues to enable agencies to make strategic data-driven decisions about their acquisition workforce and program operations. Specific examples of FAI Human Capital Initiatives include the development of Acquisition Human Capital Plan templates, the Acquisition Workforce Competency Survey, as well as FAI.gov, social media graphics and infrastructure design.

- **Operations and Logistics Support**

Operations and Logistics Support funding provides for the design, execution, and control of the business-planning and operations framework in executing the FAI mission and infrastructure. It includes all activities related to planning, organizing, or optimizing busi-

ness operations. This includes costs associated with the annual memorandum of understanding (MOU) between the AWTF and the Office of Government-wide Policy (OGP) for the support of 12 reimbursable FTE, FAI Training Application System (FAITAS) Customer Support Help Desk, and the FAI.gov Help Desk.

- **Curriculum Development**

Curriculum Development funding provides for development of instructional content, materials, and related assets to execute Federal Acquisition Certification programs. This funding has supported program and project management programs, Contracting Officer's Representatives activities, continuous learning curricula, and training courses such as Federal Contracting 101 – Contracting Basics.

- **Training Delivery**

Training Delivery funding provides for the execution of online and classroom training and learning programs and related delivery and development activities. To continue to meet the needs of the Federal acquisition workforce community, the Training Delivery program provides Acquisition Learning Seminars (ALS), FAITAS operations and maintenance, FAITAS enhancements, as well as online and classroom training courses.

- **Information Technology**

Information Technology funding provides for overarching IT operations, maintenance, and advancement activities. FAI.gov website hosting and the Disaster Recovery site are examples of the work supported by Information Technology funds.

Authorizing Legislation

The fund is authorized by 41 U.S.C. § 1703(i), as amended by Section 854 of Title VII of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181, January 28, 2008). The establishment and operation of FAI is authorized by 41 U.S.C. § 1201, as amended by Section 864 of Title VIII of the National Defense Authorization Act for Fiscal Year 2011 (Public Law 112-81, December 31, 2011).

FY 2016 Operating Plan and FY 2017 Budget Estimate

The FY 2017 budget request provides \$8,813 thousand in new collections for FAI programs. The Board of Directors has reviewed the FAI programs to identify where continued AWTF funding is most needed to effectively support FAI's mission and goals. The funds from the AWTF will largely be used to support FAITAS and FAI.gov to continue providing the most used and useful services to the civilian acquisition community.

Obligations by Object Classification

(Dollars in Thousands)

| | FY 2015 Estimate | FY 2016 Plan | FY 2017 Request |
|--|---------------------|------------------|--------------------|
| 25.1 Advisory and assistance services..... | \$ 879 | \$ 2,126 | \$ 2,083 |
| 25.2 Other services..... | \$ 2 | \$ - | \$ - |
| 25.3 Other goods & services from Federal sources | \$ 6,088 | \$ 7,874 | \$ 7,717 |
| 26.0 Supplies and materials..... | \$ 1 | \$ - | \$ - |
| 99.0 Total obligations..... | \$ 6,970 | \$ 10,000 | \$ 9,800 |

Amounts Available for Obligation

(Dollars in Thousands)

Special Fund Receipt

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|---|-------------------|-------------------|--------------------|
| Balance, start of year..... | \$ 4,015 | \$ 3,500 | \$ 3,500 |
| Receipts..... | \$ 8,608 | \$ 8,384 | \$ 8,813 |
| Appropriation to the expenditure fund..... | \$ (9,123) | \$ (8,384) | \$ (8,813) |
| Balance, end of year..... | \$ 3,500 | \$ 3,500 | \$ 3,500 |

Special Fund Expenditure

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|--|-------------------|------------------|--------------------|
| Unobligated balance, start of year..... | \$ 12,469 | \$ 14,623 | \$ 13,007 |
| Recovery of prior-year obligations..... | \$ - | \$ - | \$ - |
| Mandatory authority: | | | |
| Appropriation..... | \$ 9,123 | \$ 8,384 | \$ 8,813 |
| Unobligated balance, expiring..... | \$ 1 | \$ - | \$ - |
| Total Obligations..... | \$ (6,970) | \$ (10,000) | \$ (9,800) |
| Unobligated balance, end of year..... | \$ 14,623 | \$ 13,007 | \$ 12,020 |
| <i>Net Outlays</i> | \$ 8,759 | \$ 10,297 | \$ 9,882 |

Expenses, Disposal of Surplus Real and Related Personal Property

Program Description

This mandatory appropriation provides for the efficient disposal of real property assets that no longer meet the needs of landholding Federal agencies. Fees of auctioneers, brokers, appraisers, and environmental consultants; surveying costs; costs of advertising; costs of environmental and historical preservation services; highest and best use of property studies; property utilization studies; deed compliance inspections; and other disposal costs are paid out of receipts from disposals in each year. GSA leverages the expertise of auctioneers and brokers familiar with local markets to accelerate the disposal of surplus real property.

Authorizing Legislation

The Expenses, Disposal of Surplus Real and Related Personal Property appropriation is permanently authorized by 40 U.S.C. § 572(a). The appropriation is authorized to pay expenses directly, or to reimburse another account for expenses already paid. The total amount paid and reimbursed in a fiscal year may not exceed 12 percent of the receipts available in GSA receipt account 5254.2. Proceeds from disposal of Federal real property are deposited into account 5254.2, and funds deemed in excess of the Real Property Disposal program's long-term requirements must be transferred to the Land & Water Conservation Fund.

The types of expenses that may be paid or reimbursed are limited to specific, enumerated expenditures:

- (i) Fees of appraisers, auctioneers, and realty brokers, in accordance with the scale customarily paid in similar commercial transactions.
- (ii) Costs of environmental and historic preservation services, highest and best use of property studies, utilization of property studies, deed compliance inspections, targeted asset reviews, and the expenses incurred in approved relocations.
- (iii) Advertising and surveying.

GSA proposes a provision in the FY 2017 budget that will allow the Real Property Disposal program to assist agencies in identifying, preparing, and divesting real property prior to the agency declaring a property excess. Currently, agencies do not always complete these types of activities because agencies must fund these activities from their limited resources. This provision will reduce the Federal footprint by providing the funding required to assess and

prepare potential excess properties for disposal. For further detail, please refer to page AP-5 of the Administrative Provisions Congressional Justification.

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

FY 2016 Operating Plan and FY 2017 Budget Estimate

The FY 2017 budget request provides \$9,056 thousand for the Real Property Disposal program. Obligations are based on properties planned for disposal in each year. Financing is provided through receipts from sales of surplus property and out-leasing of government-owned space.

Obligations by Object Classification
(Dollars in Thousands)

| | | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|-------------|--|-------------------|-----------------|--------------------|
| 21.0 | Travel and transportation..... | \$ - | \$ - | \$ 122 |
| 24.0 | Printing and reproduction..... | \$ 17 | \$ 25 | \$ 57 |
| 25.1 | Advisory and assistance services..... | \$ 812 | \$ 8,157 | \$ 8,201 |
| 25.2 | Other services from non-Federal sources..... | \$ 182 | \$ 100 | \$ 119 |
| 25.3 | Other goods & services from Federal sources..... | \$ - | \$ 150 | \$ 547 |
| 25.7 | Operation and maintenance of equipment..... | \$ 8 | \$ - | \$ 10 |
| 99.9 | Total obligations..... | \$ 1,019 | \$ 8,432 | \$ 9,056 |

U.S. General Services Administration
 Permanent Budget Authority

Amounts Available for Obligation

(Dollars in Thousands)

Special Fund Receipts

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|---|-------------------|-------------------|--------------------|
| Balance, start of year..... | \$ 83,166 | \$ 71,795 | \$ 72,410 |
| Receipts, real property disposal..... | \$ 1,274 | \$ 12,000 | \$ 15,000 |
| Receipts, outleasing..... | \$ - | \$ 3,000 | \$ 3,000 |
| Net receipts..... | \$ 1,274 | \$ 15,000 | \$ 18,000 |
| Appropriation to the expenditure fund..... | \$ (1,883) | \$ (9,047) | \$ (9,056) |
| Sequestration..... | \$ 683 | \$ 615 | |
| Total budgetary resources..... | \$ (1,200) | \$ (8,432) | \$ (9,056) |
| Transfer to Land and Water Fund, DOI..... | \$ (11,445) | \$ (5,953) | \$ (5,944) |
| Unobligated balance, transferred in from Special Fund | \$ 683 | \$ 615 | \$ - |
| Balance, end of year..... | \$ 71,795 | \$ 72,410 | \$ 75,410 |

Special Fund Expenditures

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|----------------------------------|-------------------|-----------------|--------------------|
| Mandatory authority | | | |
| Appropriation..... | \$ 1,883 | \$ 9,047 | \$ 9,056 |
| Unobligated balance, sequestered | \$ (683) | \$ (615) | \$ - |
| Unobligated balance..... | \$ 181 | \$ - | \$ - |
| Total obligations..... | \$ 1,019 | \$ 8,432 | \$ 9,056 |
| <i>Net Outlays</i> | \$ 345 | \$ 8,432 | \$ 9,056 |

Note: By statute, any receipts in excess of the long-term requirements of the Fund must be transferred out of the Fund and deposited into the Land and Water Conservation Fund of the Department of the Interior (DOI).

Obligations by Program Activity

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Plan | FY 2017 Request |
|--|-------------------|-----------------|--------------------|
| 1. Utilization and Disposal - Real Property | | | |
| a. Appraisers, auctioneers, brokers fees, surveying | \$ 346 | \$ 1,274 | \$ 2,169 |
| b. Advertising | \$ 350 | \$ 468 | \$ 1,186 |
| c. Environmental Services | \$ 27 | \$ 982 | \$ 1,143 |
| d. Historical Preservation Services | \$ - | \$ 1,293 | \$ 884 |
| e. Highest and best use of property studies, utilization of property studies, Targeted Asset Reviews (TARS), deed compliance inspections | \$ 296 | \$ 1,900 | \$ 1,932 |
| f. Expenses incurred in a Relocation | \$ - | \$ 2,000 | \$ 800 |
| g. Personnel compensation | \$ - | \$ - | \$ - |
| h. Personnel benefits | \$ - | \$ - | \$ - |
| i. Administrative support | \$ - | \$ - | \$ 305 |
| j. Travel expenses | \$ - | \$ - | \$ 122 |
| Subtotal, Utilization and Disposal of Real Property..... | \$ 1,019 | \$ 7,917 | \$ 8,541 |
| 2. Outleasing of Government-owned Space | | | |
| a. Appraisers, auctioneers, brokers fees, surveying | \$ - | \$ 500 | \$ 500 |
| b. Advertising | \$ - | \$ 15 | \$ 15 |
| Subtotal, Outleasing..... | \$ - | \$ 515 | \$ 515 |
| Total obligations..... | \$ 1,019 | \$ 8,432 | \$ 9,056 |

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U.S. General Services Administration
EXPENSES, PRESIDENTIAL TRANSITION

Fiscal Year 2017 Budget Request

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Appropriations Language

For necessary expenses to carry out the Presidential Transition Act of 1963, as amended, \$9,500,000, of which not to exceed \$1,000,000 is for activities authorized by subsections 3(a)(8) and 3(a)(9) of the Act: Provided, That such amounts may be transferred and credited to the "Acquisition Services Fund" or "Federal Buildings Fund" to reimburse obligations incurred prior to enactment of this Act for the purposes provided herein related to the Presidential election in 2016: Provided further, That amounts available under this heading shall be in addition to any other amounts available for such purposes.

Analysis of Language Provisions

| Language Provision | Explanation |
|--|--|
| For expenses necessary to carry out the Presidential Transition Act of 1963, as amended, ... | The Presidential Transition Act of 1963, as amended, is codified as 3 U.S.C. 102; section (2) declares the purpose of Act: "to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President." |
| ... of which not to exceed \$1,000,000 is for activities authorized by subsections 3(a)(8) and (9) of the Act. | This provision provides up to \$1,000,000 to reimburse Federal agencies for costs incurred to provide key prospective appointees of the President-elect with briefings and orientations to prepare them to assume the responsibility of governance after inauguration (as authorized by subsection 3(a)(8)); and to prepare the transition directory, a compilation of Federal publications and materials, including information on the organization, missions, and duties of each department and agency (subsection 3(a)(9)). |

| | |
|--|--|
| <p>Provided, That such amounts may be transferred to "Acquisition Services Fund" or "Federal Buildings Fund" to reimburse obligations incurred prior to enactment of this act for the purposes provided herein related to the Presidential election in 2016.</p> | <p>This provision would allow for the reimbursement of previously incurred obligations in support of GSA's post-election support for the Presidential Transition. In order to be properly prepared for the transition, GSA must begin work before this appropriation will most likely be made available.</p> |
|--|--|

Program Description

This appropriation provides for an orderly transfer of Executive leadership in accordance with the Presidential Transition Act of 1963, as amended. These expenses include costs of \$1,000,000 provided for briefing personnel associated with the incoming administration. New appropriations are generally requested only in Presidential election years.

Explanation of Changes

(Dollars in Thousands)

| | Budget Authority |
|------------------------|------------------|
| 2016 Enacted..... | \$ - |
| 2017 Request..... | \$ 9,500 |
| Net Change..... | \$ 9,500 |

Summary of the Request

The FY 2017 budget requests \$9,500 thousand to provide for the orderly transfer of executive leadership in connection with the expiration of the term of office of the President and the inauguration of a new President. The appropriate transition funds become available to the incoming Administration beginning the day following the general election and ending 30 days following the inauguration. Funds are available for expenses of the outgoing President and Vice President from 30 days before and until six months after their term of office expires.

Incoming Administration

\$6,000 thousand is for the orderly transfer of Executive leadership in connection with the expiration of the term of office of the President and the inauguration of a new President. This is a separate request from the FY 2016 appropriation for Pre-Election Services for the Presidential Transition. These funds may be used to provide suitable office space for transition activities, provide compensation to transition office staffs, acquire communications services, provide allowances for travel and subsistence, and for printing and postage costs associated with the transition.

The funding for compensation to transition office staff, allowances for travel and subsistence, and for printing and postage costs associated with the transition will become available to the incoming Administration following the day of the general election and ending 30 days following the inauguration. The FY 2017 request for these activities is the cumulative effect of using the methodology established in the Presidential Transition Act and applying annual inflationary adjustments.

Outgoing Administration

The requested level provides \$2,500 thousand for the outgoing Administration. Funding will support the expenses of the outgoing President and Vice President from 30 days before and 6 months after their terms of office expire.

The FY 2017 request for the outgoing Administration is cumulative effect of using the methodology established in the Presidential Transition Act and applying annual inflationary

adjustments. These funds may be used to provide suitable office space for transition activities, provide compensation to transition office staff, acquire communication services, provide allowances for travel and subsistence, and for printing and postage costs associated with the transition.

Agency Briefings

In addition, \$1,000 thousand is requested to reimburse Federal agencies for costs related to briefings, workshops, training and orientation for key prospective Presidential appointees. These funds are authorized in the Presidential Transition Act of 2000, Public Law 106-293, signed October 12, 2000, to be appropriated as may be necessary. These funds become available to the incoming Administration from the day following the general election to 30 days after the inauguration.

U.S. General Services Administration
Expenses, Presidential Transition

Appropriations History

(Dollars in Thousands)

| | FY 2009 Actual | FY 2013 Actual | FY 2017 Request |
|--------------------------------------|-------------------|-------------------|--------------------|
| Discretionary Authority: | | | |
| Annual Appropriation..... | \$ 8,250 | \$ 8,947 | \$ 9,500 |
| Annual Appropriation, Rescinded..... | \$ - | \$ (8,947) | \$ - |
| Obligations..... | \$ 8,104 | \$ - | \$ 9,500 |
| <i>Outlays:</i> | <i>\$ 7,826</i> | <i>\$ -</i> | <i>\$ 9,500</i> |

The appropriation enacted in FY 2013 was rescinded as there was no change in administration following the election.

Obligations by Program

(Dollars in Thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Request |
|----------------------------------|-------------------|--------------------|--------------------|
| 1. Incoming Administration..... | \$ - | \$ - | \$ 6,000 |
| 2. Outgoing Administration..... | \$ - | \$ - | \$ 2,500 |
| 3. Agency Briefings..... | \$ - | \$ - | \$ 1,000 |
| Total, Appropriation..... | \$ - | \$ - | \$ 9,500 |

Obligations by Object Class
(Dollars in Thousands)

| | FY 2015 | FY 2016 | FY 2017 |
|---|-------------|-------------|-----------------|
| | Actual | Enacted | Request |
| 11.8 Special personnel services payments..... | \$ - | \$ - | \$ 5,125 |
| 21.0 Travel and transportation of persons..... | \$ - | \$ - | \$ 1,125 |
| 23.3 Communications and utilities..... | \$ - | \$ - | \$ 1,300 |
| 24.0 Printing and reproduction..... | \$ - | \$ - | \$ 150 |
| 25.1 Advisory and assistance services..... | \$ - | \$ - | \$ 1,500 |
| 26.0 Supplies and materials..... | \$ - | \$ - | \$ 300 |
| 99.0 Obligations, Appropriated (Annual)..... | \$ - | \$ - | \$ 9,500 |
| <i>Subtotal, PC&B.....</i> | <i>\$ -</i> | <i>\$ -</i> | <i>\$ 5,125</i> |
| <i>Subtotal, Non-labor.....</i> | <i>\$ -</i> | <i>\$ -</i> | <i>\$ 4,375</i> |

Authorizing Legislation

Subsection 6(a) of the Presidential Transition Act of 1963, as amended, authorizes appropriations in a fixed amount; however, subsection 6(b) allows for inflationary adjustments.

- (a) There are hereby authorized to be appropriated to the Administrator such funds as may be necessary for carrying out the purposes of this Act, except that with respect to any one Presidential transition -
 - (1) not more than \$3,500,000 may be appropriated for the purposes of providing services and facilities to the President-elect and Vice President-elect under section 3, and
 - (2) not more than \$1,500,000 may be appropriated for the purposes of providing services and facilities to the former President and former Vice President under section 4, except that any amount appropriated pursuant to this paragraph in excess of \$1,250,000 shall be returned to the general fund of the Treasury in the case where the former Vice President is the incumbent President.

The President shall include in the budget transmitted to Congress, for each fiscal year in which his regular term of office will expire, a proposed appropriation for carrying out the purposes of this Act.

- (b) The amounts authorized to be appropriated under subsection (a) shall be increased by an inflation adjusted amount, based on increases in the cost of transition services and expenses which have occurred in the years following the most recent Presidential transition, and shall be included in the proposed appropriation transmitted by the President under the last sentence of subsection

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

| Administrative Provisions [delete] <i>insert</i> | Explanation |
|--|---|
| <p>Sec. 510. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.</p> | <p>This provision authorizes GSA to use funds for the hire of passenger motor vehicles. GSA requests that this provision be retained.</p> |
| <p>Sec. 511. Funds in the Federal Buildings Fund made available for fiscal year [2016] 2017 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: Provided, That any proposed transfers shall be [approved] <i>submitted</i> in advance [by] <i>to</i> the Committees on Appropriations of the House of Representatives and the Senate.</p> | <p>This provision authorizes GSA to transfer funds within the Federal Buildings Fund to meet program requirements. GSA requests to retain this provision with modification. The first requested change would update the GSA reprogramming authority for the fiscal year of the request. GSA also requests authority to make necessary reprogrammings, subject to the notification of the Committees on Appropriations rather than seeking their advance approval. This change will allow GSA to adjust for changes in requirements in a more timely and responsive manner.</p> |
| <p>Sec. 512. Except as otherwise provided in this title, [funds made available by this Act shall be used to transmit] a fiscal year [2017] 2018 request for United States Courthouse construction [only if the request] <i>transmitted using funds made available by this Act should</i>: (1) [meets] <i>meet</i> the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; (2) [reflects] <i>reflect</i> the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan; and (3) [includes] <i>include</i> a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.</p> | <p>This provision requires that the fiscal year 2018 budget request meet certain standards. GSA requests to retain this provision with modification. This provision has been modified to update the fiscal year and revise the language to apply to advance appropriations for fiscal year 2018.</p> |

U.S. General Services Administration
Administrative Provisions

| Administrative Provisions [delete] insert | Explanation |
|--|---|
| <p>Sec. 513. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in consideration of the Public Buildings Amendments Act of 1972 (Public Law 92-313).</p> | <p>This provision provides that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate. GSA requests that this provision be retained.</p> |
| <p>Sec. 514. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations of the House of Representatives and the Senate.</p> | <p>This provision continues the provision that permits GSA to pay small claims less than \$250,000 made against the Government. GSA requests that this provision be retained.</p> |

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

| Administrative Provisions [delete] <i>insert</i> | Explanation |
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| <p>[Sec. 515. In any case in which the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate adopt a resolution granting lease authority pursuant to a prospectus transmitted to Congress by the Administrator of the General Services Administration under 40 U.S.C. 3307, the Administrator shall ensure that the delineated area of procurement is identical to the delineated area included in the prospectus for all lease agreements, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to each of such committees and the Committees on Appropriations of the House of Representatives and the Senate prior to exercising any lease authority provided in the resolution.]</p> | <p>This provision grants GSA lease authority pursuant to a prospectus transmitted to Congress by the Administrator of the General Services Administration under 40 U.S.C. 3307. GSA requests that this provision be removed.</p> |

| Administrative Provisions [delete] insert | Explanation |
|--|---|
| <p>Sec. [516]515. With respect to [each project funded under the heading “Major Repairs and Alterations” or Judiciary Capital Security Program”]the Federal Buildings Fund construction and acquisition and major repair and alteration programs, and with respect to E-Government projects funded under the heading “Federal Citizen Services Fund”, the Administrator of General Services shall submit a spending plan and explanation for each project to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate [not later than 60 days after the date of enactment of this Act] within 15 days prior to any obligation or change in the use of funds.</p> | <p>This provision requires GSA to submit spend plans for certain programs. GSA requests to retain this provision with modification.</p> <p>These changes are necessary to ensure the spend plan requirements properly cover both the FY 2017 request for all programs that have traditionally required a spend plan and also cover the FY 2018 advance appropriations request for the Federal Buildings Fund.</p> <p>The first modification requires a spend plan for all construction and acquisition and major repair and alterations projects. As the FY 2018 advance appropriation request does not provide any line item projects, this spend plan requirement will ensure that GSA properly notifies Congress of the intended uses of the capital portion of the FY 2018 advance appropriation.</p> <p>The second modification ensures that GSA will not need to submit a spend plan for the FY 2018 advance appropriations capital projects within 30 days of enactment of the FY 2017 appropriations bill.</p> |
| <p>[Sec. 517 With respect to each project funded under the heading of “new construction projects of the Federal Judiciary”, the General Services Administration, in consultation with the Administrative Office of the United States Courts, shall submit a spending plan and description for each project to be undertaken to the Committees on Appropriation of the House of Representatives and the Senate not later than 120 days after the date of enactment of this Act.]</p> | <p>This provision requires a spend plan for projects funded in FY 2016 for the Federal Judiciary. GSA is not requesting lump sum funding for construction projects of the Federal Judiciary in FY 2017 so this provision is not necessary. GSA requests that this provision be removed.</p> |

U.S. General Services Administration
 General and Administrative Provisions

| Administrative Provisions [delete] insert | Explanation |
|---|--|
| <p>[Sec. 518 With respect to each project funded under the heading of “joint United States courthouse and Federal buildings, including U.S. Post Offices”, the General Services Administration shall submit a spending plan and explanation for the projects to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after the date of enactment of this Act.]</p> | <p>This provision requires a spend plan for projects funded in FY 2016 for the joint U.S. Courthouses and Federal Buildings. GSA is not requesting lump sum funding for construction of joint U.S. Courthouses and Federal Buildings in FY 2017 so this provision is not necessary. GSA requests that this provision be removed.</p> |
| <p><i>Sec. 516. Notwithstanding limitations contained in section 572(a) of title 40, United States Code, the Administrator of General Services is authorized to use the fund established in section 572 to assist agencies in identifying, preparing, and divesting real property, to include costs related to identifying and preparing real property to be divested, and costs related to assisting agencies with the identification, preparation and divestiture of real property, and the Administrator is authorized to be reimbursed for such costs from the proceeds of the sale of such properties.</i></p> | <p>GSA requests that this provision be added in order to align the activities funded through the Expenses, Disposal permanent authority with the activities necessary to assist agencies with disposing of unneeded real property. This provision will allow the GSA to assist agencies in identifying, preparing and divesting real property prior to the agency declaring a property excess. Currently, agencies do not always complete these types of activities because agencies must fund the activities from their limited resources. This provision will reduce the federal footprint by providing the funding required to assess and prepare potential excess properties for disposal. Funds expended under this expanded authorization will be reimbursed from the proceeds of sale.</p> |
| <p><i>Sec 517. Notwithstanding geographic limitations contained in section 6701 of title 40, United States Code, the Administrator of General Services is authorized to obligate and expend money transferred to it from the Pennsylvania Avenue Development Corporation, or income earned on transferred Corporation properties, for any real property management and related activities within the area contained in section 6711 of title 40, United States Code.</i></p> | <p>GSA requests that this provision be added to expand the available purposes of income received from properties transferred to PBS from the Pennsylvania Avenue Development Corporation to include any property within the delineated area of the development area defined in 40 U.S.C. 6711.</p> |

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U.S. General Services Administration
MANAGEMENT CHALLENGES and GSA ACTIONS
Fiscal Year 2017 Budget Request
CONTENTS

Management Challenges and GSA Actions 2

Management Challenges and GSA Actions

This table summarizes the management challenges listed by the GSA Inspector General and initially reported in GSA’s FY 2015 Annual Financial Report on November 10, 2015. In all cases, GSA’s budget addresses each management challenge by providing the necessary funding for the office charged with addressing the challenge.

| Acquisition Programs | |
|---|---|
| Management Challenge | GSA Actions |
| <p>GSA continues to face challenges within the GSA Schedules Program.</p> | <p><u>Pricing</u></p> <p>GSA is committed to ensuring that the MAS program delivers the best possible value in Government acquisition. As noted by the report, several Agencies have expressed concern with price variability within the MAS program. GSA recognizes that the current vertical price analysis model for commodities has led to pockets of suboptimal price variability across suppliers and in response, and has already implemented horizontal price pressure through part number standardization and data-driven analysis of both catalog and transaction pricing to ensure highly competitive pricing is obtained across all MAS contractors. Additional future efforts include launching a fully integrated horizontal price comparison tool to assist Contracting Officers in the determination of fair and reasonable pricing which will lead to less variability and lower MAS pricing.</p> <p><u>Proposed General Services Acquisition Regulation (GSAR) Rule on Transactional Data Reporting</u></p> <p>GSA issued a proposed GSAR rule in the Federal Register on March 4, 2015 to require transactional data reporting for the MAS and other GSA government-wide acquisition vehicles. The proposed rule outlines numerous benefits in obtaining transactional data in terms of implementing smarter buying strategies in support of category management, strengthening pricing, achieving administrative savings, reducing barriers to small business participation, standardization of contract terms, and increasing transparency into purchasing on GSA acquisition vehicle programs. In addition, on April 17, 2015, GSA held a public meeting to allow any interested party to present their viewpoints on the proposed rule and for affected parties to ask questions of GSA and the presenters. Consistent with the rulemaking process, GSA is evaluating all comments received from interested parties and assessing the next steps to take in the rule-making process.</p> <p><u>Contractor Compliance</u></p> <p>GSA has implemented a new contractor assessment model. Industrial Operations Analysts currently conducts contract assessments every year for all contractors who have sales of at least \$150k in the previous four reporting quarters to review sales tracking systems and compliance with contract terms and conditions. The new</p> |

model is driven by prior findings, dollar value of sales, programmatic issues, and repeat issues identified by the Procurement Contracting Officer (PCO). Particular attention will be paid to sales tracking and reporting, pricing overcharges to customers, and proper application of the prompt payment discount. All contracts, independent of risk, will receive a contract assessment by the end of each option period. PCO requested visits are always honored.

Contract Workload Management

GSA agrees with the OIG's assessment of the challenge of administering a large number of Schedule contracts. GSA believes that we can alleviate contract workload by looking at ways to streamline the acquisition process and automate additional business processes.

Hiring, Development, and Retention of the Contracting Officer Workforce

The Management Challenges correctly identifies some of the issues the Senior Procurement Executive has raised, regarding the state of the overall GSA acquisition workforce. The Office of Acquisition Policy has initiated an Acquisition Professional Development Program to include the following elements:

- Promote targeted recruitment at colleges and universities with acquisition programs
- Establish a new employee Acquisition Orientation to provide new acquisition employees with a consistent overview of the acquisition environment at GSA
- Launch a three-year cohort program for entry level GS-1102s to include rotational development opportunities
- Update staffing plans to reflect business needs to address workload balancing
- Establish rotations for mid and senior level GS-1102 for professional development
- Hold seminars for GSA staff to support their continued professional development.

Proposed Changes to the GSAR Transactional Data Rule

Please see previous response.

Order Level Materials

The FAR Council opened FAR Case 2015-023 to clarify the authority to acquire order level materials when placing a task order or establishing a blanket purchase agreement against a Federal Supply Schedule contract. The team draft report, which will contribute to a draft rule, is expected in November 2015.

GSAR Rewrite

On December 28, 2012 GSA published a notice in the Federal Register withdrawing the rewrite of GSAR part 538. GSA has initiated a series of GSAR cases to update

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Management Challenges and GSA Actions*

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| | part 538 to support the modernization of the MAS program. |
| GSA faces challenges as it moves toward transactional data reporting. | As cited above, GSA issued a proposed GSAR rule in the Federal Register on March 4, 2015 to require transactional data reporting for the MAS and other GSA government-wide acquisition vehicles. The proposed rule outlines numerous benefits in obtaining transactional data in terms of implementing smarter buying strategies in support of category management, strengthening pricing, achieving administrative savings, reducing barriers to small business participation, standardization of contract terms, and increasing transparency into purchasing on GSA acquisition vehicle programs. In addition, on April 17, 2015, GSA held a public meeting to allow any interested party to present their viewpoints on the proposed rule and for affected parties to ask questions of GSA and the presenters. |
| FAS is challenged to develop its acquisition personnel to award, administer, and manage the One Acquisition Solution for Integrated Services contracts (OASIS). | <p>As part of FAS's commitment to category management, responsibility for the OASIS contracts and program have been transferred to Region 10 in support of FAS's work to establish its Professional Services Category. This allows for resources matrixed across multiple professional services contracts to be leveraged, ensuring adequate and effective resource utilization. The OASIS Program is fully staffed in accordance with an approved plan. Currently, dedicated OASIS contracting personnel have awarded over 400 contracts, successfully resolved multiple protests, and have trained approximately 2,000 federal acquisition professionals on the appropriate use of the contracts.</p> <p>The value to customers provided by the OASIS program is exemplified by a Memorandum of Understanding signed between GSA and the US Air Force, Department of the Army, and Department of Homeland Security making OASIS and OASIS Small Business preferred vehicles for requirements within scope of those contracts. These agencies have recognized the value of the OASIS contract and chose to build upon its foundation rather than duplicate it through their own contract vehicles.</p> |
| GSA continues to face challenges to meet the government's evolving needs for telecommunication and integrated technology infrastructure solutions. | <p>GSA agrees with the management challenges presented by the OIG regarding timely transition to the Enterprise Infrastructure Solutions (EIS) contract. The agency is implementing a transition strategy that capitalizes on lessons learned from the previous transition, as outlined in the December 2013 GAO audit report. As part of that strategy, FAS leadership initiated executive-level customer outreach by meeting with Agency Chief Information Officers. FAS will continue to coordinate planning and implementation activities and discuss transition initiatives in FY 2016 with a newly developed interagency Infrastructure Advisory Group, the OMB, and the U.S. Congress.</p> <p>With the October 16, 2015, issuance of the EIS Request for Proposals (RFP), GSA expects agency customers to develop transition plans within one year in order to meet the transition timeline. Customers must also name a senior transition sponsor, transition manager, lead Contracting Officer, and validate inventory data. GSA is</p> |

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| | <p>negotiating contract extensions for Networx, WITS3, and regional Local Support Contracts to ensure expiration dates coincide with the transition timeline. To aid with transition activities, FAS is providing assistance for agencies to validate their telecommunications service inventories. FAS will offer contractor support to customer agencies to ensure they have the resources to prepare for and implement a successful transition to EIS. While GSA will support customers as they transition, agencies are ultimately responsible for moving their services to the new solution.</p> <p>While GSA has begun transition planning, agencies cannot initiate actual transition orders until EIS is awarded. Therefore, there are risks associated with any delays in awarding EIS which narrows the window for transitions. GSA has to balance the need for a timely award with achieving the appropriate terms, conditions, and price points that meet government requirements. In order to define a standard service that industry can deliver in an effective way, GSA conducted extensive outreach and coordination with industry prior to release of the RFP, including releasing a full draft RFP in February 2015, conducting three industry days, posting frequent material to a collaborative website, and holding over 60 additional one-on-one meetings with industry.</p> |
| GSA's Real Property Operations | |
| Management Challenge | Management Challenge |
| <p>GSA needs to develop a portfolio strategy to meet OMB's "Reduce the Footprint" initiative.</p> | <p>GSA committed to reviewing its portfolio strategies in response to the U.S Government Accountability Office (GAO) report entitled, GSA Needs to Determine Its Progress toward Long-Term Sustainability of its Portfolio (GAO-15-609). GSA's portfolio strategy is predicated upon the financial performance of assets as stated under portfolio restructuring. GSA will re-examine current portfolio metrics for the end of FY 2016 reporting by consulting with industry leaders to glean applicable best practices to further strengthen its asset management approach. This approach will address portfolio sustainability as well as agency mission need, which is a key component of the Reduce the Footprint initiative.</p> <p>GSA has completed review of the Real Property Efficiency Plan and space design standard for office space submitted by the 24 CFO Act agencies, focusing on alignment with known GSA asset, lease and customer engagement strategies. GSA has provided feedback to the agencies to suggest areas where the agency may have consolidation, co-location or disposal opportunities in addition to what the agencies had outlined in their plans. Furthermore, GSA has already taken action to directly assist agencies in reducing their footprint through funding assistance of consolidation projects and better use of existing assets. For instance, using \$70 million provided in FY 2014 for consolidation activities, GSA is executing 17 projects that will save Federal agencies \$16 million in rent payments annually, reduce the Federal footprint by 492,000 square feet, and reduce the Government's leasing costs by \$38 million.</p> <p>Additionally, GSA has taken opportunities to reduce</p> |

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| | <p>space when high-value leases expire, providing long-term savings to taxpayers. In the Agency's FY 2014 prospectus-level lease program, GSA and partner Federal agencies have reduced overall space needs by approximately 13 percent, from a current requirement of 4.3 million square feet to a proposed 3.7 million square feet. As outlined in GSA's own Real Property Efficiency Plan, GSA set targets to reduce its own occupied space by more than 500,000 USF (or 10 percent) between FY 2016 and FY 2020. GSA exceeded its Freeze the Footprint (FTF) goal and reduced its footprint by 23 percent of the FTF 2012 baseline (based on preliminary FY15 Federal Real Property Profile data). GSA plans to continue reducing its footprint by utilizing the same successful workplace strategies including right-sizing, desk-sharing, a continued emphasis on enabling and supporting mobile work, and a shift from traditional office space to more flexible, open-plan environments. GSA also will strive to limit all new GSA occupied projects to 136 USF/person, per its new agency space design policy.</p> <p>GSA will continue to serve customer mission needs while exploring co-location and consolidation opportunities. GSA will produce metrics that better help identify these opportunities and assist in portfolio re-investment strategies that serve the long term viability of the Federal Buildings Fund.</p> |
| <p>GSA faces significant challenges from the risks related to large-scale exchanges of real property.</p> | <p>GSA acknowledges the risks and challenges associated with pursuing large-scale exchange projects. GSA has developed and began implementing mitigation strategies to avoid and lower the impact of these risks.</p> <p>To counter the risks associated with exchanges, GSA created a Program Management Office (PMO) comprising nationwide experts in their respective fields of acquisition, real estate asset management, design and construction, and property disposal. These experts were chosen due to their experience in successfully completing complicated real estate projects. The PMO will guide project teams through cost-benefit analyses and project development.</p> <p>According to PBS Policy 4065.1 Procedural Guidance for Section 412 Exchanges for In-Kind Consideration, potential exchange projects must successfully pass strict scrutiny which includes both net present value and highest and best use analyses. During project development, GSA requires a professional, third-party Fair Market Value (FMV) appraisal to be conducted. GSA crafts the requirements of the in-kind consideration to be as close in value as possible to the FMV appraisal.</p> <p>Prior to the execution of an exchange agreement, negotiations between GSA and the exchange partner take place that encompass both the value of the exchange parcel as well as the estimated total construction cost of the in-kind consideration. GSA will not enter into any contractual agreement that would expose the agency to an Antideficiency Act violation. In addition, GSA will ensure that all funds expended on such projects are obligated in full compliance with the</p> |

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| | <p>agency's policies and Federal law.</p> <p>GSA recognizes and understands the inherent risks in executing exchange projects.</p> <p>GSA has taken steps to reduce the impact of these risks and will only pursue exchange projects that meet the needs of stakeholders and are the best value to the taxpayer.</p> |
| <p>Challenges persist to safeguard federal infrastructure and provide a secure work environment for federal employees and contractors.</p> | <p>GSA is committed to reviewing the performance challenges in regards to safeguarding Federal infrastructure. The comprehensive remarks below outline future strategies being implemented by GSA to address the Office of Inspector General concerns related to building security.</p> <p>In response to the recent GAO report highlighting building security concerns, GSA maintains that it is working to improve its operations related to building security for Federal employees, contractors, and visitors. GSA is in the early stages of developing a video content analysis initiative, in partnership with DHS Science and Technology, to enhance external building security through object detection and recognition and monitoring of street activity. Additionally, GSA is taking action to identify possible security weaknesses with concession vendors and outleases. GSA is strengthening vendor compliance with the security-related terms and conditions of contracts to ensure all contractor employees accessing GSA facilities have the proper security clearances prior to site access and that background check information is shared with and retained by contract and project management staff. GSA has conducted initiatives to ensure that the Chief Security Office and PBS are coordinated around the security clearance process. The Office of Mission Assurance has conducted training for contractors and other outreaches across the regions. In addition, the Office of Mission Assurance continues to conduct monthly calls with PBS stakeholders as part of ongoing working group to discuss this process. GSA has also developed and is implementing a new policy to examine existing and review all new building occupancies to ensure that potentially problematic functions like laboratories or explosives storage are managed to ensure that any co-location is safe for all tenants. This work is underway and will continue.</p> |
| Financial Operations | |
| Management Challenge | GSA Actions |
| <p>GSA's transition of its Financial Management Line of Business (FMLOB) is a complex undertaking.</p> | <p>GSA transferred our FMLOB to the USDA at the direction of OMB Memo M-13-08, Improving Financial Services Through Shared Services and the guidance to agencies to move to shared services models in the federal government. The agency expects this migration to result in long-term savings and cost avoidance, and recognizes that there are short-term challenges and complexities associated with realizing those gains. In fact, GSA is acutely aware of the challenges associated with shared service transitions, having been a longstanding provider.</p> <p>The selection of USDA as the shared service provider</p> |

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

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| | <p>was in part based on reducing the risk in daily financial operations. USDA was willing and able to accept our existing core financial management systems, which reduced the inherent risks associated with moving to a shared service provider. GSA and USDA are cooperatively managing the relationship with regular governance meetings and a service level agreement that includes monthly performance metrics. A senior position was created in the Office of Financial Management to monitor USDA's performance, guide the transition of services, and escalate and troubleshoot issues as they arise.</p> <p>In FY 2016, GSA and USDA will continue to identify efficiencies and enhance the user controls GSA has over financial activities performed at USDA. We realize that our overall level of success will significantly increase if USDA services additional agencies and GSA will continue to support USDA's efforts to add new agencies.</p> |
| <p>GSA continues to face challenges with the effectiveness of its internal control over financial reporting.</p> | <p>In FY 2015, GSA implemented an improved internal control framework to address challenges with the effectiveness of financial reporting controls. This framework included:</p> <ul style="list-style-type: none"> • Increasing senior leadership focus on internal controls across the entire GSA enterprise, • Analyzing financial audit findings to accurately identify the root cause of the material weakness and significant deficiencies, • Reorganizing OCFO's regional financial services to promote greater operational efficiency and standardization, and • Developing corrective action plans to address the root causes of each finding. <p>GSA has made significant progress against the referenced internal control challenges by modifying its approach to audit remediation and elevating the development and execution of Corrective Action Plans to senior leadership. The Management Control Oversight Council (MCOC) maintained its strong role in FY 2015 of identifying challenges and coordinating mitigation strategies for issues related to financial controls. OCFO also leveraged the performance appraisal process by incorporating a metric for resolution of audit findings in senior management plans.</p> <p>OCFO has designed, obtained approval and began implementation of a reorganization strategy that will radically improve the consistency of key business processes and the application of financial controls in the Office of Regional Financial Services. After conducting a thorough current state assessment of our regional PBS financial services, the OCFO identified several challenges: 1) The 11 current regional structures were historically established and designed to meet individual regional needs, leading to inconsistency in business processes, and difficulties in developing uniform best practices; 2) Service offerings and service levels varied considerably among regions; and 3) Staff were matrixed across multiple service areas, especially in smaller regions, often impacting customer service and</p> |

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

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| | <p>operational consistency.</p> <p>To address these issues, PBS and OCFO collaborated on a design and reorganization strategy for regional financial services. To mitigate the collective action problem of managing 11 different regions, OCFO's reorganization strategy consolidates into four regional zones with all supervisory and oversight functions of PBS regional financial services. The reorganization strategy standardizes divisional structures within the four zones to drive consistency in business processes and the application of financial controls. A new division - the Financial Management Division - will be established in each Zone to promote greater oversight of internal controls, increase audit response and support, and collaborate with the Central Office - Office of Financial Management, which is currently tasked with enterprise-level management of the audit response, internal controls, and corrective action planning. Finally, the new organization will engage in a "Communities of Practice" initiative that will review key business processes and develop standard approaches to be used across all four Zones to promote greater efficiency and consistency in operations.</p> |
| <p>GSA faces challenges retaining consistent leadership in the Office of the Chief Financial Officer.</p> | <p>While the GSA will never have total control over when senior leaders choose to leave, we have made it a critical priority to maintain a highly skilled set of OCFO leaders, and to reduce the structural and management challenges that may have led to previous attrition. The OCFO's approach has focused on three key elements:</p> <ul style="list-style-type: none"> • Recruit Outstanding Talent and Leadership - while the impact of leadership turnover can be negative, it also provides the OCFO with the opportunity to recruit Office Director candidates that are highly-qualified. The new directors of the Office of Budget, Office of Strategic Planning and Performance Management, Office of Regional Financial Services, and Office of Business and Financial Analytics bring decades of private and public sector experience to their roles, and their impact on the organization has been swift and noteworthy. • Create a new Deputy Chief Financial Officer position - OCFO is in the process of recruiting a Deputy Chief Financial Officer who will play an important role in managing organization-wide operations and will assist in filling any leadership gaps if additional senior-level attrition occurs. In addition, this position can take on certain critical initiatives that were previously absorbed by the office directors. This will increase leadership stability across the organization. • Develop and strengthen functional leadership opportunities - Leverage the OCFO reorganization to clarify accountability among senior leaders and provide a clear mandate of functional ownership. This empowers Office Directors to be focused on excellence in their functional areas and is expected to decrease the need for them to troubleshoot and mitigate many business process issues. |
| Information Technology | |
| Management Challenge | GSA Actions |

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

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| <p>Improvements are needed to protect sensitive information in GSA's cloud computing environment.</p> | <p>GSA IT management determined that a consolidated approach to cloud would allow GSA to move forward with its cloud efforts in an efficient and secure manner. To this end, the Hosting Division has established a Cloud Management Office to begin addressing GSA IT's implementations. Phase I establishes a Security and Management virtual private cloud and issues an initial authority to operate as the foundation. This would include firewalls, identity access management, virtual private network connections, as well as a few other basic tools. This will be completed by the end of FY 2016. As with any new initiative, the next phase will look at what subset of tools or applications are needed by others coming on board for continued growth by mid FY 2016.</p> |
| <p>Improved planning and development is needed to properly offer GSA's IT shared services to other agencies.</p> | <p>GSA is working to improve the planning, management and offering of shared services to other agencies. A consolidated IT inventory has been developed to manage all current IT shared service engagements, as well as to track potential engagements with other agencies. A cross-agency team made up of members from GSA IT, FAS, 18F, OGP, OCSIT, and other stakeholders in GSA, has begun establishing policies and procedures that will promote a single intake process and help define a clear decision-making approach to entering new shared services engagements that best leverages the full range of GSA capabilities.</p> |
| <p>An increase in GSA IT executive turnover could negatively impact strategic planning and management of the Agency's IT infrastructure.</p> | <p>GSA has taken aggressive steps to put permanent leadership in place, implement succession planning, and reduce turnover within the Office of GSA IT. In September 2015, we hired a permanent Chief Information Officer (CIO), promoting from within the agency to ensure continuity as well as create promotion and succession opportunities for the GSA IT workforce. In December, we hired an Associate CIO for Acquisition IT services to support the FAS IT portfolio. We are in the process of interviewing candidates for the positions of Chief Technology Officer, Deputy CIO and Associate CIO of Enterprise Planning and Governance. Selections in these last three leadership positions will form a complete GSA IT leadership.</p> <p>Concurrently, we are continuing efforts to align IT functions to meet the needs and demands of the Agency. We are actively engaged with HR on a workforce planning strategy that includes a succession, recruitment and retention plan and the identification of promotion opportunities.</p> |
| <u>GSA's Greening Initiative – Sustainable Environmental Stewardship</u> | |
| Management Challenge | GSA Actions |
| <p>GSA faces challenges achieving sustainability and environmental goals.</p> | <p><u>Collecting data to support goals and evaluate results</u></p> <p>Data substantiating GSA's performance against mandated sustainability targets associated with Federal buildings is supported by a variety of systems of record. While these systems of record are managed by the business line with operational responsibility for each of the sustainability goals led by PBS, this information is shared to inform decision-making. For example, GSA uses the Energy Use Analysis System (EUAS) to track energy and water use intensity performance at the building, regional and portfolio levels. EUAS data in turn</p> |

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| | <p>is used to verify ongoing performance of certain new construction and major alteration projects. Another example is the collaboration and sharing of data maintained by three different operational business lines to track agency conformance against the Guiding Principles for High Performance and Sustainable Buildings in GSA's portfolio of owned buildings and leased space.</p> <p>GSA completed several actions to strengthen its project delivery program and collect quality data, per OIG's Recovery Act Sustainability Data Audit (report A130128, dated March 31, 2015). Specifically: (1) Policy now requires sustainability data updates to be completed within 60 days after the start of each gBUILD data call, and a new <i>Regional Approval Process for gBUILD Data</i> complements ongoing Quality Reviews. (2) gBUILD has a new "Challenge/ not on track" minimum performance criteria (MPC) status option, and displays all historical MPC statuses and comments. (3) A new <i>Sustainability Exemption Oversight Process</i> validates MPC statuses of N/A or Waiver.</p> <p><u>Diminishing returns on portfolio investments</u></p> <p>GSA's Energy and Water Conservation Measures Program (BA55) is designed to reduce on-site energy and water consumption through building alteration projects or retrofits of existing buildings systems. These projects are an important part of GSA's approach to reach mandated percentage reduction goals through 2025. Through surveys and studies, GSA is identifying projects in Federal buildings across the country with positive savings-to-investment ratios and with reasonable payback periods. GSA pursues opportunities to invest in certain technologies that may generate rebates and savings from utility companies and incentives from grid operators. Also, GSA's Energy Savings Performance Contracts (ESPC) National Deep Energy Retrofit program bundles short and long term payback projects using blended Energy Conservation Measure calculations. Both the ESPC and BA55 programs have successfully funded technologies by finding the optimum modernization of mechanical systems in the most rewarding utility cost market conditions that allows for sufficient returns on investments. This strategy mitigates diminishing returns on investments as we continue to improve energy efficiency throughout our building portfolio.</p> <p>For new construction and major alterations, GSA selects projects based on wide-ranging criteria, including agency mission requirements, facility condition, reducing the Government's environmental footprint, return on investment, the extent to which each building needs improved energy performance, fire/life safety concerns, occupant well-being, lease cost avoidance and historic significance. Investments to increase energy efficiency do not always include payback as a performance criteria but even when they do, it is not the only consideration. Performance is a larger area of emphasis and includes reductions in fossil fuel use and greenhouse gas</p> |
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*U.S. General Services Administration
Management Challenges and GSA Actions*

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| | <p>emissions, among other results that are tracked against design targets. GSA selects and delivers projects that balance cost-effectiveness against future energy and water reduction targets. Some investments combine different types of work to yield sound long-term value, and GSA recognizes that energy savings are just one type of return.</p> |
| Implementing GSA's Mobile Workforce Strategy | |
| Management Challenge | GSA Actions |
| <p>GSA's implementation of its mobile workforce strategy faces multiple challenges.</p> | <p>GSA's model workplace initiative is designed to improve its ability to manage an increasingly mobile workforce by creating activity-based workplaces that leverage the latest technologies, support collaboration and focus work, and improve employee well-being and performance. GSA's initiative to improve its internal workplace through the creation of equitable, sustainable and highly utilized workplaces has resulted in significant reductions in both office and warehouse space since the establishment of the FY 2012 Freeze the Footprint baseline. GSA went beyond maintaining the baseline, and actually reducing its footprint in each following fiscal year.</p> <p>Reductions through FY14 equate to a 15 percent decrease in USF from the 2012 baseline, which equals GSA's original 3-year Freeze the Footprint goal. The rightsizing of GSA workspace has led to a substantially improved allocation rate across GSA's internal portfolio. For the FY 2016 Reduce the Footprint plan, the Office of Administrative Services has partnered with the PBS to develop a portfolio-based approach to space reduction projects, ensuring that portfolio strategies such as backfill risk and projected return on investment are taken into account when identifying model workplace projects.</p> <p>GSA continues to leverage mobile workplace strategies such as telework, hoteling, and desk sharing to support model workplace projects which support new ways of working. To better understand the costs and benefits of telework, GSA has implemented a tracking tool to accurately identify and track virtual (full-time telework) agreements. This tool allows a "real time" count of these agreements. GSA has verified and corrected, as appropriate, official worksite/duty station designations and corresponding locality pay for virtual and satellite workers. GSA will continue to assess the effectiveness of the model workplace strategy and to strengthen the controls that monitor the program.</p> |

**U.S. GENERAL SERVICES
ADMINISTRATION**



ANNUAL PERFORMANCE PLAN AND REPORT

Fiscal Year 2017

U.S. General Services Administration
ANNUAL PERFORMANCE PLAN AND REPORT
Fiscal Year (FY) 2017 Budget Request

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Agency Information

Overview

The Annual Performance Plan is a description of the level of performance to be achieved during the year in which the plan is submitted and the next fiscal year. The plan describes the strategies the agency will follow and identifies performance targets and key milestones that will be accomplished in the current and next fiscal year. The U.S. General Services Administration (GSA) consolidates the Annual Performance Report with the Annual Performance Plan. The Annual Performance Report provides information on the agency's progress in meeting the goals and objectives described in the Agency's Strategic Plan and Annual Performance Plan, including progress on strategic objectives, performance goals and Agency Priority Goals.

Mission, Vision and Goals

The U.S. General Services Administration (GSA) provides the workspace, services, and goods required to operate the Federal Government. We provide workplaces by constructing, managing, and preserving government buildings and by leasing and managing commercial real estate. Our acquisition solutions offer private sector professional services, equipment, supplies, telecommunications, and information technology to federal agencies and departments. Our policies promote management best practices, efficient government operations, and achievement of government wide priorities.

GSA has an annual business volume of over \$60 billion, manages over 205 thousand fleet vehicles, and manages a building portfolio, which includes 8,792 owned or leased assets, more than 374.1 million rentable square feet of workspace, and 639 owned and leased historic properties. We have a continuing commitment to our federal customers and the American public to provide services in the most cost-effective manner possible, and we deliver on this promise by steadily improving organizational performance. At a time when budgets are shrinking across the federal government, we are providing the value that our partner agencies need so that they can focus their resources on fulfilling their own important mission to the American people.

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

Mission

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

Vision

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

Values

Integrity • Transparency • Teamwork

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

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

GSA Priorities

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

1. **Delivering Better Value and Savings.** Using the purchasing power of the federal government we will reduce costs to our customer agencies, enabling them to focus on their core missions. We will further improve this area by finding more ways to solve our customers' problems in the coming year. We will look for new ways to help these agencies make their purchases smarter and more efficient. At the same time, we will look for new and innovative ways to maximize the value of our real estate assets.
2. **Serving Our Partners.** Every day the work that we do helps our customer agencies focus on their missions. Partnership on all levels is critical to the success of GSA. Strong partnerships with partner agencies and vendors alike are critical and lead to good business decisions that create value and savings for our customers and the American public. It is our commitment to ensure that doing business with GSA is an easy and reliable experience. We are continuously improving our processes and systems to make them as simple and streamlined as possible.
3. **Expanding Opportunities for Small Businesses.** Small businesses are the engines that power the American economy. Contracting with these entrepreneurs is a win-win for both the federal government and the small business community. The government receives great service at great value, while small businesses are provided opportunities to grow and create

jobs. GSA offers opportunities to small businesses across the country through our contract vehicles and through the contracts we award for other agencies.

4. **Making a More Sustainable Government.** Going green saves green. Environmentally friendly practices are good for the environment and for business. GSA is committed to both. As we work toward implementing sustainable practices and making our buildings and our fleet more environmentally-friendly, we will continue to work with vendors to make sustainable products and services readily available and affordable.
5. **Leading with Innovation.** GSA is a leader of innovation in public service. Among many firsts, we were the first government agency to move to cloud computing, setting an example for others to follow. In the coming years, we will continue to develop innovative, cost saving solutions that will be shared across the government.
6. **Building a Stronger GSA.** We must make sure our own employees at GSA are getting the same high quality support that we give our partner agencies. Offering the very best training and resources to our employees will be the cornerstone of this effort. By doing so, we will better serve our employees, while continuing to ensure that our customers receive great service. We will guarantee that when we do something, we will do it once and do it well.

Organizational Structure

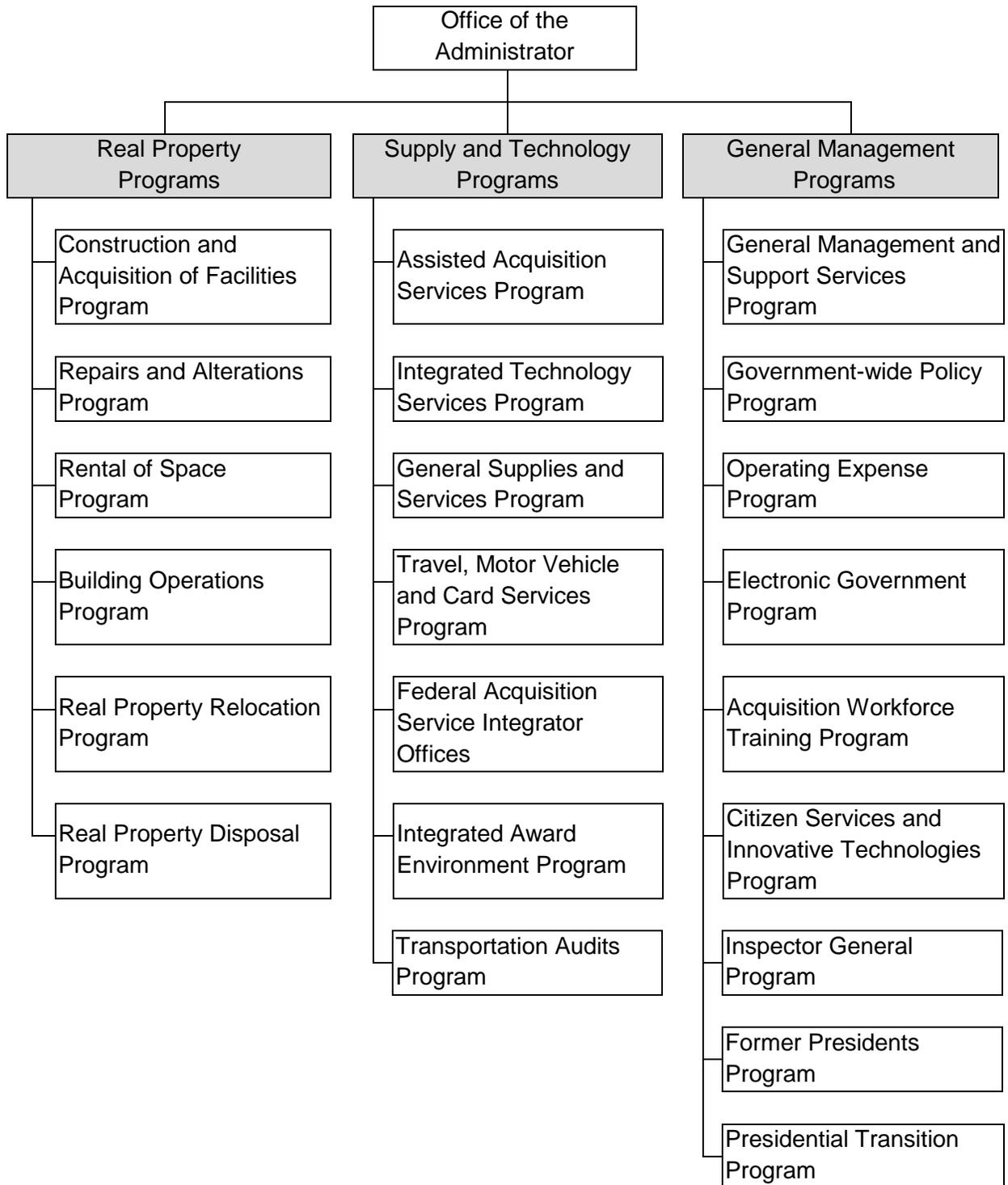
GSA provides the workspace, services, and goods required to operate the federal government. We provide workplaces by constructing, managing, and preserving government buildings and by leasing and managing commercial real estate. Our acquisition solutions offer private sector professional services, equipment, supplies, telecommunications, and information technology to federal agencies and departments. Our policies promote management best practices and efficient government operations. We serve more than 60 federal departments and agencies through 11 regional offices and are organized into the 17 services and staff offices highlighted below.

- **Federal Acquisition Service (FAS)** - FAS provides federal agencies over 11 million different products and services, and annually delivers over \$51 billion in information technology solutions and telecommunications services, assisted acquisition services, travel and transportation management solutions, motor vehicles and fleet services, and charge cards. FAS manages over 205 thousand leased vehicles, administers a charge card program with more than three million charge cards, and provides personal property disposal services facilitating the reuse of approximately \$1 billion in excess/surplus property annually. FAS leverages the buying power of the federal government by negotiating fair and reasonable prices on many products and services required by federal agencies for daily operations. By arranging a network of service providers, FAS is able to meet the operating and mission requirements of a vast array of federal agencies and state, local, and tribal governments.
- **Public Buildings Service (PBS)** - PBS activities fall into two broad areas: workspace acquisition and property management. PBS acquires space on behalf of the federal

government through new construction and leasing, and operates and maintains federal facilities across the country. As the largest public real estate organization in the United States, PBS owns or leases over 8,792 assets and maintains an inventory of more than 374.1 million square feet of rentable workspace for approximately 1.1 million federal employees. PBS provides high quality facility and workspace solutions to more than 60 federal agencies, disposes of excess federal properties, and promotes the adoption of innovative workplace solutions and technologies. Through lease and purchase transactions, PBS delivers the workspace necessary to meet the missions of its federal customers. PBS is working to design the workplace of the 21st Century, seeking to reduce overall workspace needs and associated costs.

- **Office of Citizen Services and Innovative Technology and 18F (OCSIT/18F)** - OCSIT makes federal government information and services more readily available to the public, and makes it easier for the public to conduct transactions with the federal government. Through 18F, OCSIT also builds effective, user-centric digital services for the government to provide shared, transparent and cost effective means to disseminate information and conduct business. OCSIT/18F provides access to a wide range of government services as well as consumer information through the official web portals of the federal government, USA.gov and GobiernoUSA.gov. OCSIT works closely with other government agencies – federal, state, local, and international – to collect and consolidate information and make it available to the public, sharing experiences that lead to better solutions.
- **Office of Government-wide Policy (OGP)** - OGP uses policies, information and ideas to help agencies drive efficiency, savings and improved mission performance in key administrative areas including: asset management (real property, mail, fleet, aviation and personal property), travel and transportation, acquisition, information technology, and green buildings. OGP helps drive agency behavior in these administrative areas through government wide policy-making, performance standards, analysis and benchmarking of data, and regular reporting to the agencies and key stakeholders.
- **Staff Offices** - The GSA staff offices support the enterprise. They ensure GSA is prepared to meet the needs of customers on a day-to-day basis and in crisis situations. GSA has two independent staff offices (Office of the Inspector General, Civilian Board of Contract Appeals), and ten GSA staff offices (Office of Administrative Services, Office of Congressional and Intergovernmental Affairs, Office of the Chief Financial Officer, Office of the Chief Information Officer, Office of Human Resources Management, Office of General Counsel, Office of Mission Assurance Office of Communications and Marketing, Office of Civil Rights and the Office of Small Business Utilization).

The GSA organizations support the 22 programs defined in the FY 2013 GSA Program Inventory published on www.performance.gov and summarized below. Each GSA service and staff office supports one or more of the programs listed below.



Strategic Framework

The GSA strategic framework is defined in the GSA Fiscal Year 2014-2018 Strategic Plan and is presented below. The strategic and management objective strategies and next steps detailed in this performance plan provide an update to the strategies presented in the Strategic Plan.

FY 2016 GSA Strategic Framework

| | | | | | |
|--|--------------------------------------|---|---|--|--|
| <i>The GSA Mission is to deliver best value in real estate, acquisition, and technology services to government and the American people</i> | | | | | |
| STRATEGIC GOALS | | | | | |
| 1. SAVINGS Provide savings to federal departments and agencies | | 2. EFFICIENCY Improve the efficiency of operations and service delivery | | 3. SERVICE Deliver excellent customer service | |
| PRIORITIES | | | | | |
| Delivering Better Value and Savings | Making a More Sustainable Government | Building a Stronger GSA | Leading with Innovation | Serving Our Partners | Expanding Opportunities for Small Businesses |
| STRATEGIC OBJECTIVES AND PERFORMANCE GOALS | | | | | |
| 1.1 Deliver contracting solutions to generate customer savings <ul style="list-style-type: none"> • Generate savings through acquisition programs (APG) • Reduce the Global Supply blended markup • Generate savings by negotiating 55 percent of leases below industry market rates (APG) • <i>Realize savings through Integrated Technology Service solutions</i> • Increase use of the Acquisition Gateway to improve federal purchasing decisions (APG) 1.2 Improve the federal utilization of space <ul style="list-style-type: none"> • Reduce the federal footprint • Reduce vacant space in the government-owned and leased inventory 1.3 Reduce resource use and environmental impact <ul style="list-style-type: none"> • Green the federal supply chain • Reduce total energy purchased • Purchase alternative fuel vehicles • Reduce use of petroleum-based fuel | | 2.1 Increase the efficiency of GSA operations <ul style="list-style-type: none"> • Improve the efficiency of GSA operations • Reduce indirect costs • Generate sufficient Funds from Operations to effectively operate GSA leased buildings • Complete capital projects on schedule • Deploy civilian acquisition workforce training courses efficiently • Timely award of public sale properties and non-competitive sales and donations 2.2 Enhance asset management <ul style="list-style-type: none"> • Provide building cleaning and maintenance at competitive costs | | 3.1 Enhance relationships with our customers, suppliers and stakeholders <ul style="list-style-type: none"> • Improve customer satisfaction with government-owned and leased space • Achieve customer loyalty and supplier satisfaction for acquisition services • Implement effective policy initiatives • <i>Drive greater transparency and innovation in government</i> • <i>Increase citizen engagement with federal agencies</i> • Help agencies deliver, manage, and share digital services and solutions (new) 3.2 Support small and disadvantaged business <ul style="list-style-type: none"> • Meet small business prime and subcontracting goals • Meet small business targets on Multiple Award Schedules | |
| MANAGEMENT OBJECTIVES AND PERFORMANCE GOALS | | | | | |
| M.1 Deliver a mission ready workforce <ul style="list-style-type: none"> • Reduce the time to hire • Increase employee engagement | | | M.2 Streamline information technology and improve data quality and reporting <ul style="list-style-type: none"> • Migrate legacy data systems to Data-to-Decisions platform • Reduce Information Technology cost | | |

Italicized text represents performance goals to be discontinued or merged with other measures, however, shown here as part of FY 2015 Annual Performance Report.

APG denotes Agency Priority Goal

Performance Overview:

| Strategic Objectives and Performance Indicators | FY13 Actual | FY14 Actual | FY15 Actual | FY15 Plan | FY16 Plan | FY17 Plan |
|--|----------------|----------------|----------------|--------------|--------------|--------------|
| Strategic Objective 1.1 Deliver contracting solutions to generate customer savings | | | | | | |
| Federal Strategic Sourcing Initiative savings (\$m) ↑* <i>(discontinued in FY 2016 - combined with another measure)</i> | \$108 | \$98.4 | \$128.4 | \$144 | n/a | n/a |
| Global Supply blended markup ↓ <i>(new methodology for FY 2015)</i> | 24.7% | 27.1% | 15.0% | 17.0% | 15.0% | 14.0% |
| Lease space relative to market rates ↓ <i>(revised in FY 2016 shown immediately below)</i> | -6.9% | -8.4% | -13.7% | -2.5% | n/a | n/a |
| Leases negotiated below market rates ↑* <i>(replaces cost of lease space relative to market)</i> | 55% | 43% | 59% | n/a | 55% | 55% |
| Integrated Technology Service cost savings (\$b) <i>(discontinued in FY 2016 - combined with another measure)</i> | \$1.37 | \$1.16 | \$1.25 | \$1.17 | n/a | n/a |
| ↑ Acquisition Program Savings (\$b) ↑ | n/a | \$4.75 | \$5.17 | n/a | \$5.19 | \$5.24 |
| Federal users of the Acquisition Gateway ↑ | n/a | n/a | 1,934 | n/a | 10,000 | 14,000 |
| Federal agencies accessing the Acquisition Gateway ↑ | n/a | n/a | 39 | n/a | 45 | 50 |
| Strategic Objective 1.2 Improve the federal utilization of space | | | | | | |
| Reduction rentable square feet in replacement leases (%) ↑ <i>(discontinued in FY 2016 combined with APG)</i> | n/a | 16% | 24% | 5.0% | n/a | n/a |
| Agencies with completed client portfolio plans ↑ <i>(discontinued in FY 2016)</i> | 9 | 12 | 15 | 15 | n/a | n/a |
| Implemented consolidation opportunities identified from client portfolio plans ↑ <i>(new)</i> | 4 | 12 | 16 | n/a | 16 | 16 |
| Vacant space in inventory ↓ | 3.8% | 3.6% | 3.4% | 3.2% | 3.2% | 3.2% |
| Strategic Objective 1.3 Reduce resource use and environmental impact | | | | | | |
| Green business volume ↑ | 4.7% | 10.5% | 8.8% | 8.0% | 9.0% | 10.0% |
| Energy intensity reduction <i>(new baseline set from FY 2015 for subsequent years)</i> ↑ | 24.8% | 26.5% | 30% | 30.0% | 1.7%** | 2.5%** |
| Annual use of petroleum-based fuel in millions of gallons ↓ | 366.90 | 365.51 | 380.93 | 365.15 | 357.85 | 350.69 |
| Alternative fuel vehicles purchased (%) ↔ | 82% | 80.9% | 82.8% | 80.0% | 80.0% | 80.0% |
| Strategic Objective 2.1 Increase the efficiency of GSA operations | | | | | | |
| Total operating costs as a percent of goods and services provided ↓ | 9.60% | 9.91% | 9.70% | 9.20% | 9.65% | 9.61% |
| Reduction in total GSA indirect costs from the FY 2010 baseline (\$m) ↑ | \$132 | \$190 | \$407 | \$190 | \$304 | \$342 |
| Leased revenue available after administering program (%) ↔ | 0.1% | -1.0% | -0.47% | 0 to 2% | 0 to 2% | 0 to 2% |
| Capital projects on schedule (%) ↑ | 89% | 97% | 98% | 90% | 90% | 90% |
| Public sale properties awarded within 135 days ↑ | 98% | 94% | 97% | 90% | 90% | 90% |
| Non-competitive sales and donations awarded within 220 days ↑ | 88% | 93% | 98% | 90% | 90% | 90% |
| Attendance levels for Federal Acquisition Institute training courses (%) ↑ | 89% | 92% | 88% | 85% | 90% | 90% |

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| Strategic Objectives and Performance Indicators | FY13 Actual | FY14 Actual | FY15 Actual | FY15 Plan | FY16 Plan | FY17 Plan |
|---|-------------|-------------|-------------|-----------|-----------|-----------|
| Strategic Objective 2.2 Enhance asset management | | | | | | |
| Cleaning and maintenance costs within market range ↑ | 72% | 70% | 81% | 80% | 80% | 80% |
| Strategic Objective 3.1 Enhance relationships with our customers, suppliers and stakeholders | | | | | | |
| Tenant satisfaction with government-owned and leased space (<i>percent favorable responses</i>) ↑ | 63% | 61% | 63% | 63% | 65% | 66% |
| Customer loyalty with acquisition services (<i>10-point survey scale; new methodology applied in FY 2015</i>) ↑ | 7.6 | 7.4 | 7.1 | 8.0 | 7.2 | 7.3 |
| Active citizen touchpoints in millions (<i>discontinued in FY 2017</i>) ↑ | 416 | 425 | 499 | 433 | 476 | n/a |
| New digital government-wide shared services | 5 | 5 | 8 | 5 | 5 | 5 |
| Key policy stakeholders who rate policy initiatives effective ↑ | 93% | 92% | 93% | 85% | 85% | 90% |
| Strategic Objective 3.2 Support small and disadvantaged business | | | | | | |
| Percent of dollars awarded to small business prime contracting ↑ | 36.9% | 39.0% | 44.0%♦ | 32.0% | TBD*** | TBD*** |
| Percent of dollars awarded to small business through subcontracting ↑ | 30.0% | 28.7% | TBD | 29.0% | TBD*** | TBD*** |
| MAS business volume from small businesses (%) ↔ | 34.7% | 37.2% | 38.3% | 33.0% | 33.0% | 33% |
| Management Objective m.1 Deliver a mission ready workforce | | | | | | |
| Time to hire in days ↓ | 86 | 88 | 87 | 80 | 80 | 80 |
| Employee Engagement Score ↑ | 69% | 69% | 69% | 71% | 72% | 72% |
| Management Objective m.2 Streamline information technology and improve data quality and reporting | | | | | | |
| Enterprise IT services successfully implemented (<i>discontinued in FY 2017</i>) | 2 | 3 | 4 | 4 | n/a | n/a |
| Cumulative data warehouses migrated to D2D platform ↑ (<i>new</i>) | 0 | 0 | 0 | n/a | 1 | 2 |
| Commodity information technology savings from prior year (%) ↑ | n/a | 8.3% | 9.3% | 7.9% | 4.7% | 2.9% |
| GSA information technology cost reduction from FY 2014 baseline (%) ↑ (<i>new</i>) | n/a | n/a | 8.6% | 8.0% | 13.6% | 16.2% |

Desired direction: ↑= increasing ↓= decreasing ↔ = within range

* Priority Goal Indicator ** Revised Baseline for Performance Target *** Target set later by Small Business Administration ♦Preliminary results, Small Business Administration will release final numbers in May 2016

Cross-Agency Priority Goals

In accordance with the Government Performance and Results Act (GPRA) Modernization Act requirement to address Cross-Agency Priority (CAP) Goals in the agency strategic plan, the annual performance plan, and the annual performance report, please refer to www.performance.gov for the agency's contributions and progress towards CAP Goals, where applicable. GSA currently contributes to the following CAP Goals: Cybersecurity, Climate Change, Customer Service, Smarter IT Delivery, Strategic Sourcing, Benchmark and Improve Mission-Support Operations, and Open Data.

Agency Priority Goals

GSA defined three priority goals for the FY 2016-2017 reporting period. These goal statements are presented below; details on the priority goal strategies, progress updates, indicators performance, next steps and contributing programs are reported on www.performance.gov.

1. Generate savings through acquisition programs

By September 30, 2017, GSA's Federal Acquisition Service (FAS) will save \$10.4 billion (\$5.2 billion during FY 2016 and \$5.2 billion during FY 2017) through its programs that provide goods and services to the federal government. FAS will achieve savings through steady growth of currently established programs and new initiatives that align with the future goal of the federal government.

2. Increase the use of the Acquisition Gateway to improve federal purchasing decisions

By September 30, 2017, GSA will increase the number of federal users of the Acquisition Gateway to 14,000 from a baseline of nearly 2,000 in FY 2015 and the number of federal agencies accessing the Acquisition Gateway to 50, from a baseline of 39 in FY 2015.

3. Generate savings by negotiating 55 percent of leases at or below market rates

GSA will generate savings for taxpayers by negotiating 55 percent of the lease office space agreements at or below market rates in FY 2016 and FY 2017.

For fiscal years 2014 and 2015, GSA completed work on two priority goals as shown below. Final results for these priority goals can be viewed on www.performance.gov.

1. Generate savings through Federal Strategic Sourcing Initiative

By September 30, 2015; GSA will save \$255M (\$111 million during FY 2014 and \$144 million during FY 2015) through the use of Federal Strategic Sourcing Initiative (FSSI).

2. Reduce the federal footprint

By September 30, 2015; GSA will reduce the aggregate amount of leased space by 5 percent for replacement leases. GSA will also work with agencies to complete a total of 15 client portfolio plans (three new plans each year) to identify opportunities for agencies to optimize their real estate portfolios

Strategic Goal 1: Provide savings to federal departments and agencies

GSA will strengthen federal capabilities to leverage the purchasing power of the government to offer the most cost-effective solutions. GSA will achieve this through savings provided by our acquisition solutions, better federal utilization of real property, and promoting the use of the Acquisition Gateway to help federal acquisition professionals make efficient and cost-effective purchasing decisions. GSA will continue to promote cost savings through the sustainable usage of space, travel, fleet, technology and resources. GSA will also continue to test new technologies, workplaces, and other solutions, and share the best practices with other agencies to generate savings.

Strategic Objective 1.1: Deliver contracting solutions to generate customer savings

Strategies. GSA will effectively leverage existing, and develop new, federal strategic sourcing initiatives to provide competitively priced solutions to drive savings in technology, real property and other acquisitions throughout the federal government. Through these solutions, GSA will be able to leverage government wide business volume for better pricing, and standardize contracting terms and conditions in order to reduce the cost of purchasing across government. External factors that could impact progress on this objective will be monitored and include changes to customers budgets, approval of new federal strategic sourcing offerings, and competition within industry for the goods and services we provide. These and other external factors are considered as new strategies are established. The planned strategies for this objective include:

1. Continue to assess government purchasing and supply markets to develop federal strategic sourcing initiatives that provide our customers with services and equipment, at an excellent value, from suitable suppliers using standard solution pricing menus.
2. Use standard solutions and pricing with qualified suppliers to make it easier for agencies to meet their acquisition needs with minimal administrative demands, and, in turn, allow agencies to focus their time and resources towards their core mission-critical operations.
3. Promote the use of strategic sourcing solutions by our customers and work with our federal partners and industry to develop solutions for a broader array of products and services.
4. Populate product/service categories or “hallways” in the web-based Acquisition Gateway with a comprehensive set of acquisition solutions developed by GSA and other federal agencies to improve the speed and quality of federal purchasing decisions.
5. Reduce the operating costs for providing supplies to customers, which in turn can lead to customer savings.
6. Continue to use solutions such as SmartBuy, Networx Services and Reverse Auctions to provide customers with significant savings for information technology and telecommunications services and equipment.
7. Continue to develop and refine real estate market analysis tools and leasing processes to offer our customers leased workspace, when needed, at best value.
8. Work with agencies to replace expiring leases to avoid lease extensions.

Strategic Objective Goal Leaders

- Tom Sharpe, Commissioner, Federal Acquisition Service (Lead Office)
- Norman Dong, Commissioner, Public Buildings Service

Contributing Programs. The following programs, defined in the Federal Program Inventory, contribute to this objective:

- Assisted Acquisition
- Electronic Government
- General Supplies and Services
- Integrated Technology Services
- Rental of Space
- Travel, Motor Vehicle and Card Services

Strategic Objective Progress Update. For this strategic objective, GSA manages four savings performance goals: Integrated Technology Service (ITS) cost savings, Federal Strategic Sourcing Initiatives (FSSI), Global Supply blended markup, and leases negotiated at or below market rates. GSA met its targets for three of the four performance goals for FY 2015. Full success was realized for ITS cost savings, Global Supply blended markup, and for leases negotiated at or below the market rate. GSA achieved \$129 million of its \$144 million savings target for Federal Strategic Sourcing Initiatives.

GSA anticipates future growth in providing savings for the federal government and will begin reporting total savings for our federal acquisition services programs. Integrated Technology Service and Federal Strategic Sourcing Initiatives savings will be incorporated into our new performance indicator. For FY 2015, GSA acquisitions solutions provided over \$5.1 billion in savings to the federal government.

To promote better acquisition decisions, GSA launched the Acquisition Gateway in September 30, 2014. The Acquisition Gateway provides agencies an interactive online portal that allows customers to access and compare best in class solutions to efficiently make cost effective purchasing decisions. It also provides a place to share best practices and learn from other acquisition professionals leading to better buying for the Federal customers. The Acquisition Gateway includes acquisition tools developed across government. As of the end of FY 2015, 39 agencies have accessed the Acquisition Gateway in its first full year of operation.

Strategic Objective Next Steps. GSA will take the following actions in support of this strategic objective over the next two years:

- Continue to negotiate the lowest possible lease rates for its customer agencies
- Pursue opportunities to backfill or buy out vacant space leases
- Leverage information and existing data sources to negotiate better prices including analyzing spending patterns and share information such as prices paid
- Continue to consolidate financial, information, and human resources operations to reduce costs of our services to federal client agencies
- Work with the Category Management Leadership Council (CMLC) to introduce new strategic sourcing solutions to increase saving opportunities
- Increase adoption of industry and government agency best practices
- Increase consolidations of leased vehicles
- Transition to E-gov Travel Service 2 and increase the number of agencies deployed
- Increase the use of reverse auctions for non-complex commodities and simple services acquisitions
- Implement Enterprise Infrastructure Solution to reduce GSA telecommunications contracts from 87 to less than ten
- Utilize transactional data to identify the current pricing spread for specific commercial items to reduce the variability between prices charged for like items.

A key external factor is that federal agencies are not required to use GSA for most of their personal property procurements. GSA will focus on providing the best, most cost-effective procurement solutions for agencies, and will support the Administration's priority to increase

savings, adoption, reduce contract duplication, and meet small business participation goals across the federal government.

Performance Goals

Performance Goal 1.1.1 - Generate Savings through Federal Strategic Sourcing Initiative (discontinued in FY 2016)

GSA will save customer agencies and departments \$144 million in FY 2015 through the use of Federal Strategic Sourcing Initiative.

Federal agencies purchase over \$500 billion of goods and services annually. The Federal Strategic Sourcing Initiative (FSSI) is a key vehicle used by GSA, and other top purchasing federal government agencies, to promote cost savings, improve management visibility, and adopt best practices. Established in 2005, FSSI is designed to improve government management of commonly purchased goods and services. FSSI provides customers with significant savings, decreases administrative redundancy, and improves business intelligence while meeting or exceeding small business and sustainability goals. For more information on the policies governing FSSIs, go to www.strategicsourcing.gov/policies-memos.

GSA is focused on informing customers of the benefits of using FSSI solutions, including: savings opportunities, the ability to help meet socioeconomic goals and improved operating efficiencies. GSA is actively engaged in coordinated efforts to educate agencies regarding the benefits of FSSI solutions. In addition to increasing adoption, GSA will focus on generating savings by:

- Leveraging information available through existing data sources to negotiate better prices
- Category Management practices are being implemented across GSA which will lead to a better understanding of customer needs, federal spend, and how best to manage spend to deliver the best value to customer agencies;
- As noted above, GSA is currently developing the Common Acquisition Platform (CAP), this technology platform will help enable Category Management to provide transparency into Federal spend.
- Streamlining business processes to reduce costs of services to agencies;
- Sharing information, such as prices paid under FSSI and other federal contracts to increase savings opportunities; and
- Increasing adoption of industry and government agency best practices.

Barriers and challenges related to usage of these solutions include:

- Agencies may have duplicative solutions in place or attempt to create duplicative solutions;
- Agencies may have trouble identifying usage or key users in order to spread information relating to the solutions;
- Some agencies may have unique requirements or better pricing and this is considered a legitimate reason for not using FSSI solutions; and

- New solutions require additional costs, which can impact overall savings during the transition period from the old solution to the new solution.

Benefit to the Public. GSA will effectively leverage existing FSSIs, and develop and promote additional FSSI solutions in coordination with the interagency Category Management Leadership Council (CMLC) to provide competitively priced solutions that drive savings in both commoditized and service related categories.

Performance and Contextual Indicators.

FSSI Savings. This performance indicator is defined as savings through any official GSA-led or GSA co-led awarded FSSI solution. Solutions include:

- Current solutions: Office Supplies, Domestic Delivery Services, Print Management, Wireless, MRO, JanSan; and
- Expiring solutions: The FSSI Telecommunications Expense Management Services expired in FY 2014.

Progress Update.

GSA achieved approximately \$129M of its \$144M savings target in FY 2015. The difference between the FY 2015 target and actual is partially attributed to the residual effects of the OS3 protest, which grounded the solution until late in the first quarter. As a result, the OS3 solution finished short of its savings projection (~\$8M) in FY 2015.

During FY 2015, the Domestic Delivery Services (DDS) solution experienced a lower savings rates due to a dual award environment of the solution and a period of performance that was reduced from 5 to 3 years. However, an influx in business volume helped to offset the reduced savings rates and DDS finished the year only slightly behind its target savings (~\$8M). Domestic Delivery Services Third Generation (DDS3) continued with its successful efforts to alter agency buying behavior to increase ground shipments whenever possible.

FY 2015 saw the introduction of the Janitorial and Sanitation Supplies FSSI solution and a full scale roll-out of the Maintenance, Repair & Operations Supplies solution, which initially debuted late in the fourth quarter of FY 2014. The addition of these two solutions contributed nearly \$15M in savings throughout FY 2015. Other success stories from FY 2015 include the Print Management and Wireless solutions, both of which nearly tripled their savings projections.

FSSI Savings (\$m)

| Fiscal Year | Target | Actual |
|-------------|---------------------|--------|
| 2012 | Baseline | \$93 |
| 2013 | Baseline | \$106 |
| 2014 | \$111 | \$98 |
| 2015 | \$144 | \$129 |
| 2016 | Merged with new APG | |

Lead Office. Federal Acquisition Service

Performance Goal 1.1.2 - Reduce the Global Supply blended markup

GSA will reduce the Global Supply blended markup to 15% in FY 2016 and to 14% in FY 2017.

The Global Supply Program is transforming its business model to drive increased efficiencies and customer savings into the supply chain by moving away from the use of warehouses and towards vendor direct delivery.

Benefit to the Public. Lowering the overall cost of the program allows for reduced rates and costs for customers, which translates to savings to the federal government and the public.

Performance and Contextual Indicators

Global Supply blended markup. Global Supply blended markup is an aggregate combination of markups (fees) for the methods of supply for Special Order Programs, Direct Delivery, Expanded Direct Delivery and Stock. This performance indicator will track the reduction in fees charged to the customer as the Global Supply Program transitions to a new direct vendor delivery model. Lowering the overall cost of the program allows for reduced rates and costs for customers, which translates to savings to the federal government and the American public.

GSA updated the calculation methodology for this measure in FY 2013 to remove pass-through transportation costs, which are not included in cost of goods sold (COGS). Beginning in FY 2015, GSA refined this measure to only include general revenue and general costs of goods sold. This excludes the export surcharge, and other surcharges from the Revenue side, and Inbound Freight, Inventory Adjustments, and Credit Card Fees on the COGS side. This new methodology is preferred as these items are flow through that are not assessed a markup. The focus of the mark up measure is how much fee is assessed to the COGS over and above the acquisition cost of a given product.

In earlier years, an adjusted gross margin was used to calculate the blended mark-up to account for revenue and expense line items that are outside of general revenue and general costs of goods sold. As shown in the following tables, applying the updated methodology to past performance decreases the FY 2012 Actual to 26.3 percent, the FY 2013 Actual to 22.2 percent and the FY 2014 Actual to 23.0 percent.

Progress Update. GSA achieved its Global Supply blended markup target in FY 2015. This is a result of a nearly completed transition from a traditional warehousing business model to a direct vendor delivery model. The direct vendor delivery model has significantly reduced GSA's operating costs, allowing for a lower markup on goods, and an increased savings for customers. FSSI savings and Global Supply blended markup are expected to improve even more in FY 2016.

Global Supply Blended Markup (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2011 | Baseline | 27.2% |
| 2012 | Baseline | 26.3% |
| 2013 | Baseline | 22.2% |
| 2014 | Baseline | 23.0% |
| 2015 | 17.0% | 15.0% |
| 2016 | 15.0% | |
| 2017 | 14.0% | |

Lead Office. Federal Acquisition Service

Performance Goal 1.1.3 Generate savings by negotiating 55 percent of leases at or below industry market rates

GSA will successfully negotiate 55% of transactions for leased office space at or below market rates in FY 2016 and FY 2017.

GSA is committed to delivering cost savings to our client agencies and best value to the American public. By negotiating below market lease rates, GSA can realize savings for the American public. The goal is to negotiate the best deal possible.

Benefit to the Public. Consistently paying lease rates at or below comparable market rates ensures that GSA acquires federal office space at the best value for the taxpayer.

Performance and Contextual Indicators.

Cost of lease space relative to market rates (revised in FY 2016). This performance indicator compares GSA leasing costs to private sector benchmarks for equivalent space for leases that are at least 75 percent office space. Negotiating lease rates below market rates for comparable space generates cost savings for the American people.

This modification provides insightful analysis based on three market sources instead of one tailored to the specific attributes of the particular lease transaction. Using a market rate tailored to specific requirements increases the accuracy of the comparison. This measure applies to those leases that are located in metropolitan areas which encompasses approximately one third of GSA's lease portfolio and two thirds of the value. GSA updated the indicator to include all leasing actions, including extensions and renewals in FY 2015 which were in the relevant metropolitan areas.

Percent of leased transactions for leased office space at or below market rate. GSA is using the Lease Cost Relative to Market (LCRM) measure to calculate savings for the American taxpayer. Under the LCRM methodology, the net present value (NPV) of the life-cycle costs of lease transactions effective in the fiscal year for office space in major markets will be compared to the NPV of a market lease. The market lease rate is based on GSA's Bullseye report, which

combines respected nationwide commercial real estate market sources. This metric covers all off-airport office leases that are located in markets covered by these national real estate market information sources. It accounts for 42 percent of GSA's current lease inventory which accounts for 70 percent of the total annual lease rent and 63 percent of total square feet.

Progress Update. Overall performance was strong in FY 2015 as our leasing program has negotiated leases at a weighted average of 13.7% below market. The leases awarded were well below the target of -2.5 percent.

Cost of Lease Space Relative to Market (%)

| Fiscal Year | Target | Actual |
|-------------|--------------|--------|
| 2012 | Baseline | n/a |
| 2013 | Baseline | n/a |
| 2014 | Baseline | n/a |
| 2015 | -2.5% | -13.7% |
| 2016 | Discontinued | |

Leases Negotiated at or Below Market Rate (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2013 | Baseline | 55% |
| 2014 | Baseline | 43% |
| 2015 | Baseline | 59% |
| 2016 | 55% | |
| 2017 | 55% | |

Lead Office. Public Buildings Service

Performance Goal 1.1.4 - Achieve savings through Integrated Technology Service solutions

GSA will save customer agencies and departments using GSA Integrated Technology Services \$1.17 billion in FY 2015 and \$1.20 billion in FY 2016.

GSA's focus is saving taxpayer dollars by negotiating and delivering lower cost solutions to our customer agencies through our Integrated Technology Services.

Benefit to the Public. Achieving this goal will result in savings generated through large nationwide information technology programs and enable customer agencies to meet mission critical needs at a lower cost.

Performance and Contextual Indicators.

Integrated Technology Service cost savings (discontinued in FY 2016). This performance indicator measures the Integrated Technology Service cost savings in billions and estimates the cost savings that customers realize by using Integrated Technology Service SmartBUY and

Network Services programs as compared to their respective price benchmarks. SmartBUY is a strategic sourcing solution for purchasing software and related services. Savings are calculated as the difference between the GSA Schedule price and the SmartBUY negotiated price, multiplied by the total number of units ordered. Network Services is a business line that offers telecommunications and related services to federal agencies. Savings are calculated as the difference between commercial pricing for comparable services and terms and conditions with GSA contract pricing for all services GSA provided. This element is calculated by following a rigorous pricing benchmark that compares commercial pricing for comparable services and terms and conditions with GSA contract pricing. Because of the limits to commercial pricing data available in the public domain, GSA obtains up-to-date, proprietary pricing data from a third-party consultant.

Progress Update. GSA exceeded its target of providing \$1.17 billion in savings and delivered savings of \$1.25 billion to customers in FY 2014.

Integrated Technology Service Cost Savings (\$b)

| Fiscal Year | Target | Actual |
|-------------|--------------|--------|
| 2007 | \$0.73 | \$0.77 |
| 2008 | \$0.80 | \$0.80 |
| 2009 | \$0.82 | \$0.88 |
| 2010 | \$0.85 | \$0.92 |
| 2011 | \$0.96 | \$1.05 |
| 2012 | \$0.93 | \$1.36 |
| 2013 | \$0.96 | \$1.37 |
| 2014 | \$0.99 | \$1.16 |
| 2015 | \$1.17 | \$1.25 |
| 2016 | Discontinued | |

Lead Office. Federal Acquisition Service

Performance Goal 1.1.5 - Generate savings through acquisition programs

GSA's Federal Acquisition Services (FAS) will save \$10.43 billion by September 30, 2017 (\$5.19 billion in FY 2016 and \$5.24 billion in FY 2017 through its programs that provide goods and services to the federal government.

- The savings will be achieved through the current programs that FAS has established with steady growth and new initiatives that align with the following procurement goals of the federal government. Cut contracts that are no longer necessary or affordable
- Continue to leverage the Government's buying power through strategic sourcing and category management
- Develop common standards in practices
- Drive greater transparency in acquisition performance
- Improve data analysis

Whether it's buying office supplies, electric vehicles, or complex information technology solutions, FAS gets them at a discounted price and delivers the savings back to our customer agencies. FAS has developed methodologies for quantifying savings for the myriad of products and services offered to customer agencies. The methodologies can generally be grouped into the following categories:

- Savings realized by utilizing FAS procurement vehicles compared to what is available commercially
- Savings realized by using FAS offerings compared to other government offerings
- Savings returned to customers via bank refunds given for using FAS purchase, travel, and fleet cards

Benefit to the Public. Achieving this goal will result in savings that enable customer agencies to meet mission critical needs at a lower cost.

Performance and Contextual Indicators

Acquisition Program Savings. This performance indicator incorporates savings realized through acquisition programs across FAS.

Progress Update. To be reported in FY 2016,

Acquisition Program Savings (\$ Billions)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2014 | Baseline | \$4.68 |
| 2015 | Baseline | \$5.17 |
| 2016 | \$5.19 | |
| 2017 | \$5.24 | |

| FAS Programs Included in the Acquisition Programs Savings Performance Indicator | | | |
|--|--|------------------------|------------------------|
| \$ | Measure | FY 14 Result | FY 15 Result |
| FAS Total | Total FAS-wide Savings | \$4,671,311,958 | \$5,174,353,582 |
| Travel, Motor Vehicle, and Card Services | FedRooms | \$4,749,797 | \$ 7,714,256 |
| | Automotive Selling Price Discount Below Invoice | \$314,908,465 | \$306,000,000 |
| | Fleet Savings | new in FY15 | \$184,906,287 |
| | SmartPay Refunds | \$267,128,269 | \$282,195,974 |
| | ETS2 | \$16,308,257 | \$20,964,275 |
| | City Pair | \$2,171,530,000 | \$2,388,100,000 |
| | Subtotal | \$2,774,624,788 | \$3,189,880,792 |
| Integrated Technology Services | WAN | \$670,400,000 | \$670,600,000 |
| | GSA SmartBUY | \$487,063,737 | \$580,000,000 |
| | COMSATCOM | \$288,871,781 | \$211,700,000 |
| | Reverse Auctions | new in FY 15 | \$6,695,059 |
| | Subtotal | \$1,386,335,518 | \$1,468,995,059 |
| Assisted Acquisition Services | Total estimated costs (initial or revised) as compared with total award ceiling amount | \$1,386,335,518 | \$386,290,302 |
| | Subtotal | \$1,386,335,518 | \$386,290,302 |
| Strategic Sourcing Cost Savings | Office Supplies | \$30,923,445 | \$37,549,482 |
| | Domestic Delivery Services | \$51,746,138 | \$54,321,308 |
| | Print Management | \$8,003,973 | \$13,519,894 |
| | Wireless | \$1,123,969 | \$9,212,998 |
| | JanSan | not awarded yet | \$3,363,436 |
| | MRO | 2,124,843 | \$11,221,311 |
| | Subtotal | \$93,922,368 | \$129,188,429 |

Lead Office. Federal Acquisition Service

Performance Goal 1.1.6 – Increase the use of the Acquisition Gateway to improve federal purchasing decisions

By September 30, 2017, GSA will increase the number of federal users of the Acquisition Gateway to 14,000 from a baseline of nearly 2000 in FY 2015 and the number of federal agencies accessing the Acquisition Gateway to 50, from a baseline of 39 in FY 2015.

GSA has taken a grassroots approach by initially building its Acquisition Gateway user base internally and subsequently expanding to other agencies in the acquisition community. GSA is

following an agile development approach for the Acquisition Gateway that focuses on continuous planning, development, user testing and improvements to functionality. Through using this approach, GSA has utilized its marketing team to set up Gateway demonstrations with acquisition-focused agencies to promote the Gateway's usage and seek feedback to continually improve its functionality and content. The Acquisition Gateway delivers the benefits of good Category Management. It is the hub where Category experts focus and amplify communication and collaboration between industry and federal procurement professionals. The Gateway drives clearer understanding of the government's needs and industry's capabilities, leading to better requirements and outcomes for everyone.

Benefit to the Public. The Acquisition Gateway provides agencies an interactive online portal where they can review and compare available acquisition solutions to efficiently make cost-effective purchasing decisions. The Gateway offers expert advice, resources, data, and decision-support tools to help federal acquisition professionals find assistance through each step of the acquisition lifecycle, leading to successful procurement outcomes. Increased usage of the Gateway will lead to decreased cost of doing business with the government – fewer duplicative contracts will lower bid, proposal, and contract administration costs.

Performance and Contextual Indicators.

Number of Federal Users of the Acquisition Gateway. The initial users that the Acquisition Gateway is targeting include the government acquisition community. This would include Contracting Officers, Project Managers, Contract Specialists, Contracting Officer Representatives, etc.

Number of Federal Agencies accessing the Acquisition Gateway. The target audience goes beyond the 24 CFO Act agencies and would extend to any agency that performs acquisitions on behalf of Federal Government.

Progress Update. To be reported in FY 2016.

Number of Federal Users of the Acquisition Gateway

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2014 | n/a | 0 |
| 2015 | n/a | 1,934 |
| 2016 | 10,000 | |
| 2017 | 14,000 | |

Number of Federal Agencies accessing the Acquisition Gateway

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2014 | n/a | 0 |
| 2015 | n/a | 39 |
| 2016 | 45 | |
| 2017 | 50 | |

Strategic Objective 1.2: Improve the federal utilization of space

Strategies. GSA is leading efforts to improve asset utilization, reduce agency space requirements, effectively manage real property, and pursue innovative proposals to leverage resources. GSA is a government-wide leader and expert in real estate solutions. GSA is encouraging agencies to reduce space to minimize costs. GSA uses a variety of tools, strategies, and portfolio planning options to determine the optimal housing solutions for agencies. By working with customer agencies, GSA will identify opportunities to optimize federal real estate portfolios by reducing space, improving utilization, disposing of underutilized assets, and leveraging market opportunities to reduce the footprint and investment and operating costs.

GSA supports the Office of Management and Budget's (OMB) "Reduce the Footprint" policy – aimed at reducing government-wide square footage for offices and warehouses – by collecting government-wide data and conducting analysis to assess the performance of each agency towards meeting the national goal. GSA supports the President's Management Agenda Benchmarking Initiative for real property management. Planned strategies include:

1. Use client portfolio plans to develop and implement space saving opportunities with demonstrated value for both the client and GSA. These plans create value by proposing solutions which align Administration, Client Agency and GSA goals, and help optimize an agency's existing portfolio while more effectively anticipating, capturing, and advising on future portfolio needs;
2. Where it is advantageous to the federal government, work to house tenants in federally owned space, rather than leasing from the private sector;
3. Minimize the amount of vacant space in the inventory and increase the utilization of existing space;
4. Assist agencies in acquiring the needed technology to support a mobile workforce; and
5. Establish a government-wide real property benchmarking capability to support increased use of data and evidence to inform policy- and decision-making.

Strategic Objective Goal Leaders.

- Norman Dong, Commissioner, Public Buildings Service (Lead Office)
- Troy Cribb, Associate Administrator, Office of Government-wide Policy

Contributing Programs. The following programs, defined in the Federal Program Inventory, contribute to this objective:

- Assisted Acquisition
- Building Operations
- Construction and Acquisition of Facilities
- Government-wide Policy
- Integrated Technology Services
- Operating Expense
- Real Property Disposal
- Real Property Relocation
- Rental of Space
- Repairs and Alterations

Strategic Objective Progress Update. GSA, in collaboration with OMB, has determined that performance toward this objective is making noteworthy progress. Since FY 2011, GSA has worked with customers to complete 15 real estate client portfolio plans (CPPs), consistently meeting annual targets of three new CPPs per year. In FY 2015, GSA completed plans for the Department of Agriculture, Department of Justice – Federal Bureau of Investigation and Department of Veterans Affairs Office of Infrastructure and Technology. Through portfolio planning, GSA develops business cases for cost saving opportunities that consider investment costs, savings, and return on investment calculations to assist in agency prioritization. GSA received \$70 million in FY 2015 to support agency consolidation activities within the GSA portfolio. In FY 2015, there were a total of ten CPP projects leveraging \$39 million in consolidation funds with a targeted \$14.2 million in annual rent savings, 400,000 usable square feet reduction, and \$22 million in annual government leased cost avoidance. GSA remains successful in keeping vacancy rates low in its owned and leased real property portfolio. Nationally, GSA's vacancy rate in 2015 was 3.4%, far below the private sector average of 16.9%.

Agencies are looking to reduce their federal footprint as part of the “Reduce the Footprint” initiative. As a cross-agency priority goal, GSA will continue to work with its federal customers to optimize their use of space while meeting their changing needs.

GSA also provides Total Workplace solutions for customers that transform traditional official space into a collaborative work environment with a high utilization rate. This program allows agencies to amortize the cost of furniture and IT for their space by leasing the equipment from GSA and making payments towards ownership over the term as an additional payment with the rent.

The projects designed in the Total Workplace program during FY 2015 continue to reflect an improved reduction in rentable square feet. In FY 2015, GSA has projected a 24 percent improvement in utilization rate for replacement leases, exceeding the target rate of five percent. Currently, GSA is implementing projects for more than 36 agencies and departments. Furthermore, the Total Workplace Program worked closely with customers in FY 2015 to add seven utilization agreements, which establish a benchmark utilization rate for future projects and space actions, and brings the total number of such agreements to 13.

GSA is also making great strides in improving space utilization for its own operations. In FY 2013, GSA transformed its headquarters from conventional office space into a collaborative, flexible work environment. GSA is saving over \$24 million a year by consolidating 3,300 of its own headquarters employees into one building that formerly housed 2,000 employees. GSA has set a limit of 136 useable square feet per person in workspaces on all new projects for housing GSA personnel, and identified opportunities throughout the country to reach that goal through the GSA Client Portfolio Plan. Smart occupancy, telework, and hoteling strategies serve as the means to meet utilization goals.

In FY 2015, through replacement lease projects, GSA had a 24 percent space reduction over the existing leases. Space was reduced by 500,000 square feet, a 10 percent reduction over the existing leases which far exceeded the Agency Priority Goal of reducing space by 5 percent for replacement leases. GSA is working to reduce the amount of square footage associated with replacement leases in non-government owned buildings by 5 percent, to support Reduce the Footprint goals.

Strategic Objective Next Steps. GSA will take the following actions in support of this strategic objective over the next two years:

- Work with agencies to develop policies and implement practices that reduce the federal building and warehouse space at FY 2012 levels
- Improve the utilization of GSA occupied space through various innovative workplace strategies
- Use government wide benchmarking information to support increased use of data and evidence to drive policy- and decision-making
- Work with OMB and Federal Real Property Council to identify best practices for meeting the Reduce the Footprint target, standardize reporting processes, and improve data quality and availability
- Implement a process within GSA to elevate projects internally when utilization rates exceed a client agency's guidelines
- Leverage new and innovative workplace solutions to help agencies acquire the technology and workspace design to transform and consolidate workspaces

Performance Goals.

Performance Goal 1.2.1 – Reduce the Federal Footprint

GSA will implement 16 consolidation opportunities identified from client portfolio plans in FY 2016 and 16 consolidation opportunities identified from client portfolio plans in FY 2017.

GSA is leading efforts to improve asset utilization, reduce agency space requirements, effectively manage real property, and pursue innovative proposals to leverage resources. GSA will work with federal agencies and departments to increase office space utilization and minimize operations, maintenance, and investment costs. GSA's efforts will assist the federal government in reducing its footprint and generating savings for the American people. CPPs identify opportunities and develop action plans to optimize the real estate portfolios of customers.

GSA and customer agencies are striving to consolidate and improve workspace utilization through the use of CPPs, Local Portfolio Plans, Lease Portfolio Plans, workspace consolidation, and the Total Workplace Program. When feasible, GSA works with its customers to achieve agency standard office-space utilization rate below 150 square feet (office-only) for agencies that have not yet established agency specific utilization rates as required under the Reduce the

Footprint initiative. GSA also assists federal agencies to repurpose underutilized assets by disposing, exchanging, subleasing, or transferred assets to increase asset utilization.

Benefit to the Public. Improved real property planning will reduce cost and lower environmental footprint, and help customer agencies focus their planning and management resources on mission-related operations and programs. Better utilization of federal workspace lowers the federal government's operational cost. GSA's efforts will assist the federal government in reducing its real estate footprint and generating savings for the American people.

Performance and Contextual Indicators

Reduction in amount of rentable square feet in replacement leases (*discontinued in FY 2016*). This performance indicator measures the reduction of rentable square feet in replacement leases by calculating the space under the existing leases versus the space provided under the replacement leases.

Agencies with completed CPPs (*discontinued in FY 2016*). This performance indicator measures the number of CPPs that GSA has developed for customer agencies. These plans provide recommendations with action plans to reduce space, consolidate tenants, and lower leased costs by leveraging identified market opportunities. A completed portfolio plan is developed by GSA and validated by the customer agency. Each year's target represents the cumulative number of plans completed to-date.

Implemented consolidation opportunities identified through CPPs (*new*). This performance indicator measures the number of opportunities identified through completed CPPs that have been implemented to save agencies and taxpayer's money through space consolidation and lease space savings. In FY15 Client Portfolio Plans (CPP), the CPP teams collaboratively identified 115 actionable opportunities that could result in a footprint reduction of 6.4M rentable square feet (RSF) from the federal portfolio. GSA will update all 15 CPPs annually.

Progress Update. In FY 2015, through replacement lease projects, GSA had a 24 percent space reduction over the existing leases. Space was reduced by 500,000 square feet which far exceeded the Agency Priority Goal of reducing space by 5% for replacement leases.

GSA met the target goal for completing three additional CPPs in FY 2015. In FY 2014, GSA completed plans for the Department of Agriculture and components of the Departments of Justice and Veterans Affairs. GSA worked with the agencies to validate high-impact opportunities supported by business cases and aligned with the agencies' mission, priorities, and goals.

GSA continued to work with client agencies to implement projects to achieve savings and space reductions that were identified in prior year completed portfolio plans. These projects aim to consolidate higher cost lease space into lower cost and underutilized federally owned space,

manage leased space better through workplace strategies and improved office standards, and optimize rents in depressed markets to capture favorable tenant lease rates.

In FY 2015, GSA completed sixteen opportunities for seven agencies, representing consolidation and lease opportunities, resulting in savings of over \$30.6 million annually and reducing footprint by 916,000 usable square feet.

Reduction Rentable Square Feet in Replacement Leases (%)

| Fiscal Year | Target | Actual |
|-------------|--------------|--------|
| 2014 | 3% | 16% |
| 2015 | 5% | 24% |
| 2016 | Discontinued | |

Agencies with Completed CPPs

| Fiscal Year | Target (Cumulative Total) | Actual (Cumulative Total) |
|-------------|---------------------------------|------------------------------|
| 2011 | 3 | 3 |
| 2012 | 6 | 6 |
| 2013 | 9 | 9 |
| 2014 | 12 | 12 |
| 2015 | 15 | 15 |
| 2016 | Discontinued | |

Number of Implemented Consolidation Opportunities Identified through CPPs

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2013 | n/a | 4 |
| 2014 | n/a | 12 |
| 2015 | n/a | 16 |
| 2016 | 16 | |
| 2017 | 16 | |

Lead Office. Public Buildings Service

Performance Goal 1.2.2 – Reduce vacant space in the government-owned and leased inventory

GSA will keep vacant space at or below 3.2% in FY 2015 and FY 2016.

GSA tracks the amount of vacant space in its owned and leased inventories monthly. Even though GSA vacancy has increased, it continues to remain well below the private sector where vacancy grew to 16.9% in the same period of performance. When an agency releases space, GSA's vacancy increases until it is backfilled or released from the inventory. As agencies strive

to reduce the federal footprint, GSA's vacancy can increase in the future as tenants release additional space.

Benefit to the Public. Better utilization of federal workspace lowers the federal government's operational cost.

Performance and Contextual Indicators.

Percent of vacant space in the government-owned and leased inventory. This performance indicator reports the total unoccupied assignable square feet as a percentage of total assignable square feet in the owned and leased workspace inventory. Space undergoing on-time, prospectus level renovation is excluded.

Progress Update. At the end of FY 2015, GSA did not achieve this building portfolio target goal. GSA's vacancy totaled 3.4%, higher than the 3.2% target. Vacant space is affected by the lack of funding to renovate space for future customers and agency space consolidations, as well as agencies releasing space to reduce their real property footprint. GSA continues its efforts to optimize the use of federal space while meeting the changing needs of customer agencies and adhering to Administration mandates.

Vacant Space in the Government-Owned and Leased Inventory (%)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006 | 4.4% | 4.3% |
| 2007 | 4.3% | 3.3% |
| 2008 | 3.2% | 3.1% |
| 2009 | 3.2% | 2.6% |
| 2010 | 3.2% | 2.4% |
| 2011 | 3.2% | 3.4% |
| 2012 | 3.2% | 3.0% |
| 2013 | 3.2% | 3.8% |
| 2014 | 3.2% | 3.6% |
| 2015 | 3.2% | 3.4% |
| 2016 | 3.2% | |
| 2017 | 3.2% | |

Lead Office. Public Buildings Service

Strategic Objective 1.3: Reduce resource use and environmental impact

Strategies

GSA will reduce resource usage by:

- Installing and implementing energy and water efficiency improvements in its portfolio building operations
- Procuring more fuel efficient vehicles
- Reducing waste generation and diverting waste from landfills

- Offering more sustainable products and services on its schedules
- Reducing business travel and making remote meeting technologies more available and accessible Rental of Space
- Increasing telework and designing workspaces that increase space utilization

GSA also serves as a test bed for innovative technologies and management practices that improve environmental performance while reducing costs. GSA will accomplish this by testing and, where proven effective, deploying Green Proving Ground building technologies and making innovative products and services available and affordable to customer agencies. The planned strategies include:

1. Employ new technologies and building management practices that are both cost-effective and environmentally responsible
2. Expand the use of alternative fuel vehicles government wide and ensure that low cost, high efficiency vehicle options are available to customer agencies
3. Continue to expand offerings of sustainable products. Assist federal agencies in meeting environmental sustainability purchasing requirements by identifying and increasing the availability of green products and services
4. Enhance the usefulness of energy efficiency research, strategies, practices, and tools provided to federal departments and agencies by improving existing and deploying new resources that will enable better measurement of the use and impact of the resources provided. Obtain user feedback, and disseminating research, strategies, practices, and tools
5. Continue to identify, select and evaluate innovative technologies that save energy and water and reduce operational costs through the Green Proving Ground Program. Provide guidance to accelerate deployment of proven technologies with the greatest potential to reduce annual operating costs and reduce energy use intensity. Increase interagency coordination of investments in technology to market demonstrations

Strategic Objective Goal Leaders.

- Kevin Kampschroer, Chief Sustainability Officer (Lead)
- Norman Dong, Commissioner, Public Buildings Service
- Tom Sharpe, Commissioner, Federal Acquisition Service
- Troy Cribb, Associate Administrator, Office of Government-wide Policy

Contributing Programs. The following programs defined in the Federal Program Inventory contribute to this objective:

- Assisted Acquisition
- Building Operations
- Construction and Acquisition of Facilities
- General Supplies and Services
- Government-wide Policy
- Integrated Technology Services
- Repairs and Alterations
- Travel, Motor Vehicle and Card Services

Strategic Objective Progress Update. GSA has determined that performance toward this objective is making noteworthy progress. GSA expects to meet its long term goal to reduce

energy intensity (usage by square foot) in its building portfolio by 30% from a baseline set in FY2003. GSA is continuing to reduce energy use by implementing new technologies and systems (e.g., advance metering), awarding Energy Savings Performance Contracts, installing onsite renewable energy at federal sites, and working with other agencies to create volume discounts for increased renewable energy purchases. In FY 2015, GSA met the target for a 30 percent reduction in energy intensity in its building portfolio from the baseline set in FY 2003. GSA is also converging building, monitoring, and control systems infrastructure to enable smarter and more efficient operations.

GSA has achieved its target towards improving the sustainability of the federal supply chain by reporting the sales of green products and service offerings at 8.82 percent of total business volume in FY 2015 from the baseline of 2.4 percent in FY 2010. GSA expanded its offerings of green products through its Federal Strategic Sourcing Initiative offerings, including the first ever use of the social cost of carbon in evaluating the offers for the Domestic Delivery Services, third generation, Blanket Purchase Agreements. GSA also expanded the functionality of the Green Procurement Compilation -- the one-stop shop for federal agencies to identify green product requirements, options for purchasing those products, options for purchasing green services, and related information. GSA created a focused communications email campaign to educate customers about buying green products through GSA. The agency will continue to identify additional sustainable product and service offerings and use focused communications to educate federal agencies about available green products and services and where they can be purchased.

GSA supported federal customers in purchasing alternative fuel vehicles to reduce the environmental impact of the federal fleet. Nearly 83 percent of the vehicles purchased by GSA this fiscal year were classified as alternative fuel vehicles.

To assist federal agencies, GSA implemented user-friendly applications to manage energy use for fleet and office space. The Federal Automotive Statistical Tool (FAST) provides federal departments agencies with an annual data collection tool that summarizes petroleum usage by their vehicle fleet. The Sustainable Facilities Tool (SFTool) provides an online resource for government or private sector organizations to identify and prioritize cost-effective green building and procurement strategies.

Strategic Objective Next Steps. GSA will take the following actions in support of this strategic objective over the next two years:

- At least 80% of all vehicles procured by FAS on behalf of federal agencies will be alternative fuel vehicles
- Continue to leverage available procurement opportunities for cost saving energy efficiency and renewable energy technologies that reduce greenhouse gas emissions
- Serve as a test bed for sustainable technology through continued operation of the Green Proving Ground Program
- Implement the Computerized Maintenance Management System (CMMS) to improve efficiency in building operations

- Establish and roll out action plans to address buildings in GSA portfolio that have high energy intensity consumption
- Work with supplier community to improve compliance and standardization of green product labels
- As part of Category Management, implement sustainable products, supplier sustainability reporting, and other sustainability initiatives in each FAS category
- Continue to maintain and expand the Green Procurement Compilation, including expanding listings of agency-specific requirements
- Improve GSA sustainable acquisition policies and programs, including tracking and measuring sustainable acquisition targets
- Issue a final rule on electronic stewardship and identify electronic waste recycling standards for the federal government to prevent potential harmful impacts that could result from electronic waste being disposed of in landfills

Performance Goals

Performance Goal 1.3.1 – Green the federal supply chain

GSA will increase green purchasing as a percent of business volume to 9 percent in FY 2016 and 10 percent in FY 2017.

Federal agencies have statutory and executive order requirements to

- Purchase products with preferred environmental or energy attributes;
- Engage in electronics stewardship;
- Reduce use of toxic and hazardous chemicals;
- Increase the energy and water efficiency of federal buildings;
- Increase the energy efficiency of fleet vehicles; and
- Reduce greenhouse gas (GHG) emissions.

GSA, as an intermediary in the market, provides an avenue through which commercially available products and services can be delivered cost effectively to federal agencies. In this role, GSA assists federal agencies in meeting environmental sustainability purchasing requirements by identifying the availability of green products and services. GSA, through education and outreach, influences federal green purchasing. With consideration to statutory and executive order requirements, GSA applied the following criteria to identify green products and services:

- Green Products. Products that assist federal agencies to meet environmental purchasing requirements, identifying products with an environmental icon, or products which adhere to environmental standards or certifications.
- Green Services. Services that involve the use of green products, promote environmental sustainability goals, or include energy or environmental services.

Benefit to the Public. By raising awareness about tools such as the Green Products Compilation, GSA will help departments and agencies meet their sustainability goals and ultimately increase the sustainability of the federal supply chain.

Performance and Contextual Indicators.

Green Purchasing as a percent of business volume. This performance indicator is calculated by dividing the summation of the dollars attributable to green purchases in the reported fiscal year by the summation of total dollars of business volume (purchases) in the reported fiscal year tracked through the GSA Federal Acquisition Service systems.

Progress Update. The sale of green products relative to FAS total business volume was reported at 8.8 percent in FY 2015, exceeding the GSA goal of eight percent. In FY 2015, several new green elements have been added to contribute to green sales, including:

- FSSI Janitorial and Sanitation (JanSan) sales of recycled content and bio-based products
- FSSI Maintenance, Repair and Operations (MRO) sales of ENERGY STAR, WaterSense, recycled content and bio-based products
- Domestic Delivery Service (DDS3) shipment sales

Green Purchasing as a Percent of Business Volume

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2011 | Baseline | 2.2% |
| 2012 | Baseline | 6.9% |
| 2013 | 5.0% | 4.7% |
| 2014 | 6.0% | 10.5% |
| 2015 | 8.0% | 8.8% |
| 2016 | 9.0% | |
| 2017 | 10.0% | |

Lead Office. Federal Acquisition Service

Performance Goal 1.3.2 – Reduce total energy intensity

GSA will reduce total energy intensity from FY 2015 level by 1.7 percent in FY 2016 and by 2.5 percent in FY 2017 from the FY 2015 baseline.

GSA manages energy consumption towards mandated percent reduction goals per gross square foot. To capture energy trends, tracking total purchased energy is measured between fixed time periods to more accurately trend performance of our portfolio, enabling us to reflect changes in density of employees.

Benefit to the Public. Responsible management of energy usage in federal workspace lowers cost to the American people, provides greater availability of domestic energy resources for other purposes, and contributes to better air quality.

Performance and Contextual Indicators.

Energy Intensity. This contextual indicator is defined as the reduction in consumption by 30% by FY 2015 from the FY 2003 baseline. Section 431 of the Energy Independence and Security Act of 2007 requires all federal landholding agencies to meet this target for reducing energy consumption per gross square foot of space. This measure assesses reduction in energy use intensity as mandated in EO 13693. GSA to reduce energy intensity as measured in British Thermal Units (BTU) per gross square foot (gsf) by 47.5% by 2025 over the 2003 baseline.

Progress Update. In FY 2015, GSA reduced energy intensity by 30 percent from a 2003 baseline to meet our performance goal. For the third consecutive winter season, GSA experienced increased above average heating degree days (HDD). HDD is derived from measurements of outside air temperature and is designed to assess the demand for heating a building. GSA expects to continue to meet its future energy usage goals as HDD returns to normal.

Energy Intensity (BTU per gross square foot % reduction)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2010 | 15% | 15.8% |
| 2011 | 18% | 18.9% |
| 2012 | 21% | 24.5% |
| 2013 | 24% | 24.8% |
| 2014 | 27% | 26.5% |
| 2015 | 30% | 30.0% |
| 2016 | 1.7%* | |
| 2017 | 2.5%* | |

* denotes from new baseline of FY 2015 actual performance

** denotes that results will be available in February, 2016

Lead Office. Public Buildings Service

Performance Goal 1.3.3 – Reduce use of petroleum-based fuel

GSA will reduce annual consumption of petroleum-based fuel to 365.2 million gallons in FY 2016 and 357.9 million gallons in FY 2017.

Executive Order 13693: *Planning for Federal Sustainability in the Next Decade (2015)* made federal leadership in energy, environmental water, fleet, buildings, and acquisition management central to continue driving national greenhouse gas reductions and support preparations for the impacts of climate change. The Executive Order, provides the opportunity to reduce agency direct greenhouse gas emissions by at least 40 percent over the next decade while at the same time fostering innovation, reducing spending, and strengthening the communities in which our Federal facilities operate.

Benefit to the Public. This performance indicator assists with reducing federal agency petroleum fuel costs and increasing the environmental sustainability of federal government fleet operations for the public.

Performance and Contextual Indicators

Annual use of petroleum-based fuel. This performance indicator computes the total annual use of petroleum-based fuel in the federal motor vehicle fleet in millions of gallons to assist with reducing petroleum based fuel consumption in the federal fleet. Usage is obtained directly from agencies via GSA FAST. This indicator is expressed as the total annual use of petroleum-based fuel in the federal motor vehicle fleet in millions of gallons to assist with reducing petroleum based fuel consumption in the federal fleet.

Progress Update.

Petroleum-based fuel use was 380.93 million gallons in FY 2015. This amount is 4.3% above the 365.15 million gallon target. This measure reports government-wide data on petroleum-based fuel use.

Annual Use of Petroleum-Based Fuel (millions of gallons)

| Fiscal Year | Target | Actual |
|--------------------|---------------|---------------|
| 2007 | Baseline | 383.09 |
| 2008 | Baseline | 377.53 |
| 2009 | Baseline | 383.81 |
| 2010 | Baseline | 403.96 |
| 2011 | 395.88 | 405.47 |
| 2012 | 387.96 | 380.40 |
| 2013 | 380.20 | 366.90 |
| 2014 | 372.60 | 365.51 |
| 2015 | 365.15 | 380.3 |
| 2016 | 357.85 | |
| 2017 | 350.69 | |

Lead Office. Office of Government-wide Policy

Performance Goal 1.3.4 – Purchase alternative fuel vehicles

To reduce environmental impact of federal vehicle fleet, 80 percent of vehicles purchased by GSA in FY 2016 and FY 2017 will be alternative fuel vehicles.

Each fiscal year, FAS procures thousands of vehicles for the federal government. A significant number of these new purchases are Alternative Fuel Vehicles (AFV) which run on alternative fuels or meet the EPA's low greenhouse gas emitting vehicle requirements. This goal helps to ensure government operations are more sustainable and have a reduced environmental impact.

Benefit to the Public. Transitioning to a fleet composed primarily of AFVs will lower petroleum consumption, greenhouse gas emissions, and annual fuel costs for customer agencies.

Performance and Contextual Indicators.

AFVs purchased as percent of total motor vehicles purchased. This performance indicator reports the AFV purchases in a given fiscal year as a percentage of the total number of vehicles purchased. AFVs are vehicles that run on non-petroleum fuels – like electricity, natural gas, or biofuels – or meet the EPA’s low greenhouse gas emitting vehicle requirements. Total motor vehicles purchased include orders made by GSA for its fleet customers and motor vehicles orders made by other federal agencies.

Progress Update. GSA met its performance target for the third consecutive year with 82.8 percent of vehicles purchased in FY 2015 being AFVs.

Alternative Fuel Vehicles Purchased as a Percent of Total Motor Vehicles Purchased (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2006 | Baseline | 31.1% |
| 2007 | Baseline | 39.6% |
| 2008 | Baseline | 44.4% |
| 2009 | Baseline | 51.6% |
| 2010 | 52.6% | 67.2% |
| 2011 | 53.6% | 80.3% |
| 2012 | 80.0% | 75.4% |
| 2013 | 80.0% | 82.1% |
| 2014 | 80.0% | 80.9% |
| 2015 | 80.0% | 82.8% |
| 2016 | 80.0% | |
| 2017 | 80.0% | |

Lead Office. Federal Acquisition Service

Strategic Goal 2: Improve the efficiency of operations and service delivery

GSA will build greater efficiency in its operations and service delivery. Operations will be streamlined and improved to ensure that we provide our services efficiently to our customers. GSA will continue to invest in improving our real property assets to meet the short- and long-term needs of our customers. GSA will improve internal operations by enhancing real property asset quality, and streamlining operations, processes and technology delivery. GSA will assist the federal government in improving the efficiency of fleet operations government-wide by pursuing the consolidation of customer managed fleets into GSA’s fleet operations.

Strategic Objective 2.1: Increase the efficiency of GSA operations

Strategies. GSA will build greater efficiency in meeting customer needs in the areas of acquisition services and real property leasing, construction, and disposal. To accomplish this GSA will reduce administrative costs, improve oversight and strengthen internal controls to drive efficiency in our operations. Zero-based budgeting practices will be employed to allocate and reduce travel, information management infrastructure and management support contracts based on agency priorities. The planned strategies for this objective include:

1. Streamline and standardize processes, maintain cost-beneficial controls and improve financial and performance data analytics and reporting;
2. Manage financial risks by developing, implementing and overseeing rigorous and consistent internal controls on budgetary and financial processes and transactions;
3. Reduce indirect costs through consolidation and streamlining of financial, information, and human resources management organizations;
4. Achieve greater efficiency in delivering products and services by implementing category management best practices;
5. Increase percentage of leased revenue available after administering the leasing program by improving billing practices for rent and building services;
6. Design, construct, and manage buildings to efficiently meet our customers' requirements; and
7. Change the use of space and reduce the average space allocation by implementing innovative workplace solutions and adoption of a "smart occupancy" approach to GSA occupied space.

Strategic Objective Goal Leaders.

- Gerard Badorrek, Chief Financial Officer (Lead Office)
- Tom Sharpe, Commissioner, Federal Acquisition Service
- Cynthia Metzler, Chief Administrative Services Officer
- Norman Dong, Commissioner, Public Buildings Service
- Troy Cribb, Associate Administrator, Office of Government-wide Policy

Contributing Programs. The following programs, defined in the Federal Program Inventory, contribute to this objective:

- Acquisition Workforce Training
- Assisted Acquisition
- Building Operations
- Citizen Services and Innovative Technologies
- Construction and Acquisition of Facilities
- Federal Acquisition Service – Integrators
- General Management and Support Services
- General Supplies and Services
- Government-wide Policy
- Integrated Technology Services
- Operating Expense
- Real Property Disposal
- Real Property Relocation
- Rental of Space
- Repairs and Alterations

- Travel, Motor Vehicle and Card Services

Strategic Objective Progress Update. GSA achieved mixed results in meeting its financial performance goals for improving organizational efficiency. GSA achieved a total of \$190 million savings in indirect costs from the FY 2010 baseline, far exceeding its goal of \$155 million. However, GSA did not meet its FY 2015 target to improve operational efficiency to reduce GSA operating costs to 9.2% of revenue from goods and services provided. The primary reason for not meeting the target is due to the lower than expected revenue from goods and services provided.

GSA savings in indirect costs are being realized through consolidation and realignment of key support functions and organizations, and by reviewing, improving, and standardizing internal processes and controls. Three efficiency initiatives to note include data center consolidation, the print management program, and consolidation of GSA's information technology, human resources, administrative, and financial functions. GSA has adjusted its targets in FY 2016 and FY 2017 to reflect the performance trends for both of these relatively new financial efficiency measures. The performance target for *Reduction in Indirect Cost* will be set at a higher level of performance, whereas *Percent of Operating Cost to Revenue from Goods and Services* will be adjusted to a level that is attainable for GSA.

- GSA is consolidating its data centers to increase efficiency through economies of scale. GSA recently eliminated and/or re-purposed 12,000 square feet of floor space, decommissioned over 230 servers, and moved over 200 servers to other data centers. GSA also reduced its inventory of printers to increase resource efficiency from 5 to 25 employees per printer. GSA has also developed seven Print-Wise tips to guide employees to make cost-cutting print decisions. Widespread adoption of Print-Wise behaviors by other agencies, such as double-sided printing, can save the government hundreds of millions of dollars annually.
- GSA determined from a top-to-bottom review (conducted two years ago) that the best way to build a stronger GSA would be to consolidate the IT, HR, administrative, and financial functions. By consolidating each of these administrative functions, GSA will improve efficiency with greater clarity around responsibility and accountability. In the past year, GSA consolidated each of the four functions, and will continue to consolidate other functions such as communications and marketing as discussed in the Congressional Justification. Each functional organization is going through realignment to ensure the most efficient use of resources to fully meet their area of responsibility.

GSA is having considerable success supporting agencies in their efforts to consolidate their footprints and implement more cost-effective workplace solutions. Partially as a result of these consolidation actions, which in some cases lead to vacant leased space that GSA is obligated to continue to pay for, GSA will need to focus more on full cost recovery in the leasing program. GSA exceeded its cycle time goals for real property disposal services. GSA continued to effectively award public sales properties within 135 days. GSA also exceeded its performance

target for non-competitive sales and donations within 220 days. The agency continues to efficiently provide training courses through the Federal Acquisition Institute with course attendance levels consistently exceeding 80%.

Strategic Objective Next Steps. GSA will take the following actions in support of this strategic objective over the next two years:

- Utilize the data from the President's Management Agenda Benchmarking Initiative to continue to drive efficiencies and performance in administrative functions
- Continue to consolidate indirect activities to reduce overhead and administrative costs and implement more effective systems and processes and ensure cost-beneficial controls
- Manage financial risks by developing, implementing and overseeing rigorous and consistent internal controls on budgetary and financial processes and transactions
- Enhance reporting and analytics capabilities to measure and manage costs across the agency, improve transparency in the financial and operational reporting of GSA data, and support data-driven decisions
- Develop agency-wide process improvement capability to inform streamline and standardize processes, maintain cost-beneficial controls, and improve financial and performance data analytics and reporting
- Develop a fully integrated, performance-based decision-making process to link budget to performance and improve resource allocation and organizational efficiency
- Implement an action plan that focuses on: 1) strategies for the largest blocks of vacant space for backfill or buy-out opportunities, 2) requiring a cost/benefit analysis before vacating future space that will drive strategies to minimize losses, and 3) improving the process of timely lease billing and payments
- Manage operations in the Federal Acquisition Service to control costs and ensure full cost recovery in the Acquisition Service Fund
- Work with our customer agencies to further educate them on how to efficiently identify and dispose of unneeded real property assets
- Reduce space allocation by implementing innovative workplace solutions and adopt a "smart occupancy" approach to GSA occupied space
- Finalize the FY 2016 capital project prospectuses, and show an improvement in space utilization in our proposed space projects (excluding building system projects without space alterations)

Performance Goals

Performance Goal 2.1.1 – Increase the efficiency of GSA operations

GSA will improve operational efficiency so operating expenses are no more than 9.77 percent of revenues in FY 2016 and no more than 9.61 percent of revenues in FY 2017.

GSA will increase operational efficiency through consolidation and standardization of business processes. GSA will strengthen agency-wide process improvement capabilities to design

efficient and standardized processes across the agency. GSA will improve data transparency and data analytics capabilities to support fully integrated, performance-based decision-making. GSA tracks the overall efficiency of GSA operations by dividing the total operating costs by the total value of goods and services provided.

Benefit to the Public. Improving operational efficiency means GSA will be able to deliver goods and services to our customers at a lower cost. This improved efficiency can translate to reduced costs to operate GSA and lead to customer agency savings, primarily through reduced fees and surcharges.

Performance and Contextual Indicators

Total operating costs as a percent of total goods and services provided. This performance indicator measures the overall efficiency of GSA operations by dividing the total operating costs by the total value of goods and services provided. The purpose of this indicator is to monitor overall GSA efficiency and track efficiency improvements while accounting for changes in the customer demand for GSA goods and services. This indicator is calculated by taking operating expenses, inclusive of allocated corporate indirect expenses in FAS and PBS, as a percentage of the total goods and services provided by FAS and PBS. The FAS operating expenses includes all FAS expenses except flow-through and customer direct benefit activities, which include fleet related expenses and outbound transportation costs. PBS operating posts include all total PBS building operations costs less activities that provide direct benefit to the customer. Direct benefit activities include building utilities, maintenance, cleaning, security, fire, and other building services.

Progress Update. GSA did not meet its target of reducing operating costs to 9.4% for goods and services provided in FY 2015. Although GSA exceeded its target to reduce indirect costs as discussed below, GSA did not meet this target due to lower than expected revenue from goods and services provided.

Total Operating Costs as a Percent of Total Goods and Services Provided (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2011 | Baseline | 9.99% |
| 2012 | Baseline | 10.03% |
| 2013 | Baseline | 9.60% |
| 2014 | 9.40% | 9.91% |
| 2015 | 9.20% | 9.70% |
| 2016 | 9.60% | |
| 2017 | 9.60% | |

Lead Office. Office of the Chief Financial Officer

Performance Goal 2.1.2 – Control indirect costs

GSA will reduce indirect costs from the FY 2010 baseline by \$304 million in FY 2016 and \$342 million in FY 2017.

In FY 2013, GSA began reorganizing to consolidate functions. Budget and finance management, information technology, and human resource functions were transferred from the Acquisition Service Fund and Federal Buildings Fund to the Working Capital Fund. Monitoring indirect costs will track efficiency improvements in GSA's administrative and support activities and quantify the savings achieved from organizational consolidations and reorganizations. Operating costs are composed of direct and indirect costs and exclude the costs of goods and services sold. Indirect operating costs are expenses that are allocated across revenue generating activities. This indicator will track savings and efficiencies due to the consolidations and other improvements in the indirect activities.

Benefit to the Public. Controlling indirect costs will improve GSA operational efficiency and can translate to savings to customer agencies in the form of reduced fees and surcharges.

Performance and Contextual Indicators.

Reduction in total GSA indirect costs from the FY 2010 baseline. This performance indicator measures GSA indirect operating costs as compared to the FY 2010 baseline. Indirect costs include: (1) corporate management, (2) business executive direction, and (3) business support and is calculated as the total cost of corporate indirect costs plus FAS indirect costs plus PBS indirect costs. Corporate indirect include headquarter management costs and business support: comprised of indirect costs that are variable to the business activity they support and includes finance centers, and Chief Information Officer (CIO) direct business systems costs and related personnel compensation and benefits. FAS Indirect includes Business Executive Direction (i.e., national business management, FAS Commissioner and Deputies, Assistant Commissioners and Regional Commissioners, and immediate offices), FAS integrators and regional/business line management - including administrative liaisons for program, human resources, and financial management. PBS Indirect includes PBS IT Service, personnel compensation and benefit costs, management support costs and other PBS administrative expenses, including transportation, telephones, printing, training, supplies, equipment and travel.

Progress Update. GSA exceeded its FY 2015 target of \$210 million for reducing indirect costs from the FY 2010 baseline. GSA continues to realize savings through the realignment of key support functions (finance, information technology and human capital) and by improving and standardizing internal processes and controls.

Reduction in Total GSA Indirect Costs (\$ Millions)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2010 | Baseline | 0 |
| 2011 | n/a | \$136 |
| 2012 | n/a | \$115 |
| 2013 | \$130 | \$130 |
| 2014 | \$155 | \$190 |
| 2015 | \$210 | \$407 |
| 2016 | \$304 | |
| 2017 | \$342 | |

Lead Office. Office of the Chief Financial Officer

Performance Goal 2.1.3 – Generate sufficient funds from operations to effectively operate GSA leased buildings

GSA will improve the efficiency of the leasing program so that revenue available after administering the program is between zero and two percent in FY 2015 and FY 2016

The leasing program provides lease space to meet customer needs timely and at best value. GSA strives to generate sufficient program revenue to break even in the leasing program after covering all administrative costs to operate.

Benefit to the Public. Maintaining lease revenue available after program administration costs at between zero and two percent of revenues demonstrates that the leasing program can efficiently operate within the fees collected from customer agencies. Efficient delivery of leased workspace gives agencies greater flexibility in housing their workforce and operations and managing their resources.

Performance and Contextual Indicators.

Percent of leased revenue available after administering the leasing program. This performance indicator measures the leasing program’s revenue available after program administration costs and is calculated by taking the leased inventory revenue minus all expenses (excluding depreciation) associated with the inventory.

Progress Update. GSA narrowly missed its target of lease revenue available between 0 – 2% once again in FY 2015. The end of year performance for FY 2015 of -0.47%, is the result of various issues, including timely and accurate customer billing and lessor payment, vacant space and related security expenses, lease formulation and buyout costs, and general and administrative expenses in excess of PBS fee revenue for small-dollar value leases. GSA continues to work collaboratively across the organization to focus on this metric, and hopes to have an upward trend for results in FY 2016.

Leased Revenue after Administration of Leasing Program (%)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006 | 0-2% | 1.5% |
| 2007 | 0-2% | 0.0% |
| 2008 | 0-2% | -0.9% |
| 2009 | 0-2% | -2.1% |
| 2010 | 0-2% | -1.4% |
| 2011 | 0-2% | -0.3% |
| 2012 | 0-2% | -0.3% |
| 2013 | 0-2% | -0.1% |
| 2014 | 0-2% | -1.0% |
| 2015 | 0-2% | -0.5% |
| 2016 | 0-2% | |
| 2017 | 0-2% | |

Funds from Operations - Leased (\$ millions)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2012 | n/a | -30 |
| 2013 | n/a | -4 |
| 2014 | n/a | -69 |
| 2015 | 0 | -29 |
| 2016 | 0 | |
| 2017 | 0 | |

Lead Office. Public Buildings Service

Performance Goal 2.1.4 – Complete capital projects on schedule

GSA will complete at least 90 percent of capital projects on schedule annually in FY 2016 and FY 2017.

This measure monitors the schedule performance of all prospectus level construction and major repair and alteration projects in the capital program. GSA tracks performance by month, providing project managers and program directors with timely project status information to actively manage projects driving on-time completion of construction projects.

Prospectus level construction and major repair and alteration projects are, on average, the largest projects by dollar value that are executed by GSA's Public Building Service. By tracking the performance of prospectus level projects separately from other projects, GSA can focus on the projects that carry the most weight in the portfolio.

Benefit to the Public. Delivering space when the customer needs it enables customers to most effectively carry out their mission. GSA’s efficient delivery of new and renovated facilities reduces the resource demands of customer agencies that may translate to higher operational effectiveness and/or lower operational costs.

Performance and Contextual Indicators.

Capital construction projects on schedule. This measure reports the percentage of prospectus level construction projects completed on schedule, weighted by the contract value. Using an earned value technique, this measure assesses project performance on all prospectus level projects. Delivering space when the customer needs the space enables our customers to carry out their mission with minimal distractions.

This performance indicator was expanded to include Repair and Alteration projects. Inclusion of Repair and Alteration projects enables the performance measure to fully encompass all capital construction projects. Weighting projects based on total current contract value allows the measure to place more emphasis on large, important projects critical to the GSA project portfolio.

Progress Update. GSA exceeded its 90% target in FY 2015 by delivering 98 percent of capital projects on schedule. GSA attributes this improvement to increased adoption of improved project and performance management processes. GSA used project management processes to improve the accuracy and quality of project reporting. GSA also used key performance indicators to track project team compliance with construction schedules, invoice payments, and issues that could cause project delays.

Capital Projects on Schedule (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2012 | Baseline | 85% |
| 2013 | Baseline | 89% |
| 2014 | Baseline | 97% |
| 2015 | 90% | 98% |
| 2016 | 90% | |
| 2017 | 90% | |

Lead Office. Public Buildings Service

Performance Goal 2.1.6 – Timely award of public sale properties and non-competitive sales and donations

GSA will award at least 90 percent of public sale properties within 135 days in FY 2016 and FY 2017.

In the current real estate market, the goal for the public sale properties awarded within 135 days is to maximize returns through fair and transparent competition. GSA invests the time needed to

market the property via mass media outlets (including social media), hold an open house, to answer questions from interested bidders, and to hold the auction. GSA uses a “soft close process”. A soft close process provides an auction end time, however the auction extends until only the highest bid survives without challenge. At times it may be advantageous to the agency to allow an auction to extend over the 135-day target in order to bring the greatest return to the federal government if there is active bidding.

Benefit to the Public. Decreasing the cycle time for public sales increases the speed with which surplus federal properties can be disposed of and supports the management of a financially self-sustaining portfolio of federal real property assets. Maintaining a viable, self-sustaining inventory of real properties ensures federal agencies have appropriate facilities at the best possible cost.

Performance and Contextual Indicators. Percentage of public sale properties awarded within 135 days. This indicator reports the number of public sales awarded within 135 days (minus hold times) as a percentage of total public sales. Hold time occurs when the disposal experiences an unavoidable delay because of pending legislation, historical building reviews, or litigation. Award refers to the date the offer to purchase is completed by GSA and the purchaser.

Progress Update. GSA exceeded the target goal of awarding 90% of competitive public sales within 135 days. The percent of projects awarded within the measurable period at the end of FY 2015 was 97 percent, with 129 out of 133 sales awarded within 135 days. The streamlined bidding process of the Invitation for Bids process, which GSA uses to market properties for disposal, and aggressive marketing along with online auctions, continues to attract buyers, and propel GSA to be successful in achieving this target and saving taxpayers money.

Public Sale Properties Awarded within 135 days (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2008 | Baseline | 82% |
| 2009 | 90% | 97% |
| 2010 | 90% | 99% |
| 2011 | 90% | 100% |
| 2012 | 90% | 100% |
| 2013 | 90% | 98% |
| 2014 | 90% | 94% |
| 2015 | 90% | 97% |
| 2016 | 90% | |
| 2017 | 90% | |

Lead Office. Public Buildings Service

Performance Goal 2.1.6b – Timely award of public sale properties and non-competitive sales and donations

GSA will award at least 90 percent of non-competitive sales and donations within 220 days in FY 16 and FY 2017.

Benefit to the Public. Decreasing the cycle time for non-competitive sales and donations increases the speed with which surplus federal properties can be disposed of and supports the management of a financially self-sustaining portfolio. Maintaining a viable, self-sustaining inventory of real properties ensures that federal agencies have appropriate facilities at the best possible cost.

Performance and Contextual Indicators. Percentage of non-competitive sales and donations awarded within 220 days. This indicator reports the number of non-competitive sales and donations awarded within 220 days (minus hold times) as a percentage of total public sales. Hold time occurs when the disposal experiences an unavoidable delay because of pending legislation, environmental concerns, title problems, historical building reviews, or litigation. Non-competitive sales and donations include negotiated sales, public benefit conveyances, and federal transfers. Award refers to the date the property is transferred to another agency, assigned to a sponsoring agency or deeded to a public body.

Progress Update. 39 out of 40 projects (97.5%) were awarded within 220 days, exceeding our 90 percent target for awarding competitive sales and donations. To achieve the 220-day measure, it is our standard operating practice to run tasks concurrently when practicable.

Non-Competitive Sales and Donations Awarded within 220 days (%)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2008 | 90% | 86% |
| 2009 | 90% | 97% |
| 2010 | 90% | 94% |
| 2011 | 90% | 95% |
| 2012 | 90% | 91% |
| 2013 | 90% | 88% |
| 2014 | 90% | 93% |
| 2015 | 90% | 98% |
| 2016 | 90% | |
| 2017 | 90% | |

Lead Office. Public Buildings Service

Performance Goal 2.1.7 – Deploy civilian acquisition workforce training courses efficiently

GSA will achieve at least 85 percent attendance levels for Federal Acquisition Institute training courses in FY 2015 and 90 percent for FY 2016.

Established in 1976 under the Office of Federal Procurement Policy Act, the Federal Acquisition Institute (FAI) has been charged with fostering and promoting the development of a federal acquisition workforce. FAI, housed within OGP, facilitates and promotes career development and strategic human capital management for the acquisition workforce. One of its core responsibilities is to provide training to the civilian acquisition workforce in the interest of improving government-wide capacity for exceptional acquisition performance. In the provision of training, FAI seeks to do so in an efficient and effective way. One indicator of efficiency is ensuring high attendance levels in courses offered.

Benefit to the Public. Maintaining high attendance levels ensures GSA efficiently delivers acquisition workforce training to the federal acquisition workforce.

Performance and Contextual Indicators.

Attendance levels for FAI training courses. This performance indicator assesses the percentage of available classroom training seats filled in FAI sponsored classes. This performance indicator measures the attendance divided by seats offered for the training courses. FAI, managed on behalf of the federal government by GSA, is charged with fostering and promoting the development of a federal acquisition workforce—which includes the provision of essential acquisition training. Measuring class fill rates is a key indicator for ensuring that FAI provides training courses in an efficient manner. Consolidating the provision of acquisition training across government also eliminates duplication and reduces costs by providing a shared training program for the federal government.

Progress Update. GSA exceeded the target of 85 percent attendance levels in FY 2015 by filling 88 percent, or 3,240 of 3,685 seats.

Attendance Levels for FAI Training Courses (%)

| Fiscal Year | Target | Actual |
|--------------------|---------------|---------------|
| 2010 | Baseline | 59.9% |
| 2011 | Baseline | 75.0% |
| 2012 | 80% | 86.0% |
| 2013 | 80% | 88.8% |
| 2014 | 80% | 91.7% |
| 2015 | 85% | 87.9% |
| 2016 | 90% | |
| 2017 | 90% | |

Lead Office. Office of Government-wide Policy

Strategic Objective 2.2: Enhance asset management

Strategies. GSA continues to invest in improving our real property assets and operating systems to meet the needs of its federal customers. GSA uses asset evaluation tools to determine the financial performance in the real property inventory. By applying leading and innovative building operations management principles, GSA provides services in an efficient and effective manner for the public.

GSA supports customers in meeting their fleet needs through the efficient management of our fleet operations. Since GSA is responsible for approximately one third of the federal motor vehicle fleet, we leverage economies of scale in delivering fleet solutions to customers that include working with customers to find the best solutions to meet their mission critical needs at the lowest cost possible. The planned strategies for this objective include:

1. Maintain a viable, self-sustaining inventory of real properties providing federal agencies with optimum facilities at the best possible cost
2. Ensure customer agencies are paying competitive, market rates for building support services
3. Actively manage the GSA motor vehicle fleet across the federal customer base and maximize asset utilization to the greatest extent possible
4. Leverage the information systems and infrastructure across the federal government to reduce per unit cost of vehicle operations
5. Work with our customer agencies to further educate them on how to efficiently identify and dispose of unneeded real property assets

Strategic Objective Goal Leaders.

- Norman Dong, Commissioner, Public Buildings Service (Lead Office)
- Tom Sharpe, Commissioner, Federal Acquisition Service
- Troy Cribb, Associate Administrator, Office of Government-Wide Policy

Contributing Programs. The following programs, defined in the Federal Program Inventory, contribute to this objective:

- Building Operations
- Government-wide Policy
- Repairs and Alterations
- Travel, Motor Vehicle and Card Services

Strategic Objective Progress Update. During FY 2015, GSA improved asset management and building operations and saved taxpayers money by improving operations, and leveraging buying power. GSA has struggled to meet certain building operations measures without the funding needed for repairs and upgrades.

In FY 2015, 81.3% of measured buildings' cleaning and maintenance costs were within or below

the private sector counterparts. In FY 2015, GSA's goal is to reduce operating costs to bring 80% of office buildings within market range. GSA will continue to improve in this area by looking at innovative new strategies for cleaning and maintenance contracts to minimize costs while ensuring service levels remain constant or improve.

During FY 2016, GSA will continue to improve asset management and building operations, update, right-size, and sustain the federal vehicle and aviation fleets, optimize and reduce internal vehicle fleet and consolidate and streamline facility-related contracts.

Strategic Objective Next Steps. GSA will take the following actions in support of this strategic objective over the next two years:

- Ensure customer agencies are paying competitive, market rates for building support services
- Backfill vacant space more efficiently through the complementary use of client and local portfolio planning
- Improve on-time activation of Occupancy Agreements (OA) to enhance the financial efficiency of real property leasing program
- Improve customer satisfaction through the modernization of the Reimbursable Work Authorizations (RWA) business process. An RWA is a formal agreement between GSA and a customer whereby GSA agrees to provide goods and/or services and the customer agrees to reimburse GSA's direct and indirect costs
- Implement a commercial car sharing pilot to evaluate improvement in utilization of fleet vehicles
- Continue pilot study to evaluate collision avoidance technology for select vehicles and customers

Performance Goals

Performance Goal 2.2.1 – Provide building cleaning and maintenance at competitive costs

GSA will provide cleaning and maintenance of space so at least 80 percent of government-owned buildings are within private sector benchmarks in FY 2016 and FY 2017.

This measure compares GSA's building operations and maintenance costs with private sector costs for buildings that are similar in size and location. This measure evaluates GSA's ability to offer the services at competitive prices. GSA will continue to leverage our market position to reduce our building operations and maintenance costs while ensuring service levels remain constant or improve.

Benefit to the Public. This goal ensures that customer agencies are paying competitive, market rates for building support services.

Performance and Contextual Indicators

Cleaning and maintenance costs within market range (new reporting format). GSA will utilize the same methodology for determining the private sector benchmark. In lieu of aggregating the results to determine percentage of the portfolio, GSA will be analyzing each building individually. GSA estimates \$30m in annual savings if 80% of its buildings meet the market range criteria.

Progress Update. GSA was successful in meeting its FY 2015 operating cost goal. In FY 2015, 81.3% of measured buildings' operations and maintenance and cleaning costs were within or below the private sector counterparts. A total of 154 buildings had costs above the market range. GSA will seek to re-negotiate contracts for the buildings with higher costs.

Operating Costs within Market Range (%)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2013 | N/A | 72% |
| 2014 | N/A | 70% |
| 2015 | 80% | 81% |
| 2016 | 80% | |
| 2017 | 80% | |

Lead Office. Public Buildings Service

Strategic Goal 3: Deliver Excellent Customer Service

GSA will deliver excellent customer service to federal agencies and departments by making it simpler for them to meet their real estate, acquisition and technology needs. GSA will strengthen communications, processes, and offerings, and generate new ideas through collaboration with customers and industry. GSA will achieve this goal through a commitment to service, teamwork, problem-solving and continual improvement.

Strategic Objective 3.1: Enhance relationships with customers, suppliers and stakeholders

Strategies. GSA will improve customer knowledge through increased use of business intelligence, furthering strategic partnerships and improved financial stewardship. To make it easier for federal agencies to acquire goods and services, GSA will use customer data to drive continuous improvement. GSA assesses the quality, reliability, value, timeliness and responsiveness of its services through the use of annual customer satisfaction surveys. GSA will stand up a new Customer Experience Office to lead agency-wide data analysis and customer service improvement initiatives.

GSA continues to develop tools and processes to make it easier for suppliers to efficiently meet the needs of government customers. GSA analyzes market and vendor data to negotiate better rates, discounts, improved services, and other benefits for federal agencies. GSA will increase vendor outreach and communications to strengthen trust with suppliers.

GSA will enhance federal government interaction with the American people by providing innovative tools and solutions that better enable the American people to access and use federal information, data and services anywhere, anytime, on any device; increasing federal use of existing public engagement tools, technology, and expertise; improving access and increasing the American public's use of communication channels to more effectively interact with government. The planned strategies for this objective include:

1. Increase customer loyalty through strategic partnerships with customers and an agency-specific team approach to provide federal customers with access to customized support at all levels, from the agency executive through procurement decision makers. Offer a multi-layered team of people and programs to capture the voice of the customer, map customer journeys, identify and improve gaps, deliver customized analytics and recommendations, and further improve the value GSA offers for customer agencies
2. Establish focused account strategies to ensure customers receive coordinated and consistent information, dedicated client representation that understands their strategies and needs, and an improved appreciation for how important their business and satisfaction are to GSA
3. Ensure consistency with our building services delivery by improving communication with managers and staff, and providing training courses
4. Expand our smart building program to include consideration for building systems, tenants, the environment, energy sources, operating policy, capital and operating expenses, while meeting tenant expectations
5. Leverage data and customer insights to improve programs
6. Create tools and resources (e.g., reverse auctions, IT Solutions Navigator, etc.) and offer regular training sessions to make it easier for agencies to identify and purchase GSA-contracted information technology solutions
7. Meet with government agency senior leaders to promote GSA solutions and new awards, and help agencies identify ways to save money
8. Demonstrate the viability and scalability of new government-wide shared solutions and expand the use of solutions to deliver value, cost avoidance, and excellent customer experiences to federal agencies

Strategic Objective Goal Leaders.

- Tom Sharpe, Commissioner, Federal Acquisition Service (Lead Office)
- Norman Dong, Commissioner, Public Buildings Service
- Troy Cribb, Associate Administrator, Office of Government-wide Policy
- Phaedra Chrousos, Chief Customer Officer and Associate Administrator, Office of Citizen Services and Innovative Technologies

Contributing Programs. The following programs defined in the Federal Program Inventory contribute to this objective:

- Acquisition Workforce Training
- Assisted Acquisition
- Building Operations

- Citizen Services and Innovative Technologies
- Construction and Acquisition of Facilities
- General Supplies and Services
- Government-wide Policy
- Integrated Award Environment
- Integrated Technology Services
- Rental of Space
- Repairs and Alterations
- Travel, Motor Vehicle and Card Services

Strategic Objective Progress Update. GSA, in consultation with OMB, has highlighted this objective as a focus area for improvement. GSA met its FY 2015 performance target for tenant satisfaction with 63% of tenants reporting satisfaction with buildings service. However, GSA did not meet its FY 2015 performance target for customer loyalty for acquisition services; respondents' average ratings (7.1 on 10-point scale) were below the 7.8 performance target.

To address these results head-on, GSA hired a new Chief Customer Officer (one of the first in the federal government) to coordinate agency-wide customer data collection and analysis, and help program offices use customer insights to drive program improvements. GSA's new Office of Customer Experience has interviewed agencies, customer groups, and program offices to map a big picture view of the GSA customer journey. The office implemented a Voice of the Customer Program to weave customer-centric thinking throughout the agency. GSA is also tackling several high-impact projects to improve customer service including consolidating call centers and creating a more customer-centric online experience.

The development of an Acquisition Gateway for products and services will provide federal acquisition specialists a one-stop website to compare available federal acquisition solutions and easily identify cost-effective solutions. FAS is consolidating the contracts under the eight Professional Services Schedules and have reduced the number of contracts.

To improve customer's experience with real property services, PBS launched Service Delivery Excellence (SDE) with four clients to provide a consistent approach for each client agency, regardless of region. PBS has also developed and initiated over 5,400 action plans in FY 2015 to address tenant concerns in specific GSA managed buildings.

GSA continues to provide innovative tools to federal agencies that facilitate greater citizen engagement. New innovations included website platforms for agencies to manage and develop their own websites (sites.usa.gov), more easily create on-line enterprise data inventories (inventory.data.gov), and invite the public to submit ideas and solutions to specific problems (challenge.gov ideation platform). GSA also developed an application in USA.gov to allow the public to search for unclaimed money through a single website. These and other new solutions contribute to an open, citizen-centric government. They enhance access and use of valuable government information, data, and services by facilitating the exchange of ideas and knowledge between the government and the public, and improve the public's experience with the federal government.

GSA also plays a key role in supporting the President's Management Agenda Benchmarking Initiative designed to provide agency decision-makers with cost and quality data on core mission-support functions. Functions include: Acquisition, Financial Management, Human Capital, IT Management, and Real Property. GSA worked with the 24 CFO Act agencies to collect data on approximately 40 metrics and assisted OMB in conducting a series of 24 benchmarking meetings with agencies to discuss results and brainstorm solutions. Agencies are using the benchmarks as a tool to jumpstart data-driven discussions with components, measure performance against peer agencies, and improve visibility into shared services, among other uses.

Strategic Objective Next Steps. GSA will take the following actions in support of this strategic objective over the next two years:

1. Increase tenant satisfaction with leased and owned space by developing action plans for specific buildings to address issues highlighted in the tenant satisfaction survey
2. Increase customer loyalty to FAS through improved offerings and better customer service while increasing supplier satisfaction with the federal acquisition process
3. Revise supplier satisfaction surveys to improve response rates and better meet the needs of suppliers and customers
4. Expand the use of established government-wide shared solutions that deliver value and cost avoidance and excellent customer experiences to partners by:
 - Increasing the number of organizations using digital analytics on their websites, Challenge.gov and sites.usa.gov
 - Enable agencies to easily create initial on-line enterprise data inventories so that data.gov can maintain an up-to-date, on-line catalog of all agencies' data holdings. This will help entrepreneurs, small businesses, academic institutions, organizations and individuals to find and use government data to develop innovative products and services to improve society
5. Increase digital delivery of government publications using the USA.gov platform. Enable our partner agencies to transform delivery of Digital Services to achieve open, transparent government and drive innovation by improving performance of federal websites by expanding the government-wide Digital Analytics program to include customer satisfaction metrics and analysis while continuing to increase its use across government
6. Enhance quality and customer experience for Citizen Services by:
 - Improving access for citizens to get governmental information and services anytime, anywhere, from any device
 - Providing integrated, quality experience to all citizens accessing government information and services
 - Measuring the customer experience with these innovative solutions using the Government Customer Experience Index

Performance Goals

Performance Goal 3.1.1 – Improve tenant satisfaction with government-owned and leased space

GSA will increase overall tenant satisfaction to 65 percent in FY 2016 and to 66 percent for FY 2017.

This survey measures how well GSA provides work spaces and building services; improves tenant communications; encourages collaboration among regions and customers; and ultimately helps determine the best value provided to agencies and the American people.

The survey assesses how well GSA is meeting occupant expectations concerning building management services, and helps ensure that federal employees occupy well-managed workspaces that support their work productivity.

Benefit to the Public. This measure assesses how well GSA lessors (i.e., property owners/managers) are meeting federal workforce expectations concerning building management services and that federal employees occupy well managed workspace that supports their work productivity.

Performance Indicators

Customer satisfaction with government-owned and leased space. This performance indicator calculates the percentage of survey respondents who rate their overall satisfaction level with GSA service delivery as a “4” or “5” on a 5-point scale.

Progress Update. GSA met its FY 2015 performance targets for tenant satisfaction surveys. 63% of tenants reported satisfaction with buildings services, meeting the target goal of 63%. Satisfaction levels for tenants in GSA owned buildings and tenants in GSA leased buildings were equivalent (63% owned vs 62% leased). GSA is aggressively working to increase tenant satisfaction. By utilizing an internal TSS action planning tool, GSA developed action plans for 100% of our buildings with a FY 2014 Tenant Satisfaction Survey score to implement solutions to improve building issues tenants identified.

GSA is ensuring consistency with our building services delivery by improving communication with national managers and staff, and providing training courses. The agency continues its Smart Building Program, which will improve building operations by allowing GSA to more closely monitor building performance, reduce costs and reduce energy usage, while working to better meet customer expectations. By combining these efforts, GSA intends to increase tenant satisfaction and customer delivery.

Customer Satisfaction with Government-Owned and Leased Space (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2011 | Baseline | 76% |
| 2012 | Baseline | 73% |
| 2013 | 83% | 63% |
| 2014 | 75% | 61% |
| 2015 | 63% | 63% |
| 2016 | 65% | |
| 2017 | 66% | |

Lead Office. Public Buildings Service

Performance Goal 3.1.2 – Achieve customer loyalty and supplier satisfaction with acquisition services

GSA will increase customer loyalty average ratings to 7.2 in FY 2015 and 7.3 in FY 2016.

Customer loyalty is highly correlated to the likelihood that customers will continue to use and recommend an organization's products and services to others. Providing a means for customers to meet their mission critical product and service needs enables agencies to focus on achieving their missions and providing the maximum value to the American people. GSA will achieve supplier satisfaction with acquisition services, and measure supplier satisfaction through a revised survey that will be available in FY 2016.

Benefit to the Public. Achieving customer loyalty allows GSA to take action to improve program operations. The network of suppliers and vendors that GSA leverages to provide customer agencies with goods and services are essential to service delivery. Through positive working relationships with suppliers, GSA is able to provide better service to customers through relationships that are mutually beneficial for the supplier and customer.

Performance and Contextual Indicators.

Customer loyalty. This performance indicator was established to track customer loyalty and ensure that GSA Federal Acquisition Service is effective at meeting customer requirements. GSA customers are identified and the questionnaire is developed to ensure program offices have actionable recommendations for areas of improvement. This measure is the average score across three loyalty intentions items for each respondent. Responses are rated on a 10-point scale where 1 equals “not at all likely” and 10 equals “very likely”. The three questions include:

- “How likely are you to recommend [Program Office] to others?”
- “How likely are you to continue to use [Program Office] in the future?”
- “How likely are you to consider [Program Office] as your first choice for [product/service]?”

Progress Update. GSA was below its customer loyalty and supplier satisfaction target with acquisition services. GSA achieved a customer loyalty score of 7.14 on a 10-point scale, which

did not meet the FY 2015 target of 8.0. There has been a gradual downturn in the survey results over recent years.

Customer Loyalty (10-point scale)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2011 | Baseline | 8.0 |
| 2012 | 8.2 | 7.6 |
| 2013 | 8.3 | 7.6 |
| 2014 | 7.8 | 7.4 |
| 2015 | 8.0 | 7.1 |
| 2016 | 7.2 | |
| 2017 | 7.3 | |

Lead Office. Federal Acquisition Service

Performance Goal 3.1.3 – Increase Citizen Engagement (*discontinued in FY 2017*)

GSA will increase the number of citizen touchpoints to 433 million in FY 2015 and 476 million in FY 2016.

GSA will increase citizen engagement by increasing the number of citizen touchpoints.

Benefit to the Public. Citizen touchpoints deliver value for GSA and the public by providing easier access to essential government information, services, and engagement via the internet, phone, email, social media, and print.

Performance and Contextual Indicators

Citizen touchpoints. This performance indicator estimates use of OCSIT properties (information channels). It includes, but is not limited to, usage of websites such as usa.gov, gobiernousa.gov, and others; automated and assisted telephone contacts; e-mail and webchat inquiries; publications ordered in print medium or electronically viewed; search queries using DigitalGov Search; and URLs shortened with GO.USA.gov and 1.USA.gov.

Progress Update. OCSIT refined its methodology for FY 2015 to include only active citizen interactions as part of its overall touchpoint calculation. An "active touchpoint" is defined as a citizen-initiated interaction with an OCSIT property. It includes visit to our websites, searches performed on DigitalGov search engines, visits to our Frequently Asked Questions, customer inquiries via phone, email, or web chat, and publication orders and digital viewing. It does not include OCSIT-initiated interactions like social media, bulk mailings, email subscriptions, etc.

Our citizen touchpoints count will now focus on those interactions that reflect meaningful public engagement. The primary difference will come from excluding social media feeds to fans and

followers, which represent potential access to our content, but likely overestimate actual usage due to the large volume of information distributed on social media. Consequently, GSA expects limited growth in FY 2015 and gradual growth in FY 2016 and beyond.

Active Citizen Touchpoints (millions of touchpoints)

| Fiscal Year | Target | Actual |
|-------------|--------------|--------|
| 2011 | N/A | 143 |
| 2012 | N/A | 231 |
| 2013 | N/A | 416 |
| 2014 | N/A | 425 |
| 2015 | 433 | 499 |
| 2016 | 476 | |
| 2017 | Discontinued | |

Lead Office. Office of Citizen Services and Innovative Technologies

Performance Goal 3.1.4 – Help agencies deliver, manage, and share digital services and solutions

GSA will successfully develop five new government-wide digital shared services at no additional cost to agencies.

OCSIT and 18F will develop three new, government-wide digital shared services that enable federal agencies to better deliver their missions. These shared services are new methods, tools, or platforms that solve a new or existing problem. By providing these digital shared services, GSA helps agencies save valuable resources while improving operational efficiency. These digital services contribute to an open, citizen-centric government, secure cloud, and smarter IT delivery.

Benefit to the Public. These user-centric shared services, solutions, and platforms improve information and service delivery across government, enabling more efficient, effective, citizen-centered government.

Performance and Contextual Indicators. Number of free government-wide digital shared services. Digital shared services are cost-effective information technology solutions that increase government openness, including solutions to serve businesses with one-stop access to federal services, provide the public information about federal performance, engage the public in providing expertise on specific problems to federal agencies, provide effective registration and management of government web sites, and streamline and leverage security assessments of innovative cloud computing products and solutions.

Progress Update. GSA delivered eight new digital government-wide shared services in FY 2015 as shown below:

1. Data.gov Customer Service Platform: A new CRM (customer relationship management) hosted by Data.gov to handle questions and requests from the public on federal datasets. The CRM uses the Open311 standard for the API and is designed to be easy to integrate with existing CRM systems that agencies may have. Agencies will also be able to use the Data.gov-hosted version. This supports implementation of the Open Data Policy requirement to take into account user requests as agencies decide what additional data to release.
2. "Open with" feature. Data.gov has integrated its dataset pages with free, third-party services plot.ly and CartoDB. Users can hit an "open with" button on datasets to go to the third party sites to take advantage of their data visualization capabilities while viewing government data.
3. Participate.USA.gov is a resource for government managers to effectively evaluate and build better services through public participation using best practices and performance metrics.
4. The Social Media Cyber-Vandalism Toolkit will help agencies evaluate and improve security of their programs to ensure they are better prepared for emerging challenges.
5. The Federalist platform is a suite of tools designed to make it faster and cheaper for government agencies to build websites that are secure, responsive, and accessible. Federalist automates common tasks for integrating GitHub, a content editor, and Amazon Web Services, providing a simple way for developers to launch new websites or more easily manage existing ones.
6. The Open Source Style Guide is a comprehensive handbook for writing clear, accessible, and user-friendly documentation so that open source code repositories are accessible both internally and externally.
7. Connect.gov 2.0 (Future Operating Capability) is an enhanced credential exchange platform, that lets consumer agencies leverage multiple entities to authenticate and validate the identities of their customers, while providing security, maintenance, integration and technical support services of the platform.
8. Vote.USA.gov provides information to potential voters and empowers citizens to take that important step toward registering. Working alongside the Presidential Innovation Fellows to create an attractive, easy-to-navigate site, vote.USA.gov provides quick access to 23 states that currently accept online registration. The site also connects citizens to the National Mail Voter Registration Form, provided by the U.S. Election Assistance Commission (EAC) and accepted by most states. (note: #7 and #8 may be revised pending internal GSA discussion)

Number of New Digital Government-wide Shared Services

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2014 | 5 | 5 |
| 2015 | 5 | 8 |
| 2016 | 5 | |
| 2017 | 5 | |

Lead Office. Office of Citizen Services and Innovative Technologies

Performance Goal 3.1.5 – Implement effective policy initiatives

GSA will implement effective policy initiatives that result in 85 percent of key policy stakeholders and agency users rating GSA Office of Government-wide Policy initiatives as effective in FY 2015 and FY 2016.

As a result of specific analysis, coordination with OMB, or collaboration with agency partners, OGP pursues specific policy initiatives to advance government wide efficiency and effectiveness.

Benefit to the Public. This measure supports OGP’s mission to drive evidence-based policy to enable the delivery of effective and efficient government. OGP will continue to assess customer ratings of priority policy initiatives.

Performance and Contextual Indicators.

Percentage of key policy stakeholders and agency users who rate policy initiatives effective.

This performance indicator calculates the percentage of survey respondents who rate specific OGP initiatives as effective. Each year, OGP surveys key stakeholders and agency users on policy initiatives in the annual portfolio (portfolio policy initiatives change from year to year). This indicator helps GSA to drive evidence-based policy to enable the delivery of effective and efficient government.

Progress Update. In FY 2015, OGP continued to develop policies and conduct analysis across a wide portfolio—including acquisition, real property, travel & relocation, transportation, high-performance green buildings. In surveying nearly three hundred federal agency partners, 93% of respondents rated OGP’s policies as very effective, effective, or somewhat effective.

Key Users that Rate Policy Initiatives Effective (%)

| Fiscal Year | Target | Actual |
|-------------|--------|--------|
| 2006 | 60% | 54% |
| 2007 | 60% | 70% |
| 2008 | 60% | 79% |
| 2009 | 63% | 81% |
| 2010 | 66% | 77% |
| 2011 | 78% | 84% |
| 2012 | 80% | 86% |
| 2013 | 80% | 93% |
| 2014 | 85% | 92% |
| 2015 | 85% | 93% |
| 2016 | 85% | |
| 2017 | 90% | |

Lead Office. Office of Government-wide Policy

Strategic Objective 3.2: Support small and disadvantaged businesses

Strategies. GSA will collaborate with industry on federal acquisition requirements and best practices to promote opportunities for small, disadvantaged businesses (SDBs), women-owned businesses (WOSBs), historically underutilized business zones (HUBZones), and service-disabled veteran-owned small businesses (SDVOSBs). GSA will continue to educate the acquisition workforce on the importance of meeting socio-economic goals and assure small business considerations are made throughout the acquisition lifecycle in accordance with the Federal Acquisition Regulation (FAR) and General Services Acquisition Manual (GSAM) to maximize small business opportunity in procurements. The planned strategies for this objective include:

1. Increase participation in acquisition planning, internal small business compliance reviews, and prime contractor/subcontractor compliance reviews
 - a. Acquisition planning – conduct quarterly forecast line-by-line analysis meetings or stakeholder discussions with GSA business line senior leadership
 - b. Small business procurement compliance reviews – review contract files, from cradle to grave, to ensure regional small business compliance with FAR Part 19 and GSAM Part 519, along with applicable Executive Orders, Acquisition Alerts, Acquisition Letters and supplemental guidance
2. Advise on revision of small business policies
3. Enhance analytical performance monitoring and reporting capabilities
4. Streamline outreach program efficiency and effectiveness
5. Increase participation in the Mentor Protégé Program for business development.
6. Track agency progress for compliance with subcontracting goals

Strategic Objective Goal Leader.

- A. Jerome Fletcher, II, Associate Administrator, Office of Small Business Utilization (Lead Office)

Contributing Programs. The following programs defined in the Federal Program Inventory contribute to this objective:

- Acquisition Workforce Training
- Assisted Acquisition
- Building Operations
- Citizen Services and Innovative Technologies
- Construction and Acquisition of Facilities
- Electronic Government
- Federal Acquisition Service – Integrators
- General Management and Support Services
- General Supplies and Services
- Government-wide Policy
- Integrated Award Environment
- Integrated Technology Services
- Operating Expense
- Rental of Space
- Transportation Audits
- Travel, Motor Vehicle and Card Services

Strategic Objective Progress Update. Delivering the best value for government and the American people requires taking advantage of all resources. Central to that approach is expanding opportunities for small businesses throughout the country. In FY 2014, GSA received its third consecutive A rating from the Small Business Administration (SBA).

In FY 2015, GSA's small business goals include: Small business - 32%; SDBs - 5%; WOSBs – 5%; HUBZones – 3. %; SDVOSBs – 3;00%. GSA anticipates meeting all of its small business goals. However, final results for FY 2015 will be released by the Small Business Administration in May of 2016.

In FY 2015, GSA continued to focus on the HUBZone goal. GSA participates in HUBZone outreach events at the regional and national levels; identifies HUBZone concerns in each buying activity and gives HUBZone businesses direct access to buyers and contracting officers. GSA's Office of Small Business Utilization (OSBU) conducts internal training sessions with buyers and project managers to educate them about market research resources and to clarify the use of HUBZone set-asides under the new parity guidelines. GSA collaborates with the SBA to host HUBZone and other small business contracting webinars to provide facts and resources to the acquisition workforce. These webinars provide education on contracting with HUBZones in an effort to assist with meeting the 3% HubZone small business goal.

GSA cascaded its national small business contracting priorities into actionable plans at the buying activity level, and worked closely with SBA Procurement Center Representatives. Each regional GSA small business utilization center developed an engagement plan focused on goal achievement for the regional buying activity for which they are responsible.

In FY 2014, over 37% conducted through the Multiple Award Schedules were awarded to small and disadvantaged businesses compared to an annual target of 33%. GSA exceeded all small business prime contracting goals with the exception of Small Business, where 38.97% was attained vs. performance target of 39%. Final numbers for small business performance for FY 2014 were reported by the SBA in August 2015.

Strategic Objective Next Steps. GSA plans to take the following actions in support of this strategic objective:

1. Monitoring, oversight, and accountability
 - Enhance level of detail in reports GSA uses to track and monitor progress against subcontracting goals to show greater visibility into specific buying activities
 - Develop reporting dashboards for PBS and the Office of Administrative Services (OAS) to assist with tracking subcontracting goals and reporting progress as well as aid in monitoring of prime contractor compliance with reporting requirements.
 - Continue to include weekly updates on subcontracting progress to agency leadership through the Agency Weekly Report and team briefings for senior management.
 - Issue guidance from the Administrator regarding the importance of meeting small business goals, including all subcontracting goals

- Conduct targeted conversations with regional and business line leadership where subcontracting goals are not being met
 - Perform targeted monitoring and spot checks with the Electronic Subcontracting Reporting System (SRS), and follow-up with prime contractors that are not meeting their subcontracting goals
 - Partner with SBA to conduct Subcontracting Compliance Review site visits for major, high-dollar contracts, with a focus on FSSI, and National Broker Contracts. Conduct select reviews by desk audit.
 - Include in annual Procurement Management Reviews (PMRs), or conduct individual Small Business Compliance Reviews (SBCRs), an evaluation of contracting officer monitoring of subcontracting plans, and the reporting of contractor performance against, and efforts to achieve, small business goals in the Past Performance Information Retrieval System (PPIRS); six PMRs and/or SBCRs were conducted in FY 2015, four more are planned for FY 2016
 - Continue to publish subcontracting goals and progress to the internal OSBU subcontracting website on a weekly basis
 - Continue to encourage teams to promote and negotiate aggressive subcontracting plan goals as appropriate for individual projects
 - Collaborate with program offices and provide guidance and oversight when new requirements are developed to determine if small business can be utilized either in partial or a total capacity (i.e., Business Cases, Bundling Analysis, Consolidation Analysis and the Small Business Analysis Record)
 - Utilize GSA's social media platforms to communicate current small business goal status and offer encouragement to continue working towards reaching those goals
2. Acquisition workforce training and guidance
- Develop guidance, tools, and templates to support plan development and acquisition monitoring
 - Conduct subcontracting training (online and classroom) for the GSA Acquisition Workforce, providing instruction on accepting or rejecting Individual Subcontracting Reports (ISRs) and Summary Subcontract Reports (SSRs) in the Electronic Subcontracting Reporting System (eSRS)
 - Train small business Specialists/Advocates on how to conduct Subcontracting Compliance Reviews
 - Issue reminders which reference GSA's Subcontracting Desk Guide with information on subcontracting policies, procedures, common practices, how-to instructions, and pitfalls to avoid
 - Encourage use of GSA's Model Subcontracting Plan to assist prime contractors in developing plans that meet all regulatory requirements
 - Issue an Acquisition Alert from GSA's Senior Procurement Executive as a reminder about subcontracting plan reporting deadlines

- Collaborate with GSA's Senior Procurement Executive, FAS, PBS, and OAS to identify ways to strengthen internal policies and procedures to ensure adherence to subcontracting plans
 - Redesign and regularly update the online subcontracting directory (www.gsa.gov/subdirectory) to provide current information regarding opportunities available to small businesses
 - Work in conjunction with OGP to develop and present training in Small Business Analysis
3. To maintain our focus on HUBZone awards, GSA plans to execute, and continue implementing the following initiatives in FY 2016:
- Increase acquisition planning collaboration
 - Strengthen the forecast process for contracting opportunities by conducting quarterly line-by-line forecast review sessions and stakeholder discussions with senior leadership and contracting officials. Use these sessions to identify key HUBZone procurements and targets coming up in FY 2016
 - Conduct quarterly procurement forecast reviews with senior leadership
 - Assess weekly regional small business forecast reports and adjust engagement activities as necessary
 - Create a Market Research Visualization Tool
 - Conduct weekly reviews of projections for goal achievement from service areas
 - Revise policies
 - Issue GSAM 519 and GSA Form 2689 revisions. Lower threshold for SBTA and Associate Administrator of OSBU review and clarify SBTA review for general small business set-asides
 - Issue a desk guide for the acquisition workforce regarding GSA's Mentor Protégé Program
 - Enhance acquisition workforce training:
 - Conduct "Back to Basics" training that includes acquisition planning, market research, and small business
 - Conduct quarterly HUBZone Contracting webinar training
 - Issue specific guidance to the acquisition workforce regarding availability of HUBZone market research sources, how to better identify qualified HUBZone small businesses, and ways OSBU can assist.
 - Issue memo from the Administrator regarding the importance of meeting small business goals, including the three percent HUBZone small business goal.
 - Continue to share market research tips and other proven practices to solicit discussion of best practices from buying activities that have been particularly successful awarding to HUBZone small businesses and meeting or exceeding their goal.
4. Outreach:
- Target HUBZone outreach for top North American Industrial Classification System (NAICs).
 - Recruit more HUBZones on Schedules to meet GSA needs

- Target virtual and in-person events to:
 - Increase awareness of HUBZone certification steps;
 - Increase awareness of HUBZone and SDVOSB procurement opportunities;
 - Provide free training which includes subcontracting opportunities in GSA, like the GWAC and OASIS programs, with prime vendors, as well as on how to participate in the Mentor Protégé Program to improve business development.
- Recruit more HUBZone firms in the Mentor Protégé Program for key NAICs, and encourage teaming.
- Target social media postings based on small business goal status throughout the year.
- Solicit buyers to share feedback on proposal improvements, and solicit success examples from vendors.
- Focus on event attendance where HUBZone is the target.
- Create a HUBZone/ service-disabled veteran-owned small business Center of Expertise
- Conduct targeted HUBZone outreach

Performance Goals.

Performance Goal 3.2.1 – Meet small business contracting and subcontracting goals

Award 40.52 percent of eligible dollars to small businesses in FY 2015 and award the FY 2016 target of eligible dollars to small businesses negotiated with the Small Business Administration in FY 2016.

The GSA small business goals are set based on guidance from the SBA. Each major procuring business line at GSA contributes to achieving its share of the agency-wide small business goals to enable GSA to meet its agency-wide prime small business contracting goals.

Benefit to the Public. This goal helps increase small business access to the GSA nationwide procurement opportunities. Meeting this goal will provide opportunities for small businesses to create jobs and drive the economy forward.

Performance and Contextual Indicators

Percent of dollars awarded to small business prime contracting. This performance indicator measures the overall percentage of eligible procurement dollars awarded to: (1) small business, (2) WOSBs, (3) SDBs, (4) SDVOBs, and (5) HUBZones. This indicator excludes mandatory sources, contracts not governed by the FAR, and product service codes for leasing. Targets for the goal categories are negotiated annually between the SBA and the GSA OSBU based on analysis of historic and projected trends in procurement spend. Performance data for this indicator is generated from a snap-shot of the Federal Procurement Data System. For more information about the data, data sources, and data timeliness, please see:

<http://smallbusiness.data.gov/learn?tab=Sources%20of%20Data>.

Progress Update. GSA awarded 44 percent of its eligible dollars to small businesses in FY 2015, however these represent preliminary results for the year. On August 6, 2015, FY 2014

final performance numbers were posted on the Small Business Administration's scorecards at: https://www.sba.gov/sites/default/files/files/FY14_GSA_SB_Procurement_Scorecard_Public_View_2015-04-29.pdf. GSA received an "A" on its FY 2014 Small Business Procurement Scorecard.

Dollars Awarded to Small Business Prime Contracting (%)

| Fiscal Year | Target* | Actual |
|-------------|----------|----------|
| 2011 | Baseline | 34.2% |
| 2012 | Baseline | 40.1% |
| 2013 | 30.00% | 37% |
| 2014 | 39.00% | 38.97% |
| 2015 | 32.00% | 44.0% ** |
| 2016 | n/a* | |
| 2017 | n/a* | |

* Targets set by SBA ** Preliminary results, final numbers to be reported by the Small Business Administration in May, 2016

Lead Office. Office of Small Business Utilization

Performance Goal 3.2.2 – Meet small business subcontracting goals

GSA prime contractors will award at least 29 percent of its eligible dollars to small business subcontractors in FY 2015 and award the FY 2016 target of eligible dollars small businesses negotiated with the Small Business Administration in FY 2016.

The GSA small business goals are set based on guidance from the SBA. Each major procuring business line at GSA contributes to achieving its share of the agency-wide small business goals to enable GSA to meet our agency-wide subcontracting goals.

Benefit to the Public. This goal helps increase small business access to the GSA nationwide procurement opportunities. Meeting this goal will provide opportunities for small businesses to create jobs and drive the economy forward.

Performance and Contextual Indicators.

Percentage of dollars awarded to small business through subcontracting. This performance indicator measures the overall percentage of eligible subcontracting procurement dollars award to: (1) small business, (2) WSOB, (3) SDVOB, (4) VOSB, and (5) HUBZone. This indicator excludes mandatory sources, contracts not governed by the FAR, and product service codes for leasing. Targets for the goal categories are negotiated annually between the SBA and the GSA OSBU based on analysis of historic and projected trends in procurement spend. Performance data for this indicator is generated from a snap-shot of the eSRS.

Progress Update. FY 2015 results to be reported in May of 2016, GSA met its subcontracting performance goal for the second consecutive year in FY 2014.

Dollars Awarded to Small Business through Subcontracting (%)

| Fiscal Year | Target* | Actual |
|-------------|----------|--------|
| 2011 | Baseline | 32.1% |
| 2012 | Baseline | 26.0% |
| 2013 | 25% | 30.0% |
| 2014 | 25% | 28.7% |
| 2015 | 29% | TBD |
| 2016 | n/a* | |
| 2017 | n/a* | |

* Targets set by SBA

Lead Office. Office of Small Business Utilization

Performance Goal 3.2.3 – Achieve small business targets on the Multiple Award Schedules

33 percent of business on the Multiple Award Schedules will be awarded to small business in FY 2015 and FY 2016.

GSA establishes long-term government wide contracts with commercial firms to provide access to millions of commercial products and services at volume discount pricing. These Multiple Award Schedules advance the socio-economic business goals of the Administration by providing channels through which GSA and customer agencies can access the small business segment of the market.

Benefit to the Public. Meeting this goal will provide opportunities for small businesses to create jobs and drive the economy forward.

Performance and Contextual Indicators.

Percent of MAS business volume from small businesses. This performance indicator reports the percentage of Multiple Award Schedule business volume that is attributed to small businesses each year by calculating the GSA Multiple Award Schedules total business volume attributed to small businesses and dividing it by the total business volume.

Progress Update. The GSA Multiple Award Schedules is one of many methods through which GSA provides small and disadvantaged businesses access to the federal marketplace. In FY 2014, 37% of the business conducted through the Multiple Award Schedules was awarded to small and disadvantaged businesses, exceeding the annual target of 33%.

MAS Business Volume from Small Business (%)

| Fiscal Year | Target | Actual |
|--------------------|---------------|---------------|
| 2011 | Baseline | 33.5% |
| 2012 | Baseline | 34.0% |
| 2013 | 33% | 34.7% |
| 2014 | 33% | 37.2% |
| 2015 | 33% | |
| 2016 | 33% | |

Lead Office. Federal Acquisition Service

Management Objectives

GSA is committed to building its capabilities to deliver its mission at the best possible value to its customers and the American people. To meet this challenge, we are building a stronger GSA by making sure our own employees at GSA are getting the same high quality support that we give partner agencies. This includes delivering a mission-ready workforce, streamlining our information technology, and improving data quality and reporting.

Management Objective M.1: Deliver a mission ready workforce

Strategies. The Office of Human Resources Management (OHRM) is working towards a future state that provides meaningful human resource (HR) data and analysis and consultative support to help customers make informed business decisions. We provide the tools and advice that create a diverse, agile and high-performing GSA workforce characterized by people who embody GSA's core values and effectively deliver the best value in real estate, acquisition, and technology services to government and the American people. GSA will deliver a high performing workforce by focusing on the following key strategic priorities: optimizing the GSA workforce; improving the speed and quality of GSA hiring; enhancing GSA performance management, culture, and employee engagement; and improving operational efficiency and cost to enhance the GSA customer experience. GSA will do this by focusing on the core competencies required across GSA to achieve the agency mission, and developing enterprise-wide workforce plans that include identification of GSA employee training needs. GSA will continue to invest in an overarching strategy for employee engagement, strengthening performance management, recruitment strategies, succession planning, and learning and development opportunities, particularly for leaders and supervisors. GSA will become a more efficient and results oriented workforce by utilizing data analytics and improving human resource service delivery models to help leaders drive their business and deliver results. The current strategies for this objective include:

1. Providing an evolving portfolio of partner-centric products and services;
2. Optimizing HR service delivery models; and
3. Maintaining quality leadership and a diverse, high-performing workforce

Management Objective Goal Leader.

- Antonia T. Harris, Chief Human Capital Officer, Office of Human Resources Management

Contributing Programs. The following program, defined in the Federal Program Inventory, contribute to this objective.

- Acquisition Workforce Training
- Assisted Acquisition
- Building Operations
- Citizen Services and Innovative Technologies
- Construction and Acquisition of Facilities
- Electronic Government
- Federal Acquisition Service – Integrators

- General Management and Support Services
- General Supplies and Services
- Government-wide Policy
- Integrated Award Environment
- Integrated Technology Services
- Operating Expense
- Rental of Space
- Transportation Audits
- Travel, Motor Vehicle and Card Services

Management Objective Progress Update. During FY 2015, GSA completed a number of initiatives aimed at delivering a mission ready workforce. Specifically, OHRM worked with major organizations across GSA to develop workforce plans that will help GSA get the talent needed to deliver our mission. As part of this effort, OHRM worked with subject matter experts in across GSA to develop competency models that assess employee skills, identify skill-gaps, and recommend gap-closure strategies. Additionally, GSA established and implemented an agency-wide framework for staffing plans that improve and use data to inform appropriate resource allocation.

In FY 2015, GSA implemented an enterprise-wide recruitment strategy which included an entry-level hiring strategy to addresses agency succession planning needs. The inaugural entry-level development program was designed and launched across all 11 GSA regions with a total of 136 participants. Entry-level recruitment and succession planning will continue through FY 2016 and FY 2017.

To improve customer service and HR service delivery, OHRM developed and launched a Human Capital Management Collaborative at GSA with representatives from across the agency. Now established, GSA representatives attend a monthly meeting as part of the Collaborative to communicate information about OHRM programs and initiatives, gather customer feedback, and create working groups for human capital initiatives and projects. This program will continue to promote open dialogue, increased transparency and clear expectations between HR and GSA service and staff offices in FY 2016 and beyond.

To support GSA's efforts to become increasingly data driven in its approach to developing a mission ready workforce, GSA continues to utilize the new human capital analytics organization within Office of Human Resource Management. This capability allows OHRM to produce agency-wide and organization specific workforce analyses that will drive business decisions across GSA.

The FY 2015 GSA Time to Hire was an average of 87 days, an improvement from 88 days in FY 2014. Significant hiring process improvements were achieved throughout the fiscal year to improve the hiring timeline from Q1 to Q4. OHRM Service Level Agreements and tracking mechanisms established in FY 2015 allowed for greater insight into the hiring process and helped GSA to identify areas for improvement in the hiring timeline. For example, the hiring timeline was reduced from an average of 102 days in Q2 to 77 days in Q3. The Q4 average was 83 days, which still represents an 11 day reduction from the first quarter. Continuing to improve the hiring process will be a focus in FY 2016 and FY 2017.

GSA's employee engagement score remains stable at 69%, above average for federal agencies, yet short of our performance goal. GSA also moved up to #10 out of 37 agencies for employee engagement, an improvement from #12 in 2014. GSA will continue to improve employee engagement by collaborating across the agency to identify best practices and provide our employees with the tools and resources they need to be successful.

Finally, OHRM developed Service Level Agreements (SLAs) with its internal business partners that allow GSA to measure the delivery of key service attributes and the effectiveness of our services to meet agency human capital needs. In FY 2015, OHRM SLA performance improved: 58 percent of SLAs were met in the first quarter of the year and 66 percent of SLAs met in the fourth quarter of the year. One of the biggest improvements in the established SLAs was the reduction in the hiring timeline over FY 2015 from an average of 102 days in Q2 to 77 days in Q3. The Q4 average was 83 days, which still represents an 11 day reduction from the first quarter. OHRM remains committed to using data to improve our services. OHRM will continue to monitor and track SLA metrics to identify opportunities for necessary improvements and maintain transparency with our business partners in GSA.

While focusing on the key initiatives outlined above, GSA has made significant progress toward enhancing OHRM service delivery for customers. GSA designed an organizational structure that will allow us to efficiently and effectively meet the needs of our business partners. A significant component of the new operational model is the move to "self-service" for GSA employees and managers. In support of this effort, GSA began the divestiture of our current Human Resource Line of Business (HRLOB), developed requirements and a robust set of quantitative and qualitative assessment criteria with a corresponding automated tool to measure providers and began selection of a new vendor. These organizational improvements will position OHRM to deliver a mission-ready workforce by providing managers and employees with the tools and resources needed to effectively recruit and retain the best talent in federal government.

Strategic Objective Next Steps. GSA will focus on the following key initiatives in support of this strategic objective:

1. Optimize the GSA workforce by:
 - Developing and implementing an annual enterprise-wide workforce plans including identification of GSA employee training needs
 - Developing an annual enterprise-wide recruitment strategy and staffing plans in coordination with OCFO
 - Instituting a new development program for GSA's contracting workforce
2. Improve the speed and Quality of GSA hiring by:
 - Continuing to implement hiring process improvements to reduce the hiring timeline
 - Standardizing hiring tools and templates and providing necessary training to HR staff
 - Developing targeted recruitment plans for key occupations across the agency
 - Leveraging the GSA entry-level development program to recruit quality entry-level talent across the agency
 - Leveraging social media recruitment tools and strategies to attract quality candidates
3. Enhance GSA performance management, culture and employee engagement by:

- Executing an overarching strategy for employee engagement
 - Improving GSA's performance management systems including aligning supervisory performance goals to agency performance goals
 - Implementing leadership development programs
 - Implementing agency-level supervisory programs and training
 - Aligning enterprise-wide core competencies with human capital management strategies
4. Improving operational efficiency and cost to enhance the GSA customer experience by:
- Defining the Next Gen Human Resources Information Technology (HRIT)
 - Implementing the complete scope of the OHRM SLAs
Optimizing the OHRM workforce and budget by identifying cost-drivers and cost per functional area to best align OHRM resources to priority initiatives

Performance Goals

Performance Goal M.1.1 – Reduce time to hire

GSA will achieve a time to hire not to exceed 80 days in FY 2015 and FY 2016.

GSA will improve operational efficiency and cost to enhance the GSA customer experience in part by reducing the time to hire. The Administration has issued a call to agencies to put in place common-sense hiring processes and to reduce the complexity of agency hiring.

Benefit to the Public. Reducing the time to hire will improve staffing efficiency, and enable GSA to fill staffing vacancies in a timely manner.

Performance and Contextual Indicators

Reduce the time to hire. This performance indicator broadly reflects the total elapsed time required to staff an open position. For each vacancy, the following is calculated: the total calendar days between the date the initial request for personnel action was received in human resources and the actual date that the selectee entered on duty into the position. Once the 'time to hire' data is calculated for each vacancy, the hire days are added together and then divided by the total number employees to arrive at the average time to hire in days.

Progress Update. GSA continued to streamline HR operations while maintaining a high level of quality. In FY 2015, the hiring cycle timeline was reduced to a fiscal year average of 87 days. Although the target of 80 days was not met, significant hiring process improvements were achieved throughout the year. OHRM Service Level Agreements and tracking mechanisms established in FY 2015 allowed for greater insight into the hiring process and helped GSA to identify areas for improvement in the hiring timeline. For example, the hiring timeline was reduced from an average of 102 days in Q2 to 77 days in Q3. The Q4 average was 83 days, which still represents an 11 day reduction from the first quarter. Specific improvements in the hiring timeline for FY 2015 included decreasing the 'RPA to Tentative Offer' timeline by 17 days from Q1 to Q4 and reducing the 'Manager Hold Time' from 36.6 days in Q1 to 29.2 days in Q4 which is a direct result of OHRM working collaboratively with GSA managers to speed up the

hiring process. Remaining challenges to meeting this goal include factors outside of GSA's control, including the time involved in obtaining security clearances for new hires and the time between an employee's chosen start date and the date the offer was made. GSA is currently executing an FY 2016 enterprise-wide recruitment strategy based on the staffing plans developed in FY 2015. Improving the speed and quality of GSA hiring will continue to be a priority in FY 2016 and FY 2017.

Time to Hire (# days)

| Fiscal Year | Target | Actual |
|-------------|----------|---------|
| 2011 | Baseline | 89 days |
| 2012 | Baseline | 96 days |
| 2013 | 80 days | 86 days |
| 2014 | 80 days | 88 days |
| 2015 | 80 days | 87 days |
| 2016 | 80 days | |
| 2017 | 80 days | |

Lead Office. Office of Human Resource Management

Performance Goal M.1.2 – Increase EVS employee engagement score

GSA will increase the employee engagement score to 71 percent in FY 2015 and to 72 percent in FY 2016.

GSA will maintain quality leadership and increase employee engagement.

Benefit to the Public. Engaged employees show greater concern for customers, productivity, performance, and quality. Engaged workers are more productive, provide higher customer service, have lower absenteeism and turnover than un-engaged employees. Creating an engaged workforce supports improved operational efficiency, effectiveness and enhanced service delivery.

Performance and Contextual Indicators

EVS employee engagement score. All agencies are accountable for ensuring that the federal government recruits, retains, and honors a world-class workforce. An engaged employee is seen as one who is immersed in the content of the job and energized to spend extra effort in job performance. The 2015 Federal Employee Viewpoint Survey does not contain direct measurements of employee engagement such as passion, commitment, and involvement. However, it does include questions that cover most, if not all, of the conditions likely to lead to employee engagement (e.g., leadership, opportunity to use skills). OPM created an index using these items and excluded any items measuring satisfaction in order to differentiate this index from a job satisfaction index. An agency can look at the various items that comprise each index to get a richer understanding of the areas in which they are doing well and areas that need

improvement. The Employee Engagement Index is made up of three sub-factors: Leaders Lead, Supervisors, and Intrinsic Work Experiences.

Progress Update. GSA's EVS Engagement Index for FY 2015 was 68.6%, an increase of 0.7% from FY 2014. GSA did not meet its EVS Engagement Index target of 71%. In FY 2015, a National Engagement Team chaired by OHRM led GSA in an employee engagement initiative in coordination with the Office of the Administrator and leaders within each GSA organization. The collaboration across the agency and externally with OPM, OMB, and the CHCO Council, allowed GSA to capitalize on best practices for employee engagement in government. GSA also executed an overarching strategy for employee engagement including delivering action plans for GSA's largest organizations and additional training and support for all other organizations. Senior leaders across GSA now consistently discuss engagement as a leadership team and incorporate engagement principles into their strategic plans. GSA also moved up to #10 out of 37 agencies for employee engagement, an improvement from #12 in 2014. GSA will continue to use the EVS as a tool to address areas for improvement in FY 2016 and FY 2017.

Employee Engagement Score (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2011 | Baseline | 71% |
| 2012 | Baseline | 71% |
| 2013 | Baseline | 69% |
| 2014 | 71% | 69% |
| 2015 | 71% | 69% |
| 2016 | 72% | |
| 2017 | 72% | |

Lead Office. Office of Human Resources Management

Management Objective M.2: Streamline information technology and improve data quality and reporting

Strategies. GSA will deliver quality IT to efficiently support our internal operations and to provide high-valued products and services to our external business partners. To meet that challenge, we changed the way we deliver technology to our agency by integrating GSA IT services into a unified IT organization supported by a superior workforce. GSA is working to shift its culture from a decentralized business model to one with an enterprise-wide focus that makes transparent, data-driven decisions enabling innovative and collaborative solutions.

GSA IT is becoming a trusted advisor and partner, leveraging IT to deliver best value and innovative solutions for high quality outcomes. Our core values and guiding principles drive our decision making and our operational models. The agency will work as a team to deliver on commitments to our stakeholders as we support the GSA mission. In our execution of IT services, we incorporate our business knowledge and technology expertise to choose the best solution available. By consolidating enterprise IT services, we have leveraged our resources,

while efficiently providing capabilities needed across the GSA enterprise. GSA IT is now designing and delivering “simpler” IT which means improved access to IT, making IT easier to understand and use, and providing effective IT tools for GSA stakeholders.

GSA understands not only how fiscal constraints affect both our internal and external customers, but also how technology can be leveraged to best support mission needs. Through our governance processes, GSA will make structured, evidence-based investment decisions. While the agency continues to invest in technology innovation, we are balancing innovation with the use of mature, standard processes and technologies that effectively meet user needs and create value. GSA is leveraging the technology surge of the social era to innovate the way the agency works together. We are standardizing the agency-wide social networking platform and using other technologies that allow employees to connect virtually from anywhere. Smart application of technologies saves money and allows for collaboration to generate good ideas.

GSA will continue to implement the strategies shown below in support of this objective:

1. Improve the quality of our data and reporting by creating a list of categories to enable the search, discovery and reuse of enterprise data
2. Develop data management services to improve the quality of GSA IT data, reporting and business analytics
3. Improve business systems by consolidating applications, increasing cloud usage, and improving strategic customer engagement
4. Modernize the GSA IT environment by providing key application access from mobile devices while improving environment security
5. Consolidate the GSA IT portfolio to better manage the Agency’s investment in information technology

Management Objective Goal Leader.

- David Shive, Chief Information Officer/Associate Administrator, Office of the Chief Information Officer

Contributing Programs. The following programs, defined in the Federal Program Inventory, contribute to this objective.

- Assisted Acquisition
- Building Operations
- Citizen Services and Innovative Technologies
- Construction and Acquisition of Facilities
- Federal Acquisition Service – Integrators
- General Management and Support Services
- General Supplies and Services
- Government-wide Policy
- Integrated Technology Services
- Rental of Space
- Travel, Motor Vehicle and Card Services

Management Objective Progress Update. GSA IT utilized the Zero Based Budgeting (ZBB) methodology for the fourth year. Adjustments and refinements made this year have created a stable and predictable process that GSA IT now considers a standard. The implementation of

ZBB has allowed GSA IT to closely examine and review planned spending, ensuring it aligns with agency and IT strategies and priorities.

To improve data management, GSA established an enterprise-level data strategy, architecture, and set of standards across GSA. GSA IT is leveraging the Data-to-Decisions (D2D) framework to support the consolidation of multiple Enterprise Data Warehouse (EDW) environments to enable cross-functional and enterprise reporting with a holistic view of data across multiple business lines within GSA.

Management Objective Next Steps. GSA will continue to take the following actions in support of this strategic objective:

1. Streamline IT and provide enterprise solutions to create a simplified end user environment; and
2. Create a comprehensive view of the GSA IT portfolio to provide a better understanding of the total information technology spend.

Performance Goals

Performance Goal M.2.1 – Consolidate multiple EDW environments.

D2D is a framework designed to support the consolidation of multiple EDW environments to enable cross-functional and enterprise reporting with a holistic view of data across multiple business lines. The first planned step is migration of the PBS EDW to D2D. As an outcome of that strategy, GSA designed and implemented the D2D Architecture, a Logical Data Warehouse (LDW)-based Data/Information Management framework designed to improve the availability and sharing of data.

Benefit to the Public. This approach will allow GSA IT to realize cost savings and increase operational efficiency in delivering IT services to both internal and external customers.

Performance and Contextual Indicators

Number of enterprise IT services successfully implemented (*discontinued in FY 2016*). This performance indicator tracks the cumulative number of enterprise IT services successfully implemented.

Number of data warehouses migrated to D2D. This performance indicator tracks the cumulative number of consolidated EDW environments to D2D platform.

Commodity IT savings (Contextual Indicator). This performance indicator is defined as the reduction in commodity information technology purchases from previous year spend. Cost reduction to commodity IT includes costs for items such as laptops, servers, and integrated support services. Proposed savings are estimated using all IT costs other than personnel, travel, rent, and non-IT management contracts.

GSA IT cost reduction from FY 2014 baseline (*new*). This performance indicator measures total IT spend against an FY 2014 baseline. The scope of this metric is the GSA IT budget and includes three funds (working capital fund, acquisition services fund, and federal buildings fund).

Progress Update. GSA plans to consolidate at least one data warehouse per fiscal year into D2D.

GSA reduced commodity IT purchases by 9.3% in FY 2015 from FY 2014. This reduction was achieved through a cost management focus and a zero-based budget methodology, and is projecting continued reductions in commodity IT as a result of enterprise consolidation. The GSA IT Investment Review Board tasked the newly formed Business IT Board to propose reductions and reinvestments that focus on the external customer and making it easier to do business with GSA.

GSA IT has completed its formulation process for FY 2017 and also revised FY 2016 plans based on the following changes:

- GSA divested the Financial Management Line of Business (FMLoB) to the US Department of Agriculture (USDA) starting in FY 2015 and to continue through FY 2016 (the second and final phase). The FY 2015 mid-year adjustment and the outyears reflect the impact of that divestiture on the IT budget.
- Service changes (resulting in a contract re-compete) to the GSA Enterprise Operations contract to address customer requirements. The independent government cost estimate increases the budget in outyears. GSA IT identified other contract cuts that would be done to cover a portion of this increase.
- Approval of executive business cases for data center modernization, digital signatures, and network modernization were approved through the GSA governance process
- Hiring of additional FTEs with specific IT skillsets to support shared services, data analytics, and IT modernization. GSA IT will increase its FTE count by 15 from the adjusted FY 2015 levels after FMLoB divestiture.

Enterprise IT services Successfully Implemented (discontinued in FY 2016)

| Fiscal Year | Target | Actual |
|-------------|--------------|--------|
| 2012 | Baseline | 0 |
| 2013 | 2 | 2 |
| 2014 | 3 | 3 |
| 2015 | 4 | 4 |
| 2016 | Discontinued | |

Data Warehouses Migrated to D2D

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2015 | Baseline | n/a |
| 2016 | 1 | |
| 2017 | 2 | |

Commodity IT Savings (%)*

| Fiscal Year | Target* | Actual |
|-------------|----------|--------|
| 2014 | Baseline | 8.3% |
| 2015 | 7.9% | 9.3% |
| 2016 | 4.3% | |
| 2017 | 2.9% | |

* Reduction Purchases from Prior Year. This is a Contextual Indicator.

GSA IT Cost Reduction* (%)

| Fiscal Year | Target | Actual |
|-------------|----------|--------|
| 2014 | Baseline | 0 |
| 2015 | 8% | 8.6% |
| 2016 | 13.6% | |
| 2017 | 16.2% | |

* From FY 2014 Baseline

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Management Challenges

GSA major management challenges and actions are included as a separate section in GSA's FY 2016 Congressional Justification. The Inspector General's report is available upon request.

Evidence Building

In FY 2014, OMB's M-14-06 noted the importance of "...high-quality and reliable statistics" in providing the "foundation for the research, evaluation, and analysis that help the federal government understand how public needs are changing, how well federal policy and programs are addressing those needs, and where greater progress can be achieved." This built upon previously issued memoranda which emphasized the need to use "evidence and rigorous evaluation in budget, management, and policy decisions to make government work effectively" (M-12-14) and the need to strengthen "agencies' capacity to build and use evidence" (M-13-17). In response, GSA is building capacity for evidence, analysis, and evaluation sciences to drive improved policy- and decision-making.

GSA will strengthen initiatives to improve effectiveness (mission delivery) and efficiency (cost savings) of federal government operations, while increasing government information sharing, accountability, and transparency. In FY 2014 and FY 2015, GSA played a key role in implementing the President's Management Agenda Benchmarking Initiative, which utilized administrative data to establish benchmarks and to drive improved agency performance and service delivery in five key areas: human resources, information, technology, acquisition, real property, and finance. GSA will continue to build upon these efforts in FY 2016 and FY 2017.

Furthermore, GSA is building upon the White House Office of Science and Technology Policy's Social and Behavior Sciences initiative to build the capacity for utilizing evaluation techniques from social and behavioral sciences to promote evidence-based policy. Findings from these fields can be used to design public policies that work better, cost less, and better serve citizens. GSA has established and will continue to build the capacity for utilizing evaluation techniques from social and behavioral sciences to drive improved policy efficacy and government performance.

Data Validation and Verification

The GSA Chief Financial Officer certified the FY 2015 performance data contained in this report as complete and reliable, as required by the GPRA Modernization Act of 2010. GSA has verification and validation techniques in place which provide reasonable assurance over the completeness and reliability of all performance data contained in this report. These techniques include (1) maintaining a data dictionary of performance data which includes data sources, computation methodology, and reliability assessment for each performance measure; (2) verifying, at least annually, the accuracy and completeness of the information contained in the data dictionary; and (3) validating, at least annually, the measures reported by collecting measure source data and calculation files and applying the calculation methodology defined in the data dictionary.

Lower-Priority Program Activities

The 2015 Cuts, Consolidations, and Savings (CCS) Volume of the President's Budget identifies the lower-priority program activities under the GPRA Modernization Act, 31 U.S.C. 1115(b)(10).

The public can access the volume at: <http://www.whitehouse.gov/omb/budget>.