HOW THE PRESIDENT'S MANAGEMENT AGENDA HAS HELPED THE U.S. GENERAL SERVICES ADMINISTRATION ACHIEVE RESULTS

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How the President's Management Agenda Has Helped General Services Administration Achieve Results

The U.S. General Services Administration provides goods, services, and facilities to the government so federal agencies can focus on their core missions instead of fulfilling administrative requirements. Before 1995, GSA was known as the government's provider of office space and computer systems. Now GSA is recognized as a non-mandatory source of over 4 million goods and services available from over 10,000 commercial suppliers ranging from information technology solutions, to real estate services to supplies to fight natural disasters, such as the effect of floods, hurricanes, tornadoes and wildfires.

GSA's overarching goals remain the same: To provide reliable customer service, competitive value for goods and services, and proper stewardship of federal tax dollars. We deliver on these goals by:

- Providing local and long-distance telecommunications services to agencies.
- Assisting civilian and defense agencies with meeting their acquisition requirements.
- Providing workspace to over 1.1 million employees.
- Managing over 334 million square feet of space in office buildings, courthouses, laboratories and border stations.

- Providing access to over 4 million goods and services in a timely and effective manner.
- Providing access to a central Internet portal that allows citizens to find information about government programs, and conduct electronic transactions, such as filing taxes with the Internal Revenue Service, from the comfort of their homes.
- Providing agencies with policy and management guidance.

The President's Management Agenda (PMA) has helped GSA focus on achieving results based upon clear goals and challenging expectations. This has allowed GSA to build upon our original foundation and improve how efficiently we operate, thereby helping us increase both the quality and the level of support we provide to federal agency customers.

The PMA helps associates achieve results by outlining specific program goals or results government should be focused on providing. Under the PMA, the Office of Management and Budget scores agencies on each initiative. Green is for success, yellow is for mixed results, and red is for unsatisfactory. Two scores are awarded, one for overall status in meeting the President's criteria for success and the other is for progress in meeting milestones to performance goals in a timely manner.

This report focuses on some of the recent results GSA and its associates have achieved under the PMA. It emphasizes the need for continuous improvement in all management areas.

GSA's Mission, Values and Goals: Creating a Results Oriented Culture by Linking Budget to Performance

GSA's 12,700 associates provide acquisition and management services to federal agency customers so they can focus on fulfilling their mission goals. Integrating budget and performance in the course of meeting our goals is new for GSA. It challenges old ways of doing business and compels us to define goals, measure results and determine how much money it costs to achieve those results. In government, budget drives policy and management processes. When program managers are required to adhere to policies that force them to justify program budgets, senior officials start to understand how resource allocation impacts program performance or results. In turn, this forces them to allocate scarce public funds on only those activities that are critical to meeting mission needs and reduce spending on programs that aren't producing results.

The PMA challenged GSA for the first time to define what we should achieve as an agency. During fiscal year 2001, all GSA associates participated in the development of our annual strategic goals and measures. This is what was determined:

1) GSA's Mission Statement: "We help federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services and management policies."

2) <u>Six Strategic Goals</u>: Provide best value for customer agencies and taxpayers; achieve responsible asset management; operate efficiently and effectively; ensure financial accountability; maintain a world-class workforce and a worldclass workplace; and carry out social, environmental, and other responsibilities as a federal agency.
3) <u>GSA Corporate Values:</u> Ethics and integrity in everything we do; respect for fellow associates; teamwork; results orientation; and professionalism.

With this focus, the culture at GSA has changed. We are now living up to rigorous performance standards through mandated Quarterly Performance Reviews held centrally and regionally. We are now working better as a team, for instance, through a weekly, multiple department workgroup that focuses solely on discussing and managing acquisition challenges facing GSA. There is an increased transparency of the link between dollars spent and outcomes achieved, as evidenced by GSA's efforts in property management to examine performing and non-performing assets and allocate resources based on Return On Investment (ROI). By linking budget to performance, individual GSA associates can relate their everyday work to the overall results of the agency, thereby boosting morale and engagement as demonstrated by our world-class Gallup Poll Q-12 scores.   This 12 question poll lays out questions to be answered by GSA associates on how engaged and motivated they are to work at the agency. Year after year, the scores are above those in the private sector.

The PMA's emphasis on results drove GSA to collect meaningful, measurable data to track performance under a Web-based process known internally as the Performance Measurement Tool (PMT). The PMT stores all program measurement information and links it to regional and national goals. The PMT also links performance information to some of GSA's financial data. This allows associates to clearly see the cause-and-effect of dollars spent to outcomes achieved. It also allows for better internal coordination of efforts and reduces the amount of time spent on data collection. Goals that are met are stretched, and goals unmet are placed under corrective action plans and reviewed critically.   Finally, senior executives are held accountable for meeting their business unit's outcome goals during the annual performance review process. This pay-for-performance methodology will be extended to all associates in fiscal year 2005.

The PMA's emphasis on results led to GSA's commitment to the Program Assessment Rating Tool (PART), which we use to critically evaluate the performance of GSA programs. Over the last three years, approximately 45 percent of GSA's program dollars have been rated. Initially rated "*results not demonstrated"*- because many programs did not have adequate long-term and annual goals related to the purpose of the programs or focused on how to measure efficiency- three of them have been reevaluated and demonstrated improved results: federally-owned real property asset management, Supply Depots and Special Order and our vehicle acquisition. The PART process has helped us define long-term outcome goals that focus on how GSA meets customer agency needs quickly and at the lowest cost possible which, in turn has helped us improve our ability to provide better vehicles leases to customer agencies, and better management of our the buildings that house government workers. Through the PART process, we analyzed and

articulated risks associated with each program, which then allowed management to better focus on ways to mitigate the risks. We focused on ways to ensure that the programs are independently reviewed, which leads to a more objective analysis of each program. Finally, the PART process has reinforced our efforts to link budget to performance, to set ambitious goals, and to improve our efficiency measures. By the end of fiscal year 2005, 12 out of 20 programs or 84 percent of GSA's program dollars will have gone through a rigorous analysis using the PART methodology. Use of the PART tool forces GSA to continually improve results, and is a constant challenge to the status quo.

While we continue to make significant progress in this area, we are still red in status on the President's Executive Scorecard and yellow in progress to date. In the future we will focus on collecting more discrete budget information so we can more accurately depict program spending.

For example, GSA will continue to explore ways to evaluate the cost of doing business so we can better link program performance to spending. Many corporations use an accounting method referred to as Activity Based Cost Accounting (ABC accounting). This method requires offices to record every activity they engage in on a daily basis. Each activity is then assigned a cost. This cost and others are added together for a total cost of doing business. GSA's Office of the Chief Financial Officer initiated this process and hopes to have a full ABC program in place soon so the agency can have more discrete spending compared to agency program performance.

Doing More than Counting Faces: The Human Capital Challenge

With linking budget and performance a hallmark of the PMA, it is essential to match the right people with the right skills in the right job so that we can fulfill the agency's mission and gain results.

Since the implementation of the PMA scorecard we have improved our scores from red in status to yellow in status in this critical area of linking human capital skills with business needs. Simply aligning business needs with human capital requirements can make all the difference in the world, not only to those seeking to work for the government, but also to those who need people with critical skills, such as information technology and telecommunications expertise, to help them do their job well.

At GSA, we have a number of mission critical occupations in the fields of procurement, real estate, financial management and information technology, and we are designing human capital plans for meeting our future workforce needs in these areas. Also, more and more of our managers will be eligible for retirement during the next five years. In fact, almost thirty percent of our senior executives will be eligible to retire in the next three years and approximately fifty percent in the next five years. Working to recruit new members of the federal workforce, retain and promote current associates and planning for future workforce needs are all part of GSA's Human Capital Plan. In fact, GSA worked with the Office of Personnel Management to launch, "Leadership for New Supervisors

and an Advanced Leadership Development Programs" to leverage leading edge selection processes to identify high potential leaders.

The PMA emphasis on strategic management of human capital caused GSA to establish a Leadership Institute that focuses on development of managers and leaders through five programs: Leadership for New Supervisors, Leadership for Results, Focused Leadership Learning, Advanced Leadership Development, and Maximizing Executive Leadership. These programs are designed to help the agency meet its goals of ensuring continuity and quality of executive leadership at GSA.

In a highly competitive job market, GSA must compete for talent with the private sector and other federal agencies. We must clearly show the benefits of working for GSA, and we have done so by aligning the President's Management Agenda with an emphasis on the opportunities, benefits and vast number of career choices available at GSA through our "YOU CAN DO THAT HERE" marketing effort.

Additionally, because of the increased use of the Internet in the job search market, GSA launched an automated recruiting system called *GSAJOBS*. Using the Internet speeds the recruitment and selection process, and allows people to apply for a job electronically. The results have yielded an increased number and quality of applicants, and allowed GSA to hire more effectively and efficiently, and fill critical skills gaps while meeting succession plan initiatives. In fact, when it comes to filling positions in a timely manner, we continue to exceed our goal of 45 days by approximately 10 days.

Once new employees are on the job, training allows them to be more productive, increases their opportunities for career advancement, and encourages retention. GSA created On-Line University (OLU) in fiscal year 2001 as a cost-effective means of training associates. Being able to take classes from your desk or from the convenience of your home has encouraged both associates and their managers to take advantage of these opportunities to learn more. A direct linkage to overall performance improvement and associate advancement can be drawn by these two important initiatives.

Retention and performance review join recruitment and training as essential parts of the human capital process. With that in mind, GSA evaluated its Associate Awards Program and found that it was healthy but needed improvement. For example, awards needed to be directly linked to performance, and performance data needed to be collected and stored in a single system. Since that time, we have strengthened and elevated internal policy for performance awards so that we truly recognize excellence in meeting strategic goals and the PMA principles while avoiding making awards the expectation instead of the exception.

Using the PMA as a linchpin to action, GSA is implementing an agency-wide Human Capital Associate Management process that is based on the recognition that customer service is and ought to be our highest priority, and that having a workforce that can proactively meet its customers' needs is a means to that end.

GSA has also outlined how it is going to reengineer existing business processes so that it can make the most efficient use of fiscal, physical, technological, and human assets. As an example, GSA's Public Buildings Service has written new position descriptions that identify the key activities, accountabilities and competencies for each individual associate so they understand expectations. To move associates into new roles, PBS created a process designed to assess each associates skill and subsequently, each person was interviewed for jobs in the new structure. Placements were made based upon the skill matches and preferences of individuals. The ultimate goal is to create a situation in which both individuals and the organization as a whole will thrive.

Throughout the process, PBS identified gaps between what is needed in the future and the current organizational skill mix. In some cases, associates need significant enhancement of their skills in order to meet the competencies required by the new positions. These associates are referred to the Human Resources Development Center. In other cases, associates may possess marketable skills that are no longer in high demand. If such a situation means that an individual does not "place" or meet the needs of the new organization, PBS provides alternatives. The Center has been created for this purpose. It provides career counseling, advice, and support so that the best course is selected to meet the individual's needs. PBS has also obtained Buy-Out and Early Out authority for those associates requiring career alternatives. For all those wishing to remain – and flourish – in the new organization, PBS is committed to providing the developmental and training opportunities needed to prepare associates for their new roles. The model developed by PBS is being modified and expanded GSA-wide.

In the meantime, the agency continues to review its organizational capabilities to ensure mission creep isn't distracting the workforce from meeting its mission goals. Since 2001, the agency's Organizational Review Task Force has examined the Office of the Chief Financial Officer, Office of the Chief People Officer, Office of Governmentwide Policy, Office of Congressional and Intergovernmental Affairs, Office of Small and Disadvantaged Business Utilization, and shared services within regions. As a result of these reviews, for example, the Office of the Chief People Officer was reorganized so it could focus more on its core mission of providing human resources services to GSA associates. This should help new associates, associates with questions about pay or benefits, and managers looking for guidance on how the civil service operates.

Ensuring GSA Runs Efficient Commercial Operations: Competitive Sourcing

Using the PMA Competitive Sourcing initiative is a means for GSA to study its current workforce and operations to assure we are competitive with the private sector. Being able to provide services to customer agencies means we must operate in the most efficient and effective manner possible. Comparing the costs of commercial functions performed at the agency to the cost of having those responsibilities performed by the private sector is critical to our overall effectiveness and competitiveness. Competitive sourcing focuses on those functions that may not necessarily be a part of our core mission. If our associates can do the same work as the private sector, but do it more efficiently, then we need to

ensure these operations continue. If not, we need to redirect our workforce toward work that helps us meet our core mission.

Originally, GSA received a red status rating in this management area; it wasn't until March 2004 that our efforts led to an increased status score of yellow. Since 2001, GSA has completed 17 competitions, directly converted more than 600 FTE, and reduced the number of commercial positions from 7,039 in fiscal year 2001 to 5, 257 in fiscal year 2004. By living up to this element of the PMA, GSA estimates savings of over $2 million. Examples of how competitive sourcing has improved operations at GSA and throughout government can be located in the May 2004 Government-wide Report on Competitive Sourcing at http://results.gov/.

GSA associates have worked together to develop a competitive sourcing long-term plan. Essentially, this has allowed managers and associates to form their business plan for the years 2004 to 2008. These plans include an outline of their human resources needs and how competitive sourcing will be used as a management tool to address efficiency issues.

In the near future, GSA will announce two agency-wide studies: one for the agency's marketing function of 189 positions, and the other for our administrative services of 366 positions. Agency-wide competitive sourcing studies require a global view of how a function operates across the various Services, Staff Offices and Regions, and allows managers and their associates to inventory exactly how many people are involved in providing a particular service, documenting those operational requirements and results. Often this is the first time these exercises have been performed. These types of studies allow GSA to look for ways to streamline operations and reduce duplication of efforts.

Increasing Citizen Access to Government Programs: Electronic Government

The PMA E-Gov initiative caused GSA to take a leadership role in bringing citizens closer to their government while promoting efficiency, effectiveness, and increased productivity within the federal government. Before E-Gov, GSA was a paper-driven agency. Today, GSA associates use the Internet and other information technology systems such as *GSAAdvantage* to conduct business, and to provide agencies with the support they need to do their work. Doing business online saves time and money and creates easy-to-use business processes for agency personnel. Not only is important to have access to the Internet to do business with the government, we need to make sure everyone trusts that doing so will not cause system intrusions. In fiscal year 2001, GSA secured less than 50 percent of its systems from attack, today, after implementing the PMA E-gov management practices our associates are protecting approximately 89 percent of our information technology infrastructure.

GSA associates play a major role in the development and implementation of governmentwide information technology programs. For example, during fiscal year 2001 technical personnel supported the Office of Management and Budget's Quicksilver Task Force. The Task Force efforts resulted in the initiation of some 20 electronic government projects, all of which are in various launch stages. Supporting this effort, GSA helped

paint a vision for the government of what is possible if we use information technology and the Internet to communicate with, answer questions of, and feed information to, citizens.

Since the development of these initiatives, GSA has played a role in a number of e-gov projects: USAServices, E-Payroll, Integrated Acquisition Enterprise, E-authentication, Federal Asset Sales, and Business Gateway Initiative.

USA Services

GSA's Office of Citizen Services and Communications launched USA Services on July 30, 2004. USA Services presents citizens with a single "front door" to government and includes a National Contact Center where anyone can ask questions about government and receive a timely answer and Web access to government programs in English and Spanish. Citizens and companies can even conduct business with the government by filling out and sending government forms to agencies. This eliminates the need for traveling to a local or federal office to get answers; instead citizens can receive information about their government using this Internet service. To date, this site has received more than 244 million citizen contacts. Building this infrastructure is not only important to our ability to better meet customer needs; it creates a more accessible way for the government to serve the people.

Electronic Payroll

During fiscal year 2001, 22 internal government providers delivered federal civilian employee payroll services for the executive branch. The four largest, the Defense Finance and Accounting Service, the Department of Veterans Affairs the Department of the Interior, and the Department of Agriculture handled over 80 percent of the total civilian payroll, serving nearly 1.9 million employees covered by more than 190 different pay plans. The E-Payroll initiative consolidated payroll processes to two existing cross-service providers, including GSA. The ability to consolidate and standardize payroll data across the Federal government improves the link between performance and budgets, and improves financial management by providing both program managers and finance officers with information needed to make well-informed decisions. Additionally, payroll service provider consolidation should, over time, generate cost savings through economies of volume, provide additional cost avoidance by limiting capital system modernization activities across government, and promote standardization and unified service delivery.

Integrated Acquisition Environment

The government is the world's largest purchaser of goods and services. Thousands of vendors supply millions of different products to agencies. In order to streamline the federal acquisition process, the PMA outlined a vision to provide a cost-effective electronic method for agencies to use when buying goods and services. This initiative is referred to as Integrated Acquisition Environment that consolidates acquisition data,

streamlines business processes across government and links businesses to government agencies via the Internet. Standardizing common functions and processes will enable associates to make more informed procurement, logistical, payment and performance-assessment decisions.

Business Gateway

GSA in partnership with the Small Business Administration is working to ensure there is a single access point for all government information and services needed to start, run, and grow a business. The Business Gateway will provide businesses with the tools to find information, comply with government laws and regulations, and receive assistance much more rapidly than they can today. Finally, it will reduce the burden on small businesses that want to do business with multiple agencies by streamlining and harmonizing information requirements, and government business processes. GSA has successfully worked with SBA on phase one of this initiative.

Electronic Authentication

Public trust in the security of information exchanged over the Internet plays a vital role in the E-Gov transformation. E-Authentication makes that trust possible.

E-Authentication is setting the standards for the identity proofing of individuals and businesses, based on risk of online services used. The initiative is focused on meeting the authentication business needs of the other 23 E-Gov initiatives, building the necessary infrastructure to support common, unified processes and systems for government-wide use. This will help build the trust that must be an inherent part of every online exchange between citizens and the government.

Since 2001, GSA in conjunction with 22 other agencies has approved the one single technical approach the government is going to use to secure its computer systems. GSA and its partner agencies continue to make progress on this initiative, but much more needs to be done in the future so GSA and the government will have a secure information technology infrastructure.

Federal Asset Sales

The Federal Asset Sales (FAS) Program, one of the initiatives managed by GSA, is designed to improve and optimize the way the federal government re-uses and disposes of its assets, such as real and personal property. The mission of the program is to create a secure, efficient, one-stop online marketplace for the buyers and sellers of excess government assets.

Each year the federal government conducts property re-use and disposal activities involving billions of dollars of underutilized, non-utilized, seized, and forfeited property. This program will allow federal agencies to use this electronic tool to sell real and personal property to citizens, businesses and other government agencies. This way

buyers and sellers of business equipment, vehicles, furniture and retail, industrial, commercial real estate will be able to go to one source for this type of transaction. Over time, the initiative should reduce development and maintenance costs for any agency planning to produce its own electronic sales system. It will offer those with existing systems the opportunity to access a broader and more coordinated marketplace. In the end this initiative should result in additional cost savings to the government and enhanced customer satisfaction to businesses and citizens interested in buying government property.

Using Accurate Financial Management Data to Make Sound Business Decisions

Sound financial management is at the core of government credibility. If the people's books aren't in order, the taxpayers lose faith in their government. This importance, emphasized as a priority under the PMA, has led to GSA receiving an unqualified opinion from its auditors 16 years in a row, meaning GSA is properly accounting for the dollars we spend. Having sound, accurate, and timely financial information helps decision makers determine what actions to take to influence cost effective program results.

During fiscal year 2001, GSA received a "red" in progress on this initiative because of our slow progress implementing a new financial system, PEGASYS. Over the past three years we've significantly improved our efforts to ensure that fiscally responsible management controls are in place. Now associates have the tools they need to base management spending and program decisions on both budget and performance. For example, since fiscal year 2001, GSA, has implemented a new financial system, set up a new Program Management Office, and reinvigorated its Management Controls program - a program designed to ensure we are implementing sound contracting, information technology, and real property management practices. GSA has also issued quarterly financial statements so we know the rate at which we are spending money. Additionally, GSA operates a recovery audit program to find out if contractors owe us money.

Year after year, GSA made budget decisions largely based on mathematical calculations instead of program performance. It rarely considered whether the money spent was leading to better government program service and the former process left the impression that government programs, whether they were worthwhile or not, could continue to exist forever, even if they didn't enhance overall agency performance. Following the PMA challenge of sound financial management, GSA responded by establishing an agency-wide Performance Management Process for executive leadership to collectively set budgetary priorities, develop performance measures associated with those priorities, and action plans required for implementation.

Now budgetary decisions are linked to overall agency-wide priorities. Long-term results measures are developed. Senior executives are challenged to forecast future budgets based on past performance not on previous spending. This makes managers and their associates base their budgets on program needs versus budget wants. As the process

matures, more financial data will be collected and archived for year-to-year analysis, and GSA will be able to better manage its finances.

Managing Assets Properly

GSA's Public Buildings Service is responsible for providing workspace to over 1.1 million government works and managing over 334 million square feet of space in office buildings, laboratories, border stations, and courthouses.

Effective asset management under the PMA caused PBS develop and implement a portfolio strategy to restructure GSA's government-owned property inventory so that it consists primarily of properties that generate income. Owning buildings that were built over 50 years ago means PBS associates are responsible for outlining a strategy that takes into consideration the age and condition of the portfolio and links performance to budget. With this in mind, PBS laid out a five-year plan to financially analyze buildings in order to make sound investment or reinvestment decisions. GSA also took the lead in developing Property Management Reform legislation and later an Executive Order that allows land-holding agencies to retain the proceeds of land sales or conversions and reapply those profits to performing assets, thereby reducing the amount of federal allocations needed to do the same.

The direct result is an increase of usable, environmentally friendly space for federal employees. Results to date include:

- The percentage of financially performing assets has increased from 36 percent to 48 percent.
- The percentage of rentable square feet of financially performing assets has increased from 52 percent to 68 percent.
- Sixty-six percent of our assets are earning at least a 6 percent Return on Equity (ROE) demonstrating strong positive annual income relative to investment.
- Seventy-three percent of our assets are achieving a positive Funds From Operations (FFO).
- We have reported 143 assets as excess to the needs of the government so they are eligible for disposal – these disposals from the government inventory will allow the government to save $193 million.
- Vacant space in our owned assets has been reduced from 8.9 percent to 8.3 percent – well below the industry average.

How the President's Management Agenda Will Help GSA in the Future

GSA associates have been and continue to be focused on continuous improvement or results. We are committed to this because our support mission to both civilian agencies and the Defense Department is critical to ensuring products and services are provided in the most economical, timely manner to those who need it. The results achieved due to our commitment to the PMA links programs and people together and emphasizes what

we can do to help others rather than focusing on filling out forms. Over the years, we have worked together to form a solid foundation from which to build a more effective organization. In the future, we will use these tools to reduce the amount of time it takes to hire good candidates for federal service, expand our electronic government programs so agencies can save money on everything from travel to disposing of surplus property, more closely align program spending to performance and continue to operate in fiscally responsible manner.

As a matter of fact, the agency will be converting the PMA initiatives outlined in this report into the GSA Results Agenda. This agenda will ensure GSA programs are supported by first-rate management practices so employee satisfaction and career enhancement is achieved in the years ahead.

As we continuously improve our ability to meet agency goals we will use the GSA Results Agenda as a roadmap to focus our efforts on results instead of process requirements.

Human Capital

While we have accomplished much in this management area, we'll continually strive to make sure GSA remains the best place to work in government as noted by the Partnership for Public Service in fiscal year 2003. In the future, GSA will focus on the following:

- Completing its organization specific human capital strategies for its business units
- Identifying gaps in workforce skills
- Working with associates to help them develop performance plans that will be used to implement the agencies pay-for-performance program nationwide. At the same time, we'll continually update our success strategy and show how it has helped us update our talent pool for the future.
- Finally, we'll work to ensure the hiring, training, recruiting and retention strategies in place will help us meet our goals in an efficient and timely manner so we can have the right people, in the right jobs.

Competitive Sourcing

We have made great strides, and will continue to do so, in making competitive sourcing a dynamic business routine. The techniques developed over the years will become usual practice; giving managers the tools they need to operate at an optimal level. In the future we will focus on the following:

- Reach performance decisions on 20 of our Streamlined Studies
- Publicly announce two agency-wide studies

- Work with OMB on our Green Plan or long-term competitive sourcing strategy
- Work with OMB on our commercial position inventory

Financial Management

While we have made progress in strengthening our financial management controls we will continue to look for ways to improve. In the future we will focus on the following:

- Ensure we receive another clean audit opinion
- Remedy any material weaknesses
- Work with OMB on government-wide financial management issues
- Ensure we maintain accurate financial data
- Continue to work with the audit community and program managers to tighten management controls

Electronic Government

Electronic government is key to ensuring we can continually improve our operations and our ability to serve others. For that reason, in the future, we will focus on the following:

- Complete our Electronic Authentication planning
- Implement a rigorous methodology for calculating the cost and schedule variance for implementing computer systems
- Continue to ensure our computer systems are secure
- Ensure the E-Gov projects were leading are providing results
- Continue to update our information technology roadmap so systems work together easily and at a low cost

Budget and Performance Integration

We have made great progress in this area by creating and implementing a Performance Management Process that emphasizes budgeting based on performance, not arbitrary percentages. Since we began this process we've started to change the way program managers think about and allocate dollars. In the future we will focus on:

- Submitting a Performance Budget to President Bush
- Finalizing a Performance and Accountability Report to show how we provide results to other agencies and to the public
- Submit remediation plans on how we can strengthen program performance
- Demonstrate how we make business decisions using performance data

<u>Real Property Management</u>

We have made significant progress improving real estate services and disposing of underutilized or non-usable properties from government maintenance and operations rolls. Yet, much remains to be done and in the future we will focus on the following:

- Work with other agency property managers to ensure we're helping them meet their real estate goals
- Conduct a review of existing property policies and identify any gaps that should be remedied
- Analyze the status of our current real estate portfolio