

**U.S. GENERAL SERVICES  
ADMINISTRATION**



**FY 2002**

**CONGRESSIONAL  
JUSTIFICATION**



# SUMMARY

# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

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### INTRODUCTION:

The General Services Administration (GSA) was established by the Federal Property and Administrative Services Act of 1949.

GSA's mission is to provide policy leadership and expert solutions in services, space and products, at the best value, to enable Federal employees to accomplish their missions. We believe that no other organization in the public or private sector can bring to bear as much experience, knowledge, and range of capability as GSA in ensuring high performance in Federal work environments. Due to its procurement expertise and experience, GSA is uniquely qualified to provide Federal agencies with the products and services needed to accomplish their missions and improve their performance.

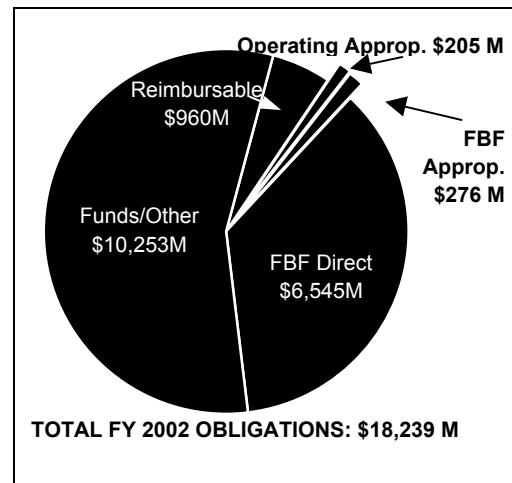
The agency has dual policy and operational roles in accomplishing five major goals: promote responsible asset management, compete effectively for the Federal market, excel at customer service, meet Federal social and environmental objectives, and anticipate future workforce needs.

GSA is organized into the Public Buildings Service (PBS), the Federal Supply Service (FSS), the Federal Technology Service (FTS), the Office of Governmentwide Policy (OGP), and various staff support offices. Geographically, operations are conducted through 11 regional offices located throughout the country.

### BUDGET TOTALS AND SOURCES

Measured in obligations, GSA's FY 2002 budget estimate totals \$18.2 billion for programs under agency accounts. Most of GSA's funding comes from customers through reimbursements to revolving funds for purchase of goods and services or as rent paid for space in GSA-owned and leased buildings. Congress is asked to appropriate only \$205 million for GSA direct funded operations.

The Federal Buildings Fund (FBF) includes \$276 million in advance appropriations enacted in FY 2001 for FY 2002. Congress annually authorizes how GSA may apply its available FBF revenues (new obligational authority in annual appropriations acts).



The table on the following page shows by account the total GSA budget program, as well as the parts requiring congressional action.

# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

General Services Administration FY 2002 BUDGET SUMMARY AND HIGHLIGHTS (DOLLARS IN THOUSANDS)			
	FY 2000 Actual	FY 2001 Current	FY 2002 Budget
<b><u>OBLIGATIONS</u></b>			
Operating Appropriations - Direct	200,489	197,881	205,176
Federal Buildings Fund - Direct	5,548,057	6,518,937	6,820,680
Reimbursable programs	1,290,088	1,004,654	960,070
General Supply Fund	3,466,179	3,521,476	3,582,069
Information Technology Fund	5,327,266	5,925,822	6,343,707
Working Capital Fund	252,056	292,761	302,140
Federal Consumer Information Center (Reimb.)	4,203	3,620	3,293
Real Property Relocation	0	11,807	0
Permanent Indefinite Appropriations	<u>15,248</u>	<u>20,498</u>	<u>21,528</u>
<b>TOTAL OBLIGATIONS</b>	<b>16,103,586</b>	<b>17,497,456</b>	<b>18,238,663</b>
<b><u>REQUIRING APPROPRIATIONS COMMITTEE ACTION</u></b>			
<b><u>Operating Appropriations<sup>1</sup></u></b>			
Policy and Operations	139,426	137,406	138,499
Electronic Government (E-Gov)	0	0	20,000
Federal Consumer Information Center (Direct)	2,622	7,106	7,276
Office of Inspector General	33,317	34,444	36,025
Allowances, Former Presidents	2,241	2,511	3,376
Presidential Transition	<u>0</u>	<u>7,084</u>	<u>0</u>
<i>Subtotal Budget Authority/Appropriations</i>	177,606	188,551	205,176
<b><u>Federal Buildings Fund New Obligational Authority:</u></b>			
Construction & Acquisition of Facilities	94,363	499,575	662,689
Repairs and Alterations	669,010	673,263	826,676
Installment Acquisition Payments	201,646	185,369	186,427
Rental of Space	2,917,896	3,163,370	2,959,550
Building Operations	1,588,543	1,624,771	1,748,949
Transfer to Pennsylvania Ave. Act	3,652	0	0
Columbia Hospital for Women	<u>14,000</u>	<u>0</u>	<u>0</u>
<i>Subtotal New Obligational Authority (NOA)</i>	5,489,110	6,146,348	6,384,291
<i>Subtotal FBF Budget Authority</i>	(210,471)	280,887	307,454
<i>Subtotal FBF Appropriations<sup>2</sup></i>	0	476,523	276,400
<b>TOTAL, Treasury Approp. Action (BA/NOA)</b>	<b>5,664,094</b>	<b>6,327,793</b>	<b>6,582,191</b>
<i>Budget Authority</i>	(35,487)	462,332	505,354
<i>Appropriations</i>	174,984	657,968	474,300
<b>TOTAL, VA/HUD Appropriations Action (BA)</b>	<b>2,622</b>	<b>7,106</b>	<b>7,276</b>
Federal Consumer Information Center (Direct)	2,622	7,106	7,276

<sup>1</sup>The FCIC is funded under the VA/HUD bill; all else is in the Treasury and General Government bill.

<sup>2</sup>\$276.4 million advance appropriation enacted in FY 2001 for FY 2002.

# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

### WATERFALL TABLE Changes in Appropriated Accounts \$(Thousands)

	Policy and Operations	Inspector General	Former Presidents	Electronic Government	Total
<b>FY 2001 <sup>1</sup></b>	<b>\$137,406</b>	<b>\$34,444</b>	<b>\$2,511</b>	<b>\$0</b>	<b>\$174,361</b>
Congressional Initiatives <sup>1</sup>	-11,226				-11,226
Pay Raise	2,296	1,128	82		3,506
Increased Infrastructure Costs	523	453			976
Full Year Cost for Former President Clinton's Office & Staff			385		385
Full Year Rent for Former President Clinton			297		297
Rent Increase for Other Former Presidents			73		73
Equipment & Other Increases			28		28
Critical Infrastructure Protection Programs	6,500				6,500
FirstGov	3,000				3,000
New Electronic Government Fund				20,000	20,000
<b>FY 2002</b>	<b>\$138,499</b>	<b>\$36,025</b>	<b>\$3,376</b>	<b>\$20,000</b>	<b>\$197,900</b>

<sup>1</sup>FY 2001 Appropriations, net of rescissions.

# General Services Administration FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

## FEDERAL BUILDINGS FUND

### New Obligational Authority

2002 Construction and Acquisition of Facilities (NOA) In Priority Order \$(Millions)	
<u>Projects funded from FBF:</u>	
<u>Executive Agencies:</u>	
Judgment Fund Repayment.....	\$84.4
Suitland, MD, NOAA II .....	34.1
Suitland, MD, U.S. Census Bureau.....	2.8
New York, NY, US Mission to the UN .....	4.6
Washington, DC, SEFC Site Remediation.....	5.0
Montgomery County, MD FDA Consolidation .....	9.1
Houston, TX, Federal Bureau of Investigation .....	6.3
Fort Hancock, TX, Border Station .....	2.2
Jackman, ME, Border Station .....	.9
Del Rio III, TX, Border Station.....	1.9
Raymond, MT, Border Station.....	.7
Eagle Pass, TX, Border Station .....	2.3
Detroit, MI, Border Station.....	9.5
Non-Prospectus Construction .....	5.9
Subtotal, Executive Agencies.....	169.5
<u>Federal Judiciary:</u>	
Brooklyn, NY, Courthouse Annex – GPO .....	3.4
Washington, DC, Courthouse Annex .....	6.6
Buffalo, NY, Courthouse Annex .....	.7
Springfield, MA, Courthouse .....	6.5
Fresno, CA, Courthouse .....	121.2
Erie, PA, Courthouse Annex .....	30.7
Eugene, OR, Courthouse.....	4.5
El Paso, TX, Courthouse.....	11.2
Mobile, AL, Courthouse.....	11.3
Norfolk, VA, Courthouse .....	11.6
Las Cruces, NM, Courthouse.....	4.1
Little Rock, AR, Courthouse Annex .....	5.0
Subtotal, Federal Judiciary.....	216.8
<b>Total Construction Funded from FBF, FY 2002</b>	<b>386.3</b>
<u>Projects Funded by Advance Appropriation</u>	
Washington, DC, Courthouse Annex .....	109.5
Buffalo, NY, Courthouse Annex .....	3.6
Springfield, MA, Courthouse .....	41.4
Miami, FL, Courthouse.....	121.9
Subtotal, Approved Advance Appropriation <sup>1</sup> .....	276.4
<b>TOTAL CONSTRUCTION PROGRAM, FY 2002</b>	<b>\$662.7</b>

<sup>1</sup>\$276.4 million advance appropriation enacted in FY 2001 for FY 2002.

Note: This table will not add due to rounding.

# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

### FEDERAL BUILDINGS FUND (Cont'd):

<b>2002 Repairs and Alterations (NOA)</b>	
<i>In Priority Order</i>	
\$(Millions)	
Basic Non-Prospectus R&A Projects .....	<b>\$370.0</b>
Limited Scope Program:	
Des Moines, IA, 210 Walnut Street Federal Building .....	12.0
HVAC Modernization – Various Buildings .....	6.7
Chicago, IL, John C. Kluczynski Federal Building .....	12.7
PCB Transformers – Various Buildings .....	15.6
Washington, DC, 320 First Street Federal Building .....	8.3
Lakewood, CO, DFC Building 57 .....	8.5
Laguna Niguel, CA, Chet Holifeld Federal Building .....	11.7
Providence, RI, U.S. Federal Building and Courthouse .....	5.1
Subtotal, Limited Scope Program for R&A Construction .....	80.4
Modernization Program:	
Cleveland, OH, Howard M. Metzenbaum CT .....	27.9
Chicago, IL, Federal Building, 536 South Clark Street .....	60.1
Las Vegas, NV, Foley Federal Building-Courthouse .....	27.0
Muskogee, OK, Federal Building-Courthouse .....	8.2
Newark, NJ, Peter W. Rodino Federal Building .....	5.3
Cleveland, OH, Anthony J. Celebrezze Federal Building .....	23.0
Tallahassee, FL, U.S. Courthouse .....	4.9
Washington, DC, IRS Main Building (Phase 2) .....	20.4
St. Louis, MO, Federal Center Building 104/105 .....	20.2
Washington, DC, Main Interior .....	22.7
Milwaukee, WI, Federal Building-Courthouse .....	10.0
Washington, DC, Main Justice Building (Phase 3) .....	46.0
Chicago, IL, Harold Washington Social Security Center .....	13.7
San Diego, CA, Edward J. Schwartz FB-CT .....	13.1
Jacksonville, FL, Charles E. Bennett Federal Building .....	23.6
Portland, OR, Pioneer Courthouse .....	16.6
Subtotal, Modernization Program for R&A Construction .....	342.6
<b>TOTAL R&amp;A CONSTRUCTION PROGRAM</b> .....	<b>423.0</b>
R&A Design Program:	
Limited Scope Program:	
Ft. Worth, TX, Fritz G. Lanham FB .....	.8
New York, NY, U.S. Customs House – 6 World Trade Ctr. ....	.7
Subtotal, Limited Scope Program for R&A Design .....	1.5
Modernization Program:	
Boston, MA, McCormack Post Office-U.S. Courthouse .....	5.3
Washington, DC, Federal Office Building 8 .....	7.8
Washington, DC, Mary E. Switzer Memorial Building .....	5.4
Brooklyn, NY, Emanuel Celler Courthouse .....	3.8
Atlanta, GA, Martin Luther King Jr. Federal Building .....	2.4
Springfield, IL, Paul H. Findley FB-CT .....	.5
Denver, CO, Byron G. Rogers FB-CT .....	3.7
Atlanta, GA, Richard B. Russell Federal Building .....	2.9
Fargo, ND, Federal Building-Post Office .....	.3
Subtotal, Modernization Program for Design .....	32.1
<b>TOTAL R&amp;A DESIGN PROGRAM</b> .....	<b>33.6</b>
<b>TOTAL REPAIRS AND ALTERATIONS, FY 2002</b> .....	<b>\$826.7</b>

Note: This table will not add due to rounding.

# General Services Administration

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### WATERFALL TABLE Changes in Other FBF NOA \$(Thousands)

	Installment Acquisition Payments	Rental of Space	Building Operations
<b>FY 2001</b>	<b>\$195,369</b>	<b>\$3,161,999</b>	<b>\$1,668,426</b>
Decrease in Capitalized Interest Payments	-1,095		
Decrease in Interest Payments	-7,847		
Exclusion of the Part Year Cost of FY2001 Indefinite Authority		-96,346	
Annualization of FY 2001 Program		-172,399	
Rental Increases		65,622	
Lump Sum Payments for taxes and lease buyouts		74,067	
Cancellations		-36,894	
Expansions – Not Indefinite Authority		25,107	
Building Services in New Space			19,031
Part Year Increase for FY 2001 Pay Act (3.1%), Effective January, 2001			5,223
Wageboard and Pay Act Increase (3.0%), Effective January, 2002			13,375
Increase for Environmental Compliance			5,600
Increase for Law Enforcement Security Officer Hires			3,100
Increase for Contract Security Guard Program			10,004
Increase for Security System Replacements			2,500
Fuel and Utility Rate Changes			21,690
<b>FY 2002</b>	<b>\$186,427</b>	<b>\$3,021,156</b>	<b>\$1,748,949</b>



# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

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### BUDGET HIGHLIGHTS AND TRENDS

#### Operating Programs

Annual operating appropriations in FY 2002, after adjustments for one-time projects and Presidential Transition, shows a modest increase over FY 2001 levels. This increase is primarily related to a new Electronic Government (E-Gov) Fund, the FirstGov program, and the President's initiative on Critical Infrastructure Protection (CIP). Please see the waterfall table on page 3 for details on changes to appropriations.

The agency is expanding its role to implement electronic government. Electronic government is a major focus of the new administration, as expressed in President Bush's Budget Blueprint. Expanding e-procurement will reduce transaction costs and foster greater competition. Expanding citizen access to the government through the Internet will result in a citizen-centric government, in which agencies will conduct transactions with the public through secure web-enabled systems that use portals to link common applications and protect privacy. Citizens will be able to go online and interact with their Federal Government—and with their State and local governments that provide similar information and services—around citizen preferences and not agency boundaries. OGP has taken a leadership role in the implementation of electronic government, in both the E-Gov and FirstGov initiatives.

The new Electronic Government (E-Gov) fund provides \$20 million in FY 2002 for initiatives that use the Internet or other electronic methods to make the Federal Government more accessible, efficient and productive. The public will have easy, standardized access to Federal information, benefits, services and business opportunities. OMB will control allocation of

the funds to various Federal agency information technology projects.

In FY 2002 we are requesting \$3.0 million for the FirstGov Program. Designed to be a single point of access for the U.S. Government, the FirstGov website consolidates and simplifies connections to agencies, records, services, and informational releases. In addition, the program will be coordinated with State and local governments to create linkages to their web sites. By consolidating access through one E-Portal, FirstGov will provide a comprehensive resource to those attempting to gather information from government agencies. FirstGov currently accesses more than 30 million Federal web pages, and links to all fifty states.

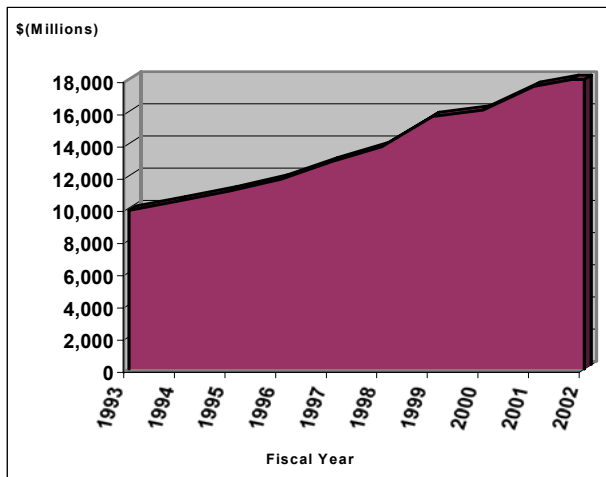
The Federal Technology Service is also supporting electronic government initiatives through the products and services it provides. FTS plays an important leadership role providing Critical Infrastructure Protection and making the Federal Public Key Infrastructure (PKI) a reality. The PKI initiative requires development of an interoperable, Government-wide PKI capability that will provide four basic security services through digital signature and encryption: authentication, data integrity, non-repudiation, and confidentiality.

The Federal Computer Incident Response Capability (FedCIRC) is a collaborative partnership drawing on the skills and resources within Government, academia, and the private sector to address computer security related incidents. Federal civilian agencies turn to FedCIRC for assistance in identifying, containing and recovering from adverse events that impact on the confidentiality, integrity or availability of information traversing the critical information infrastructure. We are requesting \$6.5 million for these programs in FY2002.

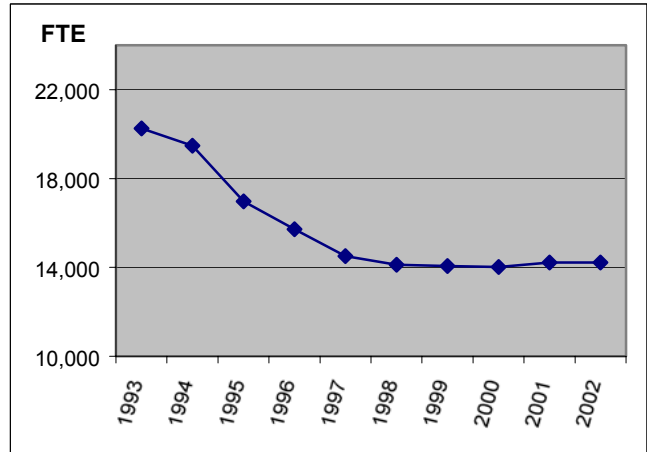
# General Services Administration FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

In its ongoing business operations, GSA has moved from being a mandatory source to being a provider of choice, and is competing for customer purchases of supplies, fleet services, information technology services and, increasingly, real property services.

Even in this non-mandatory environment, GSA's "business volume" (expressed as total obligations) has steadily grown, reflecting delivery of increased goods and services to Federal customers. Higher business volumes demonstrate that customers are increasingly choosing GSA in an environment in which they have many choices. During the 10-year period shown in the following chart, obligations increased over 85%.



Over the same period, GSA has significantly streamlined and reduced its workforce.



This has been achieved without adverse action through hiring freezes/attrition and 4,391 voluntary separations under "buyout" authority.

The budget supports 14,216 FTE in FY 2002, a number equal to that of FY 2001. The FY 2002 level is a decrease of 6,032 FTE, or 30%, since FY 1993, one of the greatest percentage reductions of any large executive branch agency.

### Federal Buildings Fund Capital Investment

The budget proposes \$663 million for new construction projects in FY 2002. \$827 million is also being requested for repairs and alterations projects. This \$1.5 billion capital program is the largest since 1994. \$276 million is funded from direct appropriations enacted in FY 2001 for FY 2002, and \$1.2 billion is funded from Fund revenues.

# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

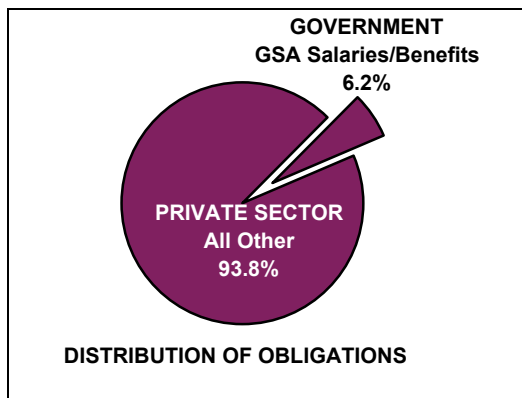
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### OTHER PERSPECTIVES

GSA has a large influence on overall federal spending.

In total, GSA actually affects over \$72 billion in financial transactions throughout the Government. This includes its own funds and the value of contractual and other vehicles it puts in place for all agencies to use. See the table on "Government Financial Transactions Affected by GSA" on page 13.

GSA contracts with the private sector to meet client agency needs. Of the \$18.2 billion budgeted in FY 2002, only \$1.1 billion, or 6.2%, is for salaries and benefits of GSA personnel.



The rest is for commercially sourced supplies, services, commercial rent payment, equipment, communications and utilities.

### PROGRAM HIGHLIGHTS

The FY 2002 budget program seeks to maintain and build upon GSA's contributions toward making the Federal sector work better and cost less.

### Public Buildings Service

The Federal Buildings Fund finances GSA's real property activities, except for disposal. GSA offers quality non-mandatory real property services, which permit our customers to choose their leasing and space alteration providers from GSA, other public, or private sources. Most agencies continue to use GSA's facilities and services. Public Buildings Service (PBS) customer satisfaction increased from 74% in FY 1994 to its goal of 85% in FY 2000, well ahead of last year's projections. The PBS goal is to maintain that level in FY 2002 and beyond. PBS participates in industry groups, keeps abreast of changes and trends in the industry, pursues energy conservation strategies and employs commercial buying practices. These activities have all contributed to PBS' success in achieving and maintaining its goal of operating government owned space at 12 percent below private sector costs. PBS is maintaining that target, recognizing that further increasing the differential between GSA and the private sector may have a negative impact on customer satisfaction.

GSA's FY 2002 budget reflects a significant construction program, including:

- \$217 million for twelve Federal Judiciary projects, including construction funding for two projects, funding for five new design starts, and additional funding for five projects currently underway.
- \$17 million for six Border Station projects, three each on the Northern and Southern borders of the Continental United States.
- \$6 million for nonprospectus projects.
- \$34 million for the Suitland, MD, National Oceanic and Atmosphere

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Administration (NOAA) facility, which is to house NOAA's satellite monitoring computer equipment.

- \$6 million for a new Federal Bureau of Investigation (FBI) facility's site and design in Houston, TX.
- \$5 million for demolition of the existing facility utilized by the U.S. Mission to the United Nations so that construction of its replacement can proceed.
- \$9 million for the design of the Montgomery County, MD, Center for Devices and Radiological Health Laboratory and Office, as part of the consolidation of the Food and Drug Administration Headquarters office and laboratory space.
- \$5 million for site remediation work at the Southeast Federal Center in Washington, DC.
- \$3 million for design of a new Department of Commerce, Bureau of the Census facility, to be located in the Suitland Federal Center.
- \$84 million for repayment to the Judgment Fund for monies disbursed in settlement of 20 claims against 11 new construction projects.

In addition to Construction, an \$827 million Repairs and Alterations program would fund modernization of the existing inventory and other PBS initiatives. This program is a very high priority for GSA. GAO noted in its most recent report that \$4 billion is needed to ensure acceptable quality, health, and safety standards. Repairs and Alterations include:

- \$370 million for Basic Program of repairs and alterations work identified through a five-year inventory needs assessment.

- \$423 million for Major Modernization Program.

- \$34 million for Design Program.

GSA maintains and disposes of surplus Federal real property, producing \$335 million in proceeds in FY 2000, at significant savings to our customers.

### Federal Technology Service

Through FTS's portfolio of Network Services and IT solutions, GSA delivers Federal agencies the latest in telecommunications and information technology. Few other entities are able to deliver the broad range of technological services that we provide our customers at the attractive prices we offer. For example, in FY 1999, the FTS2000 average cost for long distance telecommunication, at 5.8 cents per minute, was more than 40% below the 10.2-cent market average. With FTS 2001, cost per minute will continue to be below the industry average.

FTS programs are financed by the Information Technology Fund, a revolving fund that provides IT resources to Federal agencies on a fee-for-service basis. IT Fund resources have grown from approximately \$1.5 billion in FY 1995 to over \$5 billion in FY 2000 and are expected to exceed \$6 billion in FY 2002.

### Federal Supply Service

The General Supply Fund (GSF) is a full-cost recovery, revolving fund that provides Federal agencies with services and supplies. In fiscal year 2000 the fastest growing area was the \$15.1 billion Federal Supply Multiple Awards Schedules program, particularly services contracts. The Schedules program has benefited from the Federal procurement reforms of the mid-1990s and provides a broad and expanding range of products and services.

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*GSA Advantage*™, GSA's award winning electronic shopping service, allows Federal employees worldwide to compare prices, place orders, and make payments over the Internet. Customers benefit from consolidated purchasing, contracting expertise, and compliance with Federal procurement and socioeconomic policies.

In FY 2001, the implementation of the new Office of Supply will help FSS focus on innovation and increased efficiency in a new and distinct Supply Business Line.

GSA's Interagency Fleet, which leases vehicles to over 75 Federal agencies, continued to expand in FY 2000 by consolidating nearly 5,900 vehicles from other agencies, resulting in a 177,000 vehicle fleet. Cost avoidance from consolidation will save taxpayers nearly \$4 million.

The Travel and Transportation business line helps control the costs of Federal employee travel and transportation services. Reducing costs by consolidating contracts and achieving administrative savings, this business line competes successfully for Federal business in its non-mandatory program areas as well as achieving significant savings for the Government in its mandatory Airline City Pairs program.

### Office of Governmentwide Policy

GSA's Office of Governmentwide Policy (OGP), funded by the Policy and Operations account, provides the leadership needed to develop and oversee the implementation of policies designed to achieve the most cost effective, innovative solutions for the delivery of administrative services. For example, OGP continues to be a leader in development of electronic procurement policies and practices, working toward eventual governmentwide standards. \$2.1 million is being made available in FY 2001 to support the development of an electronic

procurement infrastructure to provide an interoperable, single face for government electronic business transactions.

### Staff Offices

The major staff offices in GSA – the Chief Financial Officer, Chief People Officer, Chief Information Officer and General Counsel – provide quality administrative, financial and legal services to all of the GSA business lines as well as external customers.

As a result of downsizing and restructuring, major program streamlining, and attrition and buyouts, much of GSA's corporate knowledge has been lost or displaced. GSA is taking steps to address its human capital needs. Workforce demographic problems, in particular skill needs, are being studied and acted on by a Worldclass Workforce Team, focusing on hiring college graduates and developing current employees. GSA's aging workforce will result in increased turnover due to retirements, and a number of recruiting, intern, and succession planning initiatives are underway. Although GSA is faced with human capital problems, GSA has nonetheless for two years in a row ranked in the top three federal agencies for reported job satisfaction in the OPM "Merit Principles" survey of federal employees.

GSA produces comprehensive annual reports and audited financial statements. We have earned an unqualified audit opinion from an independent public accounting firm in FY 2000, for the thirteenth consecutive year, unprecedented among Federal agencies.

### Socio-Economic Programs

GSA is committed to improving the quality of life of its employees, as well as promoting such socio-economic goals as improving environmental quality and increasing access to technology.

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- GSA is a leader in family-friendly workplaces. We now manage 113 Federal child care facilities, serving 7,600 children. Eighty-eight percent of our centers are accredited, compared to five percent for all child care centers nationwide. Computers and internet access have been made available to all the childcare centers. We also continue to seek new ways to make Federal child care more affordable.
- GSA participated in the creation of a Computers for Learning website, that allows federal agencies to match the donation of surplus computer equipment to schools and non-profit education groups nationwide.
- GSA's energy conservation goal is to improve energy reduction from 22% below the 1985 baseline in FY 2001 to 24% below in FY 2002.
- GSA's fleet experiments with innovative technologies, such as alternative-fuel vehicles (AFVs), led to GSA's induction into the Clean Air Hall of Fame. GSA has purchased over 36,000 AFVs since FY 1991, with 30,000 of them for the GSA fleet.

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GSA affects over \$72 billion in financial transactions throughout the Government.

<b>Government Financial Transactions Affected By GSA</b>			
<i>\$(Thousands)</i>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Estimate</b>	<b>FY 2002 Estimate</b>
<b>ACTIVITIES UNDER GSA ACCOUNTS:</b>			
Budgeted Obligations	16,104,881	17,497,457	18,238,964
Unobligated Balance of Approved Const/R&A Program	<u>1,098,642</u>	<u>780,791</u>	<u>407,806</u>
Subtotal	17,203,523	18,277,954	18,666,946
<b>FUNDS THAT GSA COLLECTS:</b>			
Transportation Overcharge Collections	18,714	15,500	14,000
Surplus Real Property Sales Proceeds	335,200	359,100	329,400
Surplus Personal Prop Sales Revenue	10,000	11,200	12,200
Outlease of Govt-Owned Space	2,663	2,700	2,700
Energy Rebates and Recycling Receipts	<u>2,051</u>	<u>2,102</u>	<u>2,102</u>
Subtotal	368,628	390,602	360,402
<b>MECHANISMS PUT IN PLACE BY GSA (REVENUES):</b>			
GSA SmartPay (notes 1 & 2)	<u>6,210</u>	<u>6,800</u>	<u>7,500</u>
Subtotal	6,210	6,800	7,500
<b>MECHANISMS PUT IN PLACE BY GSA (EXPENSES):</b>			
Multiple, Single, Service Schedules (Supply & IT)	13,635,139	15,288,400	16,500,000
Purchase of Telecomm. Services (POTS)	11,000	11,000	11,000
Major Info. System Acquisition (FEDCAC)	78,600	88,500	94,600
Telecommunications Enhancement Contracts	135,797	164,345	194,293
Innovative Business Solutions (note 5)	143,516	149,780	153,280
Freight Transportation Services (HHG and STOS)	145,500	148,300	151,000
GSA SmartPay (notes 1 & 2)	17,452,398	18,680,000	20,363,000
Real Estate Schedules	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Subtotal	31,603,950	34,562,325	37,469,173
<b>COST AVOIDANCES DUE TO GSA PROGRAMS:</b>			
Real Property Utilization Transfers	21,700	72,800	81,400
Personal Property Utilization/Donations	3,237,257	1,643,400	1,610,000
Real Property Donations	114,600	37,900	58,200
Value of FCIC Pub Svc Media Donations	<u>14,100</u>	<u>15,200</u>	<u>15,500</u>
Subtotal	3,387,657	1,769,300	1,765,100
<b>GSA DELEGATED AUTHORITIES:</b>			
Real Prop. Disposal (DOD) (note 3)	12,000,000	12,000,000	12,000,000
Buildings Delegations (note 4)	212,266	223,725	228,199
Supply Schedules - Dept Veterans Affairs	<u>2,001,000</u>	<u>2,001,000</u>	<u>2,001,000</u>
Subtotal	14,213,266	14,224,725	14,229,199
<b>TOTAL GSA-RELATED FINANCIAL TRANSACTIONS</b>	<b>66,783,234</b>	<b>69,234,006</b>	<b>72,498,320</b>

Note 1: Under GSA SmartPay, the amount of the refund varies by agency. There is a base refund of 4 basis points, which goes to GSA out of the agencies' refunds. Agencies have negotiated refunds in different amounts, depending upon such issues as how quickly they pay, how electronic the process is, volume, etc. Some agencies have refunds of well over 100 basis points, while others have a lot less. These refunds are paid directly to the ordering agency, not to GSA. Given that the refunds are dependent on actions of agencies (for example meeting volume incentives, improving speed of payment, etc.), we have no way of knowing how much the refunds will be. However, we are able to report the total amount of agency refunds after the end of the period. FY 1999 refunds totaled \$55 million and increased to \$65.3 million in FY 2000.

Note 2: The majority of flight volume passes through the GSA SmartPay Program. The estimated value of the City Pairs Program is \$1.0 billion in FY 2000; and \$1.3 billion in FY 2001 and FY 2002.

Note 3: Estimated sales value of properties under DOD Base Closures; GSA delegates its disposal authorities to DOD.

Note 4: Estimated rent payments transferred to delegatee agencies that are responsible for lease management as prescribed in the delegation agreements (usually single-tenant buildings).

Note 5: In FY 2000 includes Fedlearn, GSA IT Acquisition Center (ITAC), Financial Management Systems Support Center (FMSS), SEAT, and Smart Card.

# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

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### GSA'S GENERAL PROVISIONS

Brief explanations of proposed GSA general provisions are listed below, with minor modifications from last year as noted. Several GSA general provisions contained in the FY 2001 Appropriations Act were

deleted, as they were one-time in nature and did not need to be repeated. Several Title VI General Provisions of special interest to GSA are also shown.

<b>GSA General Provisions</b>	
Sec. 401 .....	Provides for reimbursement by wholly owned Government corporations and agencies to GSA for provision of building services, including costs of operations, protection, maintenance, upkeep, repair and improvement, included as part of rentals.
Sec. 402 .....	Provides GSA authority for the hire of passenger motor vehicles, to satisfy its requirements for vehicles from other sources when the motor pool system cannot supply the required vehicles.
Sec. 403 .....	Provides that notice of any proposed transfers for the Federal Buildings Fund, GSA, shall be transmitted in advance to the Committee on Appropriations for activities that may be transferred between such activities only to the extent necessary to meet program requirements.
Sec. 404 .....	Provides that requests for Courthouse construction must (1) meet the GSA/OMB/ Judicial Conference design guide standards, (2) reflect the Judicial Conference approved 5 year construction plan, and (3) include a standardized courtroom utilization study.
Sec. 405 .....	Provides that GSA shall not provide usual building services to agencies that do not pay the assessed rental rate as determined by GSA in compliance with law.
Sec. 406 .....	Provides that funds provided by the Information Technology Fund, GSA, to other Government agencies for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.
Sec. 407 .....	Provides that claims against the Government for less than \$250,000 arising from direct construction and the acquisition of buildings may be liquidated from savings effected in other construction projects provided that the Appropriations Committees are notified in advance.
Sec. 408 .....	Amends Public Law 106-554, by changing the date of April 30, 2002 to September 30, 2002, for GSA to offer to employees a voluntary separation incentive in order to provide the necessary flexibility to carry out the closing of the Federal Supply Service distribution centers, forward supply points, and associated programs.
<b>Title VI General Provisions</b> <i>(of special interest to GSA)</i>	
Sec. 606 .....	Provides that appropriations for any department or agency during the current FY for necessary expenses, including maintenance or operating expenses, shall also be available for payment to GSA for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with appropriate law.
Sec. 631 .....	Provides that member agencies shall finance an appropriate share of the joint Financial Management Improvement Program (JFMIP) administrative costs, not to exceed \$800,000.
Sec. 632 .....	Provides for transfer of funds to GSA for governmentwide financial management, information technology, procurement, and other initiatives, as approved by OMB in consultation with the CFO, CIO and Procurement Executives Councils, not to exceed \$17,000,000, following notification of the Appropriation Committees.



# General Services Administration

## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

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### OBLIGATIONS SUMMARY By Object Classification \$(Thousands)

	FY 2000 Actual	FY 2001 Estimated	FY 2002 Estimated
Personnel Compensation:			
11.1 Full-time Permanent	\$759,664	\$825,838	\$859,614
11.3 Other than permanent	19,795	18,891	19,318
11.5 Other personnel compensation	50,247	34,983	35,967
11.8 Special personal service payments	380	414	534
11.9 Total personnel compensation	830,086	880,126	915,433
12.1 Civilian personnel benefits	197,450	203,571	215,278
13.0 Benefits for former personnel	1,115	1,911	2,025
21.0 Travel and transportation of persons	34,010	34,559	35,165
21.0 Motor Pool travel	6,313	6,158	6,227
22.0 Transportation of things	57,836	62,196	64,337
23.1 Rental payments	79,140	86,089	90,298
23.2 Rental payments to others	2,892,548	3,161,999	3,021,156
23.3 Communications, utilities, and misc.	353,577	366,960	398,870
24.0 Printing and reproduction	14,994	23,785	24,576
25.1 Advisory and Assistance Services	337	353	353
25.2 Other services	7,267,294	8,233,940	8,905,134
25.3 Purch. of goods & services from Govt	203,967	234,028	247,005
25.4 Operation & maintenance of facilities	792,198	765,665	855,893
25.5 Research & development contracts	0	0	0
25.7 Operation & maintenance of equipmt	43,267	46,361	46,361
26.0 Supplies and materials	2,404,608	2,417,519	2,455,071
31.0 Equipment	685,276	711,020	721,769
32.0 Lands and structures	48,080	68,045	56,736
33.0 Investments and loans	0	0	0
41.0 Grants, subsidies and contributions	6,065	245	45
42.0 Insurance claims and indemnities	281	86	86
43.0 Interest and dividends	178,346	175,030	166,276
90.0 Below Reporting Threshold	0	0	0
91.0 Unvouchered	0	7,084	0
93.0 Limitation on expenses	0	0	0
<b>99.9 TOTAL OBLIGATIONS</b>	<b>\$16,096,788</b>	<b>\$17,486,730</b>	<b>\$18,228,094</b>

NOTE: All data exclude the Federal Consumer Information Center, financed under the VA/HUD Appropriations Act; these obligations are (\$000): \$6,798 for FY 2000, \$10,726 for FY 2001, and \$10,569 for FY 2002.

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## FY 2002 BUDGET SUMMARY AND HIGHLIGHTS

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### ACQUISITION WORKFORCE EDUCATION AND TRAINING FY 2002 BUDGET DATA

As prescribed by 41 U.S.C. 433(h), following are funding levels included in the FY 2002 program for education and training of the acquisition workforce.

Organization	Amounts programmed for Acquisition Workforce Education and Training		
	FY 2000 Actual	FY 2001 Current	FY 2002 Request
<b>Federal Supply Service:</b> General Supply Fund	504,220	1,500,000	1,500,000
<b>Federal Technology Service:</b> Information Technology Fund	103,102	813,000	829,000
<b>Public Buildings Service:</b> Federal Buildings Fund	829,969	893,110	910,973
<b>General Management:</b> Working Capital Fund	11,250	15,000	15,000
<b>Office of Governmentwide Policy:</b> Policy and Operations	19,066	27,000	27,000
Working Capital Fund	10,254	14,000	14,000
<b>Total</b>	1,477,588	2,674,110	2,697,973

### EXPENSES, PRESIDENTIAL TRANSITION

The following information is included in our annual budget in response to a Congressional request. The General Services Administration granted an exemption from rent charges to the incoming Administration for space occupied during the Presidential Transition. This office space was located at 1800 G Street, NW, Washington, DC. The estimated value of this exemption was \$922,300.



**POLICY  
&  
OPERATIONS**

# General Services Administration

## POLICY AND OPERATIONS

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### MISSION

Under its Policy activity, this appropriation provides for Government-wide policy, evaluation, and asset management functions associated with real and personal property, supplies, vehicles, aircraft, information technology, electronic government, transportation and travel management. It also provides for acquisition policy, the Federal Procurement Data Center, the Regulatory Information Service Center, the Catalog of Federal Domestic Assistance, and the Committee Management Secretariat. The Office of Governmentwide Policy, working cooperatively with other agencies, provides the leadership needed to develop and evaluate the implementation of policies designed to achieve the most cost effective solutions for the delivery of administrative services and sound workplace practices, while reducing regulations and empowering employees.

Under its Operations activity, the account provides for the personal property utilization and donation activities of the Federal Supply Service and for the real property utilization and disposal activities of the Public Buildings Service. These programs include utilization of real and personal property by Federal agencies and the transfer among agencies of excess real and personal property; disposal of surplus real property by sale, exchange, lease, permit, assignment, or transfer, as well as the protection and maintenance of excess and surplus property pending its disposition; appraisal of excess and surplus property, necessary environmental and cultural analyses, reuse planning, and real property utilization surveys. Operations also includes the Critical Infrastructure Protection initiatives (Federal Computer Incident Response Capability), and support for the Federal Public Key Infrastructure Steering Committee and its activities of the Federal Technology Service.

Management and Administration activities include Indian Trust Accounting, administrative support of Congressional District and Senate State offices, and agency-wide management and administration.

### THE BUDGET IN SUMMARY

The fiscal year 2002 budget request of \$138,499 thousand reflects a net increase of \$1,093 thousand over the amount for FY 2001 of \$137,406 thousand (see page PO-15 for additional details). The net change of \$1,093 thousand consists of \$3,000 thousand for the Office of Governmentwide Policy, FirstGov electronic government initiative, \$6,500 thousand for Information Assurance and Critical Infrastructure Protection, and \$2,819 thousand for anticipated pay raises and other increases. These increases are partially offset by reductions of \$11,226 thousand for other initiatives not required for fiscal year 2002.

### EXPLANATION OF ESTIMATES

Policy and Operations, Direct and Reimbursable programs support the GSA mission in providing direction and coordination of comprehensive Government-wide programs.

#### Direct Program

##### Policy

The fiscal year 2002, Office of Governmentwide Policy (OGP) request reflects a net increase of \$1,799 thousand. Included in this request are increases in salary costs and the cost of GSA-wide common information technology infrastructure costs totaling \$1,294 thousand. In addition the Office of Governmentwide Policy requests an increase of \$3,000 thousand for FirstGov, a single Government-wide Internet portal for information that offers the public Internet access to over 30 million Federal Government web pages including links to State and

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## POLICY AND OPERATIONS

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local Government web pages. To date the development of this system has been funded from agency contributions. The \$3,000 thousand requested will be used to fund GSA personnel and personnel related costs associated with the portal. Agency contributions will continue to fund contractual costs.

These increases are offset by reductions of \$1,996 thousand for the Digital Learning Technologies Program and \$499 thousand for the Virtual Archive Storage Feasibility Study.

### **Operations**

The Operations Program area reflects a net decrease of \$706 thousand. Included in this request are increases in salary costs and the cost of GSA-wide common information technology infrastructure costs totaling \$1,525 thousand. In addition the Operations program requests an increase of \$6,500 thousand for the Information Assurance and Critical Infrastructure Protection Program. These increases are offset by reductions totaling \$8,731 consisting of: (1) \$1,996 thousand each for the Institute for Biomedical Science and Biotechnology, the Center for Agricultural Policy and Trade Studies and Waltham, Massachusetts; (2) \$998 thousand each for the Berwick Industrial Development Authority, PA and the Ewing-Lawrence Sewerage Authority, NJ; and (3) \$747 thousand for the World Police and Fire Games.

### **Reimbursable Program**

The Policy and Operations account provides reimbursable services to other Federal agencies including: (1) \$2,200 thousand for personal property services; (2) \$12,000 thousand for: (a) real estate disposal services for 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 such as the U.S. Marshals Service, Department of Housing and Urban Development, Internal Revenue Service, and the Small Business Administration; and, (3) \$6,800 thousand for reimbursable programs of the Office of Governmentwide Policy which including: (a) \$2,000 thousand for the Chief Information Officer's Council, a forum to improve the design, modernization, performance and use of IT resources; (b) \$1,000 thousand for the Procurement Executive Council that was established to provide a senior level forum for monitoring and improving the Federal Acquisition System; (c) \$1,000 thousand for an OGP Secretariat customer satisfaction survey; (d) \$1,000 thousand for the Rapid Service Valuation and Preparation (RSVP) Access program (i.e., making electronic and information technology accessible to people with disabilities); (e) \$550 thousand to provide procurement support, training, and advisory assistance; (f) \$350 thousand for the Strategic and Tactical Advocates for Results (STAR) Program; (g) \$200 thousand for the Information Resources Management (IRM) Conference which covers the broad spectrum of ADP, telecommunications, and records management; and \$700 thousand for other miscellaneous reimbursable activities.

**General Services Administration  
POLICY AND OPERATIONS**

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<b>POLICY AND OPERATIONS (DIRECT) Explanation of Budget Changes in Priority Order \$(Thousands)</b>	
<b>FY 2001 Enacted Appropriation.....</b>	<b>137,709</b>
Less .22% rescission .....	-303
<b>FY 2001 Current Level .....</b>	<b>137,406</b>
Digital Learning Technologies.....	-1,996 *
Virtual Archive Storage Feasibility Study .....	-499 *
Waltham, Massachusetts.....	-1,996 *
Institute for Biomedical Science & Biotechnology.....	-1,996 *
Center for Agricultural Policy & Trade Studies.....	-1,996 *
Berwick Industrial Development Authority, PA.....	-998 *
Ewing-Lawrence Sewerage Authority, NJ.....	-998 *
World Police & Fire Games.....	-747 *
Increased Pay Costs.....	2,296
Common Information Technology Infrastructure Costs .....	523
Critical Infrastructure Protection Programs .....	6,500
FirstGov (Electronic Government) .....	3,000
<b>FY 2002 Budget Request.....</b>	<b>138,499</b>

\*Reflects the .22% rescission in the FY 2001 Consolidated Appropriations Act, P.L. 106-554.

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**POLICY AND OPERATIONS**

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**POLICY AND OPERATIONS**  
**\$(Thousands)**

	<b>FY 2000 Actual</b>	<b>FY 2001 Current *</b>	<b>FY 2002 Request</b>	<b>FY 2001/2002 Change</b>
<b>Direct Program:</b>				
<b><u>New Budget Authority</u></b>				
<b>Policy:</b>				
Basic Program	51,434	55,108	56,402	+1,294
FirstGov	0	0	3,000	+3,000
Congressional Initiatives	2,275	2,495	0	-2,495
Year 2000 Emergency Program	146	0	0	0
<b>Sub Total Policy</b>	<b>53,855</b>	<b>57,603</b>	<b>59,402</b>	<b>+1,799</b>
<b>Operations:</b>				
Basic Program	66,952	63,090	64,615	+1,525
Congressional Initiatives	0	8,731	0	-8,731
Information Assurance & Critical Infrastructure Protection	0	7,982	14,482	+6,500
Year 2000 Emergency Program	6,496	0	0	0
<b>Sub Total Operations</b>	<b>73,448</b>	<b>79,803</b>	<b>79,097</b>	<b>-706</b>
<b>Total Obligations – New Budget Authority</b>	<b>127,303</b>	<b>137,406</b>	<b>138,499</b>	<b>+1,093</b>
<b><u>Prior Year Carryover</u></b>				
<b>Policy:</b>				
Year 2000 Emergency Program	3,886	0	0	0
<b>Operations:</b>				
Basic Program	1,748	5,805	0	-5,805
Congressional Initiatives	0	225	0	-225
FY 2002 Salt Lake Olympics	0	3,300	0	-3,300
Year 2000 Emergency Program	30,021	0	0	0
<b>Sub Total Operations</b>	<b>31,769</b>	<b>9,330</b>	<b>0</b>	<b>-9,330</b>
<b>Total Obligations – Direct Program</b>	<b>162,958</b>	<b>146,736</b>	<b>138,499</b>	<b>-8,237</b>
<b>Reimbursable Program:</b>				
Policy	6,319	6,533	6,800	+267
Operations	5,638	13,867	14,200	+333
<b>Total Obligations – Reimbursable Program</b>	<b>11,957</b>	<b>20,400</b>	<b>21,000</b>	<b>+600</b>
<b>Net Outlays</b>	<b>153,940</b>	<b>136,708</b>	<b>155,784</b>	<b>+19,076</b>
<b>Employment (FTE):</b>				
Direct	632	629	653	+24
Reimbursable	18	17	17	0

\* Fiscal Year 2001 Appropriations have been reduced to reflect the FY 2001 .22% rescission.

## General Services Administration POLICY AND OPERATIONS

<b>POLICY AND OPERATIONS (Direct) Obligations by Object Class \$(Thousands)</b>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b> *	<b>FY 2002 Request</b>
Personnel Compensation:			
11.1	38,729	42,862	44,295
11.3	1,784	953	953
11.5	5,990	4,142	4,215
11.9	46,503	47,957	49,463
12.1	8,649	9,541	10,331
21.0	2,023	1,864	1,871
21.0	131	125	133
22.0	63	30	33
23.1	7,007	7,188	7,200
23.3	1,136	2,043	2,043
24.0	1,074	1,206	1,214
25.2	79,375	58,089	47,518
25.3	15,231	15,938	15,938
26.0	644	899	899
31.0	970	1,856	1,856
42.0	2	0	0
43.0	150	0	0
99.0	162,958	146,736	138,499
99.0	11,957	20,400	21,000
99.9	174,915	167,136	159,499

\*Reflects the .22% rescission in the FY 2001 Consolidated Appropriations Act, P.L. 106-554.



# General Services Administration

## POLICY AND OPERATIONS

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### PROGRAM HIGHLIGHTS

#### POLICY

The Office of Governmentwide Policy (OGP) develops and implements Government-wide policies that seek to maximize opportunities for agencies' utilization of best administrative management practices. OGP programs are intended to increase agencies' effectiveness in the conduct of their administrative services programs, encourage innovations and efficiencies, and assure responsible asset management.

The primary functions of the OGP include policy development, planning, and oversight associated with real and personal property asset management, transportation, information technology, acquisition, regulatory information, electronic commerce, and Federal advisory committees.

#### Real Property

The OGP provides leadership to the Federal community in the use and management of real property. It encourages the adoption of best practices for use by the Federal real estate community. It is responsible for the development, coordination, administration and issuance of Government-wide real property guidelines, regulations, standards, criteria, policies and asset management principles concerning real property programs. Real property programs include real estate operation and management, acquisition, disposal, design and construction, space standards, delegations, safety and environmental issues, and workplace initiatives including telecommuting and cooperative administrative support units (CASU's). We intend to explore Government-wide solutions to real property by: (1) collecting and communicating information to Congress concerning the Federal Government's total real property portfolio within the Executive Branch; (2) providing guidance to other agencies to assist them in the most cost-

effective management of their own individual portfolios; and (3) providing other agencies with a means of obtaining the tools and techniques that are necessary to manage and operate federal assets.

The OGP facilitates public/private information sharing for real property use. Through comprehensive study of space-use standards and best practices in both public and private sectors, the OGP has developed policy recommendations for improving real property management and space utilization across the Federal Government.

The following represent several projects that OGP collaborated on with other Federal agencies and private sector professional real estate groups in fiscal year 2000.

#### **Integrated Workplace**

The OGP report, "The Integrated Workplace", describes a collaborative, multidisciplinary process for developing workspace that aligns an organization's strategic real property plan with its strategic business goals. This process can provide work environments that increase productivity, improve employee health and satisfaction, and make better use of resources.

#### **Governmentwide Real Property Information Sharing (GRPIS)**

The GRPIS Program conducts fieldwork in communities nationwide and leads Federal real property professionals in establishing councils at the local community level. The councils provide these professionals with opportunities to network and share information with one another, which results in (1) improved Federal real property asset management, (2) a more cost effective use of resources, and (3) improved efficiencies.

To date, five major Federal communities have formed real property councils, (three of which were established in fiscal year 2000):

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Puget Sound, Washington; New England; South Florida; Arizona and New Mexico. During the first quarter of fiscal year 2001, studies began in Kansas City, Kansas/ Missouri and Cincinnati, Ohio with additional studies scheduled for the remainder of the year.

### **Information Technology**

The Office of Information Technology plans, develops and directs Government-wide activities to support the Office of Management and Budget (OMB), interagency committees, and other Federal agencies and provides leadership and guidance on the acquisition, management and use of information technology (IT). Specific program activities include: (1) improving the effectiveness of the Government workforce by promoting guidelines and principles for the installation and management of electronically assisted government; (2) providing policy, technical and program development leadership for an accessible technology-augmented work environment for people with disabilities, in support of Public Law 105-220; (3) providing technical support and assistance to Federal, State, local and international governments; (4) developing and managing interagency programs to improve the management of information technology resources and to increase the efficiency and effectiveness of Government; (5) providing technical and management services to interagency IT groups such as the CIO Council, and IT Resources Board mandated by Executive Order 13011; (6) managing professional development programs to assist agencies in successful acquisition, management and use of information technology; and (7) developing, issuing and maintaining policies and regulations for the creation and maintenance of electronic Federal records. In developing and refining IT related Government-wide policies the Office of Information Technology works with over 70 inter-agency groups,

including local, state, and other national governments.

### **Transportation and Personal Property**

The OGP leads Government-wide development and evaluation of issues, legislation, policies and objectives related to travel, transportation, and personal property management. Specific responsibilities include: (1) developing policies for Government-wide freight and household goods transportation, transportation audit and documentation, and mail management programs; (2) developing regulations and procedures governing the management and oversight of Federal agencies' motor vehicles; (3) developing regulations, policies, and procedures for aircraft procurement, management, operations, safety, utilization and disposal; (4) developing the policies and regulations governing civilian agencies' travel, per diem rates (maximum reimbursement levels) for Federal travelers; and (5) developing legislation and regulations governing the management of Federal personal property.

OGP emphasizes the critical role that mail plays in Federal agencies' communication with their customers and works to make Federal mail more efficient and effective. The Interagency Mail Policy Council (which was officially chartered in 1999) now includes about 130 members representing over 38 agencies. The Council provides a setting for dissemination of best practices and a collaborative partnership in mail communications between OGP and customer agencies. In fiscal year 2000, OGP developed the First Annual Federal Mail Best Practice Awards and a Mail Resource Guide that consolidates a wide range of mail information into one source for Federal mail employees.

In fiscal year 2000, the OGP revised the section of the Federal Travel Regulation (FTR) which provides guidance on expendi-

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ture of travel funds to reflect more flexible commercial type policies. In addition, the FTR was amended to include guidance on the: (1) mandatory use of the Federal contractor issued travel charge card; and (2) requirements for agencies to reimburse employees within 30 days of travel.

Also in fiscal year 2000, OGP began issuing per diem rates effective on October 1, the beginning of the fiscal year, versus January 1, the beginning of the calendar year. This action will make it easier for Federal agencies to plan their annual travel expenditures and will coordinate the timing of per diem changes with the travel industry's pricing practices.

In addition, OGP established a Premier Lodging Program (PLP), which seeks to leverage the Government's spending in the travel marketplace and provide guaranteed rooms at the per diem rate for Federal employees.

The OGP has been working to develop state-of-the-art management information systems for vehicles and for personal property disposal statistics. In fiscal year 2000, the OGP deployed the new Federal Aviation Interactive Reporting System (FAIRS). FAIRS, an Internet accessible system, replaces the old Federal Aviation Management Information System (FAMIS) for aircraft. This new information system will be used to collect and report aviation management data. The FAIRS' computers are housed in a controlled access facility at the Department of Energy. OGP has trained about 150 FAIRS users and issued the personal digital certificates that every user will need to access the highly secure system. These new systems will help GSA and all Federal agencies measure their performance. The OGP also rewrote the major parts of the Federal Travel Regulation in plain language, streamlined regulations in personal property disposition and aircraft management, and revitalized interagency

committees for mail, freight, and personal property.

Federal transportation managers manage over \$15 billion in expenditures. In fiscal year 2000, OGP revised the (1) Federal Management Regulation (FMR) FMR 102-118 implementing Public Law 105-264, which requires that all transportation bills be audited prior to payment to ensure the bill's validity; and (2) FMR 102-117 that requires the retirement of the Government Bill of Lading (GBL) by October 1, 2001 and permits Federal transportation managers to use commercial documentation, systems, and practices in transportation.

In partnership with agencies that manage vehicles and aircraft, the OGP has developed performance measures that promote effective and efficient fleet management Government-wide. In addition, the OGP is helping other agencies comply with legislation requiring an increase in the number of alternative-fuel vehicles in their fleets, and has automated license plate assignments.

OGP sponsors the Biannual National Federal Fleet Manager Workshop, which provides Federal fleet professionals with training, policy changes, and updates on technological advances in fleet management. In fiscal year 2000, OGP developed the Federal Automotive Statistical Tool (FAST) jointly with the Department of Energy. FAST captures Federal motor vehicle fleet data to fulfill reporting requirements for the Federal Fleet Report, the Energy Policy Act, Executive Order 13149 "Greening the Government Through Federal Fleet and Transportation Efficiency", and the Energy Policy and Conservation Act.

In fiscal year 2000, GSA was given the responsibility for the Computers for Learning Program. The OGP participated in the creation of a Computers for Learning web site that allows Federal agencies to match their available equipment with the needs of

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schools nationwide. The site has been redesigned to make it more user friendly.

### **Electronic Government**

GSA spearheads Federal Electronic Government initiatives, finding ways to use technology for the delivery of information and services to citizens, business partners, employees, other agencies and other government entities. Government use of Internet-based services for electronic purchasing and information sharing is becoming more sophisticated, but online citizen transactions are still in the early stages. GSA promotes simplified and standardized access to online Government information and services.

**Establishing the Next Generation of Technical Standards.** GSA and the National Institute of Standards and Technology are collaborating on a methodology to test the interoperability of technology products based on supply-chain electronic business standards. RosettaNet, an independent consortium formed to reach industry consensus on electronic commerce standards, developed these standards. The use of these standards helps companies improve the quality of information exchanged between buyers and sellers.

**Smart Cards.** GSA has worked with agencies and commercial firms to reach agreement on common requirements for smart cards in the Federal Government, producing a handbook for Federal agencies and others. These cards look like credit cards, but contain computer chips capable of holding a wide variety of information, including digital signatures and biometric data such as fingerprints. Their use includes identification and authentication, building and computer access, and storage of medical and dental data. Smart cards can serve as both credit and debit cards.

**Grants.** On November 20, 1999, the Federal Financial Assistance Management

Improvement Act was signed into law. The Act requires Federal agencies to create a common system for electronic processing of all grants for State, local, and tribal governments and nonprofit organizations. The Electronic Government Office sponsors the Interagency Electronic Grants Committee (IAEGC), made up of 23 grant-making agencies working to automate the grant process. The IAEGC is guiding development of work to automate the grants process through the Federal Commons initiative, a one-stop site for submitting grant applications to agencies across the government.

**FirstGov.** In fiscal year 2000, OGP developed and implemented FirstGov, a single Government-wide portal for information. FirstGov provides the public with Internet access to over 30 million Federal Government web pages including links to State and local Government web pages by key word(s) search, topic or by clicking to executive, legislative, and judicial sites.

### **Acquisition**

The OGP Office of Acquisition Policy supports the Federal acquisition system, through which the Government obligates more than \$200 billion annually. Responsibilities include researching, developing, and publishing policy guidance; providing career development services for the Federal acquisition workforce, including the development of acquisition training and career management programs and materials; as well as reporting on more than 20 million contract actions. The OGP chairs the 14-agency Civilian Agency Acquisition Council that collaborates with the Defense Acquisition Regulations Council to develop changes to the Federal Acquisition Regulations (FAR). The two Councils have formed 25 inter-agency teams of technical experts in procurement to advise on FAR changes. In fiscal year 2000, OGP (1) developed new acquisition policies to streamline and clarify existing processes, and implement statutory

# General Services Administration

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changes through collaboration with other agencies and the public; (2) replaced hard-copy distribution of FAR case materials with an on-line site for agency partners to access; (3) managed the conversion of the Federal Property Management Regulation (FPMR) into the Federal Management Regulation (FMR) eliminating non-regulatory guidance, standards, and specifications; (4) awarded a contract for the Electronic Document Management System (EDMS) that will provide (a) electronic publication and document management capabilities for promulgating the Federal Acquisition Regulation (FAR) and (b) a web-based policy making tool for decision making on new FAR policies.

The Office of Acquisition Policy is also responsible for providing the following Government-wide services:

(1) Compiling Government-wide information on over 1,400 Federal assistance programs from 57 Federal agencies, departments, and other sites into the annual "Catalog of Federal Domestic Assistance" and its semi-annual update. The catalog is published in hard copy, CD-ROM, and on the Internet. It is available to Federal, state and local governments, and the public.

(2) Supporting the Electronic Posting System (EPS) which allows Government buyers to advertise solicitations online. Currently, 8 agencies including GSA are using the system to post procurement opportunities. In compliance with statutory requirements, a security certification and accreditation for the EPS will be completed in fiscal year 2001.

(3) Training through the Federal Acquisition Institute (FAI) which has established an Online University open to all Federal procurement officials. Also, FAI is partnering with Arizona State University and the National Association of Purchasing Managers to develop Internet-based education and

training for public and private sector acquisition professionals.

### **Other Government-wide Policy Responsibilities**

The OGP, through the Committee Management Secretariat, plans, develops, evaluates and directs a Government-wide program for maximizing the value of public participation in Federal decision making. In fiscal year 2000, the Secretariat expanded its Internet site to permit committees to submit on-line reports and also enhanced training via CD-ROM that links to the Internet site and helps committee members and managers understand their roles and participate more effectively. In addition, the Secretariat completed work on a revised regulation implementing the Federal Advisory Committee Act (FACA) and collaborated with multiple agencies to begin development of Government-wide performance indicators.

The Regulatory Information Service Center (RISC) is responsible for compiling and analyzing data on both Government-wide and agency specific activities in support of the regulatory oversight role of the Executive Office of the President. The Center also maintains a comprehensive Internet site of regulatory information that provides links to sources of information on Federal, State, and local regulations.

The Workplace Initiatives program provides leadership to the Federal community for programs designed to provide Federal employees with family-friendly cost effective and accessible workplaces. These programs include fostering the development of child care centers; enhancing cooperative administrative support among Federal agencies; promoting alternative worksite arrangements; and facilitating support mechanisms among Federal agencies, State and local governments, nonprofit organizations, and the private sector to

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ensure that Federal facilities are accessible to citizens with disabilities.

The Office of Child Care promotes high quality, accessible and affordable child care for all Federal civilian agency employees and provides child care policy leadership, oversight, and information of Federal child care delivery. The office leads the Inter-agency Federal Child Care Council (IFCCC) in establishing Government-wide policies for safe, healthy child care in Federal buildings. The IFCCC includes representatives from all agencies with child care programs or policy responsibility. Since the inception of the IFCCC in 1998, GSA has led the other agencies to improve child care center accreditation and complete timely background checks on child care center employees.

GSA is a leader in designing and managing quality child care facilities. GSA has opened 113 child care centers in Federal facilities to meet the growing demand for affordable quality child care close to the workplace. Eighty-eight percent of GSA's child care facilities are professionally accredited, a far higher proportion than the five percent accreditation rate for all child care centers nationwide. More than 7,600 children are served in GSA's facilities. Also, computers and Internet access have been made available to all the child care centers so that even the youngest members of the Federal family can ride the information superhighway.

### **Reimbursable Policy Activities**

In addition to its appropriated policy activities, the OGP provides related support to Federal agencies and other customers on a cost reimbursable basis. These services include: (1) information technology acquisition and system implementation training to Federal managers through the Trail Boss program; (2) the Strategic and Tactical Advocates for Results Program, which is an intensive two week training seminar focus-

ing on Program and Project Management, Leadership, Security, Technology, and Government; (3) the Information Resources Management Conference, which covers ADP, telecommunications, and records management; (4) collecting, and disseminating Government-wide data through the Federal Procurement Data System and the Federal Assistance Programs Retrieval System; and (5) enabling agencies to manage their real property assets more effectively through the Foundation Information for Real Property Management (FIRM) system by customizing the system to meet unique agency needs. In FY 2000, the FIRM software interface with the GSA System for Tracking and Administering Real Property was completed and distributed to the FIRM users. The web-enabling conversion of FIRM began in FY 2001. In addition to providing Internet access to the FIRM software, the FY 2001 developments will restructure the application to improve both security and performance. FY 2002 planned developments include a deferred maintenance module; further enhancements to the ad-hoc report module, and improvements to the application to be identified by the FIRM focus group.

### **OPERATIONS**

The Operations activity provides for the Real Property Disposal, Personal Property Utilization and Donation, and Information Assurance and Critical Infrastructure Protection programs. The Operations activity also provides for Management and Administration, which includes the internal policy, management, oversight and coordination of all GSA programs by the Administrator, Deputy Administrator, Regional Administrators and the Heads of GSA Staff Offices.

### **Real Property Disposal**

In line with the GSA mission, the Public Buildings Service supports the accomplishments of our customers' programs by pro-

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viding real property disposal services in a timely and cost effective manner. This program promotes the maximum utilization and efficient redeployment of Federally owned real property through Federal transfers (property transferred to another Federal agency), public benefit discount conveyances (property conveyed to state and local governments and eligible non-profit organizations at or below market value), and negotiated and public sales. This program receives direct and reimbursable funding. The direct program provides services related to utilization and disposal of excess property by transfer to other federal agencies, by sale, exchange, or discount conveyance of surplus real property reported to GSA from agencies without disposal authority. These direct program properties actually belong to the GSA inventory, and as such the proceeds from these sales are deposited into the GSA receipt account. The reimbursable program provides similar services for agencies with their own disposal authorities on a fully reimbursable basis. These reimbursable properties do not come into the GSA inventory; they remain the property of the landholding agency. After the sale of these properties, GSA is reimbursed for its expenses, and the remainder of the proceeds is returned to the land holding agency. Examples of landholding agencies with their own disposal authority are the Department of Veterans Affairs, U.S. Marshals Service, U.S. Postal Service, and the Department of Transportation. The Department of Defense has disposal authority delegated by GSA under statute (Federal Property and Administrative Services Act of 1949 and P.L. 101-510, entitled National Defense Authorization Act for fiscal year 1991). Over the past ten years, GSA has provided \$2.3 billion in real property proceeds to Federal landholding agencies for their ultimate use.

By reengineering the disposal process and the utilization program, significant time and costs savings to our customers and taxpay-

ers at large were realized. In fiscal year 2000 Real Property Disposal (RPD) disposed of 262 properties. These properties had a total value of \$472.7 million and produced \$335.2 million in proceeds of which \$327 million was returned to other federal agencies and \$8.2 million was retained by GSA from properties covered under the Federal Property Act. Ten of these properties, worth \$21.7 million were transferred between Federal agencies and 51 properties with a value of \$115.8 million were conveyed to State and local governments and eligible non-profit institutions for public benefit purposes.

In fiscal year 2001, Property Disposal will continue to be the provider of choice for quality, cost-efficient, timely Federal real property redeployment activities. Along with the responsibility of protection and maintenance of properties such as Governor's Island, the protection and maintenance and environmental remediation of Lorton Correctional Facilities, RPD will provide expert redeployment of approximately \$496 million in surplus or excess Federal real and related property.

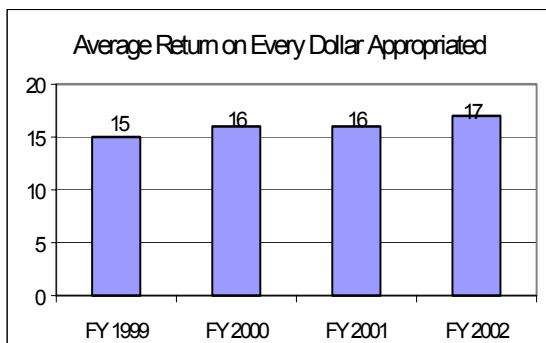
GSA has not yet identified all potential properties that could be sold in fiscal year 2002. However, GSA is anticipating receipts from the sale of a portion of Lorton Correctional Complex, disposal of miscellaneous Brownfields properties, as well as the sales of Governor's Island, and Union Station Air Rights. The total receipts from the sale of real property in FY 2002 plus estimated receipts of \$3 million from outleasing of Government owned space is estimated at approximately \$359 million.

GSA's RPD is improving operational and programmatic effectiveness and efficiency by establishing an aggressive Customer Outreach and Marketing Program, to ensure superior customer relations with existing customers and to reach new customers. Another GSA Property Disposal initiative is

# General Services Administration POLICY AND OPERATIONS

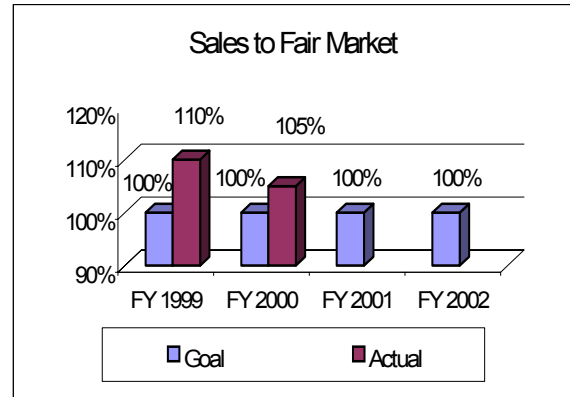
to maintain and continue developing new computer systems (hardware and software, Internet and Intranet) to ensure data accuracy, and the visual display of RPD's homepage of properties offered for sale on the World Wide Web.

GSA's RPD performance measure is the rate of return on an appropriated dollar. This measure provides results of disposal actions already completed by RPD and those projected for the future. The rate of return on an appropriated dollar provides information about how much in proceeds are returned to the Government for each dollar expended by RPD in the disposal process. This measure will continue to be refined to include a series of ratios and measures of costs and proceeds data that will be activity-based. The results of these activity-based measures will provide information on the efficiencies and effectiveness of the RPD program from an operational and programmatic perspective. The program emphasis is to provide the American taxpayer with the highest rate of return for their investment.



GSA makes every effort to achieve the goal of ensuring that the Federal Government receives full value for the sale of real property and produces quarterly results on Actual Sales Value to Fair Market Value. As a competitive service provider, GSA seeks to optimize the use of scarce resources while returning the maximum resid-

ual value of real property to the Government.



To support the development of additional performance measures, GSA's RPD organization has developed an Activity Based Costing (ABC) operating system to provide improved information concerning full cost and income of its business activities, projects, and cases. The ABC system has been fully implemented and it expected to help GSA's RPD organization determine projected resource needs, improve management of operations and costs, and understand the full costs of services leading to full cost recovery from customers. The ABC system will provide activity cost information to identify opportunities for cost avoidance and to monitor cost performance goals, and ultimately help RPD make sound strategic and operational decisions.

## Information Assurance and Critical Infrastructure Protection (CIP)

GSA's Office of Information Assurance and Critical Infrastructure Protection (OIACIP) in the Federal Technology Service is charged with assisting the Federal community in securing its communications capabilities and protecting the integrity of Government operations afforded by the open systems environment of the Internet. The following initiatives enable us to provide critical infrastructure protection that will allow the Fed-



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eral community to continue to operate with confidence.

### **Federal Computer Incident Response Capability (FedCIRC)**

The FedCIRC is a collaborative partnership drawing on the skills and resources within Government, academia, and the private sector to address computer security related incidents. Federal civilian agencies turn to FedCIRC for assistance in identifying, containing and recovering from adverse events that impact on the confidentiality, integrity or availability of information traversing the critical information infrastructure. The FedCIRC effort relies on an existing contract with the Carnegie Mellon University's Computer Emergency Response Team (CERT), which serves as the operational core for incident handling and response activities.

The incident analysis capability of FedCIRC provides the ability to identify, isolate and analyze hostile activities or misuse of federal information technology resources. Existing FedCIRC relationships with the National Infrastructure Protection Center, the National Security Incident Response Center and other computer security incident response teams within the Federal Government provide a medium through which a broad spectrum of incident and security relevant information might be shared to prevent or minimize the effects of anomalous activities and events.

### **Federal Public Key Infrastructure (PKI) Steering Committee and Federal Bridge Certificate Authority**

The PKI initiative requires development of an interoperable, Government-wide PKI capability that will provide four basic security services through digital signature and encryption: authentication, data integrity, non-repudiation, and confidentiality.

The Federal PKI Steering Committee provides guidance and assists in the development of an interoperable Federal PKI employing commercial-off-the-shelf, standards-based products and services. The Steering Committee identifies Federal Government PKI requirements and recommends policies, procedures, and standards development activities that support the Federal PKI. The Steering Committee must also continue relationships with foreign countries for PKI interoperability in order to build upon successes already achieved with the Government of Canada (where interoperability was successfully tested in early 2000). The Steering Committee will continue to promote awareness and use of the GSA Government-wide PKI solution known as Access Certificates for Electronic Services (ACES) and the interoperability solution known as the Federal Bridge Certification Authority. The Steering Committee will work closely with Critical Infrastructure Protection experts to ensure public key technology solutions are in place to meet Government mandates like those identified in the Government Paperwork Elimination Act.

### **Personal Property Utilization and Donation Program**

GSA is committed to satisfying the Federal Government's requirements for supplies, equipment, and services at the least cost to the taxpayer. The Personal Property Utilization and Donation program supports this commitment. This program makes the most of tax dollars invested in Government-owned personal property by helping avoid outlays for new purchases by transferring one agency's excess to another that can use it, and by donating surplus Federal property to states or localities, again providing taxpayer savings by avoiding new government procurements. In addition, FSS also assists in the implementation of the President's program to donate computers to schools.

# General Services Administration

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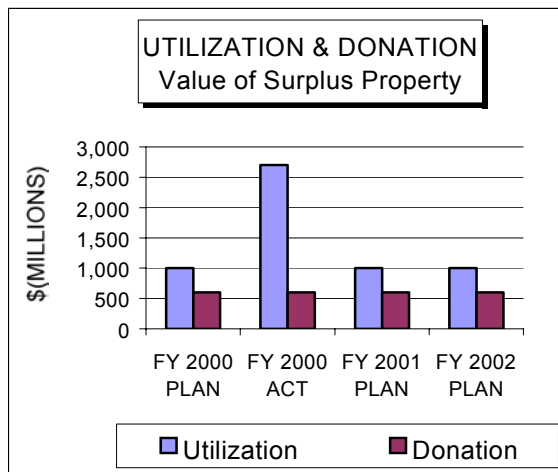
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FSS maintains the Federal Disposal System (FEDS) which maintains Government-wide inventory of excess and surplus personal property and processes transfers of property to Federal agencies and to State and local governments. FEDS is accessible nationwide through the Internet.

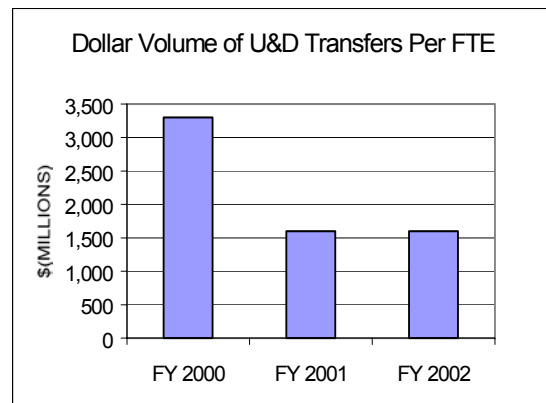
The Personal Property Utilization and Donation program is monitored on a continual basis using the following performance measures:

- New Expenditures Avoided
- Transfers per FTE
- Customer Satisfaction

In fiscal year 2000, property reported as excess included unusual volumes of highly desirable property and computers after Y2K, enabling the utilization program to generate \$2.7 billion in savings for agencies, which were able to reuse personal property no longer needed by other Federal agencies. Estimated savings for fiscal years 2001 and 2002 are \$1.0 billion. During fiscal year 2000 the donation program gave \$0.6 billion in surplus usable property to states for donation to public agencies and certain non-profit tax-exempt activities. Donations for fiscal years 2001 and 2002 are valued at \$0.6 billion.



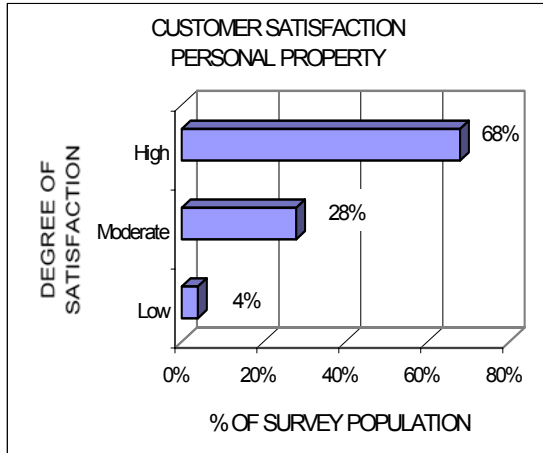
The consolidated business volume for the utilization and donation of excess and surplus personal property for fiscal year 2000 was \$3.3 billion, with \$1.6 billion projected for fiscal years 2001 and 2002 (see following chart). As a result of budget constraints and the expansion of authority to use disposal proceeds for property replacement (exchange sale), more agencies are disposing of the higher valued property through sales and utilizing the proceeds towards new procurements. These properties will not be going through the utilization and donation phase of the process. We anticipate that property of lesser value will continue to move through our disposal system and expect that the overall volume (number of lines of property) which impacts workload will only be slightly affected. The following chart reflects the dollar volume of utilization/donation transfers per FTE.



The property management program conducts biennial surveys of its customers to determine their level of satisfaction with FSS property utilization and donation programs. Data shown below is that of the latest customer satisfaction survey.

# General Services Administration POLICY AND OPERATIONS

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## **Management and Administration**

This program area supports management and administrative activities associated with GSA internal operations. These activities include: (1) the Office of the Administrator; (2) the Regional Administrators and their staffs; (3) the Offices of Congressional and Intergovernmental Affairs; (4) the Office of Communications; (5) administrative support of Congressional District and Senate State offices; (6) the Office of Emergency Preparedness; (7) the Indian Trust Accounting division; and (8) the GSA Board of Contract Appeals. Below are brief descriptions and accomplishments of some of these organizations.

### **Administrator and Regional Administrators**

The Administrator and Regional Administrators of GSA are responsible for the execution of all functions assigned to GSA by the Federal Property and Administrative Services Act of 1949, as amended, and by other laws. These officials are responsible for planning, coordinating, and supervising assigned programs in accordance with Central Office goals, objectives, and policies.

### **Office of Congressional and Intergovernmental Affairs**

The Office of Congressional and Intergovernmental Affairs acts as GSA's liaison with Congress. The Office coordinates meetings and testimony on Capitol Hill for the Administrator and other agency senior staff, helps congressional offices solve GSA related problems; coordinates responses to congressional inquiries; and supports the GSA legislative program through Congress.

### **Emergency Management**

In fiscal year 2000, the Office coordinated GSA's provision of more than \$6 million in services, supplies, equipment, and materials as part of the Federal response to 40 natural disasters.

# General Services Administration

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### **Indian Trust Accounting**

The division is responsible for providing accounting services to the Department of Justice on Indian Trust Funds and assisting in the Government's defense against Indian Tribal claims by providing accounting reports, other evidentiary materials, and expert witness testimony pertaining to accounting policies, practices, and procedures.

### **Office of Communications**

The Office of Communications is GSA's communications, media relations, and marketing department, with primary responsibility for fashioning the agency's message and disseminating information to the press, the public, other Government offices and GSA employees.

### **Congressional Support**

GSA provides support to 1,391 home-state offices for Senators and Members of Congress. This support includes office space, furniture and furnishings, property disposal, equipment and supplies, and storage and relocation services. GSA also provides Congressional Services Representatives

in each GSA region as the contact point for all matters pertaining to Congressional, State, and district offices. The funds appropriated to this account reimburse the GSA Working Capital Fund for the support provided by the Congressional Services Representatives.

### **GSA Board of Contract Appeals**

The GSA Board of Contract Appeals (GSBCA) was established under the Contract Disputes Act of 1978 as an independent tribunal to hear and decide contract disputes between Government contractors and GSA. The GSBCA also hears and decides disputes between contractors and other Executive agencies, including the Department of Treasury, the Department of State, the Department of Commerce, and the Department of Education. Additionally, the GSBCA hears and decides claims involving transportation rate determinations, travel and relocation expense claims, and claims for the proceeds of the sale of property of certain federal civilian employees.

The GSBCA also provides alternative dispute resolution services to Executive agencies both in contract disputes that are the subject of a contracting officer's decision, and in other contract-related disputes.

**General Services Administration  
POLICY AND OPERATIONS**

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**BOARD OF CONTRACT APPEALS**

Case Workload	FY 2000 Actuals	FY 2001 Current	FY 2002 Request	Percent Change
1. Appeals				
a. Cases received	96	120	120	0%
b. Cases closed	116	120	120	0%
c. Cases pending	166	166	166	0%
2. Transportation Rate				
a. Cases received	3	10	10	0%
b. Cases closed	8	10	10	0%
c. Cases pending	1	1	1	0%
3. Travel				
a. Cases received	40	40	40	0%
b. Cases closed	30	40	40	0%
c. Cases pending	15	15	15	0%
4. Relocation				
a. Cases received	131	130	130	0%
b. Cases closed	125	130	130	0%
c. Cases pending	53	53	53	0%
5. Other				
a. Cases received	25	25	25	0%
b. Cases closed	27	25	25	0%
c. Cases pending	10	10	10	0%



**GENERAL SUPPLY  
FUND**

# General Services Administration

## GENERAL SUPPLY FUND

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### MISSION

The General Supply Fund (GSF) is a full-cost recovery, revolving fund that provides Federal agencies with services and supplies. These include a national supply distribution system, commercial products acquired directly from contractors at discount prices, professional services provided by major private sector firms, low cost vehicle acquisition and leasing, travel and transportation services that are deeply discounted, and the sale of surplus and excess federal personal property. In fiscal year 2000 the fastest growing area was the \$15.1 billion Federal Supply Multiple Awards Schedules program, particularly services contracts. The Schedules program has benefited from the Federal procurement reforms of the mid-1990s and provides a broad and expanding range of products and services.

The General Supply Fund consists of four business lines: Supply and Procurement, Vehicle Acquisition and Leasing Services, Travel and Transportation, and Personal Property Management. With few exceptions, these business lines are non-mandatory and, operating expenses are recovered in the prices charged federal agencies.

### THE BUDGET IN SUMMARY

#### Supply & Procurement

The Supply and Procurement business line offers Federal agencies a choice of more than 4 million commercial products and an extensive range of technology, financial, environmental, management, and administrative services. Customers can purchase directly from more than 8,700 contracts through Federal Supply Schedule contracts or shop using *GSA Advantage!*<sup>™</sup>, GSA's award winning electronic shopping

service. *GSA Advantage!*<sup>™</sup> allows federal employees worldwide to compare prices, place orders, and make payments over the internet. Customers benefit from consolidated purchasing, contracting expertise, and compliance with federal procurement and socioeconomic policies.

Supply and Procurement performance goals focus on reducing operating costs; expanding the range of products and services offered; providing federal agencies sources which will further the Government's socioeconomic goals; increasing customer satisfaction; and making more products and services available through GSA's electronic shopping and ordering system *GSA Advantage!*<sup>™</sup>.

The Supply and Procurement Business Line is changing. A portion of this business line is related to the unique needs of the full-service customer and will now be designated as the new Office of Supply. All other activities will be the responsibility of the Office of Commercial Acquisition.

In FY 2001 the implementation of the new Office of Supply will help FSS focus on innovation and increased efficiency in a new and distinct business line. Creating a separate Office of Supply and Office of Commercial Acquisition establishes distinct goals, responsibilities and resources under separate managers. The separation also allows for more focused use of e-business applications that address the differences between customer and industry partners under each business line.

The General Services Administration has completed a review of the financial condition of the Federal Supply Service's national Stock Program and has decided to consolidate distribution operations in two centers, located in Burlington, New Jersey and Stockton, California. This consolidation

# General Services Administration

## GENERAL SUPPLY FUND

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will require closure of two Distribution Centers and four Forward Supply Points. Actual closures will not occur before October 1, 2001. Financial and employment data for the General Supply Fund for FY 2002 does not reflect the impact of the closures.

The Supply and Procurement business line projects its operating expenses for fiscal year 2002 to be \$317.2 million which is an increase of \$6.4 million from its fiscal year 2001 operating expenses of \$310.8 million. Additionally, cost of goods is expected to decrease from \$907.4 million in 2001 to \$855.4 million in 2002.

### **Vehicle Acquisition and Leasing Services**

The Office of Vehicle Acquisition and Leasing Services provides customers with one-stop shopping, whether they decide to have GSA purchase vehicles for them or to lease their vehicles from the GSA-managed fleet.

GSA is the federal Government's mandatory source for purchases of new non-tactical vehicles. Through consolidated buying and competitive purchasing, this business line offers the Government significant savings on vehicle purchases. Leasing through GSA is not mandatory. Agencies that lease through GSA are provided with full service management, including a fleet services card for fuel and repairs. When vehicles meet specific age and mileage criteria, they are retired from the GSA fleet and marketed to the public, and the proceeds are reinvested to sustain a modern, cost-effective fleet.

GSA works with customer agencies to encourage use of alternative fuel vehicles (AFVs). Federal agencies have the option of purchasing or leasing AFVs through GSA's Office of Vehicle Acquisition and

Leasing Services. GSA has the largest Alternative-Fuel Fleet in the nation. GSA has purchased over 36,000 AFVs since fiscal year 1991 – 30,000 of them for the GSA Fleet. By doing so, we have furthered our customers' efforts to comply with alternative fuel mandates and helped to stimulate development of an infrastructure to support environmentally friendly alternatives to the use of fossil fuels.

The Office of Vehicle Acquisition and Leasing Services' performance goals are to continue the substantial savings achieved through volume buying; to provide further efficiencies by consolidating more vehicles into the GSA Fleet; to hold increases in mileage fees to the rate of inflation; to maintain a high customer-satisfaction level; and to support the Government's goals for use of alternative fuel vehicles.

This business line is funded through a portion of the price charged agencies for vehicles purchased and from monthly and per-mile fees for leases. Operating expenses for fiscal year 2002 are projected to decrease to \$94.1 million from its fiscal year 2001 projection of \$115.0 million, with costs of goods/operations remaining constant at \$1.2 billion.

### **Travel & Transportation**

The Travel and Transportation business line helps control the costs of federal employee travel and transportation services. Travel services include negotiated airline contracts, travel agency services and travel charge card services. Transportation services include the shipment of parcels, freight and household goods.

In recent years, Federal travel and transportation budgets have been approximately \$18 billion annually. Reducing costs by consolidating contracts



# General Services Administration

## GENERAL SUPPLY FUND

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and achieving administrative savings, this business line competes successfully for federal business in its non-mandatory program areas as well as achieving significant savings for the Government in its mandatory Airline City Pairs program.

The Travel and Transportation performance goals focus on achieving significant savings on federal travel, reducing Government transportation costs, and increasing customer satisfaction.

For fiscal year 2002, expenses for the fully reimbursable travel and transportation services programs are projected at \$7.5 million. Fiscal year 2001 expenses were projected at \$6.0 million.

### **Personal Property Management**

The General Supply Fund portion of this business line sells surplus government personal property whose value cannot be extended through reutilization or donation - seeking the maximum return for the taxpayer.

When requested, this business line handles the sale of seized and forfeited property for the U. S. Marshals Service. These services are non-mandatory, so agencies are free to sell surplus property themselves or have commercial firms do it for them. Personal Property Management takes a cost-recovery fee and returns the remaining proceeds to the U.S. Treasury or to the holding agency. Personal Property Management also inventories, stores, and occasionally sells gifts and decorations presented to federal employees by foreign governments.

Performance goals for fiscal year 2002 aim to control cost while maximizing proceeds from the sale of surplus property and increase customer satisfaction. Total expenses for this business line in fiscal year 2002 are anticipated at \$16.1 million, of which \$3.6 million is furniture reclamation. Personal property management's expenses in fiscal year 2001 were \$15.3 million with furniture reclamation consisting of \$3.1 million of that amount.

**General Services Administration**  
**GENERAL SUPPLY FUND**

GENERAL SUPPLY FUND \$(Thousands)				
	FY 2000 Actual	FY 2001 Current	FY 2002 Request	FY 02/01 Change
Income	2,739,644	2,948,628	2,977,532	+28,904
Supply and Procurement	1,308,696	1,226,880	1,219,836	-7,044
Personal Property Management	12,204	15,471	17,205	+2,893
Travel and Transportation	6,341	7,300	7,534	+534
Vehicle Acquisition & Leasing	1,412,403	1,698,977	1,732,957	+33,980
Expense	2,588,428	2,798,652	2,803,778	+5,126
Supply and Procurement	1,269,273	1,203,748	1,172,634	-31,114
Personal Property Management	13,613	15,348	16,095	+747
Travel and Transportation	6,473	6,044	7,534	+1,490
Vehicle Acquisition & Leasing	1,299,069	1,573,512	1,607,515	+34,003
Profit (Loss)	151,216	149,976	173,754	+23,778
Less Reserve/ Requirements	121,199	107,205	138,814	+31,609
Net Profit (Loss)	30,017	42,771	34,940	-7,831
FASAB Compliance*	-25,109	-25,109	-25,109	+0
Final Adjusted Profit (Loss)	4,908	17,662	9,831	-7,831
Net Outlays	-41,689	0	0	+0
FTE	3,090	3,099	3,049	-50

\* Includes projected levels of pension/post retirement benefit expenses in accordance with the Federal Accounting Standards Advisory Board (FASAB) No. 5. This is required for reporting purposes, even though individual Federal agencies are not required to pay the costs. The Office of Personnel Management pays these costs.

**General Services Administration  
GENERAL SUPPLY FUND**

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GENERAL SUPPLY FUND	
Explanation of Budget Changes	
Obligations	
(\$Thousands)	
<b>FY 2001 Program Level.....</b>	<b>3,521,476</b>
Change in Capital Investment.....	+12,921
Pay Increase.....	+6,162
Business Volume Adjustments.....	+41,510
<b>FY 2002 Budget Request.....</b>	<b>3,582,069</b>

**General Services Administration  
GENERAL SUPPLY FUND**

<b>GENERAL SUPPLY FUND Obligations by Object Class \$(Thousands)</b>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
Personnel Compensation:			
11.1 Full-time permanent	156,383	162,169	168,331
11.3 Other than full-time permanent	10,505	10,715	10,875
11.5 Other personnel compensation	<u>1,569</u>	<u>1,600</u>	<u>1,632</u>
11.9 Total personnel compensation	168,457	174,484	180,838
12.1 Civilian personnel benefits	37,721	39,032	39,812
21.0 Travel and transportation of persons	5,250	6,224	6,348
21.0 Motor pool travel	600	612	624
22.0 Transportation of things	53,618	54,690	56,783
23.1 Rental payments to GSA	43,501	47,640	48,458
23.3 Communications, utilities, and misc. charges	32,109	32,451	34,100
24.0 Printing and reproduction	6,938	8,021	8,581
25.2 Other services	112,415	114,363	110,450
25.3 Purchases of gds/svcs from Gov't accts	50,903	51,921	52,959
26.0 Supplies and materials	2,338,815	2,346,012	2,384,169
31.0 Equipment	<u>615,852</u>	<u>646,026</u>	<u>658,947</u>
Total Obligations	3,466,179	3,521,476	3,582,069

# General Services Administration GENERAL SUPPLY FUND

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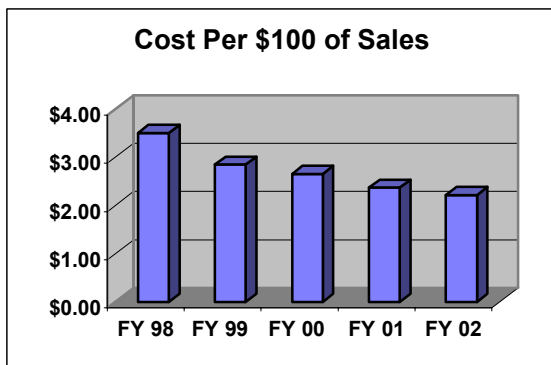
## THE FY 2002 PERFORMANCE PLAN

The business lines under the General Supply Fund are committed to satisfying the Federal Government's requirements for products and services at the least cost to the taxpayer. In order to measure accomplishments toward meeting this challenge, performance goals and measures have been established. These goals and measures are reflected in this budget submission and the fiscal year 2002 performance plan.

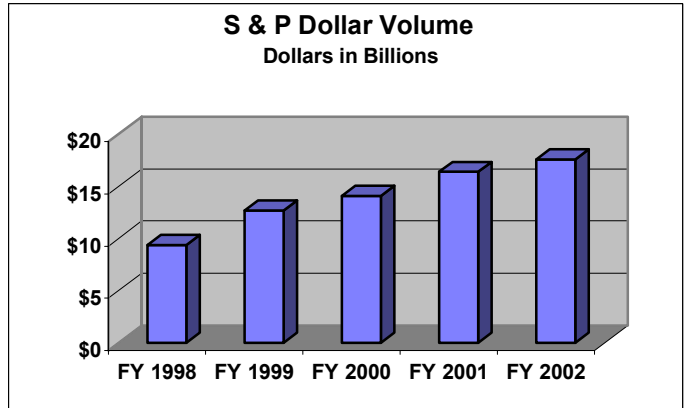
### Supply and Procurement

This business line leverages federal purchasing power to deliver quality, service, savings and choice in commercial products and services - from computers to contracts for financial management services. Federal Supply Schedules and direct delivery methods of supply are included.

Performance Goal: Hold costs at current levels while expanding supply and procurement support to Federal agencies, thereby reducing the overall cost per \$100 sales in all programs.



Performance Goal: Increase Federal agencies' use of GSA sources by providing additional products and services and by making it easier to access products and services.



Performance Goal: Maintain the current proportion of Schedules contracts awarded to small businesses.

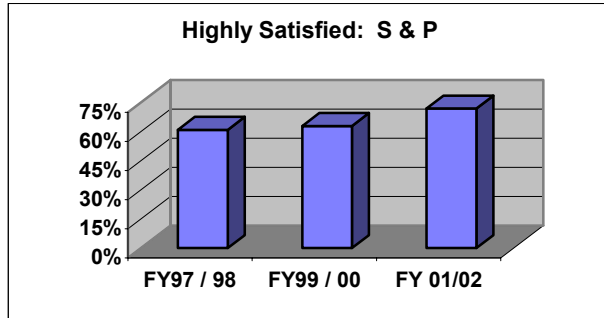
Performance Measure: Percent of Schedule contracts awarded to small business.

Baseline:	77%
FY 1999:	77%
FY 2000:	77%
FY 2001:	77%
FY 2002:	77%

# General Services Administration GENERAL SUPPLY FUND

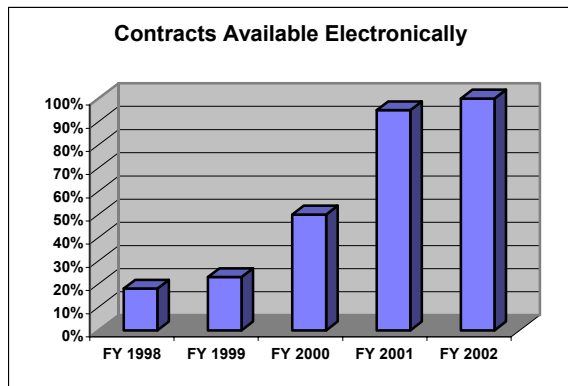
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Performance Goal: Increase customer satisfaction with Supply and Procurement programs.



Note: FY 99-00 results exceeded our original target of 63% in the “highly satisfied” category by a considerable margin. We have retained the 72% “actual” as our FY 01-02 target.

Performance Goal: Increase the number of products and services available to Federal customers via electronic systems and Internet connectivity.



## Vehicle Acquisition and Leasing Services

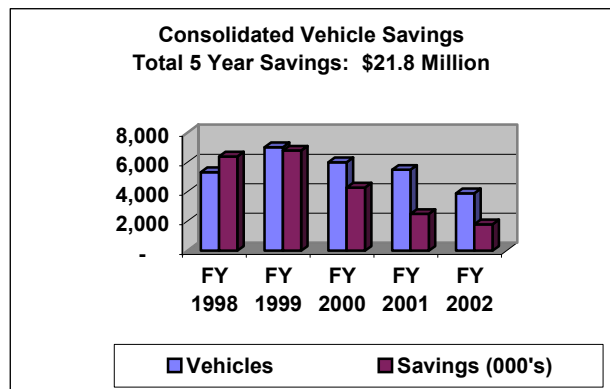
The GSA fleet management organization and GSA’s vehicle acquisition center - merged to become a single business line in 1998. Furthering the one-stop shopping model, this business line makes it easier for customers to evaluate fleet management options and arrive at decisions responding to their needs.

Performance Goal: Achieve an average 20% savings over commercial "Black Book" prices for compact sedans.

Performance Measure: Percent saved compared to "Black Book" price.

1998 Baseline	20%
1999 Actual	20%
2000 Actual	20%
2001 Target	20%
2002 Target	20%

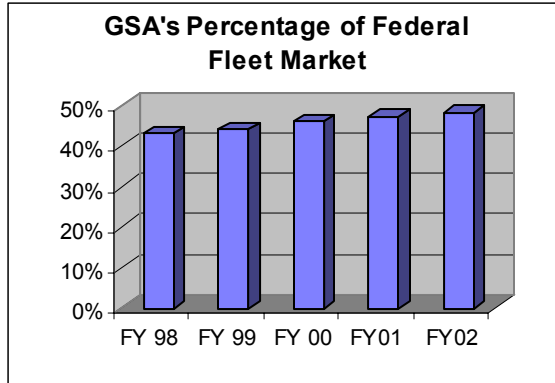
Performance Goal: Achieve savings by consolidating additional vehicles into GSA’s fleet.



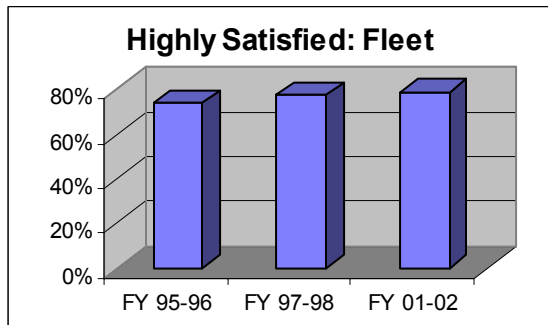
# General Services Administration GENERAL SUPPLY FUND

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Performance Goal: Increase GSA's share of Federal fleet.



Performance Goal: Meet or exceed customer expectations.



Performance Measure: % of respondents giving a "highly satisfied" rating.  
 Note: The FY 99-00 survey was not conducted due to delays attributable to development of a satisfactory survey instrument for the integrated business line (Vehicle Acquisition and the GSA Fleet)- for which this would have been the first survey performed.

Performance Goal: Fill 100% of requests for Alternative Fuel Vehicles.

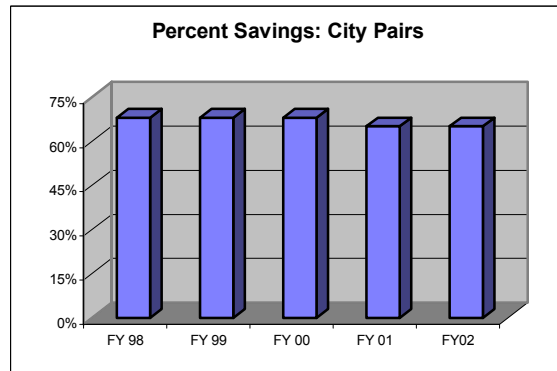
Performance Measure: Percentage of requests filled.

FY 1998 Baseline:	100%
FY 1999 Actual	100%
FY 2000 Actual	100%
FY 2001 Target	100%
FY 2002 Target	100%

### Travel and Transportation

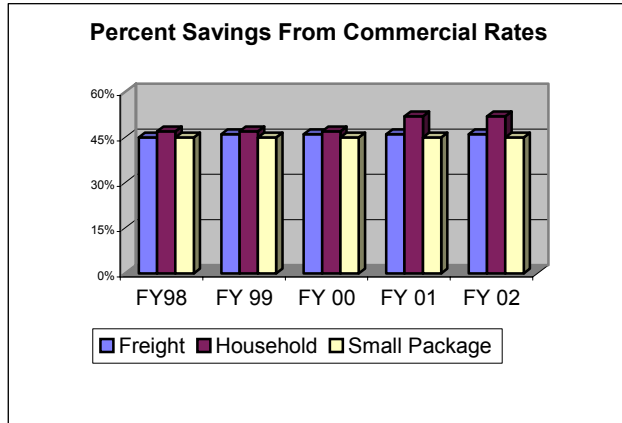
The business line controls and reduces Federal costs through its commercial travel and transportation services. Travel services include negotiated airline contracts, travel agency services, and travel charge card services. Transportation services include shipment of parcels, freight and household goods.

Performance Goal: Achieve significant savings on Federal travel as compared with commercial prices.

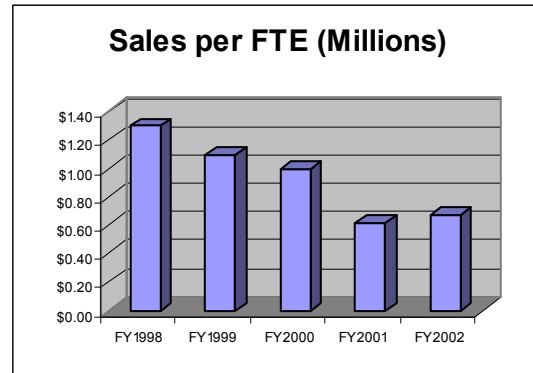


# General Services Administration GENERAL SUPPLY FUND

Performance Goal: Maintain savings of 45% to 52% compared to commercial rates for shipment of freight and household goods and for small-package express delivery services.

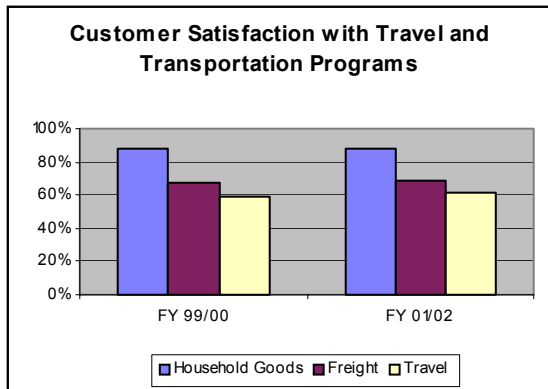


Performance Goal: Control costs while effectively performing sale services.

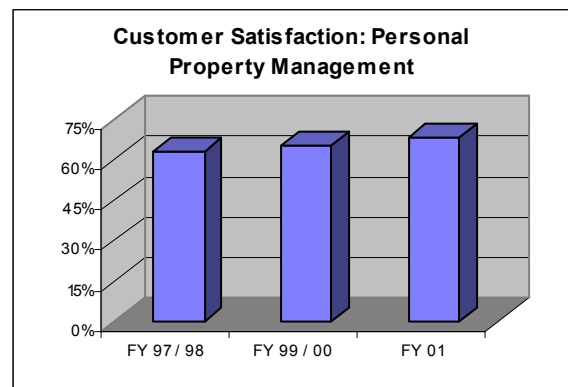


Note: The decrease in sales proceeds per FTE for fiscal year 2001 and 2002 is a direct result of the drop in dollar value of property moving through the system rather than workload.

Performance Goal: Increase customer satisfaction with travel and transportation programs.



Performance Goal: Increase customer satisfaction with Personal Property Management Services.



## Personal Property Management.

The General Supply Fund portion of this business line, sells surplus government personal property whose value cannot be extended through the reutilization or donation phase.





**INFORMATION  
TECHNOLOGY  
FUND**

# General Services Administration

## INFORMATION TECHNOLOGY FUND

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### MISSION

The Federal Technology Service (FTS) is dedicated to providing information technology solutions and telecommunications services that deliver the best value and innovation to support our customers. FTS strives to meet federal customers' requirements in an effective and cost-efficient manner.

### RESOURCES

FTS programs are financed by the Information Technology (IT) Fund. The Fund was authorized by the Paperwork Reduction Reauthorization Act of 1986 (Public Laws 99-500 and 99-591, section 821(a)(1)). This intra-governmental revolving fund provides information technology resources to Federal agencies on a fee-for-service basis. The Fund also provides for a capital reserve to finance investments and program costs which are one-time or non-recurring in nature, allowing for more stable rates for services, when expenses vary because of events such as a major procurement. The reserve also funds the development and start-up costs of new services to our customers, new program requirements, and new technologies and recompetition opportunities. The reserve requirements are developed annually by FTS and included in the IT Fund Cost and Capital Requirements Plan. This plan is submitted to OMB for review and approval pursuant to Section 110(a)(1) of the Federal Property and Administrative Services Act of 1949, as amended by Public Law 99-591. The rates charged agencies receiving information technology services are consistent with this plan. In addition, the Interagency Management Council (IMC), which consists of senior executive telecommunications officials from Federal agencies, serves as a Board of Directors for the development, coordination, and customer-driven oversight of the Federal telecommunications program.

### FY 2002 BUDGET IN SUMMARY

The IT Fund finances, on a reimbursable basis, governmentwide information technology services through two business lines: **Network Services** and **Information Technology (IT) Solutions**. Resources supporting these business lines are based on rates charged Federal customers. In FY 2002, 97% of the total FTS reimbursements are projected to flow through to the private sector for payment of telecommunications and IT solutions services. The remaining 3% funds the reserve requirements and FTS internal operations.

The **Network Services** business line enables FTS to provide Federal customers with end-to-end telecommunications services including global voice, data, and video services supporting both local and long distance government telecommunications users. FTS also provides advanced telecommunications products and services through "innovative services" contracts. The "innovative services" contracts currently provide customers with a variety of fully competed contracts for wireless communications, technical management support services, international calling, wire and cable, satellite equipment and services, and Internet access.

The **IT Solutions** business line helps agencies acquire, manage, integrate and use technology resources and protect the security of Federal information on-line.

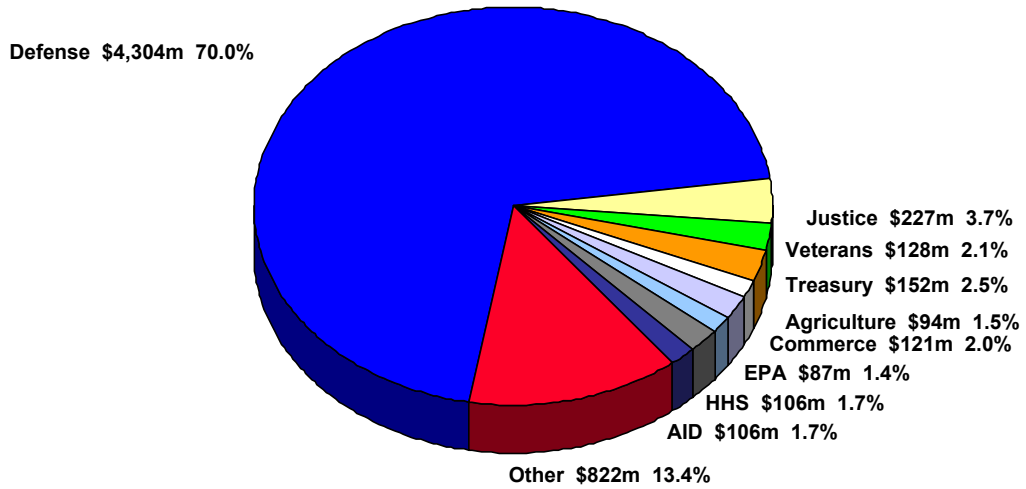
The FY 2002 budget provides resources for the leadership, new technology, technical expertise and innovative programs that enable our customers, other Federal agencies, to achieve their planned results in the most efficient and productive way. A breakdown of our customer base is shown in Exhibit 1 on the next page.

# General Services Administration INFORMATION TECHNOLOGY FUND

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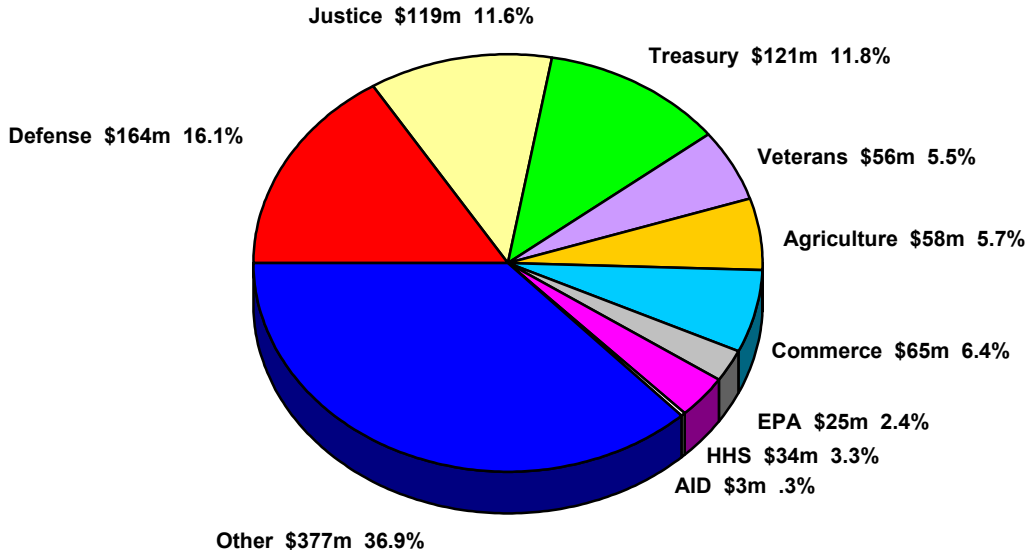
Exhibit 1. Major Customers of the Information Technology Fund

TOTAL PROJECTED FY 2002 REVENUE = \$6,147M

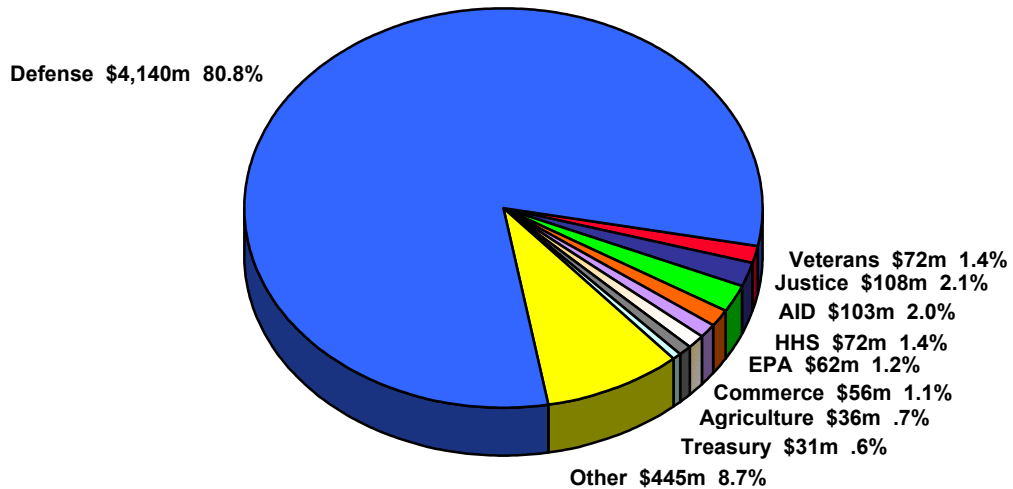


# General Services Administration INFORMATION TECHNOLOGY FUND

**NETWORK SERVICES**  
TOTAL PROJECTED FY 2002 REVENUE = \$1,022M



**IT SOLUTIONS**  
TOTAL PROJECTED FY 2002 REVENUE = \$5,125M



**General Services Administration  
INFORMATION TECHNOLOGY FUND**

**INFORMATION TECHNOLOGY FUND  
RESULTS OF OPERATIONS  
\$(Thousands)**

	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>	<b>FY 02/01 Change</b>
<b>Total Revenue</b>	5,062,979	5,679,689	6,208,864	529,175
<b>Less: Intra-fund revenue <sup>1/</sup></b>	<u>(51,539)</u>	<u>(56,679)</u>	<u>(62,209)</u>	<u>(5,530)</u>
<b>Net Revenue</b>	5,011,440	5,623,010	6,146,655	523,645
<b>Total Expense</b>	5,130,834	5,773,998	6,259,230	485,232
<b>Less: Intra-fund expense <sup>1/</sup></b>	<u>(51,539)</u>	<u>(56,679)</u>	<u>(62,209)</u>	<u>(5,530)</u>
<b>Net Expense</b>	5,079,295	5,717,319	6,197,021	479,702
<b>Net Income from (Cost of) Operations</b>	(67,855)	(94,309)	(50,366)	43,943
<b>Pension funded by others <sup>2/</sup></b>	<u>12,641</u>	<u>12,641</u>	<u>12,641</u>	<u>0</u>
<b>Net Results of Operations</b>	<u>(55,214)</u>	<u>(81,668)</u>	<u>(37,725)</u>	<u>43,943</u>
=====	=====	=====	=====	=====
<b>Net Results of Operations</b>	(55,214)	(81,668)	(37,725)	43,943
<b>Less expenses financed from     accumulated operating results     (retained earnings reserves)</b>	<u>67,232</u>	<u>87,288</u>	<u>45,227</u>	<u>(42,061)</u>
<b>Excess Revenue/(Expense) from Current Year Operations</b>	12,018	5,620	7,502	1,882
<b>Analysis of Net Results of Operations:</b>				
<b>Contributions to Program Reserves and     Working Capital</b>	35,692	5,620	7,502	1,882
<b>Approved/Projected Uses of Reserves</b>	(67,232)	(87,288)	(45,227)	42,061
<b>Use of Working Capital Reserve     (operations)</b>	<u>(23,674)</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>(55,214)</u>	<u>(81,668)</u>	<u>(37,725)</u>	<u>43,943</u>
<b>Net Outlays</b>	(37,024)	66,000	0	(66,000)
<b>FTE:</b>	1,393	1,430	1,472	42

<sup>1/</sup> Under standard accounting practices, when services are provided to customers within the IT Fund, the effects of these transactions are eliminated, for consolidated purposes.

<sup>2/</sup> Includes projected levels of pension and retirement benefit costs in accordance with Federal Accounting Standards Advisory Board (FASAB) Standard No. 5. This is required for reporting purposes, even though individual agencies are not required to pay these costs. These costs are paid by the Office of Personnel Management (OPM).

# General Services Administration INFORMATION TECHNOLOGY FUND

## EXPLANATION OF ESTIMATES

The IT Fund FY 2002 revenue reflects an increase of over \$529 million from FY 2001. The majority of this increase is in the IT Solutions business line where business continues to grow.

The total excess revenues from current operations are retained in the Fund to finance capital investments and program costs that are one-time or non-recurring in nature.

Operating expense and reserve funding levels are determined through the submission and approval process of planned cost and capital requirements to OMB by GSA annually.

This budget request also reflects a \$418 million increase in obligations from FY 2001, as shown below. This change results primarily from increases in projected business volumes. Operating expenses will increase slightly due to pay raises and inflation. Obligations associated with the use of reserves will decrease because of FTS2001 transition related costs.

<b>INFORMATION TECHNOLOGY FUND</b>	
<b>Explanation of Budget Changes</b>	
<b>Obligations</b>	
<b>\$(Thousands)</b>	
<b>FY 2001 Current Level</b>	<b>\$5,925,822</b>
.....	
Pay Raise, January, 2001.....	8,787
Inflation.....	6,122
.....	
Increase in Business Volume.....	474,084
Change in Reserve Use.....	-71,108
<b>FY 2002 Budget Request</b> .....	<b>\$6,343,707</b>

## MAJOR ISSUE

With explosive business growth over the last several years, the IT Fund is experiencing a very low cash balance. This is in part the result of increased business volumes and the 30 to 60 day lag time between payments to contractors and cash receipts from customers. FTS has negotiated an agreement with its major customers so that they are billed through the On-Line Payment and Collection (OPAC) System.

In March 2000, GSA established an internal task force to identify problem areas and recommend solutions required to ensure an adequate cash balance. A significant step has been improved communications with FTS' largest customer, the Department of

Defense (DOD). The team includes representation from DOD. The joint GSA/DOD solutions team is focusing on billing issues, improved communication, and a better understanding of each other's financial requirements. In addition, an agreement has been signed increasing the number of program billings to DOD processed under OPAC.

FTS has taken and is continuing to take aggressive action to maintain a healthy cash position. GSA is working with OMB, Treasury and customer agencies to improve cash and accounts receivables management.

**General Services Administration  
INFORMATION TECHNOLOGY FUND**

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<b>INFORMATION TECHNOLOGY FUND</b>			
<b>Obligations by Object Class</b>			
<b>\$(Thousands)</b>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
Personnel Compensation:			
11.1 Full-time permanent	82,060	115,140	119,935
11.3 Other than full-time permanent	1,153	470	490
11.5 Other personnel compensation	<u>16,257</u>	<u>2,498</u>	<u>2,595</u>
<b>11.9 Total personnel compensation</b>	<b>99,470</b>	<b>118,108</b>	<b>123,020</b>
12.1 Civilian personnel benefits	21,293	26,600	30,475
13.0 Benefits for former personnel	1	0	0
21.0 Travel and transportation of persons	5,914	6,354	6,481
21.0 Motor pool travel	251	369	376
22.0 Transportation of things	649	1,035	1,056
23.1 Rental payments to GSA	12,276	13,116	14,947
23.3 Communications, utilities, and misc. charges	4,674	2,459	2,508
24.0 Printing and reproduction	771	703	718
25.2 Other services	5,021,457	5,609,675	6,006,210
25.3 Purchases of goods and services from Government accounts	121,454	137,946	148,486
26.0 Supplies and materials	3,708	1,843	1,880
31.0 Equipment	35,348	7,614	7,550
<b>99.0 Total Obligations</b>	<b>5,327,266</b>	<b>5,925,822</b>	<b>6,343,707</b>

## BUSINESS LINES

FTS provides Federal customers with information technology, telecommunications products and services through two business lines: **Network Services** and **Information Technology Solutions**.

**The Network Services** business line offers Federal customers end-to-end telecommunications services. The major programs under the Network Services business line are the FTS2001 long distance program and the Local Telecommunications Services program.

The **FTS2001 program** provides long-distance telecommunications service that offers the Federal Government low-cost, state-of-the-art, integrated voice, data, and video telecommunications. The FTS2001 contracts awarded to Sprint and MCI WorldCom on December 1998 and January 1999, respectively, are estimated to be worth more than \$2.5 billion over the eight-year contract period. FTS2001 replaces the two successful FTS2000 contracts and retains many of their key features, especially aggressive price competition. Through GSA negotiations over the past ten years, long distance telecommunications rates have decreased from a national average of 27 cents per minute in FY 1988 to 5.8 cents per minute under FTS2000. Under FTS2001, prices begin at about 4.5 cents per minute and drop to less than 1 cent per minute by the end of the contract. Because of these substantial price reductions, revenues for the long distance program are projected to decline from \$684 million in FY 2000 to \$621 million in FY 2001 and increase to \$630 million in FY 2002.

FTS has established a Transition Coordination Center (TCC) that provides overall management, guidance, and technical support to Federal agencies and US Tribal Nations electing to transition current FTS2000 services to FTS2001 networks. Transition to FTS2001 began in June 1999 and was expected to be completed within eighteen months. However, the FTS2000 contracts required a six-month

extension to June 2001 in order to fully complete the transition effort. By June 2001, all FTS2000/FTS2001 transition related work will be completed.

As reported in the January 2000 *GSA Report to Congress on the Cost Effectiveness of the FTS2000 Program* from FTS, FTS2000 prices are 15.9 percent lower in the aggregate for the Government's telecommunications requirements than the lowest commercial equivalent.

The largest FTS2000/FTS2001 service offering is switched voice service. As illustrated in Exhibit 2 below, FTS long-distance voice prices have been highly competitive with those in the commercial sector. In FY 1999, FTS2000 average cost per minute was 5.8 cents compared to the industry price of 10.2 cents. With FTS2001, cost per minute will continue to be below the industry average.

### FTS2000/FTS2001 Voice Service Prices

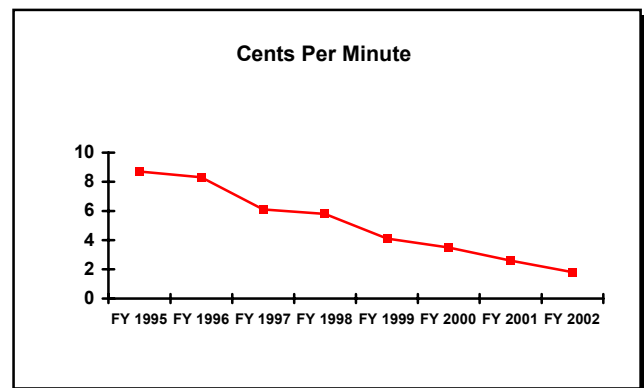


Exhibit 2. FTS2000/FTS2001 prices

**The Local Telecommunications Services** program provides local voice and data telecommunications to Federal agencies nationwide. In the wake of reforms initiated by the Telecommunications Act of 1996, FTS is pursuing lower prices for local service in major markets through its Metropolitan Area Acquisition (MAA) Program. The MAA program takes advantage of competition to achieve immediate, substantive, and sustained price reductions for local telecommunication services in metropolitan areas. After a forbearance



period of at least one year from an MAA award, the Government may execute an option to allow the FTS2001 vendors to offer optional local services. Additionally, after the minimum one year forbearance period, the Government may execute an option to allow winning MAA vendors in one city to offer local services in another MAA city.

Phase I of the MAA program was completed in FY 1999 and resulted in contracts for New York, Chicago, and San Francisco, with potential savings estimated at \$300 million over current rates. Sixteen out of seventeen Phase 2 cities were completed in FY 2000 with the award of over 30 additional contracts to eight (8) industry partners. These contracts will provide expanded local telecommunications services to Buffalo, New York, Cincinnati, Ohio, Cleveland, Ohio, Los Angeles, California, Baltimore, Maryland, Atlanta, Georgia, Miami, Florida, Indianapolis, Indiana, St. Louis, Missouri, Minneapolis, Minnesota, Dallas, Texas, Denver, Colorado, Boston, Massachusetts, New Orleans, Louisiana, Boise, Idaho, and Albuquerque, New Mexico. Award for the remaining Phase 2 city, Philadelphia, Pennsylvania, was made in February 2001. It is estimated that the contracts awarded in the twenty MAA cities to date have the potential to save Federal government telecommunications users over \$1 billion compared to current costs. Procurements for seven additional cities are expected in 2001 under Phase 3 of the program.

In FY 2000, FTS awarded the eight-year, \$1.4 billion Washington Interagency Telecommunications System (WITS) 2001 contract to Verizon Communications (formerly Bell Atlantic Federal). This contract provides Federal agencies in the Washington, DC area with the broadest range of local telecommunications services and equipment ever combined in a single GSA contract vehicle. In addition to its broad scope, WITS2001 contract also offers flexibility to user agencies with web-based service offerings, flexible billing options and direct access by agencies to the contractor, WITS2001 allows agencies to tailor their use of the contract to meet their specific ordering and management practices, saves Federal customers the expense of contracting on their own, frees up resources to focus on other tasks.

A price management mechanism has been incorporated which insures that the contractor's prices to GSA remain at or below the best available prices in the marketplace. The WITS2001 acquisition will result in \$300 million of savings over the current commercial prices. WITS2001 serves 30% of the Federal agencies in the Washington, DC metropolitan area. FTS expects to double its customer base under this contract within the next year because of the cost savings offered. Existing customers of GSA will experience price reductions of 30% and new customers can expect price reductions of 70% over the existing commercial price. Revenues for the Local Telecommunications Services program were \$339 million in FY 2000 and are projected to be \$394 million in FY 2001 and \$400 million in FY 2002.

The Local Telecommunications Services program has undertaken a major initiative to reduce the average monthly line rate. Exhibit 3 shows the actual monthly line rate to date and the projected monthly line rate for FY 2001. The national average monthly line rate for FY 2001 is projected to be \$17.99 which reflects an overall reduction of \$10.71, or more than 37% from the FY 1994 average monthly line rate of \$28.70. The FY 2001 projected rate does not include additional cost reductions expected to result from the recent MAA and WITS2001 awards.

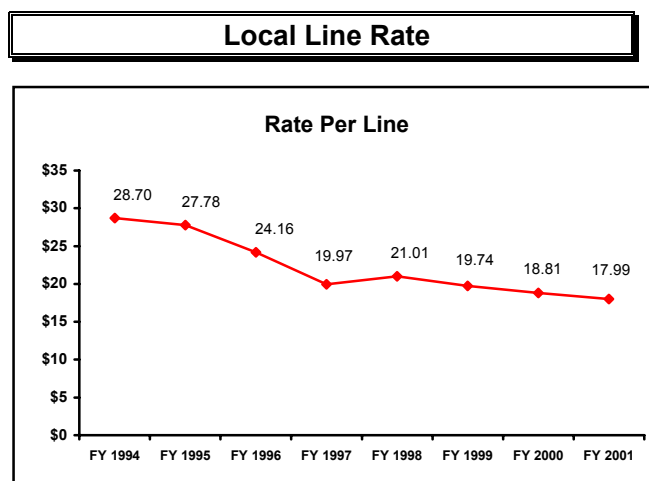


Exhibit 3. Local Line Cost

In FY 2002, FTS will continue to strive to reduce the average monthly line rate. FTS fully expects the rates to continue to decline as MAA contracts are implemented.

The **IT Solutions** business line within FTS provides all types of IT products and services, including security solutions, to its Federal clients through contracts with private sector firms. IT Solutions provides a variety of ways for agency customers to buy—through FTS contracts, through Federal Supply Service Schedules, and through the contracting offices of other Federal agencies with which IT Solutions developed strategic partnering arrangements. Customers can choose among numerous value-added services at various levels of support and cost.

All programs under the IT Solutions business line are non-mandatory and fully reimbursable. Exhibit 4 below, illustrates the increase in demand for IT Solutions services over the past few years.

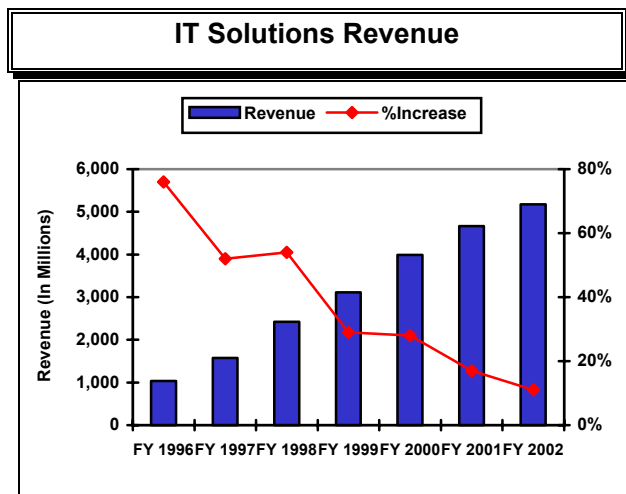


Exhibit 4. IT Solutions Revenue

**IT Solutions strives to** provide the same products and services or solutions with the same level of service at the same price to all clients. To achieve this goal, IT Solutions' concept of operations is based on distinct service delivery and solutions development "centers of expertise" which are designed to leverage existing skill sets and talents **to best serve our customers**. FTS customers benefit by gaining a broad range of industry partners and contracts options.

We currently have 15 Client Support Centers (CSCs) and four Solutions Development Centers (SDCs) to support FTS clients nationwide. In 11 regional locations, CSCs provide one-stop shopping service to clients in an assigned geographic location. There are also two national CSCs that serve clients requiring information security or large systems integration projects expertise. CSCs provide their clients access to all FTS products and services and offer a value-added acquisition and technical service to determine the best solution for the client's IT needs. SDCs develop, award, and administer master contracts for use by the CSCs.

The major programs in the IT Solutions business line are Regional IT Solutions including the Federal Acquisition Services for Technology (FAST) Program, the Federal Systems Integration and Management Center (FEDSIM), the Federal Computer Acquisition Center (FEDCAC), the Office of Innovative Business Solutions and the Center for Information Security Services.

**Regional IT Solutions** CSCs provide services that include systems definition and design, business and scientific software services, computer security studies and risk analyses, and access to all of FTS' products and services. The **FAST** program is a large part of the regional program designed to enable Federal agencies to quickly purchase commercial off-the-shelf information technology software, equipment and non-complex services. It offers the Federal customer products and services, plus the "value-added" complement of contracting services support. FAST focuses on shortest time, lowest cost, and highest quality as a composite procurement approach. The program's success relies on quick contracting solutions, including 1) GSA's multiple-award schedules (MAS); 2) government-wide acquisition contracts (GWACS) for specialized buys; and 3) **multiple award 8(a) contracts with small businesses**. This procurement strategy also affords 8(a) firms an opportunity to develop new business. Regional ordering offices have increased 8(a) revenues in the past three years.

These are clear indications that more clients are being offered 8(a) services than ever before. In FY 2000, Regional IT Solutions introduced Buyers.gov, a web-based government business and auction exchange. Regional IT Solutions adapted existing commercial E-commerce software to Federal standards to introduce reverse auctioning and aggregation capabilities to the government IT community. Buyers.gov consists of Private Auction, eFAST, and Quick Quote. Private Auction provides reverse auctioning wherein Government agencies can drive prices for IT products and services to natural market levels (rather than drive them up through conventional auctioning). Private Auction allows for real time, dynamic price negotiations and facilitates the evaluation of price/performance tradeoffs. eFAST allows agencies to aggregate requirements online and achieve the benefits of volume purchasing (i.e., quantify discounts and unit price reductions) for commonly procured IT products. Quick Quote allows agencies to issue Requests for Quotations (RFQs) online and receive quotes from selected sources of supply in real time. Government users can even generate a list of required commodities through an electronic shopping cart and then transfer the entire cart to a private auction for procurement.

Regional IT Solutions FY 2000 revenues were over \$2.9 billion, an increase of almost 38% over FY 1999. Continued growth is expected for FY 2001 and for FY 2002 at \$3.4 billion and \$3.8 billion, respectively. In FY 2000, twenty-one Federal agencies placed 600 task orders worth \$250 million under the Applications 'n Support for Widely-diverse End User Requirements (ANSWER) contract. Only in its second year, ANSWER generated business of more than 300 percent over the initial fiscal year. ANSWER, awarded to ten prime contractors, has a ceiling value of \$25 billion over a ten-year period. Through ANSWER, FTS provides clients stability and continuity in the face of today's highly volatile and rapidly changing technological environment. It provides services and support in requirements and design research, analysis and development, software maintenance, and facilities management including business, scientific, and engineering applications, and by providing the continuous technological upgrades so necessary in a technological environment.

In FY 2000, FTS completed the fourth and final award in a series of four major information technology support services contracts under the **Millenia Lite program. The maximum dollar value for all contracts awarded under Millenia Lite is \$20 billion. Millenia Lite is comprised of four functional areas including information technology planning, studies and assessment; high-end information technology services; mission support services; and legacy systems migration and new enterprise systems development**

**FEDSIM** is a national CSC that assists agencies in acquiring and using information systems and information technology, including hardware, software, maintenance, training, and analyst support. FEDSIM focuses on large, complex systems integration efforts. FY 2000 revenues were \$918 million and are expected to grow to **over \$1 billion** in both FY 2001 and FY 2002. FEDSIM continued its support to the small business community by obligating almost \$159 million in contracts to small business in FY 2000.

**FEDCAC** is an SDC which delivers full-service management of computer acquisitions worth more than \$100 million and conducts full and open competitions for contracts required by FTS customer support centers nationwide. FEDCAC awarded the Millennia contract which resulted in a substantial increase in FTS revenues. Millennia, awarded to 11 prime contractors, supports very large systems integration projects and has a ceiling value of \$25 billion over a base period of five years. Since its award in May 1999, there has been an enormous interest in this contract. The first task order under this contract was for \$22 million and was awarded by FEDSIM in August 1999. In FY 2000, Millennia enjoyed significant success. Seventeen task orders were issued with a total estimated value of \$1.3 billion. Of this amount, nearly \$65 million was obligated in FY 2000. The largest award was in excess of \$228 million and the average task order awarded was \$78.5 million. Additionally, FEDCAC continues to award new task orders on the Virtual Data Center Services contract, which provides data processing outsourcing services to Federal agencies, and offers a quick, low-cost alternative for obtaining

commercial data processing services. FY 2000 revenues were \$39 million, and are projected to be \$39 million in FY 2001 and \$43 million in FY 2002.

With GSA's Seat Management Program, the government can acquire desktop computing as a totally integrated "information utility" that includes general purpose desktop computers, servers and associated peripherals, local and wide area capabilities, help desk services, design and installation services, maintenance and training. The Seat Management Program incorporates commercial practices into the Federal government by allowing Federal managers to outsource desktop services more effectively than before and to custom-build "seats" to meet their particular information technology environment.

In FY 1999, GSA awarded the first task order under its Government-wide Seat Management Services contract at an evaluated price of approximately \$114 million over ten years. This task order provides 2,500 employees in the GSA headquarters building in the District of Columbia and in FTS offices located in Virginia and Massachusetts with comprehensive desktop computing services. Since this first award, FTS has successfully awarded additional tasks under the Seat Management Services contract. In June 1999, a task order for \$88 million was awarded for 1,600 seats at the Treasury Department, followed by \$50.9 million for 800 seats at the Housing and Urban Development's Inspector General's Office. In FY 2000, there have been four awards (Peace Corp is for 5 years, the remainder are for 10 years): Peace Corp for 885 seats at \$16.9 million, Army Center for Substance Abuse Program for 40 seats at \$6.5 million, DC Housing Authority for 400 seats at \$26 million, Department of State, Foreign Building Operations for 1,200 seats at \$49 million.

The **Office of Innovative Business Solutions** is a CSC which develops and deploys innovative new service areas that incorporate the most current technologies and approaches to solving Federal IT problems. It consists of the GSA IT Acquisition Services Center, the Financial Management Systems Support Center (FMSSC), the Federal Learning Technology Center (FedLearn), the Center for IT

Outsourcing, and the Center for Smart Card Solutions. Combined revenues for FY 2000 were \$18 million and are expected to grow to \$81 million in FY 2001 and to \$91 million in FY 2002. This significant growth from FY 2000 is primarily attributed to the Smart Card and FedLearn programs which begin full operation in FY 2001.

The *GSA IT Acquisition Services Center* provides IT solutions to GSA itself. The Center's IT Solutions Team provides GSA rapid access to all FTS contractual vehicles (including Seat Management), to the Federal Supply Service's (FSS) Schedules, and to other Government-wide acquisition vehicles (GWACs). The Center creates new contractual vehicles to service GSA when required. The Center is also available to serve all GSA regions.

The Center provides IT solutions and acquisition support during all procurement phases. Before issuing task orders or awarding contracts, the Center offers pre-procurement planning services that include work product specification and development of statements of work. Teams of computer specialists work hand-in-hand with contracting officers to provide specialized project management services and post-award contract administration.

The Center administers the GSA Services (GSAS) contract with the Unisys Corporation. This GSA-dedicated contract has been active for the past six years as a source for major IT systems, engineering services, and network and desktop products.

The *Financial Management System Services Center* (FMSSC) assists Federal agencies in evaluating, designing, and implementing financial and administrative systems. FMSSC works with agencies to identify problems, develop alternatives, define systems requirements and develop procurement strategies to satisfy those requirements. Using Federal Supply Service (FSS) Schedules and other Federal procurement vehicles, FMSSC purchases core accounting, financial, and administrative systems for client agencies. FMSSC also provides project management support for specialized financial systems.



FMSSC implemented the new FTS Enterprise Resource Planning (ERP) initiative to stimulate Federal agency use of ERP systems. ERP systems provide cost-effective data warehousing, data mining, and executive-level information. In FY 2000, FMSSC awarded over \$165 million in contracts for full ERP systems, individual core accounting systems, and other financial and administrative management systems.

*The Federal Learning Technology Center (FedLearn)* is a non-mandatory, fully reimbursable, information technology services program that provides IT-based solutions to traditional training issues encountered by Federal agency clients worldwide. FedLearn specializes in delivering total, turnkey solutions for technology-enhanced learning, including distance learning, computer-based training, student management systems, courseware delivery systems, and knowledge management. FedLearn assists agencies with any or all of the life cycle support necessary to acquire, design, develop, implement, and manage these learning tools. FedLearn teams with private sector contractors to meet the training needs of all FedLearn clients.

*The Center for IT Outsourcing* provides outsourcing solutions for the information technology needs of Federal agencies. The Center assists agencies with acquisition services, project and financial management, independent verification and validation and research and analysis capabilities with regard to an agency's computing environment. The Center will also support outsourcing for IT services such as Data Center operations and maintenance, and Application services. The Center focuses on performance-based contracting using FTS contract vehicles as well as other Government-wide vehicles.

*The Center for Smart Card Solutions* offers a full range of smart card services. Smart cards offer a mobile computing platform for identification and authentication as well as processing repetitive administrative functions. In FY2000, the Center awarded a Government-wide "Common Access Identification" Smart Card contract for use by Federal agencies. One major achievement of the contract is a modification to its Smart Card

specifications on an open interoperability standard across all platforms. This contract prescribes government-wide interoperability technical standards, **which were** developed by GSA, the five prime vendors **and** other Federal agencies, **including** interface specifications, conformance testing requirements, and data elements of the contract. It is anticipated that revisions to these standards will be on-going as improvements and developments in Smart Card technology occur. This is the first time that interoperability standards have been established in the Smart Card industry. These standards will promote the implementation of Smart Card usage in government and in this country. The Center for Smart Card Solutions is working with the National Institute for Standards and Technology (NIST) to test the cards and readers to ensure that vendor hardware are compatible and in accordance with the interoperability specifications. The Center is currently working to offer services for the reduction of paper-based administrative systems.

The Center for Smart Card Solutions is currently working with the Veterans Affairs (VA) to develop task order requirements for a Smart Card solution worth approximately \$4 million and with the Department of Defense on a major card procurement worth \$5.5 million in FY 2000. The Center expects to issue approximately 5 task order awards totaling \$15 million in FY 2001.

In its continuing effort to provide its customers innovative, value-added information security solutions while expanding its leadership role in government-wide security initiatives, FTS realigned its Office of Information Security (OIS) into two distinct organizations -- the Center for Information Security Services and the Office of Information Assurance and Critical Infrastructure Protection.

**The Center for Information Security Services (CISS)** is a national CSC which provides information systems security services to U.S. Government departments and agencies. The CISS employs a staff of government information systems security professionals, offering its customers vulnerability assessments, network engineering, risk analysis and security planning,

and other technical services on a fee-for-service basis. FY 2000 revenues were \$97 million and growing to \$127 million in FY 2001 and \$140 million in FY 2002.

To strengthen their information assurance service offering, the CISS developed the Safeguard Program to assist Federal agencies in meeting the requirements of Presidential Decision Directive 63, which calls for a national effort to strengthen the nation's defenses against emerging threats to our critical information systems. FTS has entered into Blanket Purchase Agreements (BPAs) with 27 private industry leaders in the field of information assurance and critical infrastructure protection. The BPAs are open to all Federal agencies and offer agencies government and industry value-added, end-to-end information assurance solutions.

The Access Certificates for Electronic Services (ACES) program is an initiative jointly developed and managed by FTS and GSA's Office of Governmentwide Policy. The ACES contract is a digital signature service offering based on public key infrastructure (PKI) technology and will authenticate individuals and businesses wishing to access Government information and services via the internet. The program can assist agencies in meeting the requirements of the Government Paperwork Elimination Act, provides for a government-wide PKI capability, and reduces costs for electronic government initiatives by aggregating government requirements. The Electronic Signature Act using an ACES smart card was enacted.

Funded under GSA's Policy and Operations Account, the Office of Information Assurance and Critical Infrastructure Protection will focus on critical infrastructure protection issues from a broader government-wide perspective. They will continue their leadership role to the government's civilian agencies in Federal PKI initiatives, including chairing the interagency Federal PKI Steering Committee, and continue to provide cyber-attack incident warning and response services through the Federal Computer Incident Response Center (FedCIRC).

## THE FY 2002 PERFORMANCE PLAN

The FTS FY 2002 Performance Plan concentrates on nine basic performance measures that support the FTS mission and vision. These measures are directly linked to GSA's Strategic Goals to "Promote Responsible Asset Management, Compete Effectively for the Federal Market, Excel at Customer Service, Meet Federal Social and Environmental Objectives, and Anticipate Future Workforce Needs."

To ensure that FTS is positioned to sustain and enhance its contributions to the Federal community, FTS has three overarching strategies. These strategies are integrated into the business lines. The strategies are as follows:

- FTS will focus on being **customer-centric**. This strategy involves providing enterprise solutions and tailored levels of service to meet the IT and network needs of customers. What does this mean to our customer? This means that FTS brings the skills and talents necessary for executive management and acquisition expertise so inherent to successful project management. Designing, engineering and implementing contracts support technology challenges from the diverse specialties of agriculture to defense, from environment to medicine, and from nuclear energy to social security is what FTS addresses. FTS offers customers a full range of contracting vehicles, comprehensive service offerings, and one-stop shopping. FTS provides fully competed contracts, competitive pricing, and problem resolution. FTS' strategy also focuses on understanding customers' business needs, helping them find the best solutions so that they can better serve their constituencies, and delivering superior customer service. A Customer Action Team (CAT) initiative has been established consisting of communities within FTS who are working together to support the mission of nine specific customers: the Internal Revenue Service (IRS), the Environmental Protection Agency (EPA), the Corps of Engineers (COE), the Defense Finance and Accounting Service (DFAS), Native American Tribal Nations, the Department

of Energy (DOE), the Defense Information Systems Agency (DISA), the Immigration and Naturalization Service (INS), and the Army Materiel Command. This proactive approach will allow FTS to gather customer information and use it to provide them a customized package of products and services. CATs cut across FTS business lines to bring Network Services and IT Solutions together to meet customer needs with the total FTS package.

- FTS will focus on being **employee-centric**, recognizing that employees are its most vital asset. FTS employees are trained in the acquisition, telecommunications, and IT fields, as well as other professional disciplines, and they are a critical link in FTS' endeavors to achieve superior customer satisfaction and business results. To foster a culture where all employees will succeed and are well respected, FTS is implementing initiatives to increase communication, foster employee development and recognition, and provide technology so that our workforce excels at customer service and achieves business success. Some of these initiatives include:
  - ➔ Communicate FTS Core Values to our employees. Our business values are as follows: Customer Service Focus, Honest Broker, Excellence, Entrepreneurship, Employee Focus, and Teamwork and Partnership. Our individual values are Fairness, Integrity, Trust, Respect, and Professionalism. FTS Core Values communicate to our employees what is important to leadership and help to form our identity as an organization. Our values form a foundation that enables us to make both business and individual decisions.
  - ➔ Continue to pursue cross-functional Internal Communications Team initiatives that are focused on improving communications.
  - ➔ Identify core competencies for each profession, create individual development plans, and identify and implement developmental work opportunities.
- FTS will maintain successful **relationships with its stakeholders**, i.e., Congress, OMB, the IMC, and industry partners. FTS continues its efforts to keep Congress and OMB informed

of its initiatives and critical related issues. This continuing dialogue also helps identify cross-cutting technology issues that affect all agencies and departments and provides an informed network to coordinate and resolve them.

FTS goals and measures cover the areas of market share, finance, cost control, customer satisfaction, employee growth and development, stakeholder relations, acquisition cycle times, and new and enhanced offerings, as well as network service costs. In summary, the goals and measures provide a balanced approach and ensure a results-oriented framework for implementing programs and assessing the organization.

### **GSA Goal -- Promote Responsible Asset Management**

#### ***Maintain an employee-centric environment where employees thrive.***

FTS works with employees to ensure that they have an environment that is worker-friendly and that they have the tools, technical skills, and supporting infrastructure to do their jobs. This enables employees to improve their performance and achieve the intended business results. Our Commissioner chartered a cross-functional Internal Communications Team focused on improving internal communications. The team has already established a corporate FTS New Employee Orientation Program with materials, roles, and responsibilities defined so that organizations across FTS can be more effective in training new employees about our programs, products, services, vision, goals and priorities.

### **GSA Goal - Compete Effectively for the Federal Market**

#### ***Assist Federal agencies in achieving significant savings by **providing high quality products and services at competitive prices.*****

#### ***Achieve and maintain an appropriate level of full cost recovery to maximize service to Federal agencies and effect the greatest advantage to the Government.***

**Provide quality products and services at competitive prices and achieve significant savings for Federal agencies by reducing long distance prices**

**Provide quality products and services at competitive prices and achieve significant savings for Federal agencies by reducing the average monthly local line rate.**

Financial management is an essential performance measure of the success of our organization. Sound financial management practices permit management to effectively analyze programs, and ensure a system of accountability that focuses the organization on sound business decisions. Since 1997, the revenue that flows through the IT Fund has grown over 100%. FTS is committed to retaining current customers and adding new customers in the future. Exhibit 5 below illustrates the projected future growth of FTS business. The non flow-through business volumes represent payments made directly to the vendor by the customer agencies.

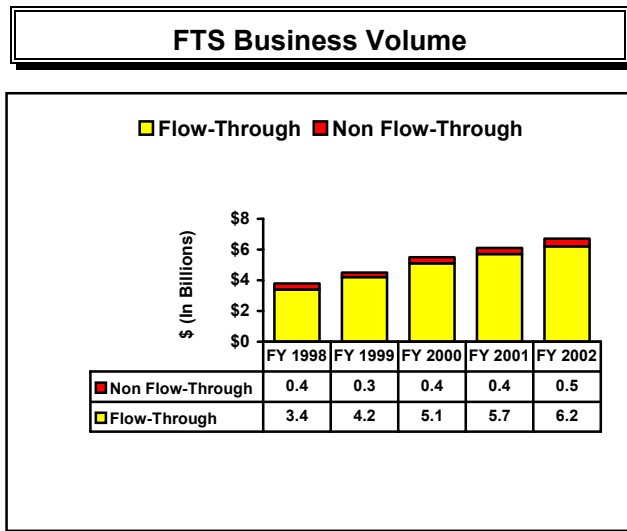


Exhibit 5. FTS Business Volume

All IT Fund programs continue to be non-mandatory in FY 2002. It is important that FTS keep its existing customers and cultivate new ones in this environment. In order to do so, FTS will be a quality provider of technology services at competitive prices to help agencies achieve significant IT savings. It is also increasingly important for FTS to collaborate

with the other GSA services, the Public Building Service, and the Federal Supply Service to provide Government agencies a total solutions source, the best value at the best price using the common face of GSA for all types of services. FTS will benefit from the marketing of an overall GSA image as **the** place where agencies can come for a complete GSA package including technology services.

FTS provides the Government with an economical and efficient system for the procurement of IT and telecommunications services by identifying and aggregating Federal requirements to offer contracts that yield substantial cost savings and value. From enabling Y2K compliance to making Government listings in public telephone directories more user-friendly, FTS provides services to assist in developing the necessary framework to support the Government information infrastructure, and end-to-end security. In addition, FTS tests new acquisition and service delivery concepts, such as performance based contract vehicles.

FTS revenues have grown from approximately \$1.5 billion in FY 1995 to over \$5 billion in FY 2000, and are expected to exceed \$6 billion in FY 2002. Most of this increase is in the IT Solutions area, where there is an increasing demand for FTS products and services. Other Government agencies will be able to devote more resources directly to mission and program work and less to contracting activities by using FTS to develop tailored contracts and procurement vehicles. Centralizing some administrative functions for the Federal government should lead to greater efficiency and an overall increase in savings for the taxpayer. FTS takes advantage of economies of scale in procuring services for the Federal market. Exhibit 6 on the next page illustrates FTS' current share of the Federal IT market and our future goal.



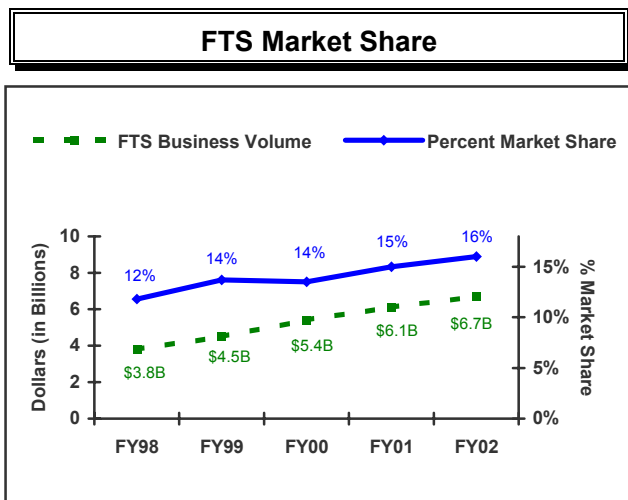


Exhibit 6. FTS Market Share

### **GSA Goal - Excel at Customer Service**

***Be customer centric - increase customer satisfaction with FTS representatives and products/services.***

***Be customer centric - reduce acquisition cycle times.***

FTS obtains information from customers through personal visits, focus groups, telephone interviews, surveys, and other methods. The objective is to better understand customers' needs, their levels of satisfaction with FTS services and products and FTS representatives, and why they do business with FTS competitors. FTS uses this and other customer information in planning and improvement efforts. The current survey effort consists of surveys that are specifically tailored to our IT Solutions and Network Services business.

For FTS customers, the speed with which we can deliver contract services is as highly valued as our competitive prices. FTS has aggressively implemented acquisition reform and is constantly looking for better ways to expedite IT and telecommunications acquisitions to meet the new and emerging needs of customers. Recognizing the importance of timeliness, FTS is committed to reducing the time it takes to issue task and delivery orders.

FTS strives to be an honest broker by collaborating with the government and contractor community to find the best way to meet customer needs quickly and obtain the best value. FTS provides clients stability and

continuity in the face of today's highly volatile and rapidly changing technological environment. FTS does this by providing services and support for almost every conceivable IT requirement and by providing for the nearly continuous technological refreshment so necessary in a technological environment.

### **GSA Goal – Meet Federal Social and Environmental Objectives**

***Achieve and maintain an appropriate level of procurements with small business as a percent of prime contracts.***

By making awards to small businesses, FTS assists our Federal agency customers by helping them to achieve small business goals.

### **GSA Goal - Anticipate Future Workforce Needs**

***Increase the number of industry partnerships by making available many sources that can provide state-of-the-art equipment and workplace environments to meet the needs of the mobile Federal worker.***

Whether the requirement is for a new system to support the deployment of ground troops, or for a major enhancement to a modeling construct that predicts aberrant weather conditions, or as a decade long project to track the medical implications of a new virus, FTS is postured to provide the ultimate in customized technological support and solutions.

In order to respond to a whole host of customer requirements and needs, FTS has committed to developing industry partnerships so that our customers have access to a multitude of sources for leading-edge technology and streamlined and innovative acquisition support. FTS will identify new technology service offerings and search for industry partners to meet all the needs of our customers and meet the needs of the mobile Federal workforce. We will also work with other GSA organizations on integrated projects that have a technology component.



**ALLOWANCES AND  
OFFICE STAFF FOR  
FORMER PRESIDENTS**

# General Services Administration

## ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

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### BACKGROUND

The appropriation for Allowances and Office Staff for Former Presidents provides for an annual pension and compensation of office staffs and other related operating expenses for each former President pursuant to P.L. 85-745, as amended. The annual pension and cost of franking privileges for the widow of former President Johnson are also funded in this appropriation.

### THE BUDGET IN SUMMARY

The FY 2002 budget request allows GSA to carry out the provisions of the Former Presidents Act at a level commensurate with that of the previous fiscal year. The FY 2002 request includes an increase for the full year cost for former President Clinton, and the increased cost of pensions, rent, and equipment Former Presidents Ford, Reagan, and Bush.

### ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS \$(Thousands)

	FY 2000 Actual	FY 2001 Current	FY 2002 Request	FY 01 - FY 02 Change
Former Presidents	\$2,083	\$2,511	\$3,376	\$865
Total Budget Authority	\$2,083	\$2,511	\$3,376	\$865
Net Outlays	\$2,083	\$2,511	\$3,376	\$865

### EXPLANATION OF ESTIMATES

The FY 2002 Budget increase of \$865 thousand includes \$737 thousand for the full year cost for Former President Clinton. In addition, it includes a combined increase of \$128 thousand over the amounts requested for FY 2001, consisting of: (1) \$22 thousand for Former President Ford, providing \$9 thousand for increased pension costs, \$11 thousand for increased rent, and a net increase of \$2 thousand in other non-personnel costs; (2) \$52 thousand for Former President Reagan, providing \$9 thousand for increased pension costs and \$72 thousand for increased rent offset by a net decrease of \$29 thousand in other non-personnel costs; and (3) \$54 thousand for Former President Bush, providing \$9 thousand for increased pension costs, \$22 thousand for increased rent, \$20 thousand for replacement of automated data processing equipment and a net increase of \$3 thousand for other non-personnel costs.

**General Services Administration**  
**ALLOWANCES AND OFFICE STAFF FOR FORMER**  
**PRESIDENTS**

<b>ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS</b>	
Explanation of Budget Changes	
\$(Thousands)	
<b>FY 2001 Current Level .....</b>	<b>\$2,517</b>
Less .22% Rescission .....	-\$6
<b>Adjusted FY 2001 Level .....</b>	<b>\$2,511</b>
Full year cost for Former President Clinton's office & staff .....	\$385
Rent Increase for Former President Clinton .....	\$297
Rent Increase for Other former Presidents .....	\$73
FY 2002 Pension Increase .....	\$82
ADP Equipment Upgrade for Former President Bush .....	\$20
Increase in cost of goods and services .....	\$8
<b>FY 2002 Budget Request .....</b>	<b>\$3,376</b>

<b>ALLOWANCES AND OFFICE STAFF, FORMER PRESIDENTS</b>			
Obligations by Object Class			
\$(Thousands)			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
11.8 Special personnel service payments	<u>380</u>	<u>414</u>	<u>534</u>
11.9 Total personnel compensation	380	414	534
12.1 Civilian personnel benefits	86	104	149
13.0 Benefits for former personnel	644	773	850
21.0 Travel and transportation of persons	90	128	182
23.1 Rental payments to GSA	595	747	1,092
23.3 Communications, utilities, and misc.	111	131	177
24.0 Printing and reproduction	21	28	44
25.2 Other services	53	116	190
26.0 Supplies and materials	55	48	70
31.0 Equipment	48	22	88
<b>99.9 Total Obligations</b>	<b>2,083</b>	<b>2,511</b>	<b>3,376</b>

**General Services Administration**  
**ALLOWANCES AND OFFICE STAFF FOR FORMER**  
**PRESIDENTS**

FY 2002 REQUEST							
FORMER PRESIDENTS							
\$(000)							
	FORD	CARTER	REAGAN	BUSH	CLINTON	WIDOWS	TOTAL
Personnel Compensation.....	96	96	96	96	150	0	534
Personnel Benefits.....	24	6	24	35	60	0	149
Benefits for Former Personnel:							
Pensions.....	166	166	166	166	166	20	850
Travel.....	50	2	16	57	57	0	182
Rental Payments to GSA.....	110	102	357	169	354	0	1,092
Communications, Utilities and Miscellaneous charges							
Telephone.....	21	25	15	14	28	0	103
Postage.....	6	20	10	14	22	2	74
Printing.....	0	5	12	12	15	0	44
Other Services.....	11	71	15	13	80	0	190
Supplies & Materials.....	9	6	20	11	24	0	70
Equipment.....	4	9	3	36	36	0	88
<b>Total Obligations.....</b>	<b>497</b>	<b>508</b>	<b>734</b>	<b>623</b>	<b>992</b>	<b>22</b>	<b>3,376</b>



**INSPECTOR  
GENERAL**

# General Services Administration

## OFFICE OF INSPECTOR GENERAL

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This budget submission contains a section which highlights the key factors affecting the Office of Inspector General's FY 2002 budget request. This section describes our major initiatives and related resource requirements. See page IG-3.

### MISSION

The Office of Inspector General (OIG) was established by the Inspector General Act of 1978 as an independent unit, charged with responsibility for promoting economy, efficiency, and effectiveness and detecting fraud, waste, and mismanagement in GSA's programs and operations. This is accomplished primarily through a comprehensive, nationwide audit and investigative program covering GSA's internal operations and external contractors.

The OIG's primary operational components consist of the:

**Office of Audits** - A multidisciplinary staff of financial and technical experts who provide audit coverage of GSA's internal operations and external contractors;

**Office of Investigations** - An investigative unit that manages a nationwide program to detect and prevent illegal and improper activities involving GSA programs, operations, and personnel.

**Office of Counsel to the IG** - An in-house legal staff that provides advice and assistance to all OIG components, represents the OIG in connection with audits and investigations, and in litigation arising out of or affecting OIG operations, and handles legislative matters.

### **Office of Administration**

A multidisciplinary staff which provides budget, personnel, computer, and other support services; and the Internal Evaluation Staff that directs an in-house assess-

ment program including field office appraisals and is responsible for internal affairs reviews of OIG operations.

Through its programs and operations, the OIG supports GSA's overall mission to improve the effectiveness of the Federal Government by creating a high quality work environment for its employees.

The commitment by both the President and the Congress to achieve a more effective and cost efficient Government brings with it significant transformations in how most federal agencies operate. GSA is no exception. Certainly, GSA will continue to oversee the management of the Federal Government's buildings; regulate the acquisition, use, and disposition of property; and coordinate Federal telecommunications. However, the nature of GSA's oversight, regulatory, and coordination roles has been and will continue to be evaluated and analyzed. Confronting GSA will be reform efforts seeking innovative approaches to accomplishing its mission. These efforts will include laws, policies, and regulations that propose to substantially reform its existing activities and streamline the work processes to provide better services and product delivery and reduce the complexity of GSA's oversight mechanisms.

The OIG's mission provides it with a unique ability to objectively evaluate Agency operations, and assist GSA in incorporating the results of those evaluations into GSA's policy making processes. We will increasingly focus our efforts on assisting the Agency in adopting business-like practices, streamlining its organizations, cutting overhead and unnecessary costs, and reengineering its work processes to deliver quality goods and services to its customers. The OIG will also assist the Agency by identifying and mitigating vulnerabilities, particularly those resulting from changes in GSA's methods of doing business and from changing legal and administrative requirements in an effort to

# General Services Administration

## OFFICE OF INSPECTOR GENERAL

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maximize support provided to GSA as it continues to transform.

Specifically, the OIG has identified three strategic goals aimed at aligning our activities so that they are consistent with GSA's strategic goals and business objectives.

Strategic Goal No. 1 - Identify opportunities for increased economy and efficiency in Agency operations; assist Agency management by identifying, recommending, and developing appropriate management improvements; and ensure that GSA programs provide optimum value for the taxpayers.

Strategic Goal No. 2 - Protect the integrity of GSA programs and operations by preventing, detecting, and responding to waste and wrongdoing, and by identifying and mitigating vulnerabilities, particularly those resulting from changes in the Agency's methods of doing business and from changing legal and administrative requirements.

Strategic Goal No. 3 - Improve the delivery of the OIG work product.

During FY 2001, the OIG will be reviewing our strategic goals and related performance measures to better align our activities with the Agency and to enhance our performance reporting.

### ACTIVITIES

The OIG will accomplish its mission by several methods:

- 1) Conducting independent audits of GSA's programs and internal operations to identify opportunities for improvement;
- 2) Conducting independent audits of GSA's contractors to ensure GSA and the Federal customer are getting the best value for the taxpayers' dollar;
- 3) Conducting investigations of GSA's programs and operations when circumstances indicate potential fraud, criminal activity, or mismanagement;
- 4) Working with GSA management to identify and implement operational improvements to GSA's internal management processes and to develop entrepreneurial and competitive business practices designed to increase the quality and timeliness of GSA's services;
- 5) Working with GSA management and employees to ensure that appropriate internal controls and measures are in place to help optimize the performance of GSA's mission; and
- 6) Working with GSA managers and employees to increase their knowledge and awareness of fraud to help reduce and prevent its occurrence in GSA's programs and operations.



# General Services Administration

## OFFICE OF INSPECTOR GENERAL

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### BUDGET IN SUMMARY

In FY 2002, the OIG will continue to provide audit and investigative services across the broad spectrum of GSA's activities. During FY 2002, we will continue to commit substantial resources to program evaluation reviews of GSA's major operations, including policy activities Government-wide. We will also focus our investigative efforts on detecting and preventing fraudulent activity in GSA's procurement, contracting, property disposal, leasing activities, and identifying program vulnerabilities. The Office of Inspector General requests a \$36,025 thousand direct appropriation supporting 297 FTE's for FY 2002. This request includes funding for the mandated availability pay requirement for criminal investigators.

Approximately 91% of the OIG's staff resources will be devoted directly to our audit and investigative efforts: 63% to our audit program; 25% to our investigative efforts; and 3% to the Counsel to the Inspector General for direct support of both audits and investigations. The remaining resources are for overall administrative, personnel, and information technology systems support.

The OIG will continue to seek better ways to provide a high level of service to GSA by identifying and implementing internal steps to improve, eliminate, and reduce our administrative requirements; working smarter through quality management initiatives; and focusing on customer service and satisfaction.

### KEY FACTORS AFFECTING THE OFFICE OF INSPECTOR GENERAL'S FY 2002 BUDGET REQUEST

#### BACKGROUND

Beginning in FY 1995, the Office of Inspector General launched a major re-engineering effort designed to broaden the audit and investigative services we provide to our clients, add value to our customers, and enhance our own organizational efficiency. Federal downsizing and consolidations, the changing environment in Government, and rapid technological advances prompted our efforts. While not losing sight of our primary mission of protecting against waste, fraud, and abuse, we changed the culture of our organization so we could do more with less. As a result, we evolved from a predominantly compliance and reactive type of organization to one that addresses systemic issues, performs broader scope GSA program and information systems reviews, provides advice and assistance to management, and focuses on high impact investigative cases. Our focus is to be an agent of positive change and help GSA achieve its goals.

Our long-term approach involves many integrated initiatives. Some of these initiatives include reinventing our methodologies for performing programmatic and other types of reviews and investigations, implementing the team concept for performing our reviews, and expanding the types of services we offer our customers. We are also improving our technical capabilities. We have established a systems audit staff, implemented better strategic and audit planning, improved communications within our own organization and with management, and implemented many other initiatives to improve our operations.

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Our actions have produced positive results within a short period of time. For example, our Reports to the Congress for the past several years have documented many positive changes identified by our audits and implemented by the Agency; customer surveys show that our products and services meet management's needs and add value; and the requests for audit services from management, the Congress, and OMB are on the rise. Our audit and investigative efforts have resulted in identifying and mitigating numerous systemic problems and fraud schemes involving GSA's programs and operations. The benefits from our initiatives will continue to grow.

Additionally, the internal cultural changes have helped create positive benefits for our staff. The most recent GSA culture survey asked employees to rate their organization on issues such as Well Being, Work Performance, Work Satisfaction, Communication, Teamwork, Performance Measurement, Technology, etc. The survey showed that our office made significant improvement in all measured categories when compared to a previous survey. The OIG has consistently received high ratings when compared to all other GSA components.

Following are highlights of our office's initiatives and performance measures with related budgetary requirements. We have also delineated some of the impediments that hinder our mission accomplishments and their budget (resource) implications.

### INITIATIVES AND RESOURCE DEMANDS

#### Office of Audits.

The OIG's shift in focus, away from auditing strictly to assess the Agency's compliance with rules and regulations, to undertaking work that assists GSA in better performing its mission and achieving its specific goals, has required a very different approach in the

way we do business. Since the mid-to-late 1990s, we have been providing a broader array of services to management. We are continuing to improve, and in some cases, expand upon these services.

1. **Program Reviews** – Over the past several years, our office has significantly changed and expanded the scope and methodology of these broad-based reviews. Program reviews produce formal audit reports that provide GSA management with an independent assessment of whether or how well a program is meeting its mission and identify specific areas where program outcomes can be improved. These reviews are now a staple of our organization. Because they help management “see the forest” our reports are a primary vehicle for influencing positive change in GSA's programs and operations. We will continue to direct more resources to this area.
2. **Consulting Services** – The OIG plays a unique and critical role in providing GSA and the Congress with independent analyses of various reform initiatives. This activity provides managers with a ready source of professional services to help address specific issues, conduct research, or perform options analysis. These services are performed with a quick response and are advisory in nature. We have been increasingly called upon to serve as consultants through our advisory and best practice reviews, task force participation, and benchmarking studies. Benchmarking and best practice reviews collect information on what the private sector and other Government organizations consider best practices to help GSA gauge how well it is performing similar services or functions, and to identify opportunities for improvement. We fully expect this valuable service will continue at current

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and/or enhanced levels for the long term.

- Information Technology and Systems Reviews** – The Office of Audits faces new challenges in the 21<sup>st</sup> century in the information technology (IT) area. In FY 1998 we accepted these challenges by creating an Information Systems Audit Office with an initial staff of 6 FTE. The mission of this organization was to identify the IT workload in GSA, establish an OIG presence in this critical and growing area, and develop the technical expertise to perform these complex reviews. Since 1998 we have expanded our capabilities to where our FY 2001 plan dedicated 13.2 FTE to performing IT and systems review work. Recent information indicates that our capabilities in IT and systems need to continue to grow. GSA has a huge information technology universe with over 80 major automated information systems, many smaller systems, and hundreds of local area networks. Our IT audit universe must apply more resources to system development efforts in GSA and important security issues associated with operating GSA systems and networks, and with using the Internet and Intranet. In addition, we must address local, long distance, voice, data, and other issues associated with telecommunications. We intend to expand our systems audit group by over 40% by FY 2004 in order to have the staff capable of performing the necessary reviews. Similarly, the fundamental changes that information technology has brought to the way GSA does business will require a corresponding increase in our technical and other training for existing and new staff associated with this effort.
- Financial and Regulatory Requirements** - The passage of the CFO Act in 1990 has had a significant impact on our

operations. Even before passage of the Act, the OIG contracted out the audit of GSA's financial statements to a public accounting firm in order to minimize its impact on existing resources and to acquire the technical expertise to perform the audit. Accordingly, we only needed a small number of financial auditors to oversee the work performed under the contract. However, the time, effort, and expertise required to administer the audit of the financial statements has grown substantially: new legislation and complex accounting and auditing policies must be analyzed; efforts to assist GSA management in working through associated issues have grown; and time needed to address audit issues related to the audit of the Governmentwide consolidated financial statements has increased. There is also a need for the OIG to assume at least partial responsibility for performing segments of the annual financial statement audit. In addition, there are new and increasing requirements imposed on our office as a result of GPRA and other legislation. These issues require that we have sufficient staff with the financial background and expertise to perform the necessary reviews. We intend, as with the systems group, to enlarge our financial audit group (by shifting existing resources) in the next several years to keep up with the increasing demands. As in the information technology area, we must expand our financial and technical systems training for existing and new staff to accomplish our goals.

### **Office of Investigations**

The Office of Investigations is responsible for the conduct of criminal, civil, and administrative investigations nationwide. It is the OIG's fully accredited Federal law enforcement component and provides expert investigative services to

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GSA, the Department of Justice, United States Attorneys' offices throughout the country, and to other Federal and state agencies. The Office of Investigations will continue to enhance its ability to react to changing crime patterns that threaten GSA programs and operations by such innovative techniques and initiatives as those described below.

1. **Investigative Techniques** - The OIG has been steadily increasing its use of enhanced investigative techniques - body-wires, electronic monitors, and covert video surveillance - in our investigations. Our enhanced ability to present prosecutors, courts, and defendants with audio and videotapes of violations has led to more pleas and cooperation in many instances. Examples are the increasing number of cases where defendants have been willing to provide evidence and implicate codefendants in bribery cases since we began enhancing our use of such techniques. Our expertise in the use of such electronic surveillance has led to our participation and leadership in multi-agency investigations involving the FBI, Secret Service, Postal Service, and Department of Defense among others. This success creates new resource demands, physical and monetary, because of the added costs of specialized equipment and training, as more agencies request our assistance in cooperative investigations. While this success in our investigations of violations of GSA contract and other program activities creates new resource demands, it has returned very real dividends in the identification of public corruption schemes crossing Agency and Federal-state jurisdictional lines costing taxpayers millions of dollars.
2. **Seizure of Computer Evidence** -The Government's increased dependence on computers has created a new challenge to law enforcement. Seizing computerized evidence is a complex and specialized endeavor. It requires extensive training and expensive equipment in a constantly changing environment. The Office of Investigations has seen a dramatic rise in the need for trained computer evidence recovery specialists. Previously, we relied on other agencies to perform this function. However, because of the increasing demand for this ability and the need for immediate access to such resources to recover evidence of contract fraud, bribery, and extortion, we have had to develop our own capabilities. Accordingly, we have launched an effort to train a core group of Seized Computer Evidence Recovery Specialists within our Office of Investigations. To date, we have three trained specialists and anticipate training five additional agents.
3. **Sourcing** - We are constantly engaged in identifying areas of vulnerability to fraud within GSA programs and operations. These efforts include organizing meetings with our law enforcement counterparts, as well as with Agency and industry representatives. We proactively review GSA programs and contracts for vulnerabilities or indications of fraud. Currently, 7.5% of our resources are expended in this area. At this time, we have targeted electronic fraud and computer related crimes such as computer intrusion, telecommunication fraud, and credit card fraud. We are working closely with GSA management, industry representatives, and other Federal agencies to meet these needs.
4. **Electronic Crimes** - Fraud is more frequently being perpetrated via the use of computers. The Office of Investigations has seen a rise in our investigations of telecommunications fraud utilizing computers and access devices. We are cur-

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rently involved in cooperative investigations with the Secret Service and the telecommunications industry involving fraudulent access to Government communications systems, including investigations of hackers gaining access to key telecommunications switches. GSA and industry are moving further into the arena of computerized contract awards using electronic signatures and the Internet. As GSA moves closer to its goal of electronic commerce via the Internet, more crimes will be perpetrated via this medium. We anticipate there will be increased incidents of electronic forgeries and fraudulent data submissions from vendors. Computer manipulation of sales data will be an issue as many GSA contracts involve rebates or industrial funding fees. Credit card frauds are being perpetrated through the use of computers and computerized databases. We are currently involved in investigations involving fraudulent use of Government issued credit cards and calling cards. We continue to work closely with other agencies and the industry in these investigations.

### **TRADITIONAL SERVICES**

The Office of Inspector General will continue to provide GSA and the Congress with its traditional services in the areas of management and systems control reviews as well as selected reviews of GSA's multi-billion dollar contract program.

1. **Management Control Reviews** - The Office of Audits will continue to test management controls built into programs and systems to ensure they function as intended and provide reasonable safeguards over assets. We believe control systems are becoming more important in an evolving work environment which calls for fewer supervisors, more decentralization of authority, and more

individual empowerment. We will work closely with management to share our expertise in internal controls with program personnel throughout the Agency.

2. **Contract Auditing** - As a major procurement Agency within the Federal Government, GSA annually awards billions of dollars in contracts for goods and services. The OIG will continue to support the contract program. When appropriate, we will audit vendors' records and develop financial information needed by GSA's contracting officers to negotiate favorable pricing arrangements. Even though the number of contract actions is decreasing as GSA moves to implement new initiatives such as extending contracts for longer periods, the dollar volume of GSA's contract program is increasing. We anticipate that for FY 2002, our monetary recoveries will remain consistent with FY 1999 - FY 2001 levels - \$150 - 200 million in recoveries and avoidances.

### **IMPEDIMENTS TO MISSION ACCOMPLISHMENT**

1. **Staff Development and Training** - From FY 1992 to FY 1999, the OIG lost almost 33% of its staff resources due to downsizing and budgetary limitations. During this period, we were forced to reconsider how we do business, re-focus and re-tool our operations, and try to do more with less. We operated in a virtual hiring freeze environment. However, that gap in regular hiring plus the increased demand for computer knowledge, financial management and accounting skills described above, and the need for specialized investigator skills, has created a pressing need for significant staff development and training.

**Office of Audits** - We have an urgent need to expand our technological and

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financial audit capabilities. In addition, we are faced with an aging work force. Over 50% percent of our senior level directors and managers and a growing number of auditors and analysts are either eligible or will be eligible to retire in the next several years. To address this issue we started hiring at the entry level, with some supplemental hiring at the journeyman and supervisory levels. We are experiencing significant difficulty in hiring at both levels because of the current job market for people with strong computer science, information systems, and accounting skills; the added requirements imposed on accountants by the American Institute of Certified Public Accountants (AICPA); and the increasing salary demands of people with the needed skills. This forced us to revise our approach. While we continue seeking to hire accountants, computer science, and information systems majors for certain critical needs, we are now hiring most of our audit staff with degrees in general business or liberal studies. However, this has required supplementing their skills with technical training in addition to the entry-level training needed to develop a journeyman auditor. Furthermore, due to our aging work force, we have started providing more supervisory training for our journeyman staff in anticipation of senior staff losses over the next several years. Accordingly, we more than doubled our classroom training allocation for FY 2000 to cover technical, developmental, and supervisory training; and our "on-the-job training" costs continue to grow as we hire more new staff.

**Office of Investigations** - The Office of Investigations has successfully managed a major reduction in its FTE level - from 113 employees in 1992 to a current staffing of 76 - through reorganization from district offices to zonal offices, and reducing the number of managers and

central office employees. This resulted in management and support FTE's being reallocated to special agent positions in the field offices. However, because of mandatory retirements and staff reductions that came almost exclusively from our senior levels, we have been left with a very young and comparatively inexperienced investigative workforce. For example, fifty percent (50%) of our special agents have been in their positions less than two years. There is a need to devote considerable resources to quickly developing these agents.

Additionally, the dramatic increase in the need for agents specifically trained in the seizure and collection of evidence from computer systems has made it necessary to initiate the Seized Computer Evidence Recovery Specialist (SCERS) training program. We have also seen a rise in the need for our agents to assume undercover roles to perform investigations. Undercover operations require highly specialized training, both for the agents involved and for those responsible for managing the investigations and assuring their safety. To meet this need, we are creating an undercover training program.

2. **Travel Costs** - The downsizing and reorganization we have undergone the past few years has resulted in additional travel to ensure proper audit and investigative coverage. We perform national program reviews and other audits, as well as nationwide investigations, using teams staffed with auditors and investigators from various parts of the country. This inter-regional team approach is necessary to sufficiently staff, train, and provide expertise on our more complex and large projects. The team approach and the need to perform our contract and other work effectively by going to where the work is, has caused a signifi-

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cant increase in our job-related travel. In addition, the inflationary spiral of increased hotel and per diem rates, plus the recent practice of travel agencies adding surcharges ranging up to 10% will continue to cause a significant increase in our travel costs.

### 3. **Other Support Costs**

Computer Infrastructure Support Costs  
GSA's increased use of the Internet for its daily business transactions and systems applications have resulted in a 200% increase in common information technology infrastructure traffic. This, in turn has resulted in increases in Local and Wide Area Networks, electronic

messaging, maintenance and equipment charges, as well as increases in systems software support and site licensing fees. As an example of the budgetary impact from these increases, from FY 2001 to FY 2002, GSA has determined the OIG's share of the FY 2002 increase for common information technology Infrastructure support and WEB Redesign costs to be \$453 thousand over what we currently have in our budget for this purpose. Because of the timing of these increases, GSA held our actual FY 2001 allocation to the FY 2000 level. However, for FY 2002 GSA is allocating a pro rata share of the agency-wide costs to us.

Staff Relocations – Because of the loss of experienced audit and investigative staff due to retirements and general attrition, we have had to relocate various staff members to different geographic locations. We anticipate additional relocations resulting from the anticipated future loss of our senior level and managerial staff members.

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## SELECTED OIG PERFORMANCE MEASURES AND GOALS

Following are selected OIG performance measures and goals for the initiatives described above and for the related demand and shift in resource allocations.

### Allocation of OIG resources

Allocation of resources to OIG Major components						
	\$000	FY2000 FTE	\$000	FY2001 FTE	\$000	FY2002 FTE
Audits	18,098	171	20,983	183	22,695	183
Investigations	9,260	70	8,810	74	8,647	74
Counsel of the IG Internal Evaluation Administration (Office of the IG)	5,495	40	4,651	40	4,683	40
<b>Totals</b>	<b>32,853</b>	<b>281</b>	<b>34,444</b>	<b>297</b>	<b>36,025</b>	<b>297</b>

Refocus the allocation of Office of Audit resources from contract audit issues to more internal GSA program and operational issues. (*Strategic Goals 1 and 2*)

Increase the percentage of resources devoted to internal reviews to 77% by 2004								
	FY 1995 Baseline		FY 2000		FY 2001		FY 2002	
	%	(\$Mil)	%	(\$Mil)	%	(\$Mil)	%	(\$Mil)
Contract Audits	50%	\$10.2	30%	\$6.1	23%	\$4.9	23%	\$5.0
Internal Audits	50%	\$10.2	70%	\$14.1	77%	\$16.3	77%	\$16.8



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Shift internal audit resources from reviews that focused on compliance with regulations to reviews that focus on assisting GSA achieve its program goals. *(Strategic Goals 1 and 2)*

Increase the percentage of resource devoted to non-compliance internal reviews to 80 percent by 2004.								
	FY 1995 Baseline		FY 2000		FY 2001		FY 2002	
	%	(\$Mil)	%	(\$Mil)	%	(\$Mil)	%	(\$Mil)
Program	40%	\$4.1	44%	\$6.8	42%	\$7.0	41%	\$6.9
Consulting	N/A*		12%	\$1.8	11%	\$1.9	12%	\$2.0
IT Systems	N/A*		12%	\$1.8	19%	\$3.1	14%	\$2.4
Financial	9%	\$ .9	9%	\$1.4	9%	\$1.5	11%	\$1.8
Subtotal Non-compliance	49%	\$5.0	77%	\$11.8	81%	\$13.5	78%	\$13.1
Compliance	51%	\$5.2	23%	\$3.5	19%	\$3.2	22%	\$3.6
*Did not exist in FY 1995								

Shift OIG investigative resources to high impact cases. *(Strategic Goal #2)*

The Office of Investigations will direct its investigative resources to issues having the most potential identifiable impact on the efficiency, effectiveness, and integrity of GSA programs and operations. Approximately 80% of our resources will be directed to high impact or Class A investigations which include monetary losses over \$250 thousand, suspensions involving contracts over \$250 thousand, health and safety issues, employee corruption, and integrity issues involving GS-15 or above. Class B and C investigations are criminal/civil investigations involving the integrity of GSA functions, which do not meet the thresholds defined above.						
	FY 2000		FY 2001		FY 2002	
Class A	\$4.2 Mil	81%	\$4.3 Mil	80%	\$4.3 Mil	80%
Class B & C	\$1.0 Mil	19%	\$1.1 Mil	20%	\$1.1 Mil	20%

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Increase the percentage of audits that have a positive impact on GSA operations by identifying appropriate management improvements to insure GSA meets its strategic goals and its programs provide optimum value to the American taxpayer. *(Strategic Goal 1)*

Increase the percentage of audits having a positive impact on GSA operations to 70% by 2004.			
	FY 2000	FY 2001	FY 2002
Percent of Audits	60%	61%	64%
Cost of Audits	\$10.1 Mil	\$11.1 Mil	\$12.0 Mil

Increase the percent of audit reports issued that have a positive impact on protecting the integrity of GSA programs during a period of changing vulnerabilities and changes in Government. *(Strategic Goal 2)*

Increase the percentage of audits having a positive impact on protecting integrity to 60% by 2004.			
	FY 2000	FY 2001	FY 2002
Percent of Audits	49%	49%	57%
Cost of Audits	\$9.3 Mil	\$9.3 Mil	\$9.2 Mil

Improve the quality of our audit products and services, and ensure that they add value to GSA's ability to become a more competitive, effective, and customer responsive organization. *(Strategic Goals 3)*

Improve the assessments from our customer surveys of the overall quality of our reports so that they reach a level of 4.5 on a scale of 1 to 5 for both contract and internal audits by 2004.				
	FY 1996 Baseline	FY 2000	FY 2001	FY 2002
Contract Audits	3.7	4.4	4.5	4.5
Internal Audits	3.4	4.3	4.4	4.4

Training - Train the audit staff and develop the expertise needed to perform the types of reviews that best serve our clients' needs and allow us to meet our mandated requirements. *(Strategic Goals - All)*

Increase the percentage of resources devoted to both on-the-job and formal classroom training.			
	FY 2000	FY 2001	FY 2002
Training Allocation	\$1.2 Mil	\$2.1 Mil	\$3.1 Mil
Percent of Budget	6%	9.7%	9.7%

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Training - Train inexperienced investigators and develop computer seizure (SCERS) and under-cover training. (*Strategic Goals – All*)

As a result of the continuing renewal of the Office of Investigations we are training a work force consisting of over 60% inexperienced investigators. To provide the quality product we demand, we will invest approximately 10% of our investigative resources to training per year. This training includes formal investigative, defensive, and other training related to the performance of our duties. (Dollars in thousands)

	FY 2000	FY 2001	FY 2002
Training Allocation	\$700	\$2,100	\$2,100
Percent of Budget	8%	9.7%	9.7%

Travel - Ensure that the OIG has sufficient travel money available to perform all necessary audit and investigative work and to attend the necessary training to develop our staff. (*Strategic Goals – All*)

Increase the amount of Audit and Investigative resources available for necessary travel (operational needs, training, etc.). (Dollars in thousands)

	FY 2000	FY 2001	FY 2002
Office of Audits	\$1,000	\$1,100	\$1,100
Percent of Budget	5.2%	5.2%	5.2%
Office of Investigations	\$265	\$300	\$325
Percent of Budget	3.2%	3.5%	3.75%

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\$(Thousands)**

	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>	<b>FY 01/02 Change</b>
<b>Direct Program:</b>	32,853	34,444	36,025	1,581
<b>Reimbursable Program:</b>	11	150	150	0
Total Direct & Reimbursable	32,864	34,594	36,175	1,581
<b>Net Outlays</b>	<b>33,438</b>	<b>34,348</b>	<b>35,780</b>	<b>1,432</b>
<b>Employment (FTE)</b>	<b>281</b>	<b>297</b>	<b>297</b>	<b>0</b>

**EXPLANATION OF ESTIMATE**

Additional funding is requested for fiscal year 2002 to cover pay raises and IT infrastructure increased costs.

<b>OFFICE OF INSPECTOR GENERAL Explanation of Budget Authority Changes in Priority Order \$(Thousands)</b>	
<b>FY 2001 Current Level</b>	<b>\$34,444</b>
Pay Raise	1,128
Common Information Technology Infrastructure Cost Increases	453
<b>FY 2002 Budget Request</b>	<b>\$36,025</b>

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<b>OFFICE OF INSPECTOR GENERAL Obligations by Object Class \$(Thousands)</b>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Program</b>	<b>FY 2002 Request</b>
11.0 Personnel Compensation:			
11.1 Full-time permanent	18,266	18,715	19,611
11.3 Other than full-time permanent	250	256	275
11.5 Other personnel compensation	1,439	1,474	1,378
11.9 Total personnel compensation	19,955	20,445	21,264
12.1 Personnel benefits	4,521	4,600	4,670
13.0 Benefits for former personnel	0	50	50
21.0 Travel and transportation (direct)	1,175	1,440	1,600
21.0 Travel and transportation (motor pool)	85	85	87
22.0 Transportation of things	51	60	60
23.1 Rental payments to GSA	2,544	2,732	2,800
23.3 Communications, utilities, misc. charges	338	370	300
24.0 Printing and reproduction	99	90	90
25.2 Other services	949	1,100	1,189
25.3 Purchase of goods & services from Government Accounts	2,615	2,957	3,410
26.0 Supplies and materials	251	220	205
31.0 Equipment	270	295	300
99.0 Subtotal Direct Obligations	32,853	34,444	36,025
99.0 Reimbursable	11	150	150
99.9 Total Obligations	32,864	34,594	36,175

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### **THE FY 2002 PERFORMANCE PLAN**

The OIG will increasingly focus its efforts in areas intended to enhance the management and overall performance of GSA and will increasingly align its activities so that they more directly support the strategic goals and business objectives of the Agency. Moreover, the OIG will identify and assist GSA in mitigating emerging vulnerabilities in an effort to maximize the support it provides to GSA management in this time of reform.

During FY 2001, the OIG will reassess its current strategic plan to better reflect the activities we have taken to improve our efforts to help GSA better manage its programs and operations. For example, we are revising our strategic goals to more fully integrate our efforts to improve human resource management. Additionally, changes will be made to our performance measures to more effectively demonstrate the OIG's impact on GSA operations.

### **Strategic Goal No. 1**

Identify opportunities for increased economy and efficiency in Agency operations; assist management by identifying, recommending, and developing appropriate management improvements; and ensure that GSA programs provide optimum value for the taxpayers.

### ***Discussion***

Among the more salient contributions that the OIG can make to the management of GSA is the identification of areas in which focused management reforms would produce greater efficiencies for GSA and substantial savings for the American taxpayers. GSA, like most Federal organizations, developed its organizational structures, business practices, and work systems and procedures many years ago in an environment far different from that of today. The infrastructure of GSA, developed in an era that

placed a high value on uniform standards and control mechanisms, must give way to new approaches that will result in greater efficiencies, coordinated service delivery, and a changed perception among both the public and private sector customers working with GSA. A prime example of these new approaches is GSA's Office Of Governmentwide Policy which provides other agencies leadership to develop and oversee the implementation of policies designed to achieve the most cost effective solutions for the delivery of administrative services, while reducing regulations and empowering employees. The OIG, in its conduct of audits and investigations, has a particular role to play in assisting GSA with this transformation. The OIG mission provides it with a unique capacity to evaluate GSA operations with the purpose of systematically placing the results of those evaluations into the policy-making process of the organization.

### ***Anticipated Results***

This strategic goal anticipates that the changing focus of OIG operations will accelerate over the next 5 years resulting in a greater number of 1) proactive evaluations of GSA programs, its management structure, and its administrative systems; 2) a greater degree of cooperation with GSA management in identifying areas for in-depth review; 3) a greater number of recommendations accepted and implemented by GSA management; and 4) a substantial amount of savings resulting from this initiative.

OIG managers have identified a number of mission critical program areas and general administrative support issues, which should receive priority attention over the next 5 years.

Enhancing the availability and delivery of commercial products and services is mission critical to the Federal Supply Service for it to maintain its competitiveness and

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overall customer satisfaction. Methods of delivery, product mix, and management systems all influence the overall success of FSS. The OIG will work with FSS to enhance its current operations.

Increasing competitive pressures will force the Public Building Service to perform its asset management function in a less costly manner while producing “best value” for its customers. For example, while GSA is meeting or exceeding commercial building practices, federal clients will demand shortened time frames for lease execution while at the same time demanding quality space at reasonable prices. The OIG will undertake initiatives in this important GSA program to help enhance overall operating efficiencies, contribute to customer satisfaction, and to evaluate whether proper stewardship of resources exists and whether resources are being used in productive and efficient ways.

GSA can help customers realize increased operational efficiencies and better information management by improving its delivery of high quality, competitively priced information technology products, services and management information systems. Substantial savings and increased efficiencies can result from providing its internal and other Federal clients with the best, most effective technological equipment and systems available. With respect to GSA-wide information systems in particular, the OIG hopes to encourage GSA management to develop and implement procedures that produce a more integrated approach to management information, focusing on understanding long-term information requirements, eliminating redundancy, and improving the overall quality of information technology systems

The GSA’s Office of Governmentwide Policy will play an increasingly important role in the Federal Government’s efforts to increase operational efficiency, further streamline

processes, and adopt private sector practices in carrying out its administrative support activities. GSA has a responsibility to provide guidance, information, and coordination to make Governmentwide administrative processes more efficient and effective by developing, identifying, and disseminating policies and best practices in information technology, asset management, travel and transportation, electronic commerce, and acquisition. The OIG will share its knowledge, expertise, and experience in these various areas to assist GSA in meeting its central management responsibilities.

During FY 2002, the OIG will devote approximately \$13.0 million of its requested resources to accomplish the planned outcomes related to this strategic goal.

### ***Anticipated 5-Year Outcomes***

1. FSS- Improved timeliness, enhanced delivery methods, and increased value to the customer while continuing to provide for the availability of commercial products and services to Federal clients.
2. PBS Asset Management – Promotion of responsible real property asset management through conserving Government resources and sound investment and the provision of high quality work environment for Federal clients.
3. FTS/Technology – Improved delivery, while maintaining competitive prices, of state-of-the-art products and services to meet the information technology, network, and telecommunications needs of its customers.
4. Internal GSA Management Information Systems - Increased program efficiency and security, and enhanced decision-making capabilities through better use of technology solutions, reliable program data, and performance measures that evaluate success.

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5. Policy and Administration
  - a. GSA Internal – Improved management policies to ensure the best use of resources to enable GSA to become a high quality provider of supplies and services.
  - b. Governmentwide Policy – Strengthened guidance to lead to improved critical decision-making regarding information technology, real property, personal property, and acquisition throughout the Federal government.

### **Strategic Goal No. 2**

Protect the integrity of GSA programs and operations by preventing, detecting, and responding to waste and wrongdoing, and by identifying and mitigating vulnerabilities, particularly those resulting from changes in the GSA's methods of doing business and from changing legal and administrative requirements.

### **Discussion**

One of the OIG's paramount responsibilities is combating and preventing waste and criminal and civil wrongdoing in GSA programs and operations. This initiative represents the OIG's commitment to develop programs and deploy resources so as to detect and prevent waste, fraud, and other wrongdoing in areas that we have determined to be most susceptible. While these have long been among the OIG's highest priorities, recent events have given them special importance.

Without questioning the benefit of introducing more efficient processes in the Federal Government, OIG managers are also concerned that in some cases the introduction of less comprehensive oversight procedures may bring both decreased management attention to potential waste and fraud within

their operations and an increased opportunity for individuals to engage in illegal and improper activities. GSA's evolving work environment calls for fewer supervisors, more decentralization of authority, and more empowerment of the individual. As this new environment begins taking hold throughout GSA, the OIG emerges as the primary entity within the agency to assess the impact of this transformation. The OIG is concerned that many of the beneficial attributes of reforms designed to produce economy, efficiency, and increased effectiveness may be offset by new or modified practices that create unintended waste and contribute to increased opportunities for fraud.

The OIG will direct its efforts to protect the integrity of GSA operations by identifying and assessing vulnerabilities associated with the rapidly changing environment. By coordinating efforts throughout the organization, the OIG, over the next 5 years, will focus its expertise in audits and investigations on those areas in which increased vulnerability to waste, fraud, or other wrongdoing may be anticipated. The net effect of this strategic goal is to identify vulnerabilities, increase the awareness of GSA managers regarding the prevention of fraud and waste, improve the detection of and response to corruption, and produce a decrease in the overall level of waste and wrongdoing experienced by GSA beyond that which would be expected if this initiative were not undertaken.

We will focus particular attention on identifying internal control weaknesses and other systemic problems that may emerge and on mitigating any unintended adverse side effects of implementing Government reforms.

### **Anticipated Results**

The OIG foresees vulnerabilities emerging in several key areas of GSA operations. Changing external requirements will accel-



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erate reengineering efforts and will undoubtedly have a significant effect on operations. The net effect of current acquisition reforms will be to reduce oversight mechanisms and other safeguards built into the procurement process. The expectation is that reduced oversight will promote the evolution of a more cost-effective pricing mechanism -- an expectation based on the assumption that business practices remain fair and equitable. Yet past experience suggests that when the guard is down, Government exposure to fraud and abuse may increase. The OIG will position itself to provide an effective response to changing practices that may impact GSA programs and operations.

Similarly, the dramatically escalating use of technology for the conduct of GSA business brings with it the potential for new kinds of fraud and other wrongdoing in virtually all areas of GSA operations. Since technological advances are certain to transform most of the GSA management and administrative practices over the next 5 years, the OIG will have to develop the capacity to counter the emerging vulnerabilities in this area with sound programs and a technically accomplished staff.

In the area of Federal building construction and leasing activities, hundreds of millions of dollars may be increasingly vulnerable as internal oversight of these functions are reduced and increasing reliance is placed on private sector mechanisms to provide stewardship of Federal funds. The OIG will structure its oversight programs to address the new business environment.

As credit card use for Government purchases becomes more commonplace, the need for GSA-wide oversight and controls has become increasingly evident. The savings associated with this vastly improved and efficient purchasing mechanism are directly related to the extent to which the use and accounting for credit card purchases

are controlled. The OIG will place greater emphasis on systems controls to ensure the overall safeguarding of Government assets.

Finally, the OIG has a special responsibility to ensure that, in an era of rapid reform, the reform process itself does not prove to be dysfunctional; and that reforms, both administrative and legal, do not present unintended increased opportunities for individuals to engage in illegal and improper activities. We believe it is important to determine whether a reform or change initiative increases vulnerabilities and by doing so permits an evaluation of the costs vs. benefits of the reform and, if possible, amelioration of the new vulnerabilities.

During FY 2002, the OIG plans to devote approximately \$19.0 million of its requested resources to accomplish strategic goal #2.

### **Anticipated 5-Year Outcomes**

The OIG's activities (audit reports, management/consulting reviews, investigations, and other programmatic evaluations) will have an identifiable and positive impact on GSA's programs and operations in the following areas:

1. Commercial item acquisition – ensure programs, reforms and changing practices provide for the appropriate use of Federal funds.
2. Information systems and emerging technology – ensure that reasonable controls are in place to protect and support a secure Government information infrastructure.
3. Award and administration of outsourced GSA activities – establish and maintain effective controls to ensure contract integrity and performance in business partnerships.
4. Integrity of GSA financial systems – ensure the adequacy of security and controls

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over receipts, payments, and other financial information, systems, and processes.

### **Strategic Goal No. 3**

Improve the delivery of the OIG work products.

#### **Discussion**

OIG managers believe that the performance of their own office should be held to the highest standards. While the OIG has made great strides in recent years in improving the administration of the office and the quality of the work, it is generally believed that greater efficiencies and further increases in productivity are needed. Continued reductions in the size of GSA suggest that OIG resources will at best remain stable, yet the responsibilities of the office continue to expand.

Moreover, OIG managers acknowledge that the skills required to address the emerging issues facing the office, particularly those required for our increasing efforts to evaluate the organization and work processes of GSA, need to be enhanced.

This goal focuses on improving the efficiency and relevance of OIG products and includes a commitment to dramatically increase the timeliness and the utility of audits and investigations.

#### **Anticipated Results**

The unprecedented changes of recent years and the challenges that lie immediately ahead require continuing the fundamental transformation in the OIG's work products, its relationships within GSA, and in its own view of success. The strategic goals described above position the OIG not as an adversary of GSA management, but in partnership with it in meeting the responsibilities of federal governance.

The OIG strategy consists of three distinct approaches. Internally, the OIG management will continue to emphasize the development of non-traditional approaches to its work. Audit resources will increasingly be concentrated on program reviews and other evaluative processes, while investigations will be more proactive, targeting areas of emerging vulnerabilities. This will require extensive specialized training.

At the same time, the OIG's traditional work product must be made more efficient and responsive to GSA and customer needs. The improvements in timeliness and operating efficiency envisioned both by the audit and investigative components of the OIG will require reassessing all existing approaches, including the analytical, investigative, and reporting techniques, as well as improved management and customer coordination efforts.

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Finally, the OIG is committed to more effective “marketing” of its products and services.

Although changing perceptions is necessarily a long-term process, a dedicated effort to enhance communications may also pay near-term dividends. The OIG has identified many GSA outcomes as its outcome goals. This underscores the extent to which the OIG success is critically connected to its ability to help GSA be successful. Developing a common understanding that these are shared goals is a key element in achieving success for both the OIG and GSA.

### Administrative Strategies

Several critical administrative activities must be performed if the OIG is going to improve the delivery of its products, identify opportunities to improve GSA operations and programs, and protect the integrity of those programs. These administrative activities include providing our audit and investigations staffs with state-of-the-art information systems, ensuring access to both internal GSA and other Government and private information sources, and ensuring we have sufficient properly trained personnel to accomplish our mission.

In addition, we will be implementing such management actions as realigning and relocating staff to geographic locations to match planned and projected workload. We will consider, where possible, increasing the use of various workplace initiatives, such as telecommuting, work-at-home, etc., which may increase the efficiency and effectiveness of our workforce.

Strategy #1 - Operate, maintain, and upgrade computer resources to provide OIG components with the IT tools needed to perform their missions and with an integrated Management Information System. This will: Enhance OIG components’ ability to develop, coordinate, and exchange program and operational information within the OIG

and between the OIG, GSA, and external sources to properly execute their audit and investigative responsibilities; and

Provide OIG components with the budgetary, financial, procurement, and personnel data to properly manage their resources.

Strategy #2 - Improve OIG components’ ability to deliver work products by providing a full complement of timely administrative and human resource services.

### Administrative Strategy Results

By fulfilling our stated strategies in supporting the OIG, we expect to:

1. Furnish real-time fiscal information to manage allocated funds.
2. Offer a comprehensive information system support to all OIG personnel as an aid to assist them in accomplishing their operational and reporting responsibilities.
3. Make available a full range of training and educational support to assist staff in professional development and in meeting their unique professional requirements.
4. Provide a full range of human resource support so that OIG management can meet its personnel needs.

During FY 2002, the OIG will devote approximately \$4.0 million of its resources to accomplish this strategic goal.

Following are selected charts from the OIG’s Performance Plan which detail the performance measures for each strategic goal.

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**OIG Strategic Goal #1: Identify opportunities for increased economy and efficiency in Agency operations; assist management by identifying, recommending, and developing appropriate management improvements; and ensure that GSA programs provide optimum value for the taxpayers.**

### Performance Plan: Outcome Measures

*Notes:* In general, focused activities and outputs from the Office of Audits will directly support the outcomes shown below for Strategic Goal #1. *Performance Indicator Key:* The percentages shown for each outcome reflect the proportion of OIG products (audit reports, consulting/management assistance reviews, and other programmatic evaluations) in the specified area that had an identifiable positive impact on improving Agency performance.

		Performance Indicators					
Type of Measure	Performance Measure	ACTUAL FY 2000**	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
	1. <u>Federal Supply Service</u>	79%	65%	65%	70%	70%	70%
	▪ Timely delivery						
	▪ Optimum value						
	2. <u>PBS Asset Management</u>	100%	65%	65%	70%	70%	70%
	▪ Stewardship						
	▪ Sound investment						
	▪ Customer satisfaction						
	3. <u>FTS/Technology</u>	50%	55%	60%	60%	65%	65%
	▪ Timely delivery						
	▪ Optimum value						
	4. <u>Management Information Systems</u>	N/A*	60%	65%	65%	70%	70%
	▪ Program efficiency						
	▪ Data reliability						
	▪ Customer satisfaction						
	▪ Performance measures						
	5. <u>Policy and Administration</u>	100%	50%	55%	60%	65%	70%
	▪ Program efficiency						

\*N/A – No reportable data for the period.

\*\*Some actual FY 2000 performance measures exceeded planned performance indicators for FY 2001 – FY 2005. In these instances, the high success rate resulted from low numbers of actual products completed during FY 2000. The outyear projections are still based on a reasonable level of activity.

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**OIG Strategic Goal #1: Identify opportunities for increased economy and efficiency in Agency operations; assist management by identifying, recommending, and developing appropriate management improvements; and ensure that GSA programs provide optimum value for the taxpayers.**

### Performance Plan: Output Measures

*Notes:* The output measures for the Office of Audits remain relatively constant over the next several years, however, their makeup reflects the impact of changes to procurement laws and regulations as well as OIG management's decision to redirect audit program emphasis. Compared to previous years, lower avoidance and recovery dollar amounts reflect (1) the impact of the changes in the regulations affecting GSA's commercial item procurements resulting from the implementation of Federal acquisition reform legislation, for example the elimination of regular post-award audit access, and (2) GSA's decision to move to longer term contracting in the Multiple Award Schedule program. Because of these changes there will be fewer contracts subject to audit. The measures also reflect OIG management's decision to allocate greater audit resources to major programmatic control systems, and consulting efforts, which are aimed at helping GSA management achieve more positive outcomes in their operations. While these types of reviews require significantly more resources, and their immediate impact is not always quantifiable, their long-term benefits offer the potential for significant improvements in GSA performance and benefits to customers and taxpayers. Results from these audit efforts are better reflected in our outcome measures.

		<b>Performance Indicators</b>					
<b>Type of Measure</b>	<b>Performance Measure</b>	<b>ACTUAL FY 2000</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<i>Output Audit</i>	<u>OIG Audit Reports</u>						
	Total reports	217	227	231	230	230	231
	Avoidances & recoveries	\$381M*	\$148M	\$148M	\$148M	\$148M	\$148M
	Management decisions	\$127M	\$104M	\$111M	\$111M	\$111M	\$111M
	Internal audit reports	58	70	74	73	73	74
	Contract audit reports	159	157	157	157	157	157

\*High actual FY 2000 avoidance and recoveries resulted primarily from one report with unusually high monetary impact. This report involved recommended cost avoidances of \$260 million involving the Government-wide purchase of communications equipment.

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**OIG Strategic Goal #1: Identify opportunities for increased economy and efficiency in Agency operations; assist management by identifying, recommending, and developing appropriate management improvements; and ensure that GSA programs provide optimum value for the taxpayers.**

<b><u>Performance Plan: Input Measures</u></b>							
<b>Measure</b>	<b>Activity</b>	<b>ACTUAL FY 2000</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<i>Allocation of effort</i>  % of Audit Resources	<b><u>External</u></b>  Cost/Price Pre-Award MAS Post MAS Claims	29%	23%	23%	23%	23%	23%
	<b><u>Internal</u></b> Consulting Program Control Regulatory Preventive Regional Plans ADP Systems Advisory	71%	77%	77%	77%	77%	77%

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***OIG Strategic Goal #2: Protect the integrity of GSA programs and operations by preventing, detecting, and responding to waste and wrongdoing and by identifying and mitigating vulnerabilities, particularly those resulting from changes in the Agency's methods of doing business and from changing legal and administrative requirements.***

### Performance Plan: Outcome Measures

Notes: The combined efforts of the Office of Audits and the Office of Investigations will be directed towards the achievement of the outcomes listed under Strategic Goal #2.

Performance Indicator Key: The percentages shown for each outcome reflect the proportion of OIG products (audit reports, consulting/management assistance reviews, investigations, and other programmatic evaluations) in the specified area that had an identifiable positive impact on improving GSA's performance.

		Performance Indicators					
Type of Measure	Performance Measure	ACTUAL FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
<i>Outcome</i>	1. Commercial Item Acquisition						
	▪ Internal control	N/A*	55%	55%	60%	60%	60%
	▪ Integrity	55%	60%	60%	60%	60%	60%
	2. Information Systems/Emerging Technology						
	▪ Internal control	100%	55%	60%	60%	65%	65%
	▪ Integrity	55%	60%	60%	60%	60%	60%
	3. Award and Administration of Outsourced GSA Activities						
	▪ Internal control	86%	55%	55%	60%	60%	65%
	▪ Integrity	55%	60%	60%	60%	60%	60%
	4. Financial Systems						
	▪ Internal control	100%	55%	60%	60%	65%	65%
	▪ Integrity	55%	60%	60%	60%	60%	60%

\*N/A – No reportable data for the period

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***OIG Strategic Goal #2: Protect the integrity of GSA programs and operations by preventing, detecting, and responding to waste and wrongdoing and by identifying and mitigating vulnerabilities, particularly those resulting from changes in the Agency's methods of doing business and from changing legal and administrative requirements.***

### Performance Plan: Output Measures

Notes: The output measures listed below for the Office of Investigations reflect the projected accomplishments of investigative effort in support of the efficiency, effectiveness, and integrity of GSA's mission.

<b>Performance Indicators</b>						
<b>Performance Measure</b>	<b>ACTUAL FY 2000</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
No. of Criminal Referrals	165	102	102	102	102	102
No. of Civil Referrals	52	21	21	21	21	21
No. of Admin. Referrals	262	258	258	258	258	258
Civil Settlements	13	12	12	12	12	12
Indictments/Informations	42	36	36	36	36	36
Successful Criminal Prosecutions	32	34	34	34	34	34
Contractors Suspended/ Debarred	94	93	93	93	93	93
Investigative Recoveries	\$40.809M*	\$4.500M	\$4.500M	\$4.500M	\$4.500M	\$4.500M

\*High actual FY 2000 resulted from our largest single case fraud recovery to date. The OIG, working with the Department of Justice, obtained over \$33 million in a settlement related to the supply of defective computer equipment to Government agencies.



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***OIG Strategic Goal #3: Improve the delivery of the OIG work products.***

**Performance Plan: Outcome Measures**

Notes: The outcome measures listed below are an attempt to strategically align the OIG internal activities to support the changing work product. Activities are evaluated against a “standard” that reflects “expected average performance.” If a performance standard for completion of a report is listed as 4.0, it means that an average report assigned to the office will have customer service measures of at least a 4.0. This standard is monitored by assigning a target that measures the extent to which the office is meeting the standard. If the target is 80 percent that means that 80 percent of the office reports will have customer service ratings of at least 4.0. It should be noted that, since performance standards represent an estimated or actual “average,” effective and realistic targets should be in the 75 - 90 percent range.

		<b>Performance Indicators</b>							
<b>Type of Measure</b>	<b>Performance Measure</b>	<b>Performance Standard</b>	<b>5 year Target</b>	<b>ACTUAL FY 2000</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<i>Outcome Audit</i>	Effectiveness - Customer Surveys	Scale: 1 - 5 (5 high)							
	▪ Meets customer needs	4.0	90%	99%	85%	90%	90%	90%	90%
	▪ Cust. understanding	4.0	90%	99%	85%	90%	90%	90%	90%
	▪ Relevancy	4.0	85%	98%	85%	85%	85%	85%	85%
	▪ Perception/Timeliness	4.0	85%	96%	80%	85%	85%	85%	85%
	▪ Value added	4.0	90%	98%	85%	90%	90%	90%	90%

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***OIG Strategic Goal #3: Improve the delivery of the OIG work products.***

### **Performance Plan: Outcome Measures (Continued)**

***Notes:*** The outcome measures listed below are an attempt to strategically align the OIG internal activities to support the changing work product. Activities are evaluated against a “standard” that reflects “expected average performance.” If a performance standard for completion of a report is listed as 30 days, it means that an average report assigned to the office will be completed within 30 days. This standard is monitored by assigning a target that measures the extent to which the office is meeting the standard. If the target is 75 percent that means that 75 percent of the office reports will be completed within 30 days. It should be noted that, since performance standards represent an estimated or actual “average,” effective and realistic targets should be in the 70 - 85 percent range.

Of the activities listed, the following are noteworthy:

- Nearly all of the performance targets for the Office of Audits reflect a dramatic increase in efficiency, especially important considering the increased complexity of their work product and the reduction in resources;
- The Office of Investigations has established a standard that reflects a dramatic improvement in the time frame within which they will conduct nearly all of their activities; and
- The Office of Administration, Internal Evaluation Staff, and Office of Counsel to the IG applied standards so as to reflect the need to improve performance in specific targeted areas.

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***OIG Strategic Goal #3: Improve the delivery of the OIG work products.***

<b>Performance Plan: Outcome Measures (Continued)</b>										
Type of Measure	Performance Measure	Performance Standard	5 year Target	Performance Indicators						
				ACTUAL FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	
Outcome Audit	External	Efficiency – Timeliness								
		▪ Cost/Price	30 days	60%	45%	45%	50%	55%	60%	60%
		▪ Pre-award MAS	30 days	65%	59%	60%	60%	65%	65%	65%
		▪ Post-award MAS	270 days	65%	85%	65%	65%	65%	70%	70%
		▪ Claims	* 90 days	65%	43%	60%	60%	65%	65%	65%
	Internal	▪ Program review	320 days	65%	100%	65%	65%	65%	70%	70%
		▪ Management control	180 days	60%	40%	45%	50%	55%	60%	60%
		▪ Regulatory	180 days	60%	30%	50%	55%	55%	60%	60%
		▪ Preventative	180 days	60%	63%	50%	55%	55%	60%	60%
		▪ Regional plans	180 days	65%	63%	50%	55%	60%	60%	65%
		▪ Regional plan-major	180 days	65%	N/A	50%	55%	60%	60%	65%
		▪ Advisory	180 days	60%	100%	60%	60%	60%	60%	60%
		▪ Consulting	** 90 days	70%	50%	60%	60%	65%	65%	70%
▪ Systems	320 days	70%	100%	65%	65%	65%	70%	70%		
Audit External	Efficiency – Hours/Task									
	▪ Cost/Price	*** 200 hrs	75%	56%	60%	65%	70%	70%	75%	
	▪ Claims	380 hrs	75%	43%	65%	65%	70%	70%	75%	
	▪ Pre-award MAS	*** 200 hrs	65%	65%	60%	60%	65%	65%	65%	
	▪ Post-award MAS	600 hrs	75%	92%	70%	70%	75%	75%	75%	

\*FY 2001 standard changed from 80 to 90 days

\*\*FY 2001 standard changed from 60 to 90 days

\*\*\*FY 2001 standard changed from 160 to 200 hours

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***OIG Strategic Goal #3: Improve the delivery of the OIG work products.***

<b>Performance Plan: Outcome Measures (Continued)</b>									
<b>Type of Measure</b>	<b>Performance Measure</b>	<b>Performance Indicators</b>							
		<b>Performance Standard</b>	<b>5 year Target</b>	<b>ACTUAL FY 2000</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<i>Outcome Audit</i> Internal	Efficiency – Hours/Task (Cont.)								
	▪ Program review	5,000 hrs	70%	90%	65%	65%	70%	70%	70%
	▪ Management control	1,800 hrs	65%	87%	60%	60%	65%	65%	65%
	▪ Regulatory	600 hrs	70%	60%	60%	65%	65%	70%	70%
	▪ Preventative	850 hrs	70%	75%	65%	65%	65%	70%	70%
	▪ Regional plans	1000 hrs	65%	50%	60%	60%	65%	65%	65%
	▪ Regional plan-major	1,800 hrs	60%	N/A	50%	55%	55%	60%	60%
	▪ Advisory	2,000 hrs	65%	100%	60%	60%	65%	65%	65%
	▪ Consulting	640 hrs	65%	100%	60%	60%	65%	65%	65%
	▪ Systems	5,000 hrs	65%	75%	60%	65%	65%	65%	65%
Invest.	<u>Class I</u>								
	▪ Fraud/Crimes	540 days	75%	88%	65%	70%	75%	75%	75%
	▪ Debarment/Suspension	60 days	90%	100%	70%	80%	90%	90%	90%
	▪ Administrative	180 days	85%	100%	70%	80%	85%	85%	85%
	<u>Class II</u>								
	▪ Fraud/Crimes	270 days	75%	78%	65%	70%	75%	75%	75%
	▪ Debarment/Suspension	45 days	90%	67%	70%	80%	90%	90%	90%
▪ Administrative	90 days	85%	92%	70%	80%	85%	85%	85%	

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***OIG Strategic Goal #3: Improve the delivery of the OIG work products.***

<b>Performance Plan: Outcome Measures (Continued)</b>									
Type of Measure/ Office	Performance Measure	Performance Standard	5 year Target	Performance Indicators					
				ACTUAL FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Counsel	Audit Reviews	120 days	90%	N/A	80%	80%	85%	90%	90%
	FOIA/PA Requests	30 days	90%	82%	70%	80%	90%	90%	90%
Evaluation	Field Office Appraisals	60 days	75%	100%	65%	70%	75%	75%	75%
Admin.	System Availability	365 days	98%	97%	96%	97%	98%	98%	98%
	Provide Information Resources	5 days	94%	92%	92%	94%	94%	94%	94%
	Customer Satisfaction Scale: 1 - 5 (5 high)	4.5	4.5	4.2	4.3	4.4	4.5	4.5	4.5
Financial	Budget Reports	12 days	99%	95%	95%	99%	99%	99%	99%
	App. Funds Reports	5 days	99%	95%	95%	99%	99%	99%	99%
	No. Year Fund Reports	5 days	99%	95%	95%	99%	99%	99%	99%
	Administrative Reports	30 days	100%	100%	100%	100%	100%	100%	100%
Procurement	Credit Card	30 days	98%	100%	98%	98%	98%	98%	98%
	Procurement	30 days	98%	100%	97%	98%	98%	98%	98%
	Resource Transaction	30 days	98%	100%	97%	98%	98%	98%	98%
Human Resources	Personnel Actions	30 days	90%	35%	85%	90%	90%	90%	90%
	General Services	30 days	90%	100%	85%	90%	90%	90%	90%

\* FY 2001 Standards changed from 30 to 10 days.

\*\* No audit reviews performed in FY 2000.

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*Allocation of OIG resources to accomplish strategic goals.*

<b>Performance Plan: Allocation of OIG Resources</b>													
Input Measure	Organization	Performance Indicators (in thousands)											
		FY 2000		FY2001		FY 2002		FY 2003		FY 2004		FY 2005	
		\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
\$	OIG	32,853	100%	34,444	100%	36,025	100%	36,025	100%	36,025	100%	36,025	100%
	Audits	18,100	55%	18,944	55%	22,336	62%	22,336	62%	22,336	62%	22,336	62%
	Investigations	9,260	28%	9,644	28%	8,646	24%	8,646	24%	8,646	24%	8,646	24%
	Administration	3,445	11%	3,444	10%	2,883	8%	2,883	8%	2,883	8%	2,883	8%
	Counsel	952	3%	1,034	3%	1,080	3%	1,080	3%	1,080	3%	1,080	3%
	IG Office/Eval.	1,096	3%	1,378	4%	1,080	3%	1,080	3%	1,080	3%	1,080	3%



# **WORKING CAPITAL FUND**

# General Services Administration

## WORKING CAPITAL FUND

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### **MISSION**

The Working Capital Fund (WCF) is a fully reimbursable revolving fund that economically finances administrative support services to GSA and other Federal organizations.

### **THE BUDGET IN SUMMARY**

The total Working Capital Fund program level for fiscal year 2002 is estimated to be \$302 million with 1,350 full-time equivalent (FTE) positions. The following describes some of the specific services provided through the WCF.

#### **Centralized Administrative Support**

Centralized Administrative Support functions represent the largest portion of the WCF. These services are provided to internal GSA customers, and include agency-wide functions such as finance, budget and accounting support, information technology, personnel administration, facilities management, acquisition policy, and legal services. The centralizing of administrative support functions enables us to achieve economies of scale, thereby reducing costs and increasing operational efficiencies, and allows GSA's program areas to focus on and accomplish their goals. These services are provided for GSA Headquarters and the 11 GSA Regional Offices.

#### ***Chief Financial Officer***

A large part of the Centralized Administrative Support activities of the WCF is managed by the Office of the Chief Financial Officer (CFO). This organization is responsible for providing accounting, budget, financial management, financial systems support and oversight, and audit follow-up and evaluation. The Office of the CFO also provides agency direction and coordination for GSA's strategic planning

and performance measurement activities. The CFO produces the agency's comprehensive annual reports and audited financial statements. GSA's audited financial statements have earned unqualified opinions each year (for each of the past thirteen years), a standard unmatched by any other large Federal agency.

#### ***Chief Information Officer***

The Office of the Chief Information Officer (CIO) is responsible for applying state-of-the-art information technology to achieve GSA's business goals and to support agency programs. The CIO is the principal adviser to the GSA Administrator and to all GSA offices on information technology.

The CIO seeks to ensure the best possible return on GSA's technology investments by working with the agency's top leadership through the Business Technology Council. This group of high-level GSA executives serves as a guide for GSA's information technology (IT), capital planning and investment process. This process strengthens the link between capital planning, IT investment and the agency budget process as well as providing a mechanism for reporting on IT activity agencywide.

#### ***Chief People Officer***

The Office of the Chief People Officer was created in fiscal year 1998 to emphasize the importance of employees to the agency's success. This office provides personnel and labor-relations services, employee development and incentive programs, administrative support and facilities management. The Chief People Officer also manages the agency's intern training programs.



# General Services Administration

## WORKING CAPITAL FUND

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### ***General Counsel***

The Office of General Counsel provides legal support to GSA's programs in areas such as contracting, information technology, policy, travel and transportation, real estate, construction, leasing, environmental issues, litigation, personnel and labor relations, equal employment opportunity, appropriations, finance, the Freedom of Information Act, the Privacy Act, and the Federal Advisory Committee Act. The Office of General Counsel also supports GSA's responses to Congressional inquiries, develops and manages GSA's ethics program, and supports the agency's alternative dispute resolution efforts.

### **Other Centralized Administrative Support Activities**

The **Office of Enterprise Development** (OED) has nationwide responsibility for GSA's small business program. OED focuses on programs, policy and outreach to the small business community and is GSA's advocate for today's small businesses. The mission of the Office of Enterprise Development is to promote and facilitate programs and activities that support an environment that provides "Access to Opportunity" to small, small disadvantaged, women-owned, HUBZone certified, and service-disabled veteran-owned businesses in GSA contracting nationwide. This office is the lead office in a nationwide network of regional Small Business Centers (SBC). The SBCs are a resource aid for small businesses seeking contracting opportunities with the agency. The SBCs provide information, assistance, and counseling to private sector concerns seeking to do business with the Government.

GSA's **Regional Acquisition Management (RAM)** responsibilities include ensuring compliance with applicable statutes,

regulations and directives related to GSA's contract management activities.

The **Office of Civil Rights (OCR)** develops, implements, monitors, and evaluates GSA's agency-wide equal employment opportunity program (EEO) that creates a work environment free from discrimination.

OCR also develops, implements, and evaluates the agency's Nondiscrimination in Federal Surplus Property Program (Title VI) ensuring compliance with Federal nondiscrimination laws and agency regulations.

The **Office of Acquisition Policy's** Office of Governmentwide Policy has agency-wide responsibility for planning, directing, and controlling functions that affect GSA contracting activities. It is responsible for establishing and maintaining GSA acquisition policies, regulations, and procedures through issuance of the General Service Acquisition manual and other policy documents. It establishes and monitors performance measures for GSA's acquisition system; establishes and administers acquisition quality workforce programs, such as the Contracting Officer Warrant Program and 1102 Occupational Certification Program; and determines non-federal entities' eligibility to use GSA sources of supply.

### **Other Reimbursable**

These activities provide administrative services for non-GSA clients similar to those described under "Centralized Administrative Support," including accounting, payroll, budget, personnel and procurement. Customers include small agencies and Presidential committees and commissions.

Other Reimbursable activities include the financial transactions for: (1) administrative support for the Inspector General Criminal Investigators Academy provided by the GSA

# General Services Administration

## WORKING CAPITAL FUND

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Inspector General; (2) GSA Centralized Charges; (3) cost of common information technology infrastructure; and (4) administrative support for the Joint Financial Management Improvement Program (JFMIP).

### HIGHLIGHTS

**Pegasys:** The Pegasys project will replace GSA's old mainframe accounting system, the National Electronic Accounting and Reporting (NEAR) system with an agencywide financial management system. In May 1998, GSA made an award to American Management Systems, Inc. (AMS) to procure their client-server financial management software package, Momentum™ Financials. The requirements to be satisfied by Momentum have been divided into 2 phases for implementation.

The first phase of implementing Momentum provides funds management capabilities agencywide for all GSA Services and Staff Offices. The budget execution, purchasing, and project cost accounting modules of Momentum were implemented in June 2000, for most of GSA's Services. Since then, GSA has established a credit card pilot, and will fully implement the credit card planning modules in early 2001.

The second phase of implementing Momentum, which is scheduled to begin in late FY 2001 and continue into FY 2002, will replace the accounts payable and general ledger processes of the existing mainframe system. These processes will be implemented in Pegasys and integrated with funds management. The general ledger functions will enable Pegasys to become the agency's official financial reporting system and allow GSA to migrate to the U.S. Standard General Ledger (SGL). The second phase is targeted for full implementation by October 2002.

**Electronic Processing:** GSA continues to emphasize Electronic Commerce in its billing and payment functions. In fiscal year 2000, we disbursed \$12.6 billion, of which 83% was paid electronically. This represents 71% of all invoices paid and is a 21% increase from fiscal year 1999. Additionally, the number of invoices GSA received electronically increased from 9% to 12% in fiscal year 2000.

**Payroll System:** In fiscal year 2000, GSA provided payroll services for an average of 14,256 GSA employees and 9,794 employees of client agencies at a production support ratio of 776 people payrollled per FTE. The Direct Deposit Program for employee payroll continues to be strongly supported. Approximately 98% of GSA's employees are paid by electronic funds transfer (EFT). Our goal is 100% participation.

**GSA Intranet:** The GSA Chief Information Officer provides ongoing management for *Insite*, GSA's internal online communications system and gateway to the Internet. *Insite* offers GSA employees daily updates on issues and events, press releases, a telephone directory, document library, and information on employee benefits and retirement systems, travel and safety, as well as online access to financial reports and data. This Intranet continues to function as the backbone of our business and information operation.

**Office of the Chief People Officer:** The development and implementation of the Comprehensive Human Resources Integrated System (CHRIS) was completed August 16, 2000. CHRIS is a fully integrated human resources system, which includes an interface with the Office of Finance payroll system that provides up-to-date information on personnel matters.

## General Services Administration WORKING CAPITAL FUND

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**The Office of Enterprise Development:** In fiscal year 2000, GSA's contracts with small businesses totaled more than \$3 billion.

This amount includes \$324 million for

women-owned small businesses and more than \$1.4 billion for minority-owned small businesses.

\$(Thousands)				
	FY 2000 Actual	FY 2001 Current	FY 2002 Request	FY 2002/2001 Change
<b>Revenue</b>				
Operating Programs:				
Administrative Support	\$144,206	\$151,261	\$156,583	+\$5,322
Other Reimbursable	93,085	138,000	140,657	+2,657
<b>Subtotal</b>	<b>\$237,291</b>	<b>\$289,261</b>	<b>\$297,240</b>	<b>+\$7,979</b>
<b>Obligations</b>				
Operating Programs:				
Administrative Support	\$139,135	\$151,261	\$156,583	+\$5,322
Other Reimbursable	99,075	138,000	140,657	+2,657
<b>Subtotal</b>	<b>\$238,210</b>	<b>\$289,261</b>	<b>\$297,240</b>	<b>+\$7,979</b>
Major Equipment Acquisition and Development	<u>13,846</u>	<u>3,500</u>	<u>4,900</u>	<u>+\$1,400</u>
<b>Total Obligations</b>	<b>\$252,056</b>	<b>\$292,761</b>	<b>\$302,140</b>	<b>+\$9,379</b>
<b>Net Outlays</b>	4,606	0	0	-----
<b>Total Employment</b>	1,340	1,366	1,350	-16

### EXPLANATION OF ESTIMATES

The FY 2002 operating program level provides for increases of: (1) \$4,565 thousand for increased salary costs; (2) \$3,414 thousand for the increased cost of goods and services; and (3) an increase of \$1,400

thousand in the Major Equipment Acquisition Development Program. These changes result in a total increase of \$9,379 thousand over fiscal year 2001.

## General Services Administration WORKING CAPITAL FUND

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Explanation of Budget Changes \$(Thousands) Obligations	
FY 2001 Current Level .....	\$292,761
Increased Salary Costs.....	+4,565
Increased Cost of Goods and Services .....	+3,414
Increase in Major Equipment Acquisition and Development Program Level .....	+1,400
<b>FY 2002 Budget Request.....</b>	<b>\$302,140</b>

### WORKLOAD/PERFORMANCE MEASURES

Workload measures are provided for the Offices of the Chief People Officer and the Office of the Chief Financial Officer. GSA provides support services to members of Congress for their State and District offices.

The support services provided for members of Congress continuously fluctuates and is dependent upon various factors, e.g., election results, office space and location, constituent activity, etc.

#### Centralized Administrative Support

Administrative Programs and Support	FY 2000 Actual	FY 2001 Current	FY 2002 Request	FY 2002/2001 Change
a. Congressional offices supported	1,391	1,400	1,400	0
b. FOIA requests processed	1,545	1,700	1,700	0

# General Services Administration WORKING CAPITAL FUND

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## Performance Measures for GSA Staff Offices

	FY 2000 Actual	FY2001 Target	FY2002 Target
<b>CFO</b>			
Percentage of invoices paid electronically	71%	76%	80%
Percentage of electronic invoice received	12%	20%	25%
Increase the percentage of invoices collected through the On-Line Payment and Collection (OPAC) System. <sup>1</sup>	85%	88%	89%
<b>CIO</b>			
The number of high risk audit action items that are completed successfully within the 30-day time standard.	N/A	100%	100%
The percentage of IT investment projects that are within the planned cost and schedule requirements and the percentage that exceed the planned cost and schedule by 10%.	N/A	100%	100%
Percentage of customers who rate the level of service and support provided by the Office of the CIO as highly effective.	N/A	85%	95%
<b>CPO</b>			
Overall customer satisfaction rating with the recruitment process. (On a 5.0 scale)	N/A	3.25	3.50
Average number of days from the HRO receipt of request for personnel action to referral.	N/A	120 days	90 days
Increase usage of Online University.	N/A	15%	20%

1. OPAC becomes the Intra-Governmental Payment and Collection (IPAC) System in mid-calendar year 2001.

**General Services Administration  
WORKING CAPITAL FUND**

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<b>WORKING CAPITAL FUND Obligations by Object Class \$(Thousands)</b>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
Personnel Compensation:			
11.1 Full-time permanent	\$72,378	\$79,280	\$82,550
11.3 Other than full-time permanent	957	1,126	1,172
11.5 Other personnel compensation	<u>10,110</u>	<u>12,420</u>	<u>12,932</u>
11.9 Total personnel compensation	\$83,445	\$92,826	\$96,654
12.1 Civilian personnel benefits	31,972	34,860	35,560
13.0 Benefits for former personnel	271	885	992
21.0 Travel and transportation of persons	2,806	3,447	3,687
21.0 Motor Pool	21	50	75
22.0 Transportation of things	257	1,984	2,024
23.1 Rental payments to GSA	12,042	13,187	14,302
23.3 Communications, utilities, and misc. charges	26,125	27,702	28,256
24.0 Printing and reproduction	2,419	4,839	5,026
25.2 Other services	75,377	80,368	81,675
25.3 Purchase of goods & services	11,010	22,512	23,162
26.0 Supplies and materials	1,217	2,839	3,096
31.0 Equipment	5,094	7,262	7,701
99.9 Total obligations	\$252,056	\$292,761	\$302,140



# **ELECTRONIC GOVERNMENT FUND**

# General Services Administration ELECTRONIC GOVERNMENT FUND

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## MISSION

This program provides for interagency Electronic Government (E-Gov) initiatives that utilize the Internet or other electronic methods as a means to increase Federal Government accessibility, efficiency, and productivity. These E-Gov initiatives will provide the public with easy access to Federal information, benefits, services, and business opportunities through the development and promotion of standardized technologies across agencies and governments. Projects under E-Gov would support an infrastructure that builds on the foundation that FirstGov provides for all Federal online information and that Public Key Infrastructure provides for secure online transactions using digital signatures. Pro-

jects that support the Government Paperwork Elimination Act (GPEA) of 1999 are also key components of E-Gov. The GPEA requires agencies to provide the public with optional use and acceptance of electronic information, services, and signatures, when practicable, by October 2003. Projects proposed for funding must (1) be inter-agency projects; (2) involve a new innovation; and (3) use capital planning guidelines that include adequate documentation to demonstrate a sound business case, attention to security and privacy, and a way to measure performance against planned results. OMB will control the allocation of the funds and direct their use for information technology projects that affect multiple agencies and offer the greatest improvements in access, service, and efficiency.

## ELECTRONIC GOVERNMENT FUND \$(Thousands)

	FY 2000 Actual	FY 2001 Current	FY 2002 Request	FY 2001/2002 Change
<b>Direct Program:</b>	0	0	\$20,000	+\$20,000
Total Budget Authority	0	0	\$20,000	+\$20,000
<b>Net Outlays</b>	0	0	\$18,000	+\$18,000

## EXPLANATION OF ESTIMATES

The FY 2002 budget request reflects the establishment of the Electronic Government fund.



**General Services Administration  
ELECTRONIC GOVERNMENT FUND**

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<b>ELECTRONIC GOVERNMENT FUND (DIRECT) Explanation of Budget Changes in Priority Order \$(Thousands)</b>	
<b>FY 2001 Enacted Appropriation.....</b>	<b>0</b>
Electronic Government Fund .....	20,000
<b>FY 2002 Budget Request.....</b>	<b>20,000</b>

<b>ELECTRONIC GOVERNMENT FUND (Direct) Obligations by Object Class \$(Thousands)</b>			
	<b>FY 1999 Actual</b>	<b>FY 2000 Current</b>	<b>FY 2001 Request</b>
Personnel Compensation:			
11.1 Full-time permanent	0	0	0
11.3 Other than full-time permanent	0	0	0
11.5 Other personnel compensation	0	0	0
11.9 Total personnel compensation	0	0	0
12.1 Civilian personnel benefits	0	0	0
21.0 Travel and transportation of persons	0	0	0
23.1 Rental payments to GSA	0	0	0
23.3 Communications, utilities and miscellaneous charges	0	0	0
24.0 Printing and reproduction	0	0	0
25.2 Other services	0	0	20,000
25.3 Purchases of goods and services from Government Accounts	0	0	0
26.0 Supplies and materials	0	0	0
31.0 Equipment	0	0	0
99.0 Subtotal direct obligations	0	0 *	20,000
99.0 Reimbursable obligations	0	0	0
99.9 Total obligations	0	0	20,000

# General Services Administration ELECTRONIC GOVERNMENT FUND

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## APPROPRIATIONS LANGUAGE

There is hereby established an Electronic Government (e-gov) Fund. This fund shall be administered by the Administrator of General Services to support interagency projects, approved by the Director of the Office of Management and Budget, that enable the Federal Government to expand its ability to conduct activities electronically, through the development and implementation of innovative uses of the Internet and other electronic methods. These projects may include efforts to make Federal information more readily available to members of the public (individuals, businesses, grantees, and State and local governments); to make it easier for the public to apply for benefits, receive services, pursue business opportunities, submit information, and otherwise conduct transactions with the Federal Government; and to enable Federal agencies to take advantage of information technology in sharing information and conducting transactions with one another. The Administrator of General Services may transfer amounts from this Fund to Federal agencies to carry out approved projects. Such transfers may be ten days after the Director of OMB has submitted to Congress a proposed spending plan and justification for each project to be undertaken.

For necessary expenses, \$20,000,000 to remain available until September 30, 2004.

### **Explanation of Proposed Language Change**

This proposed, new language authorizes an Electronic Government (E-Gov) Fund and requests an appropriation of funds. The President's Blueprint proposes a total program of \$100 million over three years.



# MISCELLANEOUS ACCOUNTS

**General Services Administration**  
**EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT**  
**ADMINISTRATION**

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\$(Thousands)

	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>	<b>FY 2002/01 Change</b>
Audit Contracts	2,818	2,600	2,500	-100
Contract Administration/ Operating Expenses	7,725	10,117	10,551	+434
<b>Total Obligations</b>	<b>10,543</b>	<b>12,717</b>	<b>13,051</b>	<b>+334</b>
Value of Current Receipts	18,714	15,500	14,000	-1,500
<b>Outlays</b>	<b>10,543</b>	<b>12,717</b>	<b>13,051</b>	<b>+334</b>
<b>Employment (FTE)</b>	<b>70</b>	<b>67</b>	<b>67</b>	<b>0</b>

**MISSION**

The Expenses of Transportation Audit Contracts and Contract Administration account was established to fund the auditing of transportation carrier billings furnished to the Government on a post payment basis and to detect and subsequently recover carrier overcharges. This activity was transferred from the General Accounting Office to GSA in 1975. This account is a permanent, indefinite appropriation which does not require annual Congressional action.

**THE BUDGET IN SUMMARY**

Expenses are financed from overcharges collected from carriers on transportation bills paid by the Government and other similar types of refunds. Until 1986, Federal agencies were required to pay carrier invoices upon receipt, prior to audit by GSA. Public Law 99-627 of November 7, 1986, altered the process significantly, by allowing GSA to conduct prepayment audits and delegate this authority to agencies upon their request.

The passage of the Travel and Transportation Act of 1998 made the prepayment audit of transportation bills mandatory. The Act was fully implemented in October 2000.

A management plan has been formulated for the transportation audit program, emphasizing prepayment audit benefits. Since potential overcharges will be discovered prior to payment, an agency will retain the funds for other transportation activities. In the past, overcharges identified by post payment audits were returned to the U. S. Treasury.

This management plan also includes post payment initiatives to reduce costs, which should enable remaining post payment audit collections to fully fund this activity.

Although the new prepayment audit law took effect in October 2000, considerable post payment audit activity will continue throughout fiscal year 2001 and for a few years thereafter, although diminishing. For some modes of transportation there is a 12-to-18 month backlog of bills to be audited. Moreover, post payment audits will need to augment prepayment audits during the transition period following implementation and

**General Services Administration**  
**EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT**  
**ADMINISTRATION**

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will perform a quality control function. Further, the Audit Division remains the central repository of the agencies' transportation documentation and maintains the comprehensive tariff and tender library required for the audit and legal actions. As stated in the law, certain transactions (such

as those for charge cards), as well as certain organizations throughout the Government, may be given waivers by GSA's Office of Government-wide Policy of the prepayment audit requirement (in favor of continued post payment audit) for reasons of practicality.

<b>Explanation of Budget Changes</b>	
<b>\$(Thousands)</b>	
<b>FY 2001 Current Level</b> .....	12,717
Pay Raise, January, 2002.....	+178
Inflation.....	<u>+156</u>
<b>FY 2002 Budget Request</b> .....	13,051

**General Services Administration**  
**EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT**  
**ADMINISTRATION**

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<b>Obligations by Object Class</b> \$(Thousands)			
	<b>FY 2000</b> <b>Actual</b>	<b>FY 2001</b> <b>Current</b>	<b>FY 2002</b> <b>Request</b>
11.1 Full-time permanent	3,648	3,793	3,937
11.3 Other than full-time permanent	52	54	56
11.5 Other personnel compensation	154	160	166
11.9 Total personnel compensation	3,854	4,007	4,159
12.1 Civilian personnel benefits	659	686	712
21.0 Travel and transportation of persons	73	74	75
23.1 Rental payments to GSA	380	668	672
23.3 Communications, utilities, and misc. charges	60	61	62
24.0 Printing and reproduction	87	89	91
25.2 Other Services	3,355	4,984	5,079
25.3 Purchases of goods/services from Gov't accts	1,957	2,028	2,079
26.0 Supplies and materials	115	117	119
31.0 Equipment	3	3	3
Total Obligations	10,543	12,717	13,051

# General Services Administration

## EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION

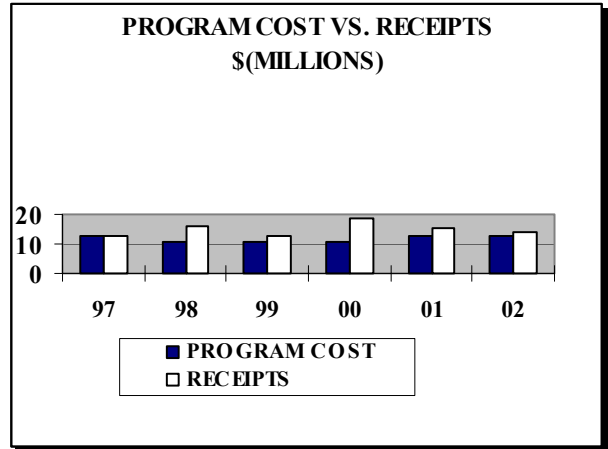
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### PERFORMANCE MEASURE

Following is a graph that compares the annual cost of administering the Transportation Audit Contracts Program to the annual net receipt collections from overcharges collected. The collections of overcharges are used as the Program's financing source.

Collection initiatives were implemented in fiscal year 1996 that have increased collections and enabled the program to be fully self-sustaining on an annual basis.

amounts collected and does not include any actual or estimated transfers to the U.S. Treasury.



The value of receipts displayed represents the total actual/estimated net overcharge

## General Services Administration EXPENSES, DISPOSAL

### BACKGROUND

Expenses, Disposal of Surplus Real and Related Personal Property is a permanent, indefinite appropriation authorized by section 204(b) of the Federal Property and Administrative Services Act of 1949, as amended. This section was added by P.L. 83-760 (40 U.S.C. 485(b)) of August 31, 1954. The account finances

contractual services of appraisers, auctioneers, and brokers familiar with local markets to accelerate the utilization or sale of surplus real property. It also covers the costs of surveying, advertising, and environmental and historical services. Financing is provided from receipts from sales of surplus property and outleasing of Government-owned space.

### EXPENSES, DISPOSAL \$(Thousands)

	FY 2000 Estimate	FY 2001 Budget	FY 2002 Request	FY 02/01 Change
<b>Direct Program:</b>				
Disposal - Real Property	4,648	7,266	7,962	696
Outleasing - Government-owned Space	57	515	515	-
Unobligated Balance Expiring	1,295	-	-	-
<b>Total (Budget Authority)</b>	<b>6,000</b>	<b>7,781</b>	<b>8,477</b>	<b>+696</b>
<b>Reimbursable Program:</b>				
Disposal - Real Property	255	600	600	-
<b>Total (Reimbursable)</b>	<b>255</b>	<b>600</b>	<b>600</b>	<b>-</b>
<b>Net Outlays</b>	<b>5,217</b>	<b>7,625</b>	<b>8,307</b>	<b>+ 682</b>
<b>Employment (FTE)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### THE BUDGET IN SUMMARY

This appropriation provides for contractual services and supplements in-house real property disposal activities and improved space utilization through outleasing of surplus Government-owned space. This is a permanent, indefinite appropriation which requires no further Congressional action.

the Defense Logistic Agency. Expenses will be incurred for disposal costs such as National Environmental Policy Act studies, appraisals, reuse and marketing plans, surveys, and Protection and Maintenance costs.

An increase of \$1,750 thousand over the FY 2002 Control Level is requested to dispose of seven National Defense Stockpile Depots for



**General Services Administration**  
**EXPENSES, DISPOSAL**

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<b>EXPENSES, DISPOSAL - DIRECT</b> Explanation of Budget Changes <i>\$(Thousands)</i>	
<b>FY 2001 Budget Level</b>	<b>7,781</b>
Environmental Services	-1,054
<b>FY 2002 Budget Control Level</b>	<b>6,727</b>
DLA Stockpile Depots	+1,750
<b>FY 2002 Budget Request</b>	<b>8,477</b>

<b>EXPENSES, DISPOSAL – REIMBURSABLE</b> Explanation of Budget Changes <i>\$(Thousands)</i>	
<b>FY 2001 Budget Level</b>	<b>600</b>
No change	-
<b>FY 2002 Budget Request</b>	<b>600</b>

**General Services Administration**  
**EXPENSES, DISPOSAL**

<b>EXPENSES, DISPOSAL - DIRECT</b> Obligation by Object Class <i>\$(Thousands)</i>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
24.0 Printing and reproduction	\$48	\$350	\$350
25.2 Other services	4,657	7,431	8,127
<b>Total Obligations</b>	<b>\$4,705</b>	<b>\$7,781</b>	<b>\$8,477</b>

<b>EXPENSES, DISPOSAL - DIRECT</b> Obligation by Program Activity <i>\$(Thousands)</i>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
<b>Disposal - Real Property:</b>			
a. Appraisers, auctioneers, brokers fees and surveying	\$4,066	\$790	\$1,200
b. Advertising	466	1,291	1,291
c. Environmental services	100	5,085	5,371
d. Historical preservation services	16	100	100
<b>Outleasing - Government-owned Space:</b>			
a. Appraisers, auctioneers, brokers fees, surveying and advertising	57	515	515
<b>Total Obligations</b>	<b>\$4,705</b>	<b>\$7,781</b>	<b>\$8,477</b>

**General Services Administration**  
**EXPENSES, DISPOSAL**

<b>EXPENSES, DISPOSAL – REIMBURSABLE</b> Obligation by Object Class <i>\$(Thousands)</i>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
24.0 Printing and reproduction	\$6	\$80	\$80
25.2 Other services	249	520	520
<b>Total Obligations</b>	<b>\$255</b>	<b>\$600</b>	<b>\$600</b>

<b>EXPENSES, DISPOSAL – REIMBURSABLE</b> Obligation by Program Activity <i>\$(Thousands)</i>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
<b>Disposal - Real Property:</b>			
a. Appraisers, auctioneers, brokers fees, surveying and environmental services	\$118	\$450	\$450
b. Advertising	108	100	100
c. Environmental Services	29	50	50
<b>Total Obligations</b>	<b>\$255</b>	<b>\$600</b>	<b>\$600</b>



# FEDERAL BUILDING FUND

## **BUDGET OVERVIEW**

### **Mission**

The Public Buildings Service's (PBS) mission is to improve the effectiveness of the Federal Government by ensuring quality work environments for its employees. To fulfill our mission, we provide high-quality real property, asset management, workplace support, acquisition, facility security, and disposal services in a timely and cost effective manner. As a service agency, we are changing to better serve our Federal agency customers.

### **Budget in Summary**

Our vision is to be recognized as the best public real estate organization in the world. This means providing safe, productive, well managed workspace for Federal employees in the most efficient manner possible. Good business practice dictates that PBS make preservation of the Government-owned inventory a top priority, so that it attracts new tenants and retains existing tenants. Housing long-term tenants in Government-owned space represents the greatest value for the American taxpayer. This approach will help constrain the growth of leasing costs. Our number one priority is to maintain and improve those properties we have determined we should keep in our inventory -- many of which are historically significant, yet viable and adaptable for use as modern office space.

The General Accounting Office noted in its most recent report that \$4 billion is needed to ensure acceptable quality, health, and safety standards. For this reason, our fiscal year 2002 budget has been formulated to give the Repairs and Alterations program first priority. Our ability to propose \$827 million reinvestment in our inventory from the revenues of the FBF is the direct result of our success in using performance measures to control expenses and collect revenue due.

This budget is built around achieving our goals of: 1) realizing cost savings from operating our inventory at 12 percent below private sector benchmarks; 2) continuing to maintain or improve our customer satisfaction levels; 3) awarding leases at or below market rates; 4) analyzing our inventory to identify which buildings we should continue to own, operate, and improve, and which should be disposed of; and 5) ensuring the safety and security of the Federal employees we house. Our fiscal year 2002 budget is providing resources to continue upgrading contract guard requirements, replacing and upgrading building security systems and countermeasures, and continuing the implementation of our Law Enforcement and Security Officer initiative.

In summary, our fiscal year 2002 budget has been formulated to support the strategic priorities and direction of PBS in the accomplishment of its mission.

The following chart (Figure 1) illustrates the sources and uses proposed for fiscal year 2002.

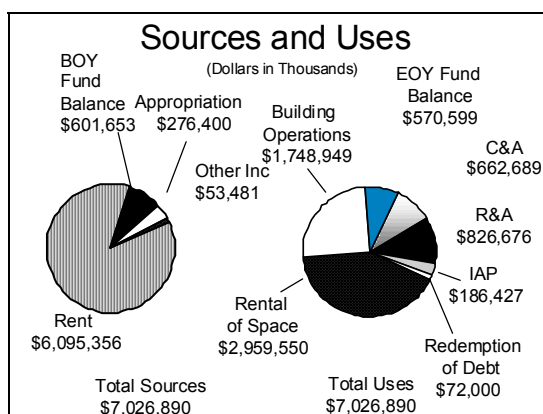


Figure 1

### Full Time Equivalent (FTE)

This budget reflects a FTE workyear level of 7,287 – the same as fiscal year 2001. This allows us to continue to staff the protection activity at 1,423 FTE (1,408 direct and 15 reimbursable) as recommended by the Department of Justice’s “Vulnerability Assessment of Federal Facilities” report. The FTE workyear level has remained at a stable level for several years.

### Inventory

The owned and leased inventories controlled by PBS are projected to expand by 1.7 percent, or 5,642 thousand square feet between fiscal year 2001 and fiscal year 2002. This expansion is in response to the specific needs of our tenant agencies. Our owned space is projected to expand by 3,843 thousand square feet, due to the completion of construction or modernization of courthouses and the modernization of the Social Security Administration Building in Woodlawn, MD.

We project our leased inventory will continue to grow, driven notably by space requirements of the Department of Justice,

Treasury and the Social Security Administration.

### Responsibility Segments

Immediately following this narrative is Exhibit 1, which divides our fiscal year 2002 budget request into Operations (government-owned and leased facilities) and Capital (Construction and Acquisition of Facilities and Repairs and Alterations). This segmentation is logically aligned with PBS’s performance measures.

### Budget Summary Information

The following exhibits provide more information regarding the overall aspects of the FBF:

Exhibit 1 - Responsibility Segments

Exhibit 1A - Schedule of Resources, New Obligational Authority, and Fund Balance

Exhibit 2 - Indefinite Authorities

Exhibit 3 - Schedule of FTE, Obligations, and Net Outlays

Exhibit 4 - Obligations by Object Class

Exhibit 5 - Summary of Total Inventory

Exhibit 6 - Summary of Assigned Space

Exhibit 7 - Appropriation Language and

Explanation of Changes in Appropriation Language

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**RESPONSIBILITY SEGMENTS  
FY 2002 BUDGET REQUEST  
(Dollars in Thousands)**

	OPERATIONS		CAPITAL		TOTAL
	Government-Owned	Government-Leased	Construction & Acquisition	Repairs & Alterations	
Construction and Acquisition	\$0	\$0	\$662,689 <sup>1/</sup>	\$0	\$662,689
Basic Repairs and Alterations	\$333,000	\$37,000	\$0	\$0	\$370,000
Line Item Repairs and Alterations	\$0	\$0	\$0	\$456,676	\$456,676
Installment Acquisition Payments	\$0	\$0	\$186,427	\$0	\$186,427
Redemption of Debt	\$0	\$0	\$72,000	\$0	\$72,000
Rental of Space	\$0	\$2,959,550	\$0	\$0	\$2,959,550
Building Operations	\$1,324,602	\$227,077	\$93,378	\$103,892	\$1,748,949
o Building Services	\$756,013	\$74,771	\$0	\$0	\$830,784
o Protection	\$188,103	\$56,186	\$0	\$0	\$244,289
o Salary and Administration					
-Staff Support (Excludes Protection	\$247,464	\$55,765	\$56,557	\$56,557	\$416,343
-Protection Staff	\$27,917	\$6,128	\$0	\$0	\$34,045
o Technical services, space planning	\$0	\$10,800	\$15,004	\$18,886	\$44,690
o Information Technology	\$38,072	\$8,357	\$6,633	\$13,265	\$66,327
o Centralized Services	\$67,033	\$15,070	\$15,184	\$15,184	\$112,471
Reimbursable	\$365,945	\$272,113	\$103,216	\$197,046	\$938,320
<b>TOTAL</b>	\$2,023,547	\$3,495,740	\$1,117,710	\$757,614	\$7,394,611

<sup>1/</sup> Includes \$276,400 thousand in advance appropriations provided in P.L. 106-554

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**SCHEDULE OF RESOURCES, NEW OBLIGATIONAL AUTHORITY, AND FUND BALANCE  
FY 2000 - FY 2002  
(Dollars in Thousands)**

	FY 2000 Actual	FY 2001 Current	FY 2002 Request
<b>Resources:</b>			
Available from prior year for reauthorization	195,242	406,017	601,653
Columbia Hospital for Women (proceeds from sale)	14,000		
Redemption of Debt	(98,823)	(70,595)	(72,000)
Reprogramming Authority	88,037	13,549	
Non-expenditure transfer	304		
Appropriation		476,523	276,400 3/
Revenue from operations:			
Rent	5,437,487	5,651,447	6,095,356
Indefinite Authority for Rental of Space	135,710	219,516	[210,794]
Other Indefinite Authorities	33,938	[27,406]	[29,542]
Miscellaneous	4,227	4,000	4,000
Outleasing	16,724	10,916	12,267
SSA/CDC/HCFA payments	44,608	36,628	37,214
Projects Lapsed/Rescinded	20,782		
Subtotal	<u>[5,693,476]</u>	<u>[5,922,507]</u>	<u>[6,148,837]</u>
Total Resources Available	5,892,236	6,748,001	6,954,890
<b>New Obligational Authority:</b>			
Construction and Acquisition	94,363	499,575	662,689
Repairs and Alterations	669,010 1/	673,263 2/	826,676 2/
Installment Acquisition Payments	201,646	185,369	186,427
Columbia Hospital for Women	14,000		
Rental of Space	2,917,896 1/	3,163,370 1/	2,959,550 2/
Building Operations	1,588,543 1/	1,624,771 2/	1,748,949 2/
Transfer to Pennsylvania Avenue Activities	3,652		
Total New Obligation Authority	<u>5,489,110</u>	<u>6,146,348</u>	<u>6,384,291</u>
<b>Fund Balance:</b>			
Total Resources Available	5,892,236	6,748,001	6,954,890
Total New Obligational Authority	(5,489,110)	(6,146,348)	(6,384,291)
Prior Year Recoveries	<u>2,891</u>		
Fund Balance (Available for Reauthorization)	406,017	601,653	570,599

1/ Includes indefinite authority. See Exhibit 2

2/ Excludes indefinite authority. See Exhibit 2

3/ Advanced appropriation provided in P.L., 106-554

See Exhibit 2 for listing of all indefinite authorities



**GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**Indefinite Authorities  
(Dollars in Thousands)**

	FY 2000 ACTUAL	FY 2001 CURRENT	FY 2002 REQUEST
<b>RESOURCES/EXPENDITURES</b>			
Repairs and Alterations (Basic) Pennsylvania Avenue Activities	37	[100]	[0]
Repairs and Alterations (Line-Item) Energy	767	[786]	[786]
Recycling	1,284	[1,316]	[1,316]
Historical Outleasing	8,595	[8,810]	[8,810]
Building Operations International Trade Center	14,102	[15,264]	[17,500]
Teleworking	532	[1,130]	[1,130]
<b>TOTAL (Excludes Leased Expansion Space)</b>	25,317	[27,406]	[29,542]
Rental of Space Leased Expansion Space	135,710	219,516	[210,794]

Bracketed numbers are projections not included in budget totals.

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**SCHEDULE OF FTE, OBLIGATIONS, AND  
(Dollars in**

							Increase/(Decrease) For FY 2001	
	FY 2000 Actual		FY 2001 Current		FY 2002 Request		Change	
	FTE	Obligations	FTE	Obligations	FTE	Obligations	FTE	Obligations
<b>FTE and Obligations:</b>								
1. Construction and Acquisition	-	266,609	-	710,212	-	726,616	-	16,404
2. Repairs and Alterations	-	555,250	-	744,605	-	1,121,134	-	376,529
3. Design and Construction Services	-	2,314	-	2,000	-	723	-	(1,277)
4. Installment Acquisition Payments	-	201,863	-	196,275	-	186,427	-	(9,848)
5. Construction of Lease Purchase Facilities	-	1,872	-	24,373	-	7,500	-	(16,873)
6. Pennsylvania Avenue Activities								
a) Repair and Alterations	-	8,535	-	7,200	-	7,100	-	(100)
b) Building Operations	-	1,169	-	1,545	-	1,075	-	(470)
7. Rental of Space	-	2,894,164	-	3,161,999	-	3,021,156	-	(140,843)
8. Building Operations								
a) Cleaning	360	197,133	456	220,468	456	223,587	0	3,119
b) Utilities/Fuel	-	225,665	-	273,518	-	304,145	-	30,627
c) Maintenance	925	200,546	1,267	240,605	1,267	245,655	0	5,050
d) Other Building Services	2,914	273,802	2,369	255,385	2,369	265,050	0	9,665
e) Protection	1,203	255,332	1,408	258,226	1,408	278,334	0	20,108
f) Staff Support	1,624	275,019	1,654	242,903	1,655	253,380	1	10,477
g) CIO	-	76,875	-	66,327	-	66,327	-	0
h) Centralized Services	-	88,669	-	102,993	-	112,471	-	9,478
i) International Trade Center	-	13,589	1	2,302	-	0	(1)	(2,302)
j) Columbia Hospital for Women	-	5,999	-	8,001	-	0	-	(8,001)
Subtotal, Building Operations	7,026	1,612,629	7,155	1,670,728	7,155	1,748,949	0	78,221
9. Transfer to Pennsylvania Avenue Activities		3,652						
10. Reimbursable	145	1,277,865	132	983,504	132	938,320	0	(45,184)
<b>Total FTE and Obligations</b>	<b>7,171</b>	<b>6,825,922</b>	<b>7,287</b>	<b>7,502,441</b>	<b>7,287</b>	<b>7,759,000</b>	<b>0</b>	<b>256,559</b>
<b>Net Outlays:</b>		(84,154)		383,016		(100,787)		(483,803)

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

<b>FEDERAL BUILDINGS FUND Obligations by Object Class \$(Thousands)</b>			
	<b>FY 2000 Actual</b>	<b>FY 2001 Current</b>	<b>FY 2002 Request</b>
Personnel Compensation:			
11.1 Full-time permanent	387,344	402,656	419,715
11.3 Other than full-time permanent	5,090	5,313	5,493
11.5 Other personnel compensation	14,594	12,679	13,039
11.9 Total personnel compensation	407,028	420,648	438,247
12.1 Civilian personnel benefits	92,325	87,881	93,297
13.0 Benefits for former personnel	199	203	203
21.0 Travel and transportation of persons	16,450	14,726	14,717
21.0 Motor pool travel	5,225	4,917	4,917
22.0 Transportation of things	3,198	4,382	4,381
23.2 Rental payments to others	2,892,548	3,161,999	3,021,156
23.3 Communications, utilities, and misc. charges	288,994	301,615	331,295
24.0 Printing and reproduction	3,442	7,796	7,794
25.1 Advisory and assistance services	337	353	353
25.2 Other services	1,960,711	2,335,846	2,607,319
25.4 Operation and maintenance of facilities	792,198	765,665	855,893
25.7 Operation and maintenance of equipment	43,267	46,361	46,361
26.0 Supplies and materials	59,795	65,508	64,600
31.0 Equipment	27,585	42,942	45,324
32.0 Land and structures	48,080	66,238	56,736
41.0 Grants, subsidies, and contributions	6,065	245	45
42.0 Insurance claims and indemnities	279	86	86
43.0 Interest and dividends	178,196	175,030	166,276
99.9 Total Obligations	6,825,922	7,502,441	7,759,000

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**SUMMARY OF TOTAL INVENTORY, GOVERNMENT-OWNED AND LEASED SPACE  
FY 2000 - FY 2002  
(Rentable Square Feet in thousands)**

Rentable SF	FY 2000 ACTUAL	CHANGE FROM FY1999	FY2001 CURRENT	CHANGE FROM FY2000	FY 2002 REQUEST	CHANGE FROM FY2001
Government Owned Space						
Assigned	165,915	546	169,289	3,374	172,984	3,695
Vacant	18,324	(2,424)	18,292	(32)	18,440	148
Total	184,239	(1,878)	187,581	3,342	191,424	3,843
GSA Leased Space						
Assigned	146,655	2,652	149,434	2,779	151,502	2,068
Vacant	3,452	(590)	3,361	(91)	3,092	(269)
Total	150,107	2,062	152,795	2,688	154,594	1,799
Government Owned and Leased						
Assigned	312,570	3,198	318,723	6,153	324,486	5,763
Vacant	21,776	(3,014)	21,653	(123)	21,532	(121)
Total Space in Inventory	334,346	184	340,376	6,030	346,018	5,642
% of Total Space Vacant	6.5%		6.4%		6.2%	
% of Govt-Owned Space Vacant	9.9%		9.8%		9.6%	
% of Leased Space Vacant	2.3%		2.2%		2.0%	

Leased inventory includes 1.6 million square feet of USPS owned space. The USPS owned space leased by GSA is not expected to change in FY 2001 or FY 2002

GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND

Exhibit 6

**SUMMARY OF PACE ASSIGNED, TOTAL INVENTORY  
GOVERNMENT-OWNED AND LEASED SPACE  
(Rentable Square Feet in thousands)  
FY 2000 - FY 2002**

<b>AGENCY</b>	<b>FY 2000 ACTUAL</b>	<b>FY 2001 CURRENT</b>	<b>FY 2002 REQUEST</b>	<b>CHANGE FROM FY 2001</b>
TREASURY	42,006	43,804	45,396	1,592
JUSTICE	40,829	41,638	44,990	3,352
U.S. COURTS	34,119	34,564	34,552	(12)
DEFENSE	31,235	31,463	31,441	(22)
SSA	25,504	26,628	28,195	1,567
INTERIOR	14,423	16,092	15,831	(261)
HHS	12,088	13,295	13,995	700
ALL OTHER AGENCIES	112,366	111,239	110,086	(1,153)
TOTAL	312,570	318,723	324,486	5,763

**REAL PROPERTY ACTIVITIES  
LIMITATIONS ON AVAILABILITY OR REVENUE**

<p>√[For an additional amount to be deposited in, and to be used for the purposes of,] the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)),</p>	<p><u>To carry out the purpose of</u></p>
<p>√[\$464,154,000. The] 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; <u>in the aggregate amount of</u></p>	<p><u>the</u></p>
<p><u>[\$5,971,509,000]√, of which (1)</u></p>	<p><u>\$6,107,891,000</u></p>
<p><u>[\$472,176,000]√ shall remain available until expended for construction (including funds for sites and expenses and associated design and construction services) of additional projects at</u></p>	<p><u>\$386,289,000</u></p>

**REAL PROPERTY ACTIVITIES  
LIMITATIONS ON AVAILABILITY OR REVENUE**

the following locations: California, Los Angeles, U.S. Courthouse; District of Columbia, Bureau of Alcohol, Tobacco and Firearms Headquarters; Florida, Saint Petersburg, Combined Law Enforcement Facility; Maryland, Montgomery County, Food and Drug Administration Consolidation; Michigan, Sault St. Marie, Border Station; Mississippi, Biloxi-Gulfport, U.S. Courthouse; Montana, Eureka/Rosville, Border Station; Virginia, Richmond, U.S. Courthouse; Washington, Seattle, U.S. Courthouse:]  
 Provided, That funding for any project identified above 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 an approved prospectus, if required, unless

New Construction:

Alabama:

Mobile, U.S. Courthouse, \$11,290,000

Arkansas:

Little Rock, U.S. Courthouse Annex, \$5,022,000

California:

Fresno, U.S. Courthouse, \$121,225,000

District of Columbia:

Washington, U.S. Courthouse Annex, \$6,595,000

Washington, Southeast Federal Center, Site Remediation, \$5,000,000

Maine:

Jackman, Border Station, \$868,000

Maryland:

Montgomery County, FDA Consolidation, \$9,060,000

Suitland, U.S. Census Bureau, \$2,813,000

Suitland, National Oceanic and Atmospheric Administration II, \$34,083,000

Massachusetts:

Springfield, U.S. Courthouse, \$6,473,000

Michigan:

Detroit, Ambassador Bridge Border Station, \$9,470,000

Montana:

Raymond, Border Station, \$693,000

New Mexico:

Las Cruces, U.S. Courthouse, \$4,110,000

New York:

Brooklyn, U.S. Courthouse Annex – GPO, \$3,361,000

Buffalo, U.S. Courthouse Annex, \$716,000

New York, U.S. Mission to the United Nations, \$4,617,000

Oregon:

Eugene, U.S. Courthouse, \$4,470,000

Pennsylvania:

Erie, U.S. Courthouse Annex, \$30,739,000

**REAL PROPERTY ACTIVITIES  
LIMITATIONS ON AVAILABILITY OR REVENUE**

advance  [approval is obtained from] the Committees on Appropriations of a greater amount: Provided further, That all funds for direct construction projects shall expire on September 30,  [2002,] and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (2)  [\$671,193,000] shall remain available until expended for repairs and alterations which includes associated design and construction services: Provided further, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project, as follows, except each project may be increased by an amount not to exceed 10 percent unless advance  [approval is obtained from] the Committees on Appropriations of a greater amount:

[Repairs and alterations:

Arizona:

Phoenix, Federal Building Courthouse,  
\$26,962,000

California:

Santa Ana, Federal Building, \$27,864,000

District of Columbia:

Internal Revenue Service Headquarters  
(Phase 1), \$31,780,000

Main State Building, (Phase 3),  
\$28,775,000

Maryland:

Woodlawn, SSA National Computer Center,  
\$4,285,000

Michigan:

Detroit, McNamara Federal Building,  
\$26,999,000

Texas:

Del Rio III, Border Station, \$1,869,000

Eagle Pass, Border Station, \$2,256,000

El Paso, U.S. Courthouse, \$11,193,000

Fort Hancock, Border Station, \$2,183,000

Houston, Federal Bureau of Investigation,  
\$6,268,000

Virginia:

Norfolk, U.S. Courthouse Annex,

\$11,609,000

Nationwide:

Judgment Fund Repayment, \$84,406,000

Nonprospectus Construction: \$5,900,000:

notice is transmitted to  
2003,

\$826,676,000

notice is transmitted to

Repairs and Alterations:

California:

Laguna Niguel, Chet Holifield Federal  
Building, \$11,711,000

San Diego, Edward J. Schwartz Federal  
Building - U.S. Courthouse, \$13,070,000

Colorado:

Lakewood, Denver Federal Center, Building  
67, \$8,484,000

District of Columbia:

Washington, 320 First Street Federal  
Building, \$8,260,000

Washington, Internal Revenue Service Main  
Building, Phase 2, \$20,391,000



**REAL PROPERTY ACTIVITIES  
LIMITATIONS ON AVAILABILITY OR REVENUE**

Missouri:

Kansas City, Richard Bolling Federal Building, \$25,882,000

Kansas City, Federal Building, 8930 Ward Parkway, \$8,964,000

Nebraska:

Omaha, Zorinsky Federal Building, \$45,960,000

New York:

New York City, 40 Foley Square, \$5,037,000

Ohio:

Cincinnati, Potter Stewart U.S. Courthouse, \$18,434,000

Pennsylvania:

Pittsburgh, U.S. Post Office-Courthouse, \$54,144,000

Utah:

Salt Lake City, Bennett Federal Building, \$21,199,000

Virginia:

Reston, J.W. Powell Federal Building (Phase 2), \$22,993,000

Nationwide:

Design Program, \$21,915,000

Energy Program, \$5,000,000

Glass Fragmentation Retention Program, \$5,000,000

Basic Repairs and Alterations, \$290,000,000:]

Washington, Main Interior Building, \$22,739,000

Washington, Main Justice Building, Phase 3, \$45,974,000

Florida:

Jacksonville, Charles E. Bennet Exhibit 7 Building, \$23,552,000

Tallahassee, U.S. Courthouse, \$4,894,000

Illinois:

Chicago, Federal Building 536 South Clark Street, \$60,073,000

Chicago, Harold Washington Social Security Center, \$13,692,000

Chicago, John C. Kluczynski Federal Building, \$12,725,000

Iowa:

Des Moines, 210 Walnut Street Federal Building, \$11,992,000

Missouri:

St. Louis, Federal Building 104/105 Goodfellow, \$20,212,000

New Jersey:

Newark, Peter W. Rodino Federal Building, \$5,295,000

Nevada:

Las Vegas, Foley Federal Building – U.S. Courthouse, \$26,978,000

Ohio:

Cleveland, Anthony J. Celebrezze Federal Building, \$22,986,000

Cleveland, Howard M. Metzenbaum Courthouse, \$27,856,000

Oklahoma:

Muskogee, Federal Building – U.S. Courthouse, \$8,214,000

Oregon:

Portland, Pioneer Courthouse, \$16,629,000

Rhode Island:

Providence, Federal Building and Courthouse, \$5,039,000

**REAL PROPERTY ACTIVITIES  
LIMITATIONS ON AVAILABILITY OR REVENUE**

*Provided further,* That additional projects for which prospectuses have been fully approved may be funded under this category only if advance notice is transmitted to the Committees on Appropriations: *Provided further,* That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate:

*Provided further,* That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further,* That all funds for repairs and alterations prospectus

projects shall expire on September 30, ~~√~~[2002, 2003,

] and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *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) <del>√</del> [ <u>\$185,369,000</u> ] for installment acquisition payments including payments on purchase contracts which shall remain available until expended;	<u>\$186,427,000</u>
(4) <del>√</del> [ <u>\$2,944,905,000</u> ] for rental of space which shall remain available until expended;	<u>\$2,959,550,000</u>
(5) <del>√</del> [ <u>\$1,624,771,000</u> ] for building operations which shall remain available	<u>\$1,748,949,000</u>

Wisconsin:  
Milwaukee, Federal Building – U.S. Courthouse, \$10,015,000  
Nationwide:  
Design Program, \$33,657,000  
Heating, Ventilation and Air Conditioning Modernization – Various Buildings, \$6,650,000  
Transformers – Various Buildings, \$15,588,000  
Basic Repairs and Alterations, \$370,000,000:

**REAL PROPERTY ACTIVITIES  
LIMITATIONS ON AVAILABILITY OR REVENUE**

Exhibit 7

until expended: *Provided further*, That in addition to amounts made available herein, \$276,400,000 shall be deposited to the Fund, to become available on October 1, 2001, and remain available until expended for the following construction projects (including funds for sites and expenses and associated design and construction services): District of Columbia, U.S. Courthouse Annex; Florida, Miami, U.S. Courthouse; Massachusetts, Springfield, U.S. Courthouse; New York, Buffalo, U.S. Courthouse: *Provided further*, That funding for any project identified above 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 an approved prospectus, if required, unless advance approval is obtained from the Committees on Appropriations of a greater amount: *Provided further*, That funds available 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 the Public Buildings Act of 1959, as amended, has not been approved, 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 \_\_\_\_\_ notice is transmitted to advance  [approval is obtained from] the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in

**REAL PROPERTY ACTIVITIES  
LIMITATIONS ON AVAILABILITY OR REVENUE**

Exhibit 7

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 ~~2001,~~ excluding reimbursements under 2002 section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6) ) in excess \$6,107,891,000 of ~~5,971,509,000~~ shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

## **Explanation of Changes in Appropriation Language for FY 2002**

For fiscal year 2002, the proposed language for the Federal Buildings Fund (FBF) includes changes from previously enacted legislation as follows:

The proposed language changes the requirement from "advance approval is obtained from" the Committees on Appropriations for the addition of repairs and alterations projects, emergency repairs, and new construction and repairs and alterations project escalations exceeding 10 percent, "to advance notice is transmitted to" the Committees on Appropriations for these actions. While the committees still retain control over projects, this change will permit GSA to conduct its capital program in a more timely and responsive manner.

## Performance Plan

PBS has developed quantitative performance measures that are consistent with the Government Performance and Results Act of 1993, and which support GSA's strategic goals. These goals are:

1. Promote Responsible Asset Management – conserve taxpayer investment in real and personal property and maximize the Government's return on investment.
2. Compete Effectively for the Federal Market – provide quality products and services at competitive prices and achieve significant savings.
3. Excel at Customer Service – incorporate customer feedback and customer satisfaction data in GSA's planning and decision making processes.

The PBS performance measures relate to specific programs, and are used to:

- Evaluate program performance
- Identify good practices that can be used to improve the business
- Identify the need for programmatic change
- Encourage creativity and innovation

When performance goals are met or exceeded, regions are rewarded with increased budgets and individuals are rewarded. This new emphasis on results and managing to the bottom line is making a major impact on the performance of PBS.

Immediately following this narrative is Exhibit 8, Matrix of Fiscal Year 2002 Performance Measures. It contains the annual performance goals, measures and budget links for major programs and activities. Some of the key measures are:

- *Tenant Satisfaction Ratings*

PBS, with the help of the Gallup Organization, surveys half of our tenants each year to measure customer satisfaction. See Building Operations Section, Figure 10 for more details.

- *Capital Investment Contribution*

Contribution is simply defined as revenue less operating expenses. It is the amount available for reinvestment in our owned inventory. The goal for fiscal year 2002 is 4.4 percent of the functional replacement value of the owned inventory, estimated for FY 2002 at \$33.1 billion. To accomplish this goal, PBS is employing strategies such as: maximizing outleasing opportunities, pursuing ways to conserve energy, and recovering all costs of leasing space.

- *Percentage of Government-owned and Leased Inventory Not Producing Revenue*

Reductions in non-revenue producing space in fiscal year 2002 are projected to increase annual revenue by \$9 million in leased space and \$32 million in Government-owned space. Figure 2 below shows the percentages of Government-owned non-revenue producing space.

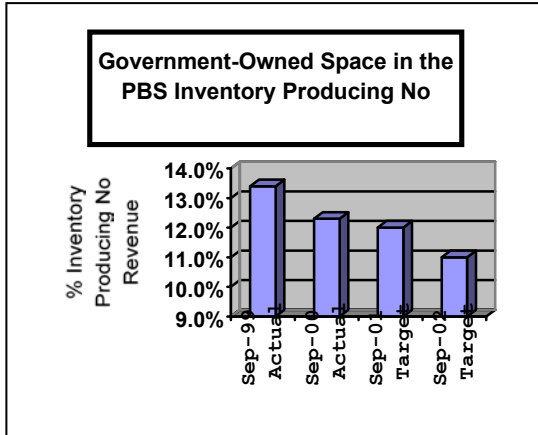


Figure 2

- *Operating Costs per Rentable Square Foot of Office Space compared to Private Sector Costs*

PBS has developed several benchmarks to compare our operating costs to those in equivalent private sector buildings. We participate in industry groups, keep abreast of changes and trends in the industry, pursue energy conservation strategies and employ commercial buying practices, all of which keep office building operating costs at 12 percent below private industry benchmarks.

- *Annual Lease Cost for new leases compared to the Private Sector*

PBS strategies to keep leasing costs at or below market levels include: comparing lease offers with industry benchmarks, using market surveys to comparison shop for best value, and using published market sources to gain a better understanding of area markets.

- *Percentage of Repairs and Alterations/New Construction Projects Delivered On Time and On Budget*

Completing projects on time is essential for accurate income projections. PBS is improving its quality control of project management, improving communication with customers, and limiting project changes to achieve this goal. Below is Figure 3 showing the percentage of new construction projects completed on time.

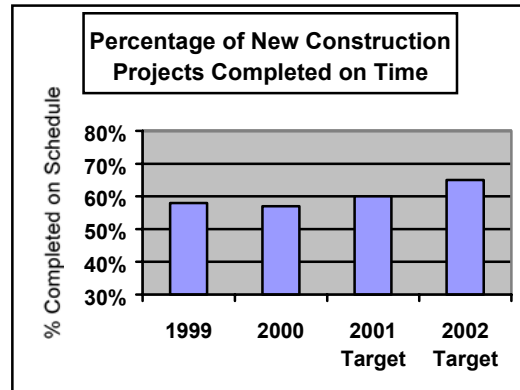


Figure 3

- *Indirect Costs as a percentage of Total Revenue*

To reduce indirect costs as a percentage of total revenue, PBS is employing the following strategies: linking budget to performance as an incentive for the regions, and developing private sector benchmarks.

- *Percentage reduction in energy usage since the 1985 baseline*

To meet the fiscal year 2002 goal of reducing energy usage to 24 percent below the 1985 baseline, PBS is investing \$5 million in fiscal year 2001 from line item prospectus funds to maximize conservation opportunities. Additionally, we are using alternative financing contracts to reduce energy usage and cost, and issuing guidance to the agencies on how to use GSA's established energy usage programs.

See Building Operations Section for more details.

**Performance Plan Information**

The following exhibit provides more information regarding the fiscal year 2002 Performance Plan:

Exhibit 8 - Matrix of Fiscal Year 2002 Performance Measures



**GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**MATRIX OF FY 2002 PERFORMANCE MEASURES**

(1 of 4)

<b>Goals</b>		<b>Objectives</b>
<ul style="list-style-type: none"> <li>* Promote Responsible Asset Management</li> <li>* Excel at Customer Service</li> <li>* Compete Effectively for the Federal Market</li> <li>* Meet Federal, Social and Environmental Objectives</li> <li>* Anticipate Future Workforce Needs</li> </ul>		<ul style="list-style-type: none"> <li>* Conserve taxpayer investment in real and personal property, and maximize the Government's return on investment.</li> <li>* Incorporate customer feedback and customer satisfaction data in GSA's planning and decision-making processes.</li> <li>* Provide quality products and services at competitive prices and achieve significant savings for Federal agencies.</li> <li>* Meet environmental goals, prevent pollution and use natural resources in a sustainable manner.</li> <li>* Ensure all Federal Buildings in the GSA inventory meet the highest federal standards in terms of accessibility, consumption, systems and technology.</li> </ul>
<b>Responsibility Segment</b>	<b>Performance Measures</b>	<b>Performance Goals</b>
Revenue and Investment	* Revenue collected as a function of Revenue projected	* Generate between 98 and 102 percent of the revenue estimated in the FY 2002 budget.
	* Non-revenue producing space - Government-owned	* Reduce the amount of non-revenue producing space in the Government-owned inventory from an estimated 12% in FY 2001 to 11% in FY 2002.
	* Non-revenue producing space - Leased	* Maintain the amount of non-revenue producing space in the leased inventory at 3.0% in FY 2001 and in FY 2002.
	* Contribution	* Generate a capital investment contribution of \$1.4 billion.
		<b>Budget Links</b>
		* Rent Revenue \$6,095.4 million (excludes indefinite authority)

**GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**MATRIX OF FY 2002 PERFORMANCE MEASURES**

(2 of 4)

Responsibility Segment	Performance Measures	Performance Goals
Building Operations	* Building operating costs relative to industry	* Maintain building operating costs in office and office-like space at 12% below private sector benchmarks.
	* Indirect costs	* Reduce the indirect costs as a percentage of revenue from an estimated 10.1% in FY 2001 to 10.0% in FY 2002.
	* Customer satisfaction - tenants	* Improve to an overall 82% customer satisfaction level in FY 2002.
	* Customer satisfaction - security	* Improve to an overall 85% customer satisfaction level with security in FY 2002.
	* Security risk level analysis relative to cost	* For FY 2002, realize an annual reduction of 2.5% in the Regional Threat Composite Index from the baseline established for the start of FY 2002.
	* Energy conservation	* Improve energy reduction from 22% below the FY 1985 baseline in FY 2001 to 24% below in FY 2002.
<b>Budget Links</b>		
<p>* Building Operations - Of the total for Buildings Services (including cleaning, maintenance, utilities, etc.) - \$830.8 million, the amount for Government-owned space is \$756.0 million.</p> <p>* Building Operations - Of the total for staff, administration, and program support - \$673.9 million, \$380.5 million is for Government-owned space.</p> <p>* Building Operations - By operating below private sector benchmarks, PBS saved \$96.7 million in FY 1999 and \$97.1 million in FY 2000. These savings are reflected in our FY 2002 request.</p>		

**GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**MATRIX OF FY 2002 PERFORMANCE MEASURES**

(3 of 4)

Responsibility Segment	Performance Measures	Performance Goals
Leasing	* Cost of leased space relative to market	* Keep the cost for new GSA leased for office space under the average of four aggregate market ranges we track in FY 2002.
	* Recovery of lease costs	* Reducing the loss on operating leases to \$21.2M.
	* Customer satisfaction - tenants	* Achieve a customer satisfaction rating in all leases at 82% and 86% or higher in newly leased space in FY 2002.
		<b>Budget Links</b>
		<p>* Rental of Space - \$2,959.6 million (excludes indefinite authority of \$210.8 million).</p> <p>* Rental of Space - The savings resulting from leasing below market was \$48.63 million in FY 1998, \$16.86 million in FY 1999 and \$64.26 million in FY 2000. In FY 2000, the net loss in the Leasing segment was \$66.2 million. The FY 2001 projection is a \$46.2 million loss.</p> <p>* Basic Repairs and Alterations - \$37.0 million.</p> <p>* Building Operations - Building Services in leased space - \$74.8 million.</p> <p>* Building Operations - Protection includes \$56.2 million for leased space.</p> <p>* Building Operations - Staff, administration, and program support includes \$96.1 million for leased space.</p>

**GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**MATRIX OF FY 2002 PERFORMANCE MEASURES**

(4 of 4)

Responsibility Segment	Performance Measures	Performance Goals
Construction	<ul style="list-style-type: none"> <li>* Customer satisfaction</li> <li>* Cost escalation</li> <li>* Projects completed on schedule</li> </ul>	<ul style="list-style-type: none"> <li>* Maintain a 90% customer satisfaction rating in newly constructed buildings.</li> <li>* Reduce the cost escalation rate for new construction projects to 1% in FY 2001 and FY 2002.</li> <li>* Improve the percentage of construction projects completed on schedule from 60% in FY 2001 to 65% in FY 2002.</li> </ul>
		<b>Budget Links</b>
		<ul style="list-style-type: none"> <li>* Building Operations - Staff, administration, and program support includes \$93.4 million for construction related activities.</li> <li>* New Construction - \$578.3 million (excludes judgment fund reimbursement of \$84.4 million).</li> </ul>
Responsibility Segment	Performance Measures	Performance Goals
Repairs and Alterations	<ul style="list-style-type: none"> <li>* Project rate of escalation</li> <li>* Projects completed on schedule</li> </ul>	<ul style="list-style-type: none"> <li>* Maintain the cost escalation rate for repairs and alterations projects at 1%.</li> <li>* Improve the percent of repairs and alterations projects completed on schedule from 78% in FY 2001 to 82% in FY 2002.</li> </ul>
		<b>Budget Links</b>
		<ul style="list-style-type: none"> <li>* Basic Repairs and Alterations - \$370.0 million (Non-Line Item)</li> <li>* Building Operations - Staff, administration, and program support includes \$103.9 million for repairs and alterations.</li> <li>* Repairs and Alterations - Federal Buildings Fund - \$456.7 million (Line Item)</li> </ul>

## Explanation of Estimates Construction and Acquisition of Facilities

### New Obligational Authority (Dollars in Thousands)

FY 2000 Actual	FY 2001 Current	FY 2002 Request
\$94,363	\$499,575	\$386,289 <sup>1</sup>

<sup>1</sup>Excludes \$276,400 thousand in advance appropriations provided in P.L. 106-554.

#### General Program Description

The Public Buildings Service (PBS) surveys the housing needs of its client agencies and the availability of Federal housing in communities nationwide. We recommend construction projects to meet new housing needs, replace antiquated facilities or consolidate agencies with long-term housing requirements.

Construction and ownership for special purpose and unique facilities, such as courthouses and border stations, is often the best housing solution because these facilities are not readily available in the real estate market. PBS may purchase existing facilities and may acquire construction sites through purchase or exchange.

**GSA requests \$386,289 thousand in new obligational authority for this program in fiscal year 2002.**

#### Budget Summary

Highlights
<ul style="list-style-type: none"> <li>• \$5,900 thousand for nonprospectus projects</li> <li>• \$84,406 thousand for repayment to the Judgment Fund</li> <li>• \$17,339 thousand for six Border Stations</li> <li>• \$34,083 thousand for National Oceanic and Atmospheric Administration II in Suitland, MD</li> <li>• \$6,268 thousand for Federal Bureau of Investigation facility in Houston, TX</li> <li>• \$5,000 thousand for remediation of the Southeast Federal Center site in Washington, DC</li> <li>• \$4,617 thousand for U.S. Mission to the United Nations</li> <li>• \$9,060 thousand for Food and Drug Administration Consolidation in Montgomery County, MD</li> <li>• \$2,813 thousand for U.S. Census Bureau in Suitland, MD</li> <li>• \$216,803 thousand for 12 Federal Judiciary projects</li> </ul>

**Nonprospectus Construction Projects--  
\$5,900 thousand**

This program funds small projects below the prospectus level (\$2,130 thousand).

GSA uses these funds to purchase small parcels of land and construct small buildings such as childcare centers, storage buildings, and ancillary buildings at border stations.

We apply the same stringent return on investment criteria to these small projects as is used to justify other capital expenditures.

**Repayment to the Judgment Fund--\$84,406 thousand**

GSA requests \$84,406 thousand to reimburse the Department of Treasury for 20 claims made against 11 new construction projects.

The settlement agreements include a release of all claims and demands for relief which arise under the contracts. The U.S. Treasury, under the terms of the Contract Disputes Act, paid the claims. PBS does not have the project funds to reimburse the U.S. Treasury.

**Border Station Program--\$17,339 thousand**

GSA requests \$17,339 thousand for six border station projects on the northern (three projects) and southern (three projects) borders.

PBS is responsible for United States inspection facilities on the borders with Mexico and Canada. These facilities are designed to meet the needs of the Federal Inspection Service (FIS) agencies, which include the U.S. Customs Service, the Immigration and Naturalization Service, and the U.S. Department of Agriculture.

PBS operates and maintains 126 owned and leased inspection facilities nationwide. Many of the owned facilities are functionally obsolete and must be replaced.

PBS and the FIS work together to establish a prioritized list of projects three to five years in advance. This project planning and prioritizing methodology, known as the Border Station

Capital Project Long Range Plan, uses very specific criteria to establish priority projects. Using this methodology, PBS and the FIS can better plan for future construction and ensure that the current and future operational needs of the FIS are successfully met.

**National Oceanic and Atmospheric Administration (NOAA) II--\$34,083 thousand**

This request of \$34,083 thousand is for construction of a new facility for NOAA. One of NOAA's missions is to launch and control satellites used to gather, analyze, and distribute international weather and sensitive defense information. The computer equipment to monitor NOAA satellites will be housed in this building.

**Federal Bureau of Investigation-- \$6,268 thousand**

This request of \$6,268 thousand is for site and design for a new Federal Bureau of Investigation facility in Houston, TX. This new facility will replace the existing FBI leased office building and provide sufficient security and blast protection.

**Southeast Federal Center--\$5,000 thousand**

This request of \$5,000 thousand is to complete site remediation work at the Southeast Federal Center 55 acre site in Washington, DC. This funding is for remediation of a 2.7 acre portion of the site previously considered suitable for less expensive bioremediation methods. Subsequent studies identified a requirement for more extensive remediation.

**U.S. Mission to the United Nations-- \$4,617 thousand**

This request for \$4,617 thousand for demolition of the existing U.S. Mission building will enable us to proceed with construction of a new facility on the site. The new facility will fulfill consolidation and expansion needs of the offices and related functions of the U.S. Mission in a more secure and efficient structure.

**Food and Drug Administration  
Consolidation--\$9,060 thousand**

The requested funding is for the design of the Center for Devices and Radiological Health Laboratory and Office at White Oak in Montgomery County, MD. This is phase 3 of a 5 phase project.

**U.S. Census Bureau--\$2,813 thousand**

This request is for additional funds for design of a new facility for the Department of Commerce, Bureau of the Census (Census) at the Suitland, Maryland Federal Center. \$5,200 thousand previously appropriated for repairs and alterations of Federal Office Building 3 in Suitland, MD, will be reprogrammed for design of this project.

**Federal Judiciary--\$216,803 thousand**

This request of \$216,803 thousand for the courthouse construction program includes additional funding for five projects currently underway, construction funding for 2 projects, and funding for five new design starts on the Judiciary's priority list. All of the projects requested meet the building criteria outlined in the U.S. Courts Design Guide.

The goal of the fiscal year 2002 courthouse program is to produce aesthetically pleasing, dignified, and secure courthouses in a cost efficient manner. For example, six of the 12 projects would retain the existing courthouses by constructing annexes to those facilities. This reduces the number of new courtrooms built and reduces the need to backfill or dispose of the existing structures.

Between 1991 and 2001, the Federal Government has spent approximately \$4 billion on 48 courthouse construction projects. Approximately \$5 billion more is needed over the next ten years for the design and construction of approximately 111 additional courthouse projects. The Administration will support future year funding for the other projects on the Judiciary's priority list as those projects are ready for construction.

GSA strives to build designs of lasting quality and dignity. In 1993, we established a "Design Excellence" program, which encourages selection of the nation's best private sector architects to design our most important civic buildings. In determining the space requirements and layout of individual buildings, GSA relies on the Courts Design Guide approved by the Judicial Conference.

GSA has a cost benchmarking process for new courthouse construction. Baseline benchmarks, on a cost per square foot basis, are established for Federal courthouses. The baseline benchmarks represent the five space types prevalent in courthouse construction projects: courtroom space, judicial chamber space, general office space, U.S. Marshals cellblock space and indoor parking. The benchmarking numbers represent the cost of a courthouse project in Washington, DC, in 1999 dollars. It is adjusted to reflect specific conditions that apply to a particular project such as premium costs for seismic construction, and geographic location. Benchmarks promote a uniform courthouse construction program nationwide by providing a method to compare projects regardless of geographic location.

GSA's Courthouse Management Group ensures consistency in courthouse construction is a single point of responsibility for program efficiency and cost effectiveness.

**Budget Summary Information**

The following exhibits provide information regarding overall aspects of the Construction and Acquisition of Facilities program:

Exhibit 9 - Summary of Fiscal Year 2002 Program

Exhibit 10 – Project Descriptions

Exhibit 9

**CONSTRUCTION AND ACQUISITION OF FACILITIES  
SUMMARY OF FY 2002 PROGRAM  
(Dollars in Thousands)  
IN PRIORITY ORDER**

<sup>1</sup> Funded by NOAA

<sup>2</sup> Includes \$14,526 thousand to be funded by NOAA as a fiscal year 2002 advance appropriation

<sup>3</sup> Includes \$38,716 thousand for design and \$12,366 thousand for project planning and technical support.

	ESTIMATED TOTAL PROJECT					FY 2002 REQUEST				
	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL
<b>Executive Agencies:</b>										
Judgment Fund Repayment	-	-	84,406	-	84,406	-	-	84,406	-	84,406
Suitland, MD, NOAA II	-	3,128 <sup>1</sup>	45,658 <sup>2</sup>	2,951	51,737	-	-	31,132	2,951	34,083
Suitland, MD U.S. Census Bureau	-	8,013	141,979	5,322	155,314	-	2,813	-	-	2,813
New York, NY, U.S. Mission to the U.N.	-	-	55,064	4,176	62,634	-	231	4,102	284	4,617
Washington, DC SEFC Site Remediation	-	-	36,735	-	36,735	-	-	5,000	-	5,000
Montgomery Co., MD, FDA Consolidation	5,000	51,082 <sup>3</sup>	643,693	26,786	726,561	-	9,060	-	-	9,060
Houston, TX, FBI	2,737	3,531	44,374	3,274	53,916	2,737	3,531	-	-	6,268
Fort Hancock, TX, BS	45	232	1,993	190	2,460	-	-	1,993	190	2,183
Jackman, ME, BS	-	868	8,432	768	10,068	-	868	-	-	868
Del Rio III, TX, BS	-	1,869	20,836	2,310	25,015	-	1,869	-	-	1,869
Raymond, MT, BS	-	693	7,175	578	8,446	-	693	-	-	693
Eagle Pass, TX, BS	-	2,256	24,201	2,213	28,670	-	2,256	-	-	2,256
Detroit, MI BS	7,531	1,939	25,753	1,381	36,604	7,531	1,939	-	-	9,470
Nonprospectus Construction	-	-	5,900	-	5,900	-	-	5,900	-	5,900
Subtotal, Executive Agencies Total	15,313	77,005	1,146,199	49,949	1,288,466	10,268	23,260	132,533	3,425	169,486
<b>Federal Judiciary:</b>										
Booklyn, NY CT Annex-GPO	24,824	31,225	367,286	11,231	434,566	-	1,061	2,150	150	3,361
Washington, DC, CT Annex	-	6,955	109,216	5,627	121,798	-	687	4,864	1,044	6,595
Buffalo, NY CT Annex	1,200	3,116	40,758	3,085	48,159	-	716	-	-	716
Springfield, MA, CT	3,240	2,976	43,836	3,384	53,436	-	432	5,632	409	6,473
Fresno, CA, CT	1,000	6,385	114,691	5,744	127,820	-	790	114,691	5,744	121,225
Erie, PA, CT Annex	1,608	2,044	27,327	3,060	34,039	-	352	27,327	3,060	30,739
Eugene, OR, CT	7,500	4,160	66,523	4,180	82,363	4,000	470	-	-	4,470
El Paso, TX, CT	6,700	4,493	42,248	4,004	57,445	6,700	4,493	-	-	11,193
Mobile, AL, CT	4,700	6,590	71,922	4,914	88,126	4,700	6,590	-	-	11,290
Norfold, VA, CT Annex	5,855	5,754	63,468	4,481	79,558	5,855	5,754	-	-	11,609
Las Cruces, NM, CT	-	4,110	44,079	3,790	51,979	-	4,110	-	-	4,110
Little Rock, AR, CT Annex	2,821	5,637	68,808	5,894	80,160	2,000	3,022	-	-	5,022
Subtotal Federal Judiciary	59,448	83,445	1,057,162	59,394	1,259,449	23,255	28,477	154,664	10,407	216,803
<b>Total, Construction and Acquisition Program</b>	<b>74,761</b>	<b>160,450</b>	<b>2,203,361</b>	<b>109,343</b>	<b>2,547,915</b>	<b>33,523</b>	<b>51,737</b>	<b>287,197</b>	<b>13,832</b>	<b>386,289</b>



CONSTRUCTION AND ACQUISITION OF FACILITIES  
SUMMARY OF FY 2002 PROGRAM  
ADVANCE APPROPRIATION  
(Dollars in Thousands)  
IN PRIORITY ORDER

	ESTIMATED TOTAL PROJECT COST					FY 2002 REQUEST				
	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL
FY 2002 Approved Advance Appropriation										
Washington, DC, CT Annex	-	6,955	109,216	5,627	121,798	-	565	104,352	4,583	109,500
Buffalo, NY, CT Annex	1,200	3,116	40,758	3,085	48,159	1,200	2,400	-	-	3,600
Springfield, MA, CT	3,240	2,976	43,836	3,384	53,436	-	221	38,204	2,975	41,400
Miami, FL, CT	18,890	7,632	116,400	<u>5,100</u>	<u>148,022</u>	-	429	116,347	5,124	121,900
FY2002 Total Advance Appropriation Approved	<u>23,330</u>	<u>20,679</u>	<u>310,210</u>	<u>17,196</u>	<u>371,415</u>	<u>1,200</u>	<u>3,615</u>	<u>258,903</u>	<u>12,682</u>	<u>276,400</u>
FY 2002 New NOA Request	<u>74,761</u>	<u>160,450</u>	<u>2,203,361</u>	<u>109,343</u>	<u>2,547,915</u>	33,523	51,737	287,197	13,832	386,289
FY 2002 Total Program	98,091	181,129	2,513,571	126,539	2,919,330	34,723	55,352	546,100	26,514	662,689

**Construction and Acquisition of Facilities  
Project Descriptions**

**EXHIBIT 10**

**ALABAMA**

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**Mobile - United States Courthouse.....\$11,290,000**

This project proposes site acquisition and design of a 325,452 gross square foot courthouse, including 50 inside parking spaces, in Mobile, AL. When the project is completed, the annex and the existing Post Office-Courthouse (PO-CT) will meet the ten-year requirements of the U.S. District Court, U.S. Marshals Service and other court-related agencies. The site will be large enough to support the initial construction and also meet the 30-year requirements of the courts.

The existing John Archibald Campbell Courthouse neither meets the United States Courts' Design Guide criteria for space standards, nor does it provide expansion space for future court requirements. Because of the inadequate expansion space in the John Archibald Campbell Courthouse the court currently occupies space in three leased buildings.

The John Archibald Campbell Courthouse lacks adequate security. The existing courthouse does not provide for separate circulation for judicial officers and prisoners. There are no secured private corridors to courtrooms, chambers, or U.S. Marshals' areas, and there are no secure elevators in the building. Holding cells are not contiguous to the courtrooms and secured parking is not available to the courts. Upon completion, the John Archibald Courthouse will be renovated for use by the Bankruptcy Court and executive agencies currently housed in leased space.

The new courthouse will provide ten courtrooms and chambers for four district judges, two senior district judges and four magistrate judges. A visiting district judge will share one of the six district courtrooms. In addition, the courthouse will accommodate chambers for two circuit judges.

This request is for site acquisition (\$4,700 thousand) and design (\$6,590 thousand). Funding for construction (\$71,922 thousand) and management and inspection (\$4,914 thousand) will be requested in a future fiscal year. The estimated total project cost is \$88,126 thousand.

**ARKANSAS**

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**Little Rock - United States Courthouse Annex.....\$5,022,000**

This project proposes the construction of a courthouse annex and renovation of the PO-CT in Little Rock, AR. The annex to the existing PO-CT, located at 600 Capitol Street in the central business district will be 155,317 gross square feet, including parking. The PO-CT alteration will provide for 270,201 gross square feet. The project will provide a total of 425,518 gross square feet of space, including 55 inside parking spaces. When the project is completed, the building will provide space for the District Courts, U.S. Marshals Service, and other court related agencies. The annex will meet the ten-year space needs of the courts and court related agencies and the site would accommodate the court's 30-year expansion requirements. The Judiciary's Five-Year Plan, which reflects new courthouse construction priorities approved by the Judicial Conference, includes construction funding for this project. Construction funding was not requested because we do not anticipate awarding the construction contract until fiscal year 2003.

There are currently five active district judges, two senior district judges, and four magistrate judges requiring court facilities in Little Rock. These judges are all housed in the PO-CT and utilize 11 available courtrooms. When construction of the extension and alteration of the PO-CT are completed, courtrooms will be provided for all of the district and magistrate judges except for one senior district judge. Twelve new courtrooms will be constructed in the annex and five courtrooms will be saved in the existing PO-CT, including the historic ceremonial courtroom.

Funding for site acquisition (\$821 thousand) and design (\$2,615 thousand) was provided in fiscal year 1999. This request is for additional site acquisition (\$2,000 thousand) and design (\$3,022 thousand). Construction (\$65,808 thousand) and management and inspection (\$5,894 thousand) will be requested in a future fiscal year. The estimated total project cost is \$80,160 thousand.

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**CALIFORNIA**

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**Fresno – United States Courthouse.....\$121,225,000**

This project proposes the construction of a 383,576 gross square foot courthouse including 112 inside and 280 outside parking spaces in Fresno, CA. The courthouse will be constructed to meet the ten-year needs of the courts and court-related agencies. This project meets the building criteria in the 1997 U.S. Courts Design Guide and 1997 U.S. Marshals Service Requirements and Specifications for Special Space and Support Space Manual.

The court and court-related agencies in Fresno are currently housed in the B.F. Sisk U.S. Courthouse, located at 1130 O Street, in two leased locations. Court and court-related agencies occupy over half of the space in the existing courthouse. The B.F. Sisk building was constructed in 1968 and was originally designed for office space, but currently provides space for eight district, magistrate, and bankruptcy courtrooms. The B.F. Sisk courthouse cannot accommodate additional courtrooms that meet court design standards and the required future expansion of the related administrative space. Four of the existing courtrooms have columns obstructing the view lines from the jury box to the spectators. In addition, the circulation for judges, prisoners, and the public is not adequate, as the judges and prisoners must enter through the same sallyport area, the first floor corridor and freight elevator.

Funding for site (\$1,000 thousand) and design (\$5,595 thousand) was provided in fiscal year 1997. This request is for additional design (\$790 thousand), construction (\$114,691 thousand) and management and inspection (\$5,744 thousand). The estimated total project cost is \$127,820 thousand.

**DISTRICT OF COLUMBIA**

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**E. Barrett Prettyman Courthouse Annex.....\$6,595,000**

This project proposes the construction of a 327,600 gross square foot annex to the E. Barrett Prettyman Courthouse. The annex will be constructed to meet the ten-year needs of the courts and court-related agencies. This project meets building criteria in the U.S. Courts Design Guide. Following the completion of the annex, necessary renovations will be performed to the existing courthouse. The annex will house the District Court, Magistrate Court, Bankruptcy Court, Court of Appeals, U.S. Attorneys, U.S. Marshals Service, and U.S. Trustees.

The existing courthouse, constructed in 1952 and eligible for inclusion on the National Register of Historic Places, provides 570,506 gross square feet of space, including parking. The existing courthouse does not accommodate today's extensive caseloads or meet modern security, life safety, and handicapped accessibility requirements. Some of the existing courtrooms are substandard and do not meet security requirements for the judges, juries, and spectators. The courts have projected a need for a significant amount of expansion space in the District of Columbia for the courts and court-related agencies over the next ten years. Additional courtrooms and judges' chambers are required to meet the courts' needs. The existing courthouse is currently overcrowded and not fully secure, and the facility is not capable of meeting future expansion requirements.

Funding for design (\$5,703 thousand) was provided in fiscal year 1997. Additional design (\$565 thousand), construction (104,352 thousand), and management and inspection (\$4,583 thousand) were funded by a 2002 advanced appropriation in the fiscal year 2001 Budget. This request is for additional design (\$687 thousand), construction (\$4,864 thousand) and management and inspection (\$1,044 thousand). The total estimated project cost is \$121,798 thousand.

**Southeast Federal Center Site Remediation.....\$5,000,000**

Funding is requested for environmental remediation at the Southeast Federal Center (SEFC) in order to comply with a consent order issued by the Environmental Protection Agency (EPA). The consent order directs GSA to provide a characterization of current conditions and to remedy those conditions. The consent order was issued by the EPA Administrator pursuant to Section 3013 of the Solid Waste Disposal Act, as amended by the Hazardous and Solid Waste

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**DISTRICT OF COLUMBIA - continued**

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Amendments of 1984, Resource Conservation Recovery Act (RCRA), 42 USC 6934. Signed in July of 1999, the Consent Order was issued because the location of the SEFC and its proximity to a substantial minority population make it part of EPA's Anacostia Initiative and the Environmental Justice Initiative.

**Southeast Federal Center Site Remediation - continued**

The purpose of the consent order is the protection of human health and the environment. It requires GSA to implement sampling, analysis, monitoring, and reporting on the site and to take interim measures to prevent or mitigate threats to human health and/or the environment. It also requires a RCRA facility investigation to fully ascertain the nature and extent of any release of hazardous wastes and/or hazardous constituents at or from the site.

Funding was provided in fiscal year 1997 (\$20,000 thousand) and fiscal year 1999 (\$10,000 thousand). An internal budget escalation (\$1,735 thousand) was reprogrammed to the project in fiscal year 2000. This request is for additional work (\$5,000 thousand). Additional funding for future work may be requested in a future fiscal year.

**MAINE**

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**Jackman - Border Station.....\$868,000**

This project proposes the construction of a new border station to replace the existing facility in Jackman, ME. The present facility is deteriorated beyond repair and has reached the end of its useful life. The new facility will replace the existing border station that is overcrowded and functionally obsolete. It will be constructed on approximately 2.3 acres of land, using the site of the existing station that will be demolished. Temporary off-site inspection facilities will be used during construction. The existing station is no longer equipped to process the volume of traffic which passes through it, and does not meet the existing or future requirements of the tenant agencies in terms of size, efficiency, and security. In addition to a new main port building, this project will provide for the following ancillary inspection facilities: agency vehicle garage, two primary inspection lanes and booths for non-commercial traffic, one inspection lane and booth for commercial traffic, a non-commercial secondary inspection with an additional two lanes for non-commercial traffic, an outbound inspection area, and a GSA maintenance facility. The total space of the new complex including the main port building and all ancillary inspection facilities is 35,709 gross square feet. There will be a total of 59 parking spaces, of which 51 are official agency spaces and eight are for visitors.

In 1937, the existing two-story duplex border station was constructed to house two resident inspectors and the inspection facilities. Originally, there was a small inspectors' area in the front with two residential duplexes in the back of the building. The residential areas have since been converted to office and storage space. Currently, there is insufficient office, storage, locker, lunch, and conference/training space to house the projected staff level of 18 employees and the new computer system. There are no detention cells. The personnel in the supervisor's office are unable to visually monitor any of the inspection areas because of its location. The facility does not meet current building codes, has obsolete plumbing, mechanical, electrical, and fire and life safety systems. In addition, it is not accessible to handicapped persons.

The border station site lacks adequate parking, maneuvering areas and a clear and well-defined traffic pattern for commercial trucks, visitors, and employee parking. There is no secure parking for impounded vehicles.

This request is for design (\$868 thousand). Construction (\$8,432 thousand) and management and inspection (\$768 thousand) will be requested in a future year. The estimated total project cost is \$10,068 thousand.

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**MARYLAND**

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**Montgomery County - Food and Drug Administration Consolidation.....\$9,060,000**

This project will provide consolidated office and laboratory space for the Food and Drug Administration (FDA) headquarters components at White Oak in Montgomery County, MD. The FDA is currently housed in 48 buildings at 18 locations throughout the Washington, DC, metropolitan area. FDA requires 2.8 million gross square feet of laboratory, office, and support space. FDA is being consolidated in Montgomery County (White Oak) and in Prince George's County,

Maryland. The proposed facility at White Oak will provide 2.2 million gross square feet of consolidated office and laboratory space for FDA headquarters. GSA intends to request funding to meet these facility requirements at White Oak on an incremental basis corresponding to the five phases of the planned project.

Below is the funding history for this project:

Fiscal Year 1992	\$200,000,000
Fiscal Year 1994	73,921,000
Fiscal Year 1995	45,000,000
Fiscal Year 1996	55,000,000
Fiscal Year 2000	35,000,000
Fiscal Year 2001	92,179,000
Reprogramming from another construction project	6,000,000
Rescission (P.L. 104-19)	(228,000,000)
Transfer (Seafood Research Center)	<u>(5,000,000)</u>
Total	\$274,100,000

A further breakdown of the \$274,100 thousand is as follows: \$5,000 thousand for site, \$15,691 thousand for design, \$12,366 thousand for project planning, \$229,462 thousand for construction, and \$ 11,581 thousand for management and inspection.

Prince George's County, MD (\$129,963 thousand)

The Center for Veterinary Medicine (CVM) in Laurel (\$43,842 thousand) and the Center for Food Safety and Applied Nutrition (CFSAN) in College Park (\$86,121 thousand) were funded in fiscal year 1992. The CVM project has been completed and provides 174 thousand gross square feet. The CFSAN project provides 410 thousand gross square feet and is scheduled for completion in September 2001.

Montgomery County, MD (\$596,598 thousand)

Funding for planning and technical support (\$12,366 thousand) was funded in fiscal year 1992.

Funding for Phase I of this project for the design (\$2,510 thousand) and for management and inspection (\$2,082 thousand) was funded in fiscal year 1996. The construction (\$29,939 thousand) of a 111,250 gross square foot laboratory for FDA's Center for Drug Evaluation and Research (CDER) and design (\$5,061 thousand) of the CDER office was appropriated in fiscal year 2000. Phase II funding for construction (\$88,021 thousand) and management and inspection (\$4,158 thousand) was provided in fiscal year 2001. This request is for the design (\$9,060 thousand) of the Center for Devices and Radiological Health (CDRH) Laboratory and Office.

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**MARYLAND - continued**

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**Montgomery County - Food and Drug Administration Consolidation - continued**

Funding in the amount of \$443,401 thousand will be requested for design (\$13,965 thousand), construction (\$414,231 thousand), and management and inspection (\$15,205 thousand) in future years.

The estimated total project cost includes \$12,366 thousand for project planning, \$584,232 thousand for the Montgomery County project, and \$129,963 thousand for the Prince George's County project. The estimated total project cost for consolidation of FDA is \$726,561 thousand.

**Suitland - United States Census Bureau.....\$2,813,000**

This project proposes the design of a new facility for the Department of Commerce, Bureau of the Census (Census) in Suitland, MD. The proposed facility will be located at the Suitland Federal Center (SFC) and provide space for Census components currently located in SFC Federal Office Building 3 (FOB 3). GSA plans to renovate FOB 3 once the current tenants have relocated to the new facility. The new building will provide 771,265 gross square feet of space, plus a parking garage with 1,592 spaces.

FOB 3 does not meet current GSA standards for air circulation, fire and life safety, or accessibility for the physically challenged. The obsolescence of all of the building systems, requires that FOB 3 be fully renovated to continue occupancy. Modernization while the current tenant is in place is not possible. The minimum amount of swing space required for modernization is approximately 200,000 gross square feet. This amount of swing space is not available in the Suitland market. Multiple construction phases and multiple employee moves make the renovation of FOB 3, while occupied, extremely expensive. This proposed solution is the first phase of the consolidation of Census requirements at the Suitland Federal Center. Once the new facility has been constructed, the current Census tenants in FOB 3 will be relocated to the new facility allowing for the full modernization of FOB3.

Partial design (\$5,200 thousand) will be reprogrammed from the Repairs and Alterations budget activity to this activity in fiscal year 2001. This request is for additional design (\$2,813 thousand). Construction (\$141,979 thousand) and management and inspection (\$5,322 thousand) will be requested in a future fiscal year. The estimated total project cost is \$155,314 thousand.

**Suitland – National Oceanic and Atmospheric Administration II.....\$34,083,000**

This project proposes the construction of a 208,271 gross square feet facility, plus a parking garage with 500 spaces, for the National Oceanic and Atmospheric Administration (NOAA). The proposed facility will provide space for the National Environmental Satellite, Data, and Information Service currently located in Federal Building 4 (FOB 4) in Suitland, MD.

The majority of the NOAA components are located in FOB 4. NOAA's mission is to launch and control satellites used to gather, analyze, and distribute international weather and sensitive defense information. NOAA houses approximately \$50 million worth of computer equipment that controls approximately \$3 billion worth of satellites. NOAA's operation is 24 hours a day, seven days a week and requires high security due to NOAA's defense information section.

The Command and Control Center requires a floor-to-roof height of 30 feet, raised flooring and high bay mechanical plenum heights. Due to the critical nature of the facility and the fact that this is the only Satellite Command and Control Center of its kind for NOAA, the facility must have a 24 hour operational capability, and therefore will have redundant electrical, mechanical and plumbing systems.

The new facility will be constructed at the Government-owned Suitland Federal Center in Suitland. The design (\$3,128 thousand) was provided through the Department of Commerce (DOC) budget in fiscal year 2000. In addition, DOC's budget includes construction funding (\$14,526 thousand) as a fiscal year 2002 advance appropriation. This request is for construction (\$31,132 thousand) and management and inspection (\$2,951 thousand). The estimated total project cost is \$51,737 thousand.

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**MASSACHUSETTS**

**Springfield - United States Courthouse.....\$6,473,000**

This project proposes the construction of a 158,755 gross square feet courthouse, including 41 inside and 46 outside parking spaces, in downtown Springfield, MA. The courthouse will be constructed to meet the ten-year space needs of the courts and court-related agencies and the site will accommodate the 30-year expansion requirements.

The proposed courthouse will provide four courtrooms for two active judges, one magistrate judge and a bankruptcy judge. Separate chambers for a senior judge and a visiting judge will also be provided. The courthouse will house the United States District Court, United States Bankruptcy Court, U.S. Marshals Service, U.S. Attorneys, and the House of Representatives.

The existing Springfield Federal Building does not provide adequate protection for either court personnel or the visiting public. The building lacks separate circulation for prisoner transport to the courtrooms as well as separate circulation for the secure movement of judges. The lack of a sallyport results in the loading and unloading of prisoners under unsecured conditions. There are also no courtroom holding cells for each courtroom, requiring prisoners to be moved to the central cellblock through public corridors. Any renovations of the existing building to accommodate additional courtrooms or holding cells would be impractical, further prolonging GSA's inability to satisfy the Courts' need for expansion space. No additional courtrooms can be practically constructed to meet the Courts' Design Guide specifications.

Funding for site (\$3,240 thousand) and design (\$2,323 thousand) was provided in fiscal year 1999. Additional design (\$221 thousand), construction (\$38,204 thousand), and management and inspection (\$2,975 thousand) were funded by an advanced appropriation in fiscal year 2002. This request is for additional design (\$432 thousand), construction (\$5,632 thousand), and management and inspection (\$409 thousand). The total estimated project is \$53,436 thousand.

**MICHIGAN**

**Detroit - Ambassador Bridge Border Station.....\$9,470,000**

This project proposes to expand the current border station, inspection lanes, agency housing and provide other expanded border station functions, including a 23,500 gross square foot addition to the existing buildings.

The current facility consists of 32,057 gross square feet, 40 employee parking spaces, 75 commercial truck parking spaces, which all occupy approximately 22.12 acres. This project will expand the facility to 55,557 gross square feet, with 80 employee parking spaces, 150 commercial truck parking spaces to occupy approximately 32 acres. The current building will be renovated and the 23,500 gross square foot addition will be used to house Customs Brokers. Approximately 13,000 gross square feet in the existing building is leased to Customs Brokers. These brokers will be temporarily removed from the building and housed in office trailer-type facilities during construction. The current space will be renovated into new office space for the Federal inspection service inspectors who are now in temporary quarters on the cargo inspection dock. The addition will house the temporarily displaced customs brokers as well as those now operating from office trailers adjacent to the truck parking lot; thereby, putting all agencies into sufficient space, adjacent to the Custom's inspectors and all in one building.

This request is for site acquisition (\$7,531 thousand) and design (\$1,939 thousand). Construction (\$25,753 thousand) and management and inspection (\$1,381 thousand) will be requested in a future fiscal year. The estimated total project cost is \$36,604 thousand.

**MONTANA**

**Raymond - Border Station.....\$693,000**

This project proposes the construction of a new border station in Raymond, MT. The new station will contain 25,671 gross square feet including canopied areas and inside parking for six vehicles. It will provide expanded office, lobby and storage space, three primary inspection lanes, a secondary inspection building able to accommodate commercial buses and private vehicles and a commercial warehouse with two dock spaces. There will also be larger and more secure parking areas including a fenced impoundment lot for seven vehicles, a commercial lot for ten oversize vehicles which includes two spaces for hazardous vehicles, and a visitor/employee lot for 25 vehicles.

EXHIBIT 10

**Construction and Acquisition of Facilities  
Project Descriptions**

The new facility will replace an existing border station, which is overcrowded and functionally obsolete. It will be constructed on approximately ten acres of land using another site in the same location as the existing station. The existing station will be used during construction of the new facilities and will be demolished by its current owner and operator, the Immigration and Naturalization Service (INS). The existing facility is no longer equipped to process the volume of traffic which passes through it and does not meet the existing or future requirements of the tenant agencies in terms of size, efficiency, and security. INS has requested that GSA construct, own and operate a new port of entry at this location to replace the current facility.

This request is for design (\$693 thousand) funding. Funding for construction (\$7,175 thousand) and management and inspection (\$578 thousand) will be requested in a future fiscal year. The estimated total project cost is \$8,446 thousand.

**NEW MEXICO**

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**Las Cruces - United States Courthouse.....\$4,110,000**

This project proposes the design of a 204,642 gross square foot courthouse including 81 inside parking spaces in Las Cruces, NM. The building will be constructed on a 1.65 acre Government-owned site adjacent to the existing Runnels Federal Building. The new courthouse will provide space to meet the ten-year needs of the Courts. The 30-year requirements will be met by moving court agencies out of the new courthouse as necessary to accommodate additional district court requirements. It will provide space for the District Court, Magistrate Court, Bankruptcy Court, U.S. Marshals, the probation office, pretrial services, and GSA. The building will also provide trial preparation space for the U.S. Attorney and the Federal Public Defender.

The existing Runnels Federal Building (FB), built in 1975, cannot accommodate the expansion requirements of the court and court-related agencies in Las Cruces. The FB currently contains four courtrooms. One of the courtrooms does not meet the minimum U.S. Courts Design Guide standards, but is used for small hearings when necessary. The scheduling of courtrooms presents a constant problem due to the heavy caseload in the Las Cruces court. Court has been held in conference rooms, jury rooms, and even state court facilities in order to hear a case and keep it on schedule. Caseloads continue to increase in Las Cruces due to its proximity to the U.S./Mexico border. The Las Cruces court hears 68 percent of the entire criminal caseload for the New Mexico District. As caseload increases, the need for clerk's space for records access and retention grows along with a growth in pretrial and probation activities.

This request is for design (\$4,110 thousand). Funding for construction (\$44,079 thousand) and management and inspection (\$3,790 thousand) will be requested in a future fiscal year. The estimated total project cost is \$51,979 thousand.

**NEW YORK**

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**Brooklyn - United States Courthouse Annex-GPO.....\$3,361,000**

This project proposes the construction of a Courthouse Annex and the renovation of the General Post Office (GPO) in Brooklyn, NY. The Annex will provide 632,377 gross square feet, including 256 inside parking spaces. The adjacent GPO will provide 575,000 gross square feet, including 33 inside parking spaces. When the project is complete, the Annex and the GPO will provide space for the District Courts, Bankruptcy Courts, Magistrate Courts and other court related agencies. The complex will meet the ten-year space needs of the U.S. Courts and related agencies and the site will accommodate the court's 30-year expansion requirements.

This project was developed in response to a declaration of a judicial space emergency in the U.S. District Court, Eastern District of NY, by the Judicial Conference of the United States in 1989. The new Annex will provide 21 courtrooms and chambers for 16 District and nine Magistrate judges and the GPO will provide seven courtrooms and chambers for seven Bankruptcy judges. Additional funds are required for the design of 170,000 gross square feet of tenant space for the U.S. Attorneys in the GPO and the build-out of three Magistrate Judges' chambers in the New Annex.



**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**Brooklyn - United States Courthouse Annex-GPO - continued**

Funding for site (\$24,824 thousand), design (\$30,164 thousand), construction (\$352,286 thousand), and management and inspection (\$10,431 thousand) was provided in fiscal years 1992, 1993, 1994, 1997 and 1999. This request is for additional design (\$1,061 thousand), construction (\$2,150 thousand), and management and inspection (\$150 thousand). Funding for additional construction (\$12,850 thousand) and management and inspection (\$650 thousand) will be requested in a future fiscal year. The estimated total project cost is \$434,566 thousand.

**Buffalo - United States Courthouse Annex.....\$716,000**

This project proposes to acquire an approximately ¾ acre site and the design of a 141,940 gross square foot U.S. Courthouse Annex (CT-Annex), including 40 inside parking spaces. The CT-Annex will provide courtrooms and chambers for the district and magistrate judges, court of appeals chambers, grand jury suite, sallyport, judge's secured parking, prisoner processing and holding cells, and related U.S. Marshals Service space. Also, the CT-annex will provide proper security and separate circulation for judges, the public and prisoners.

The existing Michael J. Dillon Courthouse, constructed in 1936, is a significant historic landmark, but is structurally incapable of accommodating the courts' expanded program needs as defined in the Courts' Long Range Plan for the Western District of New York. This 179,380 gross square foot courthouse, with its original infrastructure, possesses inherent deficiencies that hinder the courts in performing their mandated functions and operations. The most significant shortcoming is the availability of space for secure courtrooms and related spaces for operational needs. Proper security and separate circulation required for the judges, the public and prisoners cannot be accommodated at the present facility.

The CT-Annex will be designed to meet the ten-year needs of the courts and court-related agencies in conjunction with the continued use of the existing historic courthouse. The Judiciary's Five-Year Plan, which reflects new courthouse construction priorities approved by the Judicial Conference, includes site and design funding for a new courthouse in Buffalo.

Site acquisition (\$1,200 thousand) and design (\$2,400 thousand) were funded by an advanced appropriation in fiscal year 2002. This request is for additional design (\$716 thousand). Construction (\$40,758 thousand) and management and inspection (\$3,085 thousand) will be requested in a future fiscal year. The estimated total project cost is \$48,159 thousand.

**New York - United States Mission to the United Nations.....\$4,617,000**

This project will demolish the existing building known as 799 United Nations Plaza, located in midtown Manhattan, and construct a new facility on the existing site for the consolidation and expansion of the offices and related functions of the U.S. Mission to the United Nations (USUN). The new facility will consist of 141,307 gross square feet, including ten inside parking spaces for official diplomatic vehicles, and will house 292 employees.

GSA proposes to demolish the existing facility and to construct a new facility on the existing site to accommodate the consolidation and expansion of the offices and related functions of the USUN. The existing site is located at the southwest corner of First Avenue and East 45th Street, which is directly across from the United Nations (UN) headquarters building. As part of the expansion, the U.S. Information Agency and the Office of Foreign Missions, both which are currently in leased locations, will move into the new facility.

The USUN facility is considered a special purpose building, similar in nature to an embassy facility. The USUN, the ambassadors and staff represent the U.S. Government and its concerns to the UN and the world community. Since 1959, when the existing facility was built, this role has expanded and the current facility is physically and operationally inadequate to accommodate existing personnel and functions. The sharing of many offices and the use of the auditorium for office space has made privacy and security difficult to achieve. There is not enough space to hold diplomatic meetings, receptions, and conferences, especially during the peak multi-month General Assembly session.

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**New York - United States Mission to the United Nations - continued**

Design (\$3,163 thousand) was funded in fiscal year 1999. This request is for additional design (\$231 thousand), demolition (\$4,102 thousand) and management and inspection for demolition (\$284 thousand). Construction (\$50,962 thousand) and construction management and inspection (\$3,892 thousand) will be requested in a future fiscal year. The estimated total project cost is \$62,634 thousand.

**OREGON**

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**Eugene - United States Courthouse.....\$4,470,000**

This project proposes the construction of a 268,046 gross square foot courthouse including 80 inside parking spaces. The proposed new courthouse will consolidate the district court, bankruptcy court and related agencies in one location while improving court security. The new courthouse will provide six courtrooms and meet the court's ten-year requirements while meeting the current court design standards.

A new courthouse will provide needed security enhancements and accommodate projected increases in space usage by the courts and court related agencies. There are currently five Federal judges located in Eugene.

Two district judges and one magistrate judge are housed in the existing FB-CT while two bankruptcy judges are located in one leased location. The existing FB-CT provides only one district courtroom and one magistrate courtroom, which does not meet minimum U.S. Courts Design Guide standards and cannot be enlarged. In order to accommodate the courts' recent expansion needs, the U.S. Attorneys and U.S. Bankruptcy Court have relocated from the FB-CT to leased space.

The existing building also lacks basic security features such as a secure sallyport and separate corridors to facilitate the safe movement of prisoners throughout the courthouse. Prisoners must be transported through the public entrance and main hallways shared by judicial officers and the general public. Without a secure sallyport, prisoners are moved from vans at curbside into the FB-CT and through the public lobby. They are then processed in the open space of the U.S. Marshals Service work area. This highly visible movement and processing of prisoners poses grave security risks to the Marshals, court attendees, and the public at large. The U.S. Marshals Service has confirmed that the security situation is potentially life threatening.

**OREGON - continued**

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Funding for site acquisition (\$3,500 thousand) and design (\$3,690 thousand) was appropriated in fiscal year 1999. This request is for additional site acquisition (\$4,000 thousand) and design (\$470 thousand). Construction (\$66,523 thousand) and management and inspection (\$4,180 thousand) will be requested in a future fiscal year. The estimated total project cost is \$82,363 thousand. Construction funding was not requested because we do not anticipate awarding the construction contract until fiscal year 2003.

**PENNSYLVANIA**

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**Erie - United States Courthouse Annex.....\$30,739,000**

This project proposes construction phase funding of a 134,794 gross square foot Federal Complex, including 18 inside parking spaces to accommodate the courts, court-related agencies, and various executive agencies comprising the Federal community in Erie, PA. The Complex will provide sufficient space to satisfy the ten-year requirements of the courts and court-related agencies as well as congressional offices and the GSA field office.

The scope of the project for the Complex consists of the following four elements: (1) alteration and modernization of the historic Erie Federal Building (EFB) for the District Court, and court related agencies; (2) acquisition and repair and alteration of the adjacent Erie County Library building for the Bankruptcy Court, Circuit Court and congressional offices;

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**Erie - United States Courthouse Annex - continued**

(3) acquisition and partial demolition of the adjacent vacant Baker Building with subsequent new construction of a courthouse annex for the District Court; and (4) construction of an open atrium that will connect the EFB, the library and the annex.

Funding for site acquisition (\$1,608 thousand) and design (\$1,692 thousand) was appropriated in fiscal year 1997. This request is for additional design (\$352 thousand), construction (\$27,327 thousand) and management and inspection (\$3,060 thousand). The estimated total project cost is \$34,039 thousand.

**TEXAS**

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**Del Rio III - Border Station.....\$1,869,000**

This project proposes to expand the current border station inspection lanes and provide other border station functions in accordance with Phase III of the site master plan. In addition, the proposed project will replace the undersized and storm damaged main administration building.

This project will provide the Phase III planned improvements/expansion to this port of entry on approximately 60 acres of land purchased previously by GSA. Phase I constructed the original border station and Phase II was for dock expansion and import lot improvements. The project provides 37,900 gross square feet of facilities including canopied areas and outside parking for 170 vehicles.

The planned expansion includes: 23,000 gross square feet for the Main Administration Building, eight primary and 24 secondary vehicle inspection lanes, 3,000 gross square feet for a secondary inspection building, four primary commercial inspection lanes, a 50 bay import dock with a dock office of 9,000 gross square feet, a one bay hazardous materials containment area, 2,400 square gross feet for a ten dog kennel, and 500 gross square feet for a narcotics storage vault. The projected traffic flow and replacement of the storm damaged and undersized administration building necessitate this expansion.

This request is for design (\$1,869 thousand). Construction (\$20,836 thousand) and management and inspection (\$2,310 thousand) will be requested in a future fiscal year. The estimated total project cost is \$25,015 thousand.

**Eagle Pass - Border Station.....\$2,256,000**

This project includes the construction of a new border station, Eagle Pass II, on approximately 40 acres of land to be donated to GSA by the city of Eagle Pass. Eagle Pass II is currently operating as a temporary border station operation. The temporary facilities, located on the city property that is to be donated, will be demolished with the exception of an existing kennel building.

The border station will include: 23,245 gross square feet for the Main Administration Building, eight primary and 24 secondary vehicle inspection lanes, a 3,000 gross square foot secondary inspection building, eight primary commercial inspection lanes, a 75 bay import dock with a 20,200 gross square foot dock office, a four bay rail inspection station with a 600 gross square foot office, and a ten bay export dock with a dock office of 1,200 gross square feet.

Permanent space is needed to adequately house the tenants. The commercial inspection responsibilities and traffic at this location have increased and are projected to increase shortly beyond the abilities of this facility. The additional vehicle and commercial inspection lanes will reduce wait times for crossing the border, and an expanded facility will facilitate the execution of the tenant agencies' missions.

This request is for design (\$2,256 thousand). Construction (\$24,201 thousand) and management and inspection (\$2,213 thousand) will be requested in a future fiscal year. The estimated total project cost is \$28,670 thousand.

**Construction and Acquisition of Facilities  
Project Descriptions**

TEXAS - continued

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**El Paso United States Courthouse.....\$11,193,000**

This project proposes acquisition of a site and design of a courthouse in El Paso, TX. The courthouse will provide 221,613 gross square feet of space, including 60 inside parking spaces. The proposed courthouse will meet the ten-year requirements of the District Court and related agencies with a site large enough to accommodate their future expansion requirements.

The new courthouse will provide 11 courtrooms plus ancillary space for five resident district judges, two senior district judges and five magistrate judges. Space will also be provided for the U.S. Marshals Service. Secured parking will be provided for official vehicles and handicapped persons. The new courthouse, in conjunction with the existing courthouse, will enable co-location of the entire court family and provide proper security and separate circulation for judges, the public and prisoners.

Due to significant increases in international economic activities and the strategic location of El Paso along the Mexican border, court activities in the Western District of Texas have been expanding steadily. In addition, the existing courthouse cannot house the current or projected space requirements of the courts and courts related agencies. In 1995, the U.S. Attorney relocated from the existing courthouse to the Federal Building to allow expansion space for a new district judge and the district clerk. Also, the bankruptcy clerk and the visiting bankruptcy judge relocated to leased space due to space deficiencies in the existing courthouse

This request is for site acquisition (\$6,700 thousand) and design (\$4,493 thousand). Construction (\$42,248 thousand) and management and inspection (\$4,004 thousand) will be requested in a future fiscal year. The estimated total project cost is \$57,445 thousand.

**Fort Hancock - Border Station.....\$2,183,000**

This project proposes the construction of a new border station in Fort Hancock, TX. The border station will contain 9,659 gross square feet including canopied areas. The new border station will provide two primary inspection lanes, a covered secondary inspection area, exit control facilities, and additional office, lobby and storage space. There will be larger and more secure outside parking areas for 33 vehicles, including a fenced impound lot, a special permit lot, and a visitor/employee lot. Parking will be provided as follows: ten spaces for official parking, 11 employee spaces, three handicapped spaces, two visitor spaces, and seven spaces in the impound lot.

The U.S. Customs Service, Immigration and Naturalization Service, and Animal and Plant Health Inspection Service have included Fort Hancock on their "Top Ten" list of nationwide border stations in need of replacement and/or major improvement. In addition to the existing facility's inability to handle traffic from the border crossing, the current facility does not have adequate room for safe and efficient handling of alien detainees or for safe secondary inspection of vehicular traffic. There is a need for standard detention cells and safe interview facilities for processing suspected criminals, which does not exist at the current facility.

The current outdated facility is extremely inefficient for the necessary inspection service operations, which must be performed today. There is inadequate space in the public waiting area and no public rest rooms. In addition, inadequate and undersized support space exists and handicapped accessibility requirements are not met.

Site acquisition (\$45 thousand) and design (\$232 thousand) was appropriated in fiscal year 2000. This request is for construction (\$1,993 thousand) and management and inspection (\$190 thousand). The estimated total project cost is \$2,460 thousand.

**Houston - Federal Bureau of Investigation.....\$6,268,000**

This project proposes site acquisition and design of a new Federal Bureau of Investigation (FBI) facility in Houston, TX. The new FBI facility will be 394,750 gross square feet including 345 indoor and 50 outdoor parking spaces on approximately 8.8 acres. The existing FBI leased office building has a long history of structural problems and inadequate floor loading capacity for the operational needs of the FBI. It has glass curtain wall construction, does not provide sufficient setback from adjacent surrounding streets, and does not feature progressive collapse prevention design or construction.

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**TEXAS - continued**

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The central open atrium of the existing leased building is inefficient and is highly restrictive as to layout and space utilization potential. The current lease location issues cannot be resolved sufficiently to meet current FBI security and blast protection needs.

The FBI Houston Field Office has been given new programs and program responsibilities to carry out requiring additional space. This expansion cannot be accommodated in the current facility. FBI expansion and security needs require that a new location be provided. In addition, co-locating the radio and vehicle maintenance facility with the office functions is desired by FBI to provide smooth and more efficient operations.

This request is for site acquisition (\$2,737 thousand) and design (\$3,531 thousand). Construction (\$44,374 thousand) and management and inspection (\$3,274 thousand) will be requested in a future fiscal year. The estimated total project cost is \$53,916 thousand.

**VIRGINIA**

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**Norfolk - United States Courthouse Annex.....\$11,609,000**

This project proposes the site acquisition and design of a courthouse annex and the design of alterations to the Walter E. Hoffman Courthouse (CT) in Norfolk, VA. The Hoffman CT, constructed between 1932 and 1934, is listed on the National Register of Historic Places. The Hoffman CT and annex will create a unified courthouse facility, produce 399,394 gross square feet of space including parking, and will accommodate the ten and 30-year space requirements of the courts and court-related agencies. The Judiciary's Five-Year Plan, which reflects new courthouse construction priorities approved by the Judicial Conference, includes site and design funding for a courthouse annex in Norfolk.

The courts have projected a significant amount of expansion space for the courts and court-related agencies. An additional district and senior district judge and one additional magistrate judge are projected within the next ten years, and an additional bankruptcy judge is projected within five years.

GSA proposes to construct an annex to the courthouse by constructing two separate abutting structures with connections into the existing courthouse. A 156,451 gross square foot annex excluding parking with a basement is proposed for the south elevation and a 20,700 gross square foot addition excluding parking will be added to the north elevation. The south elevation structure includes 40 inside basement parking spaces, and the north elevation structure includes seven inside parking spaces, plus a sallyport for prisoner movement, for a total of 18,800 gross square feet for the two structures. The south annex will be connected at the basement and the first through fourth floors, and the north addition will be connected at the basement and lobby level.

This request is for site acquisition (\$5,855 thousand) and design (\$5,754 thousand). Construction (\$63,468 thousand) and management and inspection (\$4,481 thousand) will be requested in a future fiscal year. The estimated total project cost is \$79,558 thousand.

**Construction and Acquisition of Facilities  
Project Descriptions**

EXHIBIT 10

**NATIONWIDE**

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**Nonprospectus Projects.....\$5,900,000**

Funds in the amount of \$5,900 thousand are requested for the development of projects below the \$2,130 thousand prospectus threshold. Non-prospectus funds have been used to erect special purpose storage buildings, border station facilities, depot service and warehouse buildings, and a small courthouse. The funds have also been used to acquire a motor pool, build parking lots, purchase sites, build child care facilities, and purchase property in conjunction with a Presidential National Historic Site.

**Judgment Fund Repayment.....\$84,406,000**

Funds are requested to reimburse the Department of Treasury for payment of claims against the projects listed below. These settlement agreements include a release of all claims and demands for relief which arise under the contracts. The U.S. Treasury under the terms of the Contract Disputes Act, paid the claims. Project funds to reimburse the Treasury are no longer available.

<u>Project</u>	<u>Claims \$000</u>
MA, Boston, John Joseph Moakley U.S. Courthouse	\$4,250
NY, New York, Joseph Addabbo Federal Building	25,023
NY, White Plains, U.S. Courthouse	2,825
NJ, Newark, M.L. King, Jr. Federal Building	500
NJ, Trenton, Clarkson S. Fisher Federal Building and U.S. Courthouse	19,000
FL, Tampa, Sam M. Gibbons U.S. Courthouse	1,254
MN, Minneapolis, U.S. Courthouse	9,984
MO, Kansas City, Charles E. Whittaker Federal Courthouse	233
CA, Los Angeles, Edward R. Roybal Center and Federal Building	6,750
OR, Portland, Mark O. Hatfield U.S. Courthouse	7,285
DC, Washington, FBI Field Office	<u>7,302</u>
 Total	 \$84,406

**Explanation of Estimates  
Repairs and Alterations**

New Obligational Authority (Dollars in Thousands)		
FY 2000 Actual	FY 2001 Current	FY 2002 Request
\$669,010 <sup>1</sup>	\$673,263 <sup>2</sup>	\$826,676 <sup>2</sup>

<sup>1</sup>Includes Indefinite Authority of \$10,683 thousand.

<sup>2</sup>Excludes Indefinite Authority.

## General Program Description

The Repairs and Alterations (R&A) program funds work necessary to keep our building inventory in a proper state of repair, modernize outdated space and facilities, improve health and safety, recapture vacant Government-owned space, and address other special program needs.

## Budget Summary

Highlights
<ul style="list-style-type: none"><li>• \$370,000 thousand for Basic Program</li><li>• \$80,449 thousand for Limited Scope Program</li><li>• \$342,570 thousand for Major Modernization</li><li>• \$33,657 thousand for Design Program</li></ul>

Figure 5

We request a total of \$826,676 thousand in new obligational authority for fiscal year 2002.

Our strategic plan gives top priority to investment in our existing Government-owned assets to:

- Maintain their economic value;
- Ensure our continuing ability to house Federal agencies and support their mission requirements; and
- Enable GSA to charge market-comparable rental rates sufficient to permit needed reinvestment in these assets over their life cycles.

The facilities under our stewardship have a replacement value of about \$33 billion. The repair and upgrade of these assets is always our top priority for capital funds. Without sufficient funds to properly maintain and modernize our

buildings, we will fail in our stewardship role and the value of these government assets will decline.

The R&A program consists of the following categories:

- Basic Program (below prospectus level of \$2,130 thousand)
- Limited Scope Program (prospectus level)
- Major Modernization Projects (prospectus level)
- Design Program



### **Basic Program--\$370,000 thousand**

The current request for basic repairs and alterations work is based on a five year needs assessment of our inventory. We are requesting a funding level of \$370,000 thousand.

The basic program is designed to ensure day-to-day operational continuity of assets in GSA's portfolio. This program is a major contributor to the "Improve GSA Brand" concept through First Impressions, Retail Tenant Services, and Protection projects. The basic program includes work in buildings below the prospectus threshold of \$2,130 thousand for basic repairs, health and life-safety, vacant space recapture, and PBS special programs. The basic program is essential for preserving PBS's capital assets between major reinvestments. PBS's objective is to provide consistent levels of quality space and services that meet the mission-related needs and expectations of client agencies housed in owned capital assets.

The basic program will recapture 734 thousand vacant square feet at a cost of \$30,000 thousand, which would generate \$13,200 thousand in annual revenue to the FBF. Other categories of work include fire safety and seismic work, as well as necessary system repairs essential to building operations.

### **Limited Scope Program--\$80,449 thousand**

Instances occur when it is appropriate to make a major reinvestment in a single building system before an asset is scheduled for full modernization in order to preserve the functionality and value of the asset. GSA carefully evaluates the cost-effectiveness of such Limited-Scope Projects before they are included in our annual Capital Investment Plan.

Examples of these limited-scope projects include roof replacement, elevator modernization, and repairs to the exterior of a building (particularly where existing conditions pose a safety hazard).

### **Major Modernization Construction Projects--\$342,570 thousand**

The 16 projects in this category are modernization or alteration projects. These include significant repairs intended to replace and upgrade outmoded and deteriorated building systems such as heating, ventilation, air conditioning, plumbing, electrical, elevators, fire safety, and exterior structure. We require space alterations in some cases to recapture vacant space for planned future occupancy and in other instances to remodel space for existing building tenants.

### **Design Program--\$33,657 thousand**

Our request funds the design of 11 proposed projects for systems replacement, life safety improvement, and recapture of vacant space. The construction phase of these line item projects will be requested in future years.

### **Asset Investment Strategy**

PBS benchmarks its capital reinvestment level in a manner similar to that used by large real estate firms in the private sector. The PBS asset investment strategy is comprised of three main elements:

- Assessment of the Current Portfolio;
- Economic Analysis; and,
- Asset Investment Priorities.

## **Assessment of the Current Portfolio**

The investment strategy is based on a “bottom-up”, building-by-building analysis of each asset in the PBS inventory. We accomplish this analysis using asset business plans. These plans summarize the operating performance of our buildings, their physical layout, income and expenses, condition and needs, customer satisfaction, and our market and investment strategy for each asset.

The asset business plans also set forth our strategy for each asset, formulated in light of our tenant agencies’ needs and our space profile in any given location. These plans are reviewed and updated continually.

In addition, PBS maintains a program enabling regions, cities, and local planning groups to formally collaborate with PBS and its Federal agency customers as they develop long-term asset plans.

## **Economic Analysis**

After analyzing the asset business plans, our regional offices recommended those projects considered most critical for inclusion in this budget. Each project is subjected to a detailed economic analysis, including Return on Investment (ROI) that projects the long-term effect of the investment. All construction estimates are benchmarked against the private sector. We compare the income stream produced by the investment with other projects and with our existing portfolio return to optimize allocation of our investment resources.

Our analysis also includes a projection of likely R&A expenditures for each asset over the life of the projection period, and an estimate of its continuing

value to the taxpayer in terms of the comparable market rent our client agencies would be willing to pay.

Each project proposed for funding in fiscal year 2002 was required to yield a return in excess of the Department of the Treasury’s 30 year bonds. All project proposals included in the fiscal year 2002 budget request exceed this “hurdle rate” of 6.1 percent by a comfortable margin. They are also consistent with the specific asset investment priorities described below.

## **Asset Investment Priorities**

In addition to ROI, the following criteria are used to set and adjust priorities:

1. Protecting the safety and health of tenants and visitors in owned and leased assets.
2. Maintaining the operational viability of owned assets through day-to-day repairs and alterations to justify charging market rates.
3. Altering vacant space in owned assets to relocate client agencies from more costly leased space into Government-owned space when available, or to provide expansion space.
4. Completing planned modernizations of major buildings to support client agencies’ missions and to enhance value.
5. Providing new housing solutions (construction, acquisition and leasing) to meet the changing requirements of client agencies.

## **Considerations for Long-Term Asset Investment**

At both the local and the national levels, PBS's overall strategy accounts for the impact of downsizing occurring within the Federal workforce, the changes in the Federal workplace affecting GSA's real property portfolio, and the types of space and services provided to client agencies. PBS is committed to house as many agencies as we can in Government-owned buildings and to provide modern workplaces required by the Federal workforce.

We excess properties when it is in the best financial interest of the Federal Government. In addition to financial considerations, the impact of social and economic opportunities on local communities is also a consideration in making long-term asset investment decisions. PBS coordinates its efforts with state and local planning entities and engages the public at large for input and comment. We strive to accommodate the views of all state and local groups while providing safe, healthy, and high-quality workspace for Federal agencies.

### **Budget Summary Information**

The following exhibits provide information regarding the overall aspects of the Repairs and Alterations program:

Exhibit 11 - Summary of Fiscal Year 2002 Program

Exhibit 12 – Project Descriptions

**REPAIRS AND ALTERATIONS  
SUMMARY OF FY 2002 PROGRAM**

(Dollars in Thousands)  
IN PRIORITY ORDER

**EXHIBIT 11**

	ESTIMATED TOTAL PROJECT COST				FY 2002 REQUEST			
	DESIGN	CONSTRUCTION	M&I	TOTAL	DESIGN	CONSTRUCTION	M&I	TOTAL
<b>Nonprospective (Basic) Repairs and Alterations Projects .....</b>	<b>-</b>	<b>370,000</b>	<b>-</b>	<b>370,000</b>	<b>-</b>	<b>370,000</b>	<b>-</b>	<b>370,000</b>
<b>Repairs and Alterations Construction Program</b>								
<b>Limited Scope Program</b>								
Des Moines, IA, 210 Walnut Street Federal Building.....	988	11,131	861	12,980	-	11,131	861	11,992
HVAC Modernization - Various Building.....	462	5,821	367	6,650	462	5,821	367	6,650
Chicago, IL, John C. Kluczynski Federal Building.....	913	11,698	686	13,297	341	11,698	686	12,725
PCB Transformers - Various Buildings.....	1,362	13,616	610	15,588	1,362	13,616	610	15,588
Washington, DC, 320 First Street Federal Building.....	722	7,215	323	8,260	722	7,215	323	8,260
Lakewood, CO, DFC Bldg 67.....	676	7,855	629	9,160	0	7,855	629	8,484
Laguna Niguel, CA, Chet Holifield Federal Building.....	802	10,202	707	11,711	802	10,202	707	11,711
Providence, RI, U.S. Federal Building and Courthouse.....	273	4,366	400	5,039	273	4,366	400	5,039
<b>Subtotal, Limited Scope Program</b>	<b>6,198</b>	<b>71,904</b>	<b>4,583</b>	<b>82,685</b>	<b>3,962</b>	<b>71,904</b>	<b>4,583</b>	<b>80,449</b>
<b>Modernization Program</b>								
Cleveland, OH, Howard M. Metzenbaum - U.S. Courthouse.....	2,301	24,817	2,283	29,401	756	24,817	2,283	27,856
Chicago, IL, Federal Building, 536 South Clark Street.....	4,418	52,869	4,158	61,445	3,046	52,869	4,158	60,073
Las Vegas, NV, Foley Federal Building - U.S. Courthouse.....	1,750	24,651	1,942	28,343	385	24,651	1,942	26,978
Muskogee, OK, Federal Building - U.S. Courthouse.....	823	7,536	678	9,037	-	7,536	678	8,214
Newark, NJ, Peter W. Rodino, Jr. Federal Building.....	42	5,119	134	5,295	42	5,119	134	5,295
Cleveland, OH, Anthony J. Celebrezze Federal Building.....	1,464	20,896	2,090	24,450	-	20,896	2,090	22,986
Tallahassee, FL, U.S. Courthouse.....	518	4,434	460	5,412	-	4,434	460	4,894
Washington, DC, IRS Main Building (Ph 2).....	3,098	48,602	3,569	55,269	-	18,974	1,417	20,391
St. Louis, MO, Federal Center Buildings 104 /105.....	1,635	17,991	1,794	21,420	427	17,991	1,794	20,212
Washington, DC, Main Interior Building.....	5,764	158,215	9,500	173,479	-	21,538	1,200	22,738
Milwaukee, WI, Federal Building - U.S. Courthouse.....	774	9,337	678	10,789	-	9,337	678	10,015
Washington, DC, Main Justice Building (Ph 3).....	7,118	134,477	8,523	150,118	-	43,216	2,758	45,974
Chicago, IL, Harold Washington Social Security Center.....	1,415	12,394	1,234	15,043	64	12,394	1,234	13,692
San Diego, CA, Edward J. Schwartz, FB - CT.....	1,705	11,288	1,218	14,211	564	11,288	1,218	13,070
Jacksonville, FL, Charles E. Bennett Federal Building.....	1,930	21,701	1,851	25,482	-	21,701	1,851	23,552
Portland, OR, Pioneer Courthouse.....	1,340	14,693	1,139	17,172	797	14,693	1,139	16,629 ##
<b>Subtotal, Modernization Program</b>	<b>36,095</b>	<b>569,020</b>	<b>41,251</b>	<b>646,366</b>	<b>6,081</b>	<b>311,455</b>	<b>25,034</b>	<b>342,570</b>
<b>Repairs and Alterations Construction Program Subtotal</b>	<b>42,293</b>	<b>640,924</b>	<b>45,834</b>	<b>729,051</b>	<b>10,043</b>	<b>383,359</b>	<b>29,617</b>	<b>423,019</b>
<b>Design Program (see attached listing for specific projects).....</b>	<b>36,049</b>	<b>370,336</b>	<b>31,091</b>	<b>437,476</b>	<b>33,657</b>	<b>-</b>	<b>-</b>	<b>33,657</b>
<b>Total Repairs and Alterations</b>	<b>78,342</b>	<b>1,381,260</b>	<b>76,925</b>	<b>1,536,527</b>	<b>43,700</b>	<b>753,359</b>	<b>29,617</b>	<b>826,676</b>

REPAIRS AND ALTERATIONS  
Summary of FY 2002 Design Program  
(Dollars in Thousands)  
IN PRIORITY ORDER

	<b>ESTIMATED TOTAL PROJECT COST</b>				<b>FY 2002 REQUEST</b>			
	DESIGN	CONSTRUCTION	M&I	TOTAL	DESIGN	CONSTRUCTION	M&I	TOTAL
<b>Limited Scope Program</b>								
Ft. Worth, TX, Fritz G. Lanham FB	833	11,381	793	13,007	833	-	-	833
New York, NY, U.S. Customs House- 6 World Trade Center	719	7,060	627	8,406	719	-	-	719
<b>Subtotal, Limited Scope Program</b>	<b>1,552</b>	<b>18,441</b>	<b>1,420</b>	<b>21,413</b>	<b>1,552</b>	<b>-</b>	<b>-</b>	<b>1,552</b>
<b>Modernization Program</b>								
Boston, MA, John W. McCormack, Post Office - U.S. Courthouse	5,338	65,140	5,881	76,359	5,338	-	-	5,338
Washington, DC, Federal Office Building 8	7,761	72,471	6,220	86,452	7,761	-	-	7,761
Washington, DC, Mary E. Switzer Memorial Building	7,776	68,128	5,830	81,734	5,384	-	-	5,384
Brooklyn, NY, Emanuel Celler Courthouse	3,791	42,861	3,137	49,789	3,791	-	-	3,791
Atlanta, GA, Martin L. King, Jr. FB	2,351	27,567	2,712	32,630	2,351	-	-	2,351
Springfield, IL, Paul H. Findley FB-Courthouse	539	5,512	424	6,475	539	-	-	539
Denver, CO, Byron G. Rogers FB-Courthouse	3,688	37,652	2,997	44,337	3,688	-	-	3,688
Atlanta, GA, Richard B. Russell FB	2,917	29,112	2,146	34,175	2,917	-	-	2,917
Fargo, ND, Federal Building-Post Office	336	3,452	324	4,112	336	-	-	336
<b>Subtotal, Modernization Program</b>	<b>34,497</b>	<b>351,895</b>	<b>29,671</b>	<b>416,063</b>	<b>32,105</b>	<b>-</b>	<b>-</b>	<b>32,105</b>
<b>Total Design Program</b>	<b>36,049</b>	<b>370,336</b>	<b>31,091</b>	<b>437,476</b>	<b>33,657</b>	<b>-</b>	<b>-</b>	<b>33,657</b>

**GENERAL SERVICES ADMINISTRATION  
Public Buildings Service**

**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

**EXHIBIT 12**

**CALIFORNIA**

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**Laguna Niguel – Chet Holifield Federal Building.....\$11,711,000**

This project proposes alterations to the Chet Holifield Federal Building located at 24000 Avila Road, Laguna Niguel, CA. The building was originally constructed as a manufacturing plant by Honeywell International Rockwell Company in 1971 and acquired by GSA in 1974. The seven-story, ziggurat shaped, 950,053 gross square feet building is situated on a 93.9 acre parcel and houses 2,993 employees with 6,198 outside and two inside parking spaces.

The proposed project will replace the leaking roof, which was substantially repaired in 1980 and again in 1989, and is currently repaired by patchwork. The project will also upgrade all of the 30-year old elevators, which frequently break down. Their cabs and control systems require upgrading for safety and energy efficiency. In addition, only one elevator services floors one through six. The remaining two passenger elevators serve floors three through six. These elevators will be extended to serve the first and second floors. Finally, the project will include asbestos abatement associated with the roof replacement and elevator work.

This request is for design (\$802 thousand), construction (\$10,202 thousand) and management and inspection (\$707 thousand). The estimated total project cost is \$11,711 thousand.

**San Diego – Edward J. Schwartz Federal Building - Courthouse.....\$13,070,000**

The Edward J. Schwartz Federal Building and Courthouse, located in downtown San Diego, was built in 1974 and has 913,044 gross square feet including inside parking. The facility houses over 1,200 federal and contract employees. The building has 600 inside parking spaces and no outside spaces.

The project will provide elevator upgrade and safety improvements to the system. The Energy Monitoring Control System will be upgraded to meet current building requirements and to reduce energy consumption. Extensive work to the heating, ventilation and air conditioning (HVAC) duct system is required to reduce air leakage. Security upgrades consist of access control and perimeter electronic surveillance. The 15 existing original traction elevator systems have exceeded their service life. The elevators are unreliable, slow, routinely out of service for repairs and routinely do not level with the floor. The elevators do not meet current seismic codes. The HVAC ductwork leaks and the variable air volume boxes do not function properly. Air is not adequately circulated throughout the building and the system does not respond to the building's cooling requirements.

Design funding (\$1,141 thousand) was provided in fiscal year 1995. This request is for additional design (\$564 thousand), construction (\$11,288 thousand) and management and inspection (\$1,218 thousand). The estimated total project cost is \$14,211 thousand.

**COLORADO**

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**Lakewood – Denver Federal Center – Building 67.....\$8,484,000**

This project proposes alterations to Building 67 of the Denver Federal Center (DFC) in Lakewood, Colorado. The building was constructed in 1967, contains 387,351 gross square feet of office and related space, and provides 967 outside parking spaces.

The proposed project will repair the damaged exterior concrete skin, repair damaged concrete sun screens, and replace deteriorating windows with energy efficient windows. The project will also repair or replace damaged pre-cast pipe chases, replace a covered walkway and improve tenant egress to comply with seismic codes. Currently, the exterior concrete is deteriorating and pieces of it are falling to the ground, presenting a safety hazard to employees. The falling concrete exterior is also damaging the building's structure and windows.

Design funding (\$676 thousand) was provided in fiscal year 2000 through reprogramming. This request is for construction (\$7,855 thousand) and management and inspection (\$629 thousand). The estimated total project cost is \$9,160 thousand.

**GENERAL SERVICES ADMINISTRATION  
Public Buildings Service**

**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

**EXHIBIT 12**

**DISTRICT OF COLUMBIA**

**320 First Street Federal Building.....\$8,260,000**

This project proposes the repair and alteration of 320 First Street Federal Building in Washington, DC. The building was originally known as the Acacia Building. The Acacia Mutual Life Insurance Company built it in 1927. The office spaces vary from the original separate offices with fixed partitions to open office spaces with movable partitions. The structure contains ten stories with 276,902 gross square feet of space and 245,225 rentable square feet. The structure is on GSA's Historical Properties List.

The project entails replacing poorly functioning HVAC system components, one chiller, and all of the building windows. The primary goal of this project is to reduce building operating expenses through increased system efficiencies and through a reduction in energy usage. These improvements to the basic building environment are also designed to improve the overall comfort level of building tenants.

This request is for design (\$722 thousand), construction (\$7,215 thousand) and management and inspection (\$323 thousand). The estimated total project cost is \$8,260 thousand.

**Internal Revenue Service Main Building (Phase II).....\$20,391,000**

The Internal Revenue Service (IRS) Building is located at 1111 Constitution Avenue, NW, Washington, DC. This building was constructed between 1928 and 1936. It provides 1,384,750 gross square feet of space, including 78 inside parking spaces. It is on the National Register of Historic Places.

This project will upgrade obsolete building systems and replace the collapsing basement floor slab with a reinforced concrete slab. The basement floor slab currently is collapsing at several locations due to continual soil settlements. The deteriorated piping systems underneath the basement floor and building moats will be replaced. All outdated mechanical and electrical systems located on the basement level associated with the floor slab work will be replaced. The main electrical incoming service along with five substations that serve the electrical needs of the entire building will be replaced. It will provide improvement in fire and life safety conditions by installing a new sprinkler system throughout the building. All toilet facilities and plumbing systems from the first through seventh floors will be replaced. The masonry/stone exterior of the building will be cleaned and repainted.

Design (\$3,098 thousand) was funded in fiscal year 1999. Phase 1 construction (\$29,628 thousand) and management and inspection (\$2,152 thousand) were funded in fiscal year 2001. This request is for Phase 2 construction (\$18,974 thousand) and management and inspection (\$1,417 thousand). The estimated total project cost is \$55,269 thousand.

**Main Interior Building (Phase II).....\$22,739,000**

This project proposes funding for Phase II of the modernization of the Main Interior Building located at 1849 C Street, NW in Washington, DC. Six construction phases have been proposed for this modernization, each of which will encompass two full wings of the building. The Main Interior Building was designed for and has been exclusively occupied by the Department of Interior (DOI) since its construction between 1935 and 1936. It is listed on the National Register of Historic Places. There are seven floors of office space above ground, a basement floor which provides parking, employee service areas and has a mechanical mezzanine between floors five and six. It provides 1,317,314 gross square feet of space.

Improvements to the Main Interior Building's systems are required to extend the useful life of the building, maintain the continuity of Government operations, and to bring the facility in line with applicable codes, public law requirements, and national policy. Restoration of historically significant areas in the building is necessary. The mechanical and electrical systems are 25 to 50 years old. Critically outdated, these systems are undersized and under capacity for current loads and demand. Parts are worn and obsolete, controls are deteriorated and nonfunctional, and the systems are inefficient. Interior finishes have deteriorated and require updating. The lighting and electrical systems are also inefficient and require improvement. The restrooms must be refurbished and made accessible for the physically challenged. The domestic and waste piping has deteriorated to a point where leakage necessitates replacement. Maintenance of these obsolete and worn out systems is time intensive, requires substantial periods of downtime, and results in prolonged inconvenience to the tenants as well as inefficiencies to the operating programs of DOI. Additionally, improvements to ensure conformance with current fire and life safety codes are required.

**GENERAL SERVICES ADMINISTRATION  
Public Buildings Service**

**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

EXHIBIT 12

**DISTRICT OF COLUMBIA – continued**

**Main Interior Building (Phase II) - continued**

Design (\$5,764 thousand) was funded in fiscal year 1994 in the Design and Construction Services activity. Phase I funds for \$29,214 thousand were provided for construction (\$27,334 thousand) and management and inspection (\$1,880 thousand) in fiscal year 2000. This Phase II request is for construction (\$21,539 thousand), and management and inspection (\$1,200 thousand). The balance of the construction funding (\$115,762 thousand) will be requested in future fiscal years. The estimated total project cost is \$173,479 thousand.

**Main Justice Building (Phase III).....\$45,974,000**

This project proposes the construction of Phase III of a three-phase modernization project of the Main Justice Building located at 9th and Constitution Streets, NW, Washington DC. This nine-story building is steel framed and includes a basement, sub-basement and attic. The basement and attic contain the majority of the building systems and support space. Constructed in 1935, it contains 1,089,720 gross square feet of space and 598,121 usable square feet of space. The building is located in the heart of Washington DC's architecturally significant Federal Triangle and is listed on the National Register of Historic Places.

This modernization project is designed to bring this 65 year old building into compliance with today's health, fire and life safety standards. In addition, the modernization will improve the building's HVAC, plumbing, electrical and lighting systems resulting in a significantly improved work space for the client agency. Exterior architectural features of this historical building will be receiving attention as well as building features in need of modification to comply with the Uniform Federal Accessibility Standards. Improvements to the Main Justice Building are required to extend the useful life of the building, maintain the continuity of Government operations, and bring this building in line with existing building codes, public law requirements and national policy. The mechanical and electrical systems are over 50 years old, making them dangerously outdated, undersized and under capacity for current loads and demands. Systems are worn and obsolete, many controls are deteriorated and non-functional. Equipment failures are being experienced at an increasing rate producing unscheduled, unacceptable outages, which adversely impact client operations. These improvements will provide a safer, more efficient workspace for the Government.

Approximately one-half of the tenant's 3,251 employees are relocated into swing space during each major phase. The Patrick Henry Building is located less than 3 blocks from the Main Justice building and is used as swing space.

Design funding (\$6,918 thousand) was provided in fiscal year 1993 in the Design and Construction Services activity. Phase I funds of \$50,000 thousand, were provided in fiscal year 1997 for design (\$200 thousand), construction (\$46,935 thousand) and management and inspection (\$2,865 thousand). Phase II funds of \$47,226 thousand were provided in fiscal year 2000 for construction (\$44,326 thousand) and management and inspection (\$2,900 thousand). This request is for Phase III construction (\$43,216 thousand) and management and inspection (\$2,758 thousand). The total estimated total project cost is \$150,118 thousand.

**FLORIDA**

**Jacksonville – Charles E. Bennett Federal Building.....\$23,552,000**

This project proposes the renovation of the Charles E. Bennett Federal Building located at 400 Bay Street in downtown Jacksonville, FL. The Charles E. Bennett Federal Building has 334,575 gross square feet of space, 11-story pre-cast concrete contemporary structure on a 3.13-acre site at 400 Bay Street in downtown Jacksonville, FL. The building provides 314,778 rentable square feet of office space and 177 outside parking spaces for Federal tenants. It was constructed in 1967 and houses 1,673 employees.

This project will allow GSA to provide expansion space in the building, thus alleviating the overcrowded conditions for the Corps of Engineers (COE), and other leased and Federal building tenants. The COE, Defense Contract Audit Agency, Department of Defense-Inspector General, Environmental Protection Agency and Navy are experiencing growth and require expansion space to remedy current overcrowded space conditions. All agencies but COE is currently housed in leased space.



**GENERAL SERVICES ADMINISTRATION  
Public Buildings Service**

**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

EXHIBIT 12

**FLORIDA - continued**

**Jacksonville – Charles E. Bennett Federal Building - continued**

The Federal Building is 33 years old and its mechanical and electrical systems are obsolete, inadequate, and well past the end of their useful lives. The systems have not been updated since the building was constructed. This project will renovate space in the building for new tenants and remedy physical and functional deterioration and obsolescence. GSA proposes to remove asbestos materials, modify interior space, upgrade mechanical systems, and repair foundation cracks. GSA also proposes to refurbish grounds and approaches, clean exterior walls, and upgrade the fire and life safety systems. Additionally, GSA will upgrade the electrical system, including the replacement of the electrical service conductors, the main switchboard, the electrical feeders, and the chillers, pumps, and air handling units' panel boards.

Design (\$1,930 thousand) was funded in fiscal year 2000. This request is for construction (\$21,701 thousand) and management and inspection (\$1,851 thousand). The estimated total project cost is \$25,482 thousand.

**Tallahassee – Courthouse.....\$4,894,000**

This project proposes the renovation of the U.S. Courthouse located at 110 East Park Avenue in downtown Tallahassee, FL. The U.S. Courthouse is a 59,976 gross square foot, three-story stone structure on an approximately 1.3 acre site, located three blocks from the Florida State Capital. The building was constructed in 1935 and is listed on the National Register of Historic Places.

The District Court and court-related agencies vacated the entire building while relocating to a newly constructed U.S. District Courthouse annex. GSA proposes to recapture the building's 43,478 rentable square feet of vacant space by moving the U.S. Bankruptcy Court and the U.S. Trustees from leased space. The building is 66 years old, and thus its systems are obsolete, and well past the end of their useful lives. The systems have not been updated since the building was constructed. This project will renovate the space, provide badly needed expansion space for new tenants, and remedy physical and functional building deterioration and obsolescence.

GSA proposes to modify interior space, modify access to ADA criteria, upgrade roof, fire and life safety, and upgrade mechanical and electrical systems. Additionally, the alteration will upgrade existing elevators and install a new elevator, conserve artwork, and refurbish wood windows. The project will improve building exterior, grounds, and correct water damage, which is causing this valuable historic Federal asset to deteriorate.

Design (\$518 thousand) was funded in fiscal year 2001. This request is for construction (\$4,434 thousand) and management and inspection (\$460 thousand). The estimated total project cost is \$5,412 thousand.

**ILLINIOS**

**Chicago – Federal Building – 536 S. Clark Street.....\$60,073,000**

This project proposes tenant alterations, major structural, mechanical, electrical, and plumbing upgrades to Chicago's 89-year old, ten-story Federal Building located at 536 S. Clark Street in Chicago, IL. It currently houses 655 employees. This project will support a significantly expanded occupancy of the Department of Justice, Immigration and Naturalization Service (INS). This project will bring the 35-year old passenger elevators and the 15-year old obsolete fire alarm/fire safety system up to life-safety and accessibility standards. In addition, GSA will upgrade mechanical, electrical and plumbing infrastructure and replace the existing facade.

This modernization will also allow the INS to consolidate operations from several inadequate leased and Government-owned locations in Chicago to one Government-owned building. Changes proposed include a light court infill, an atrium glass roof and a new entrance and building addition, and a sallyport to make the building both more functional and modern for long-term housing of the proposed tenants. The new building entrance will provide a safe and secure early morning waiting area for INS clients who form lengthy lines prior to regular business hours, often in harsh winter weather.

**GENERAL SERVICES ADMINISTRATION  
Public Buildings Service**

**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

EXHIBIT 12

**ILLINOIS - continued**

**Chicago – Federal Building – 536 S. Clark Street - continued**

Design funding (\$1,372 thousand) was provided in fiscal year 2001. This request is for additional design (\$3,046 thousand), construction (\$52,869 thousand) and management and inspection (\$4,158 thousand). The estimated total project cost is \$61,445 thousand.

**Chicago – John C. Kluczynski Federal Building.....\$12,725,000**

This prospectus proposes to upgrade the 27-year old elevator system in the John C. Kluczynski (JCK) Federal Building, 230 S. Dearborn Street, Chicago, IL. The JCK Federal Building was constructed in 1973 and includes 20 indoor parking spaces. JCK is 43 stories above ground and provides 1,242,482 gross square feet of space to house approximately 2,980 employees. Major tenants include the Department of Labor, Internal Revenue Service, Drug Enforcement Administration, and the General Services Administration.

There are increased instances of elevator entrapments and other safety problems, in addition to non compliance with current codes. The work is required due to safety and to meet current codes, which includes replacing aged motor generator sets with energy-efficient solid state drives and signal systems and providing a new elevator controller system. In addition, the elevator cabs will be renovated and updated to comply with the requirements of the ADA.

Design (\$572 thousand) was funded in fiscal year 1994 in the Design and Construction Services Activity. This request is for additional design (\$341 thousand) construction (\$11,698 thousand) and management and inspection (\$686 thousand). The estimated total project cost is \$13,297 thousand.

**Chicago – Harold Washington Social Security Center.....\$13,692,000**

This project consists of major building system upgrades to the Harold Washington Social Security Center located at 600 W. Madison in Chicago, IL. This building was built in 1975 and contains 751,020 gross square feet of space, including ten stories and 14 indoor parking spaces. The building houses 1,763 employees.

This project proposes the replacement of the building's curtain wall-framing, the 25-year old corroded sprinkler system, and modernization of the elevators and restrooms. The sprinkler system is currently leaking and the curtain wall system is failing, allowing water infiltration and failure to insulate the glass. This project will address many fire and life safety issues and bring the building into compliance with the Uniform Federal Accessibility Standards and the Americans with Disabilities Act, (UFAS/ADA) accessibility standards. Restroom renovation and elevator upgrades will also be accomplished as a part of this project.

Design funding (\$1,351 thousand) was provided in fiscal year 1996. This request is for additional design (\$64 thousand), construction (\$12,394 thousand) and management and inspection (\$1,234 thousand). The estimated total project cost is \$15,043 thousand.

**IOWA**

**Des Moines – 210 Walnut Street Federal Building.....\$11,992,000**

This project proposes to repair the exterior curtain wall of the Federal Building (FB) located at 210 Walnut Street, Des Moines, IA. The 210 Walnut Street Federal Building was constructed in 1966 on a one block site in downtown Des Moines. The FB is 10 stories above ground and provides a gross area of 383,727 square feet to house approximately 1,700 employees. There are 144 structured parking spaces adjacent to the building and eight surface parking spaces.

GSA proposes alterations to the FB, which includes removal of granite column cladding, removal of external aluminum fins, replacement of windows, stabilization and overcladding of glazed brick and columns, and replacement of roof. The roof is fatigued and nearing the end of its expected life span, and even a roof in good condition would be destroyed during the recladding construction process. No tenants of the building will be displaced.

Design (\$988 thousand) was funded through fiscal year 2000 reprogramming. This request is for construction (\$11,131 thousand) and management and inspection (\$861 thousand). The estimated total project cost is \$12,980 thousand.

**GENERAL SERVICES ADMINISTRATION  
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EXHIBIT 12

**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

**MISSOURI**

**St. Louis – Federal Center Buildings 104/105.....\$20,212,000**

This project proposes to modernize and recapture vacant space in Buildings 104 and 105 at the Federal Center (FC) located at 4300 Goodfellow in St. Louis, MO. Buildings 104 and 105 are part of a 65 acre, 21 building FC complex constructed in 1942 as the St. Louis Ordnance Plant. The FC includes over 1.2 million usable square feet of office, storage and special space. Following transfer of the complex to GSA from the Army in 1967, the facilities were modernized to upgrade the complex from a manufacturing plant to modern office park environment.

As a result of the Base Realignment and Closure Act recommendation to decommission and relocate the Army Training Command (ATCOM), approximately 282,358 square feet of vacant space in Buildings 104 and 105 remains available for backfill. GSA will consolidate and relocate the Rural Development and Farm Services Agency activities of the United States Department of Agriculture (USDA) currently housed in two separate locations, to vacant Government-owned space in Buildings 104 and 105 at the FC. The project proposes interior modernization to convert 246,758 usable square feet of vacant space into quality office work environment for the USDA.

Design (\$1,208 thousand) was funded in fiscal year 2001. This request is for additional design (\$427 thousand), construction (\$17,991 thousand), management and inspection (\$1,794 thousand). The estimated total project cost is \$21,420 thousand.

**NEVADA**

**Las Vegas – Foley Federal Building-Courthouse.....\$26,978,000**

This project proposes to alter the Foley Federal Building - US Courthouse at 300 Las Vegas Boulevard South in Las Vegas, NV. The building, constructed in 1967, has 204,575 gross square feet of space, including 138 outside parking spaces and currently houses approximately 257 employees. Upon completion, the building will house 399 employees.

GSA will provide space alterations, renovate and upgrade the HVAC and plumbing systems, upgrade the fire alarm system and extend the fire sprinkler system, replace water chillers, replace major electrical equipment, replace external windows, upgrade the loading dock, replace the roof, renovate two passenger elevators and one freight elevator, abate asbestos where necessary, and modify accessibility per UFAS/ADA. In addition, the project will recapture 121,839 square feet of vacant space resulting from the relocation of the U.S. District and Magistrate courts, and court related agencies to the newly constructed Lloyd D. George FB-CT. Executive agencies housed in six leased locations will move into the building.

Design funding (\$1,365 thousand) was provided in fiscal year 2000. This request is for additional design (\$385 thousand), construction (\$24,651 thousand) and management and inspection (\$1,942 thousand). The estimated total project cost is \$28,343 thousand.

**NEW JERSEY**

**Newark – Peter W. Rodino, Jr. Federal Building.....\$5,295,000**

This prospectus proposes to recapture 54,000 rentable square feet of vacant space for the Immigration and Naturalization Service (INS) in the Peter W. Rodino Federal Building (FB), located at 970 Broad Street in downtown Newark, NJ. Built in 1967, this 495,208 gross square foot office building anchors the Newark Federal Center. The Rodino FB is the largest single provider of office space to the Newark Federal community and houses 1,348 Federal employees.

The proposed project will include tenant improvement build-out and incidental demolition and asbestos removal. This project will allow INS to consolidate from three leased locations into federal space. Currently, the INS is located in four locations in Newark in space of varying quality. INS operations are currently fragmented will improve by consolidating them. This proposed project will enable GSA to meet the consolidation needs of the INS and provide them with quality office space.

**GENERAL SERVICES ADMINISTRATION  
Public Buildings Service**

**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

EXHIBIT 12

**NEW JERSEY - continued**

This request is for design (\$42 thousand), construction (\$5,119 thousand) and management and inspection (\$134 thousand). The estimated total project cost is \$5,295 thousand.

**OHIO**

**Cleveland – Anthony J. Celebrezze Federal Building.....\$22,986,000**

This project proposes tenant alterations to recapture approximately 130,336 rentable square feet of vacant space in the Anthony J. Celebrezze Federal Building. The Anthony J. Celebrezze Federal Building is located in downtown Cleveland at 1240 East Ninth Street. The building was constructed in 1966 with 1,272,364 square feet of rentable office space and 355 inside parking spaces. It houses approximately 5,500 federal employees.

The Federal Bureau of Investigation will be moving out of the Federal Building into a newly leased-constructed building in fiscal year 2001. Three proposed new tenants, Housing and Urban Development, Small Business Association, and the Equal Employment Opportunity Commission will be moved to the vacant federal space from leased space. The initial space alteration will require demolition of existing tenant build-out including asbestos abatement throughout the vacated floors prior to starting new tenant build-out. Additionally, the project proposes a building-wide replacement of the failing fan coil units. The new fan coil system will deliver energy efficient heated and cooled air through a zoned temperature control system.

Design (\$1,464 thousand) was funded in fiscal year 2001. This request is for construction (\$20,896 thousand) and management and inspection (\$2,090 thousand). The estimated total project cost is \$24,450 thousand.

**Cleveland - Howard M. Metzenbaum U.S. Courthouse.....\$27,856,000**

This project proposes tenant alterations to backfill the Howard M. Metzenbaum U.S. Courthouse located at 201 Superior Avenue, Cleveland, Ohio. The five-story Metzenbaum Courthouse contains 251,314 gross square feet of space and currently houses 150 employees. The building was completed in 1910 and is located in the heart of Cleveland's central business district. It is listed in the National Register of Historic Places and potentially eligible for National Historic Landmark status – the highest level of historic designation in the country.

When the current tenants relocate to the new U.S. Courthouse, the Metzenbaum Courthouse will be vacant in fiscal year 2002. This project proposes initial space alterations for the Bankruptcy Court and other executive agencies. Additionally, the project provides restoration for some of the architecturally significant spaces in the building, and a modernization of the HVAC, plumbing, fire/life safety, lighting and power systems throughout the building. This project is central to GSA's ability to retain the functionality and economic viability of this historic courthouse, an invaluable cultural asset to Cleveland and the nation. The project proposes an in-fill to provide new space and to convert basement space currently occupied by the U.S. Marshals to parking.

Design (\$1,545 thousand) was funded in fiscal year 2001. This request is for additional design (\$756 thousand), construction (\$24,817 thousand), and management and inspection (\$2,283 thousand). The estimated total project cost is \$29,401 thousand.

**OKLAHOMA**

**Muskogee – Federal Building – Courthouse .....\$8,214,000**

The General Services Administration proposes the modernization of the Federal Building and Courthouse (FB-CT) at 101 North 5th in Muskogee, OK. The FB-CT at 101 North 5th in Muskogee, OK, was built in 1915 as a United States Post Office and Courthouse. In 1937 a major addition was constructed on the west side of the original building which accounts for its current size of 137,532 square feet of space. This is an historic landmark building eligible for listing on the National Register of Historic Places. Approximately 213 employees currently occupy the building.

**GENERAL SERVICES ADMINISTRATION  
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EXHIBIT 12

**OKLAHOMA - continued**

GSA will provide a new building distribution system (including lighting), electrical service entrance, and switchgear. The electrical upgrade is needed to provide trouble-free electrical service with adequate capacity to facilitate court operations, required lighting levels, uninterrupted computer operations, and reliable building security and fire alarm systems. Proposed mechanical upgrades include new air handlers, ductwork, and an energy management system. The project will also provide a new plumbing system, complete fire sprinkler system, and asbestos abatement.

The building currently houses 3 courtrooms. The District Clerk's Office, the US Marshal's, the Bureau of Indian Affairs (BIA), and GSA. The Courts have projected steady growth in Muskogee and the ten-year requirements will require the entire building and thus the BIA will have to move to lease space to vacate the space for the Courts

Design funding (\$823 thousand) was provided in fiscal year 2001. This request is for construction (\$7,536 thousand) and management and inspection (\$678 thousand). The estimated total project cost is \$9,037 thousand.

**OREGON**

**Portland – Pioneer Courthouse.....\$16,629,000**

This project proposes to alter and repair the Pioneer Courthouse, located at 520 SW Morrison in Portland, OR. Built between 1869 through 1875, this historic landmark building provides 48,125 gross square feet of space.

GSA proposes to install base isolation, install shear walls and to anchor the floor to perimeter walls to meet seismic requirements and to maintain the structure of this National Historic Landmark and oldest public building in the city. GSA also proposes to upgrade the existing fire alarm system to comply with fire codes and the Americans with Disabilities Act (ADA), and to extend the sprinkler system to the entire building. In addition, the project will renovate the HVAC, electrical, telecommunication, and data systems to meet tenant requirements and to repair building exterior cracking damage from earthquakes.

Design funding (\$543 thousand) was provided in fiscal year 1995. This request is for additional design (\$797 thousand), construction (\$14,693 thousand) and management and inspection (\$1,139 thousand). The estimated total project cost is \$17,172 thousand.

**RHODE ISLAND**

**Providence – Federal Building - Courthouse.....\$5,039,000**

This project proposes alterations to the Federal Building and U.S. Courthouse (FB-CT) located at Exchange Place in Providence, RI. The building, originally constructed in 1908 as an U.S. Post Office, courthouse and customhouse, is a five-story steel frame masonry structure with an attic and basement providing 120,598 gross square feet of space. The building is listed on the National Register of Historic Places, and is an important part of downtown Providence.

Through this project, GSA will alleviate the Court's safety and security risks by adding an additional stairwell and a secure elevator for the exclusive use of judicial officials. The project will also create an additional 3,000 square feet of space by enclosing the atrium to accommodate the proposed stairwell. The lightwell infill will enhance fire safety regulations by providing an additional stairwell that will give the Courts adequate egress for occupants above the ground floor in case of fire, explosion, or other disaster, especially on the south side of the building. The additional elevator will alleviate further security risks by providing judicial officials a separate elevator, one they do not have to share with prisoners.

This request is for design (\$273 thousand), construction (\$4,366 thousand) and management and inspection (\$400 thousand). The estimated total project cost is \$5,039 thousand.

**GENERAL SERVICES ADMINISTRATION  
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**Repairs and Alterations  
FY 2002 Construction Phase Project Description**

EXHIBIT 12

**WISCONSIN**

**Milwaukee – Federal Building – U.S. Courthouse.....\$10,015,000**

This prospectus proposes fire safety, accessibility, mechanical and electrical upgrades in the Federal Building and U.S. Courthouse (FB-CT). The FB-CT was constructed between 1892 and 1899 with an addition built between 1932 and 1941. It is a National Register listed property and potentially eligible for National Historic Landmark status - the highest national landmark registration. The building has 500,247 gross square feet of space, houses 702 employees and includes 28 inside parking spaces.

GSA will upgrade the fire and life safety, electrical, mechanical, and accessibility in the Federal Building. Eight, 40-year old elevators will be replaced. The electrical system will be upgraded, which will include new circuit panels in the North building. The project will provide a new fire alarm system, building controls and energy management system. Additional work includes converting the dual duct HVAC system to variable air volume on five floors, rebuilding the sidewalk vault to house an emergency generator for elevator recall and fire pumps, repairing the surrounding sidewalks, and restoring the windows in the North half of the building.

Design (\$774 thousand) was funded in fiscal year 2001. This request is for construction (\$9,337 thousand) and management and inspection (\$678 thousand). The estimated total project cost is \$10,789 thousand.

**PCB TRANSFORMERS – VARIOUS BUILDINGS \$15,588,000**

This prospectus proposes to replace all transformers with PCB's in both the J.W. Powell Building, Reston, VA, and the New Executive Office Building, Washington, DC.

Nine contaminated transformers will be replaced at the New Executive Office Building and 22 transformers at the J.W. Powell Building. The manufacture and use of PCBs was banned in 1976 by the Toxic Control Substance Act because of scientifically demonstrated health hazards. The transformers frequently require servicing from leaks, resulting from their age. The fluid continues to be a health hazard to personnel servicing the transformers. Additionally, the costs of normal servicing are greater because of the servicing and handling of hazardous material. Some leaks (depending on the quantity) require EPA notification, when concentrations exceed a certain level. Immediate draining and replacement of the fluid is required at a significant cost. Liability and costs are even greater should there be an explosion and/or fire within the transformer vaults.

This request is for design/build (\$15,588 thousand) of both buildings. This request provides for design (\$1,362 thousand), construction (\$13,616 thousand) and management and inspection (\$610 thousand).

**HVAC – VARIOUS BUILDINGS \$6,650,000**

This project proposes replacement/upgrades for the HVAC systems in the James T. Foley Courthouse in Albany, NY and the Burlington Post Office and Federal Building in Burlington, VT.

These projects will provide a major systems upgrade to these buildings' HVAC equipment, improving ventilation and indoor air quality. It will save costs because of reduced maintenance costs and more efficient HVAC systems. No tenants will be displaced.

Each building's HVAC system components are either noticeably worn or inoperable, causing poor air distribution and filtration. As a result, the building does not meet minimum ventilation code requirements. This project will improve

**GENERAL SERVICES ADMINISTRATION  
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**Repairs and Alterations  
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EXHIBIT 12

**HVAC – VARIOUS BUILDINGS – continued**

ventilation and air circulation needed for health and safety code compliance. It will preserve the economic life of the building and lower maintenance costs. Poor building air quality has also led to frequent customer complaints in these buildings. The proposed HVAC upgrades will improve building air quality, ventilation, and temperature, resolving customer complaints and improving customer satisfaction.

This request is for design/build (\$6,650 thousand) for both buildings. This request provides design (\$462 thousand), construction (\$5,821 thousand) and management and inspection (\$367 thousand).

**Repairs and Alterations  
Descriptions of Projects Scheduled for FY 2002 Design**

EXHIBIT 12

**COLORADO**

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**Denver - Byron G. Rogers Federal Building-Courthouse.....\$3,688,000**

This project proposes to modernize, recapture vacant space, and improve existing finishes in the Byron G. Rogers Courthouse in Denver, CO. The Byron G. Rogers Federal Building-Courthouse was built in 1964 with a 5-story U.S. Courthouse which houses judicial branch agencies and an 18-story Federal Building, which houses executive branch agencies. The courthouse has 247,822 gross square feet of space with 166 structured inside parking spaces. The building houses 168 employees.

GSA is constructing a new courthouse annex across the street from the courthouse, this project is required to alter the courthouse for new tenants and to refurbish five district courtrooms by repainting, carpeting and refinishing woodwork. In addition, GSA must alter the court, public, and prisoner circulation to improve security. The project will replace obsolete mechanical, electrical and life safety systems. The project will bring the building into compliance with ADA and remove asbestos, lead-based paint, and PCB's. GSA proposes to relocate all current tenants to the courthouse annex with the exception of the circuit library. After project completion, senior district and magistrate judges will relocate from the courthouse annex to the courthouse.

This request (\$3,688 thousand) is for design. The balance of funding for construction (\$37,652 thousand) and management and inspection (\$2,997 thousand) will be requested in a future fiscal year. The estimated total project cost is \$44,337 thousand.

**DISTRICT OF COLUMBIA**

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**Federal Office Building 8.....\$7,761,000**

The project proposes the complete modernization of Federal Office Building (FOB) 8 located at 2nd and C streets, SW, Washington, DC, at the base of Capitol Hill. It was designed as laboratories for the Food and Drug Administration (FDA) and was constructed in 1965. It is presently about 70% occupied, housing approximately 660 FDA employees and contractors.

After FDA moves to a new facility in College Park, MD, the building will be gutted and rebuilt as modern office space for the Government. Only the elevators, which have been recently replaced, will remain. All other systems, including HVAC, electrical, water, sewer, data, and telephone will be replaced. A new exterior and new windows will also be added. All areas of the building will have modern safety and security features. Without redevelopment, this structure would have to be boarded up and sit idle.

This request (\$7,761 thousand) is for design. The balance of funding for construction (\$72,471 thousand) and management and inspection (\$6,220 thousand) will be requested in a future fiscal year. The estimated total project cost is \$86,452 thousand.

**Mary E. Switzer Memorial Building.....\$5,384,000**

This project proposes a modernization of the Mary Switzer E. Memorial Building. The Mary E. Switzer Memorial Building is located at 330 C Street, SW, in Washington, DC. The Switzer Memorial Building was built in 1942 and houses 1,545 employees of the Department of Education, Department of Health and Human Services, the International Broadcasting Board of Governors and the Department of State.

This project will provide major replacement of outdated building systems. The work includes HVAC upgrades, electrical and plumbing system refurbishment, fire and life safety work, vacant rentable space recapture, interior space and architectural renovations, tenant improvements, exterior improvements, elevator modifications and asbestos and lead abatement.



**Repairs and Alterations  
Descriptions of Projects Scheduled for FY 2002 Design**

EXHIBIT 12

**DISTRICT OF COLUMBIA - continued**

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**Mary E. Switzer Memorial Building - continued**

This request (\$5,384 thousand) is for additional design. Additional design funds are necessary to recapture vacant useable space, perform demolition necessary to improve the utilization and flexibility of space to meet changing tenant agency missions, and make architectural renovations to public and joint-use spaces and to meet evolving tenant requirements. The design amount of \$2,392 thousand was provided in fiscal year 2000. The balance of funding for construction (\$68,128 thousand) and management and inspection (\$5,830 thousand) will be requested in a future fiscal year. The estimated total project cost is \$81,734 thousand.

**GEORGIA**

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**Atlanta - Martin L. King, Jr. Federal Building.....\$2,351,000**

This project proposes modernization of the Martin Luther King, Jr. Federal Building, located at 77 Forsyth Street, in Atlanta, GA. The Federal Building was built in 1931 as a U.S. Post Office and is eligible for the National Register. It is a ten-story, stone clad structure and has 344,976 gross square feet of space with 50 outside parking spaces. It currently houses 363 Federal employees.

GSA will recapture 165,697 rentable square feet of vacant space and address the building's deteriorated elements. The proposed work will restore the building's exterior and repair the HVAC, conveyance, electrical, and fire-safety building systems. Also, it will modify several building features, repair the roof, abate hazardous materials, replace the original steel windows, and perform site work.

The proposed project also includes space alterations for the Immigration Naturalization Service (INS). These alterations include: installing a secure elevator, modifying the existing freight elevator, installing two chillers, reworking the return air ducts, replacing the fire alarm system, modifying exit stairs, and removing asbestos and lead paint. The project will also reconfigure the building's entrance and existing onsite walkways to meet INS needs.

This request (\$2,351 thousand) is for design. The balance of funding for construction (\$27,567 thousand) and management and inspection (\$2,712 thousand) will be requested in a future fiscal year. The estimated total project cost is \$32,630 thousand.

**Atlanta - Richard B. Russell Federal Building.....\$2,917,000**

This project proposes the modernization of the Richard B. Russell Federal Building, located at 7 Spring Street, in Atlanta, GA. The Russell Federal Building a 27-story office tower on a four-acre site was built in 1979. The building has 1,281,446 gross square feet of space with 30 inside and 417 outside parking spaces. It currently houses 1,315 Federal employees. The tenants are the Courts and related agencies, who require a high level of security and additional space to meet their long-term needs.

GSA will alter 208,584 square feet of interior space, restore the building exterior, repair HVAC, electrical, and fire safety building systems, modify building features, refurbish existing windows, replace the elevator control system, refurbish the elevator cabs, install a generator, repair the roof, and abate asbestos.

This request (\$2,917 thousand) is for design. The balance of funding for construction (\$29,112 thousand) and management and inspection (\$2,146 thousand) will be requested in a future fiscal year. The estimated total project cost is \$34,175 thousand.

## Repairs and Alterations Descriptions of Projects Scheduled for FY 2002 Design

EXHIBIT 12

### ILLINOIS

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**Springfield - Paul H. Findley Federal Building - Courthouse.....\$539,000**

This project proposes the replacement of the existing duct HVAC at the Paul H. Findley Federal Building and U.S. Courthouse. The Paul H. Findley Federal Building and U.S. Courthouse is located at 600 East Monroe Street, in Springfield, IL. The Federal Building and Courthouse was built in 1930. It is listed on the National Register of Historic

Places, and houses 147 employees. The building has 142,886 gross square feet of space with one inside and 40 outside parking spaces.

GSA will replace the inadequate and inefficient dual duct HVAC system with a variable air volume system. The work will also include a new perimeter air conditioning control system along with associated asbestos removal. The existing HVAC system has caused tenant dissatisfaction, high maintenance and repair costs. It also causes health and safety concerns and does not meet air circulation requirements.

This request (\$539 thousand) is for design. The balance of funding for construction (\$5,512 thousand) and management and inspection (\$424 thousand) will be requested in a future fiscal year. The estimated total project cost is \$6,475 thousand.

### MASSACHUSETTS

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**Boston - John W. McCormack Post Office and Courthouse.....\$5,338,000**

The John W. McCormack Post Office-Courthouse, One Post Office Square in Boston, MA was completed in 1932. It is 22-stories tall with two basement floors and is steel frame construction with granite and masonry facing. It is currently not listed on the National Register of Historic Places.

This project will remove asbestos insulation throughout the building, bring building egress into compliance with current code requirements, and provide for space alterations to modernize deteriorated office areas throughout the building. It includes exterior and minor seismic work, upgrading the fire alarm system, and improving obsolete electrical systems. Other major components of the project will include HVAC upgrade, replacement of all single-pane windows with energy efficient units, and installation of exterior envelope insulation to reduce energy consumption. The work will also upgrade the building to meet current handicapped accessibility requirements.

This request (\$5,338 thousand) is for design. Construction (\$65,140 thousand) and management and inspection (\$5,881 thousand) will be requested in a future fiscal year. The estimated total project cost is \$76,359 thousand.

### NEW YORK

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**New York - U.S. Customs House – Six World Trade Center.....\$719,000**

This project proposes a modernization of the U.S. Customs House – Six World Trade Center. The Customs House is an eight-story, steel frame office building built in 1973. The building contains 721,001 gross square feet of space, including 138 inside parking spaces. The building houses 2,300 employees.

GSA will upgrade the public rest rooms, the building accessibility to meet the Americans with Disabilities Act standards, and the HVAC system. Improvements will be made to the electrical system that meets neither the tenant's electrical needs nor current standards, and the fire protection system, which does not comply with national and local codes.

This request (\$719 thousand) is for design. The balance of funding for construction (\$7,060 thousand) and management and inspection (\$627 thousand) will be requested in a future fiscal year. The estimated total project cost is \$8,406 thousand.

## Repairs and Alterations Descriptions of Projects Scheduled for FY 2002 Design

EXHIBIT 12

### NEW YORK - continued

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**Brooklyn - Emanuel Celler Courthouse.....\$3,791,000**

This project proposes the modernization of the Emanuel Celler Courthouse, located at 225 Cadman Plaza East, Brooklyn, NY. The Celler Courthouse was built in 1963 and attached to an adjacent office building that was completely demolished in 1998 as part of the new Brooklyn U.S. Courthouse project. The building houses 375 employees of the district courts and U.S. Marshals. There have been no major capital improvements since the building was constructed.

In this proposed project, GSA will remove asbestos containing material, which is badly deteriorated. The building requires modernization of interior finishes, such as ceilings, lighting, and floor coverings to improve overall building quality and tenant satisfaction. The HVAC and electrical systems must be upgraded to meet current standards. Existing windows leak allowing water and exterior air to enter the building and, need replacement for both health and energy conservation reasons.

Modernization of the building's elevators will reduce energy and maintenance costs, as well as bring them into compliance with accessibility codes. In addition, the project will upgrade handicapped accessibility features that do not meet Americans Disability Act standards. The project will replace the fire alarm system, which does not comply with current standards. This building also serves the public and will have a sprinkler system installed.

This request (\$3,791 thousand) is for design. The balance of funding for construction (\$42,861 thousand) and management and inspection (\$3,137 thousand) will be requested in a future fiscal year. The estimated total project cost is \$49,789 thousand.

### NORTH DAKOTA

**Fargo - Federal Building – Post Office.....\$336,000**

This project proposes the modernization of the Federal Building – Post Office, located in downtown Fargo. The Federal Building – Post Office was built in 1969. It contains four stories, a basement, and a penthouse and provides 228,345 gross square feet of space to house 648 employees. There are 33 inside parking spaces and 117 surface parking spaces in a lot adjacent to the building. The building currently houses the U.S. Postal Service, Internal Revenue Service, Small Business Administration, Social Security Administration and numerous other small agencies.

GSA will replace the main electrical service and switchboard, install an emergency power generator, repair two passenger elevators, replace a freight elevator, install sprinklers on three floors, replace windows, modify building elements to comply with Americans Disability Act standards, regrade and repave sidewalks and loading areas, and abate asbestos.

This request (\$336 thousand) is for design. The balance of funding for construction (\$3,452 thousand) and management and inspection (\$324 thousand) will be requested in a future fiscal year. The estimated total project cost is \$4,112 thousand.

### TEXAS

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**Ft. Worth - Fritz G. Lanham Federal Building.....\$833,000**

This project proposes the modernization of the Fritz G. Lanham Federal Building (FB) located at 819 Taylor Street in Fort Worth, TX. The Lanham FB was built in 1966 and houses 1,862 employees. The Federal Building contains 752,737 gross square feet of space and includes 138 inside parking spaces. GSA proposes to upgrade the existing electrical HVAC equipment and the fire alarm system. The HVAC system has long since outlived its useful life and does not provide adequate temperature control nor meet ventilation code requirements. The electrical fire alarm system and hot water equipment is also in need of replacement to avoid breakdowns and high repair costs.

This request (\$833 thousand) is for design. The balance of funding for construction (\$11,381 thousand) and management and inspection (\$793 thousand) will be requested in a future fiscal year. The estimated total project cost is \$13,007 thousand.

## Explanation of Estimates Installment Acquisition Payments

### New Obligational Authority (Dollars in Thousands)

FY 2000 Actual	FY 2001 Current	FY 2002 Request
\$201,646	\$185,369 <sup>1/</sup>	\$186,427

<sup>1/</sup> Does not include \$10,000 thousand used from prior year unobligated balances.

#### General Program Description

The Public Buildings Amendments of 1972 enabled GSA to contract for the construction of a backlog of authorized but unfunded new construction projects. We were granted borrowing authority for a selected number of priority projects; and for a number of these projects we entered into private financing agreements. We later refinanced all projects through the Federal Financing Bank (FFB), since FFB interest rates are lower than private sector rates.

Congress has provided authority on numerous occasions to borrow funds to construct specific federal facilities. While a few of these projects utilized private sector financing, all projects are now financed through the FFB. This program funds payments for interest, including capitalized interest, for facilities constructed under borrowing authority.

#### Budget Summary

The fiscal year 2002 estimated obligational level is \$186,427 thousand. This reflects a net decrease of \$8,942 thousand from the fiscal year 2001 level, \$195,369 thousand, (\$185,369 thousand in new obligational authority and \$10,000 thousand from unobligated balances in prior years). The request reflects:

- A decrease in capitalized interest payments (\$1,095 thousand), and a decrease in regular interest payments (\$7,847 thousand) as outstanding principal balances decrease. This decrease reflects the fiscal year 2001

completion of interest payments on 26 purchase contract projects.

#### Budget Summary Information

Exhibit 13 explains budget changes from fiscal year 2001 to fiscal year 2002.

Exhibit 14 reflects obligational levels for borrowing authority for lease purchase projects from fiscal year 2000 to fiscal year 2002.

Exhibit 15 is a list of authorized lease purchase projects.

New Obligational Authority	185,369
Program Requirements Funded From Unobligated Balances	10,000
<b>FY 2001 Current Level (Obligations)</b>	<b>195,369</b>
Decrease in Capitalized Interest Payments	(1,095)
Decrease in Interest Payments	(7,847)
<b>FY 2002 Request</b>	<b>186,427</b>

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

CONSTRUCTION OF LEASE PURCHASE FACILITIES  
STATUS OF UNOBLIGATED BORROWING AUTHORITY  
*(Dollars in Thousands)*

	FY 2000 ACTUAL	FY 2001 CURRENT	FY 2002 REQUEST	FUTURE YEARS
UNOBLIGATED BALANCE AVAILABLE START-OF-YEAR	232,868	230,999	206,626	199,126
NEW AUTHORITY TO BORROW	--	--	--	--
TOTAL AVAILABILITY	232,868	230,999	206,626	199,126
OBLIGATIONS AGAINST FY 1990 AUTHORITY	(1,872)	(24,373)	(7,500)	(199,126)
PRIOR YEAR RECOVERIES	3	--	--	--
UNOBLIGATED BALANCE AVAILABLE END-OF-YEAR	230,999	206,626	199,126	0

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**CONSTRUCTION OF LEASE PURCHASE FACILITIES  
PROJECT LISTING  
(Dollars in Thousands)**

	<u>PROJECT START DATE</u>	<u>PROJECT COMPLETION DATE</u>	<u>AUTHORITY TO BORROW</u>
<b>DEVELOPER CONSTRUCTION FINANCING</b> <i>(Project Cost Includes Construction Interest)</i>			
California, Oakland, FB	12/90 (A)	12/94 (A)	194,470 1/, 2/
Georgia, Atlanta, CDC	8/93 (A)	12/95 (A)	23,776 1/
Georgia, Chamblee, CDC/Office	6/90 (A)	5/93 (A)	4,954 1/
Illinois, Chicago, FB	5/89 (A)	6/91 (A)	156,943 1/
<b>FFB CONSTRUCTION FINANCING</b> <i>(Project Cost Excludes Construction Interest)</i>			
California, San Francisco, FB	10/02 (E)	3/ 10/05 (E)	144,608
Florida, Miami, FB	6/92 (A)	8/93 (A)	14,400 1/
Georgia, Chamblee, CDC/Lab	9/99 (A)	11/01 (E)	25,920
Georgia, Chamblee, IRS	6/93 (A)	11/98 (A)	77,314
Maryland, Woodlawn, HCFA	12/92 (A)	8/95 (A)	119,846 1/
New York, New York, Foley Square 4/	3/91 (A)	12/94 (A)	838,416
Tennessee, Memphis, IRS	10/91 (A)	2/96 (A)	<u>111,000</u>
Total Projects - 11			1,711,647 5/
(A) ACTUAL			
(E) ESTIMATED			
1/ Project financially complete.			
2/ Includes construction period interest paid to the developer (\$17,095).			
3/ Design start 8/00 (A)			
4/ Obligations will continue to be incurred to complete work associated with the African Burial Ground.			
5/ \$233,418 thousand in Borrowing Authority lapsed 9/30/99.			

## Explanation of Estimates Rental of Space

### New Obligational Authority (Dollars in Thousands)

FY 2000 Actual	FY 2001 Current	FY 2002 Request
\$2,917,896 <sup>1/</sup>	\$3,163,370 <sup>2/</sup>	\$2,959,550 <sup>3/</sup>

<sup>1</sup> Includes \$135,710 thousand for Indefinite Authority.

<sup>2</sup> Includes \$219,516 thousand for Indefinite Authority.

<sup>3</sup> Excludes \$210,794 thousand for Indefinite Authority.

### General Program Description

GSA leases general-purpose space in privately owned buildings and land for Federal agencies. Leasing occurs when (1) Federal space needs cannot be met in existing Government-owned or leased space; (2) leasing proves to be more cost-effective than constructing or altering a Federal Building; or (3) requirements are too small or the anticipated term of occupancy is too short to warrant construction.

The Rental of Space program funds recurring payments for existing and replacement lease contracts. It also provides temporary space to house Federal employees during major repairs and alterations projects, relocations from Federal buildings due to forced moves, and relocations due to health and safety conditions. Expansion space for new or expanded agency programs is provided under GSA's indefinite authority provision.

### GSA's Leasing Transformation

When GSA was first given authority to provide space to customer agencies through the Federal Property and Administrative Services Act of 1949, we

met our customer's space requests through Government-owned space.

There were only occasional needs to lease space, and they were mainly to house additional customers. Today, leased space accounts for 45% percent of our total space inventory.

In the future, we will continue to be faced with new challenges that will require that we actively manage the mixture of leased and government-owned space in our inventory and at the same time, provide space at the best value possible to our customers. In addition, steps are now being taken to repair, renovate, and modernize Federal Buildings to make them more functional and desirable for our customers, thus reducing the need for additional leased space.

### Program Requirements

We request New Obligational Authority (NOA) in the amount of \$2,959,550 thousand for fiscal year 2002. We plan to fund the remaining requirements (\$61,606 thousand) from the fiscal year 2001 unobligated balance.



### *New Obligational Authority Expansions*

Expansion space acquired through new obligatory authority (NOA) consists of temporary leases in support of major repair and alteration projects, relocations from Federal buildings due to forced moves and health and safety conditions. For fiscal year 2002, we project spending \$25,107 thousand for 1,118 thousand square feet of NOA expansion space. The following major projects support our request:

- Construction of new U.S. Mission to the United Nations in Manhattan, New York
- Major renovations in the Wallace F. Bennett Federal Building in Salt Lake City, Utah
- Relocation of the Department of Education Regional Headquarters from 50 United Nations Plaza, a Federal Building

### *Indefinite Authority Expansions*

Expansion space acquired through the indefinite authority (IA) provision is not included in our NOA request. Appropriation language enacted in fiscal year 1990 permits GSA to increase NOA by an indefinite amount to the extent that agencies provide rental payments to GSA for new expansion space. This includes the part-year cost of the fiscal year in which the space is acquired, and the full-year cost of the first fiscal year thereafter.

For fiscal year 2002, we estimate indefinite expansion of \$210,794 thousand for known space requirements and for historical trends. The amount includes \$131,882 thousand for the full year costs of 6,100 thousand square feet entering the inventory in fiscal year 2001 and \$78,912 thousand for the part-year cost of 6,041 thousand square feet for space entering the inventory in fiscal year 2002.

### **Inventory**

The leased inventory is projected to increase by 1.2 percent from an estimated 152,795 thousand square feet in fiscal year 2001 to an estimated 154,594 thousand square feet in fiscal year 2002, a net increase of 1,799 thousand square feet of space.

The following describes in more detail the changes taking place within the inventory:

#### *Space Entering*

In fiscal year 2002, our inventory is expected to increase by 7,159 thousand square feet due to NOA and IA expansions. The Department of Justice, the Social Security Administration and the Judiciary constitute approximately 1,729 thousand square feet of this increase.

#### *Space Leaving*

In fiscal year 2002, we estimate approximately 5,360 thousand square feet of space will leave the inventory due to cancellations. The Department of Commerce, the Environmental Protection Agency and the Department of Defense constitute approximately 3,117 thousand square feet of this reduction.

Currently, our inventory reflects 3,452 thousand square feet of vacant leased space - 2.3 percent of our total leased inventory. This amount is an improvement from 3 percent in fiscal year 1999. Although we consider this rate to be favorable, our goal is to continue to lower the rate in fiscal year 2002.

## **Delegations Program**

Each year we transfer funds to agencies participating in the lease delegation program. Under this program, the delegatee agencies are responsible for lease management as prescribed in the delegation agreements. GSA budgets directly within the FBF for delegated leased buildings. Each year, we transfer funding to each participating agency to make payments to lessors in accordance with the provisions of the delegation agreements. Exhibit 19 reflects the allocation of funding authority for fiscal years 2000-2002 to agencies participating in the lease delegation program. The fiscal year 2002 allocation of other agencies under the Lease Delegation Program is \$228,199 thousand.

## **Budget Summary Information**

The following exhibits further highlight the Rental of Space program:

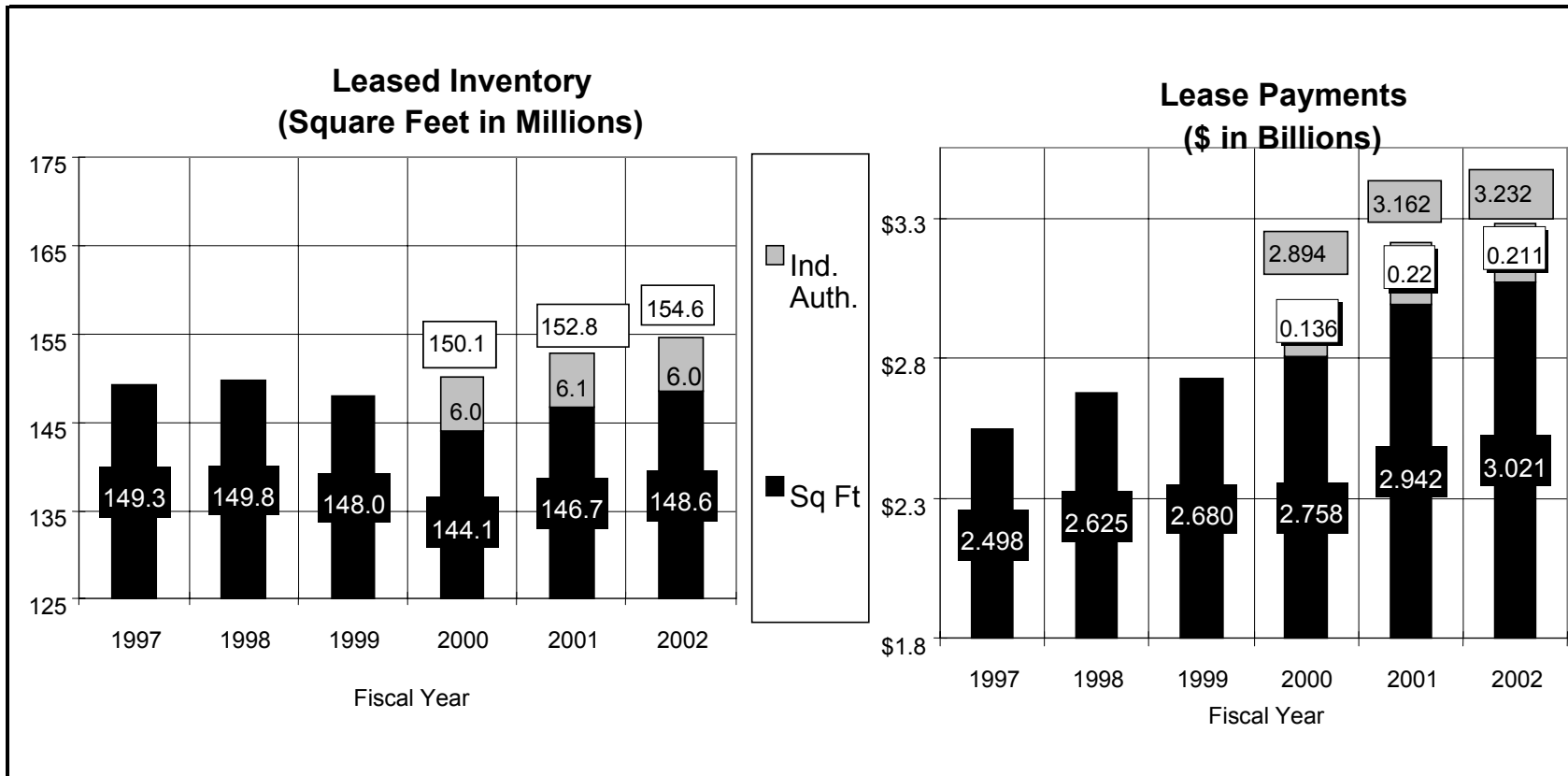
Exhibit 16 shows trends for leased inventory and obligational levels

Exhibit 17 explains budget changes from fiscal years 2001 to 2002.

Exhibit 18 shows the changes in Rental Space for fiscal years 2000-2002.

Exhibit 19 shows the Delegations program for fiscal years 2000-2002.

## Rental of Space



The FY 2002 year-end inventory and obligations will be higher than displayed by the amount of expansion delivered under the indefinite authority provision. For FY 2000, FY2001 and FY2002, the Leased Inventory for indefinite authority represents only new space coming into the inventory.

FY 1997 through 1999 leased inventory and lease payments include indefinite authority delivered.

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

<b>RENTAL OF SPACE</b>	
<b>Explanation of Budget Changes</b>	
<b>(Dollars in Thousands)</b>	
<b>Fiscal Year 2001 New Obligational Authority</b>	<b>\$2,943,854</b> <sup>1/</sup>
FY 2000 Unobligated Balance	60,235
Full-Year Cost of FY 2000 Indefinite Authority	123,170
Part-Year Cost of FY 2001 Indefinite Authority	96,346
Projected Unobligated Balance for FY 2001	(61,606)
<b>Fiscal Year 2001 Current Level (Obligations)</b>	<b>3,161,999</b>
Exclusion of the Part-Year Cost of FY 2001 Indefinite Authority	(96,346)
Annualization of FY 2001 Program	(172,399)
<b>Fiscal Year 2002 Base Cost (Obligations)</b>	<b>2,893,254</b>
Rental Increases	65,622
Lump Sum Payments for taxes and lease buyouts	74,067
Cancellations	(36,894)
Expansions (not indefinite authority)	25,107
<b>Fiscal Year 2002 Program Level (Obligations)</b>	<b>\$3,021,156</b>
FY 2002 Program Level funded by:	
<b>FY 2002 New Obligational Authority Request</b>	<b>\$2,959,550</b>
FY 2002 Program Requirements funded from FY 2001 Unobligated Balance	\$61,606

<sup>1/</sup> Includes rescission of \$1,051 thousand in new obligational authority for FY 2001.

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

**EXHIBIT 18**

**CHANGES IN RENTAL OF SPACE  
(Dollars and Square Feet in Thousands)**

	FISCAL YEAR 2000 ACTUAL		FISCAL YEAR 2001 CURRENT		FISCAL YEAR 2002 REQUEST	
	SQ FT	OBLIGATIONS	SQ FT	OBLIGATIONS	SQ FT	OBLIGATIONS
PRIOR YEAR COST	148,045	\$2,680,002	150,107	\$2,894,164	152,795	\$3,161,999
Annualization of Rental Increases	[139,234]	42,343	[135,124]	30,377	[139,157]	40,624
Lump Sum - Taxes, Lease Buyouts, Condemnation	-	(36,326)	-	(66,167)	-	(202,744)
Annualization of Lease Cancellations	[-4,762]	(7,200)	[-5,682]	(65,274)	[-5,335]	(30,239)
Annualization of Lease Expansion - Indefinite	[4,896]	23,242	[5,952]	49,357	[6,100]	[35,536]
Lease Expansion acquired in FY 2001 - Indefinite	-	-	-	-	[6,100]	(96,346)
Annualization of Lease Expansion - All Other	[918]	19,850	[1,792]	16,358	[1,923]	19,960
<b>BASE COST</b>	<b>148,045</b>	<b>\$2,721,911</b>	<b>150,107</b>	<b>\$2,858,815</b>	<b>152,795</b>	<b>\$2,893,254</b>
Current Year Cost of Rental Increases	[135,124]	49,623	[139,157]	75,139	[131,741]	65,622
Lump Sum - Taxes, Lease Buyouts, Condemnation	-	66,167	-	173,394	-	74,067
Current Year Cost of Lease Cancellations	(5,682)	(40,470)	(5,335)	(73,515)	(5,360)	(36,894)
Current Year Cost of Lease Expansion - Indefinite	5,952	73,813	6,100	96,346	6,041	[78,912]
Current Year Cost of Lease Expansion - All Other	1,792	23,120	1,923	31,820	1,118	25,107
<b>CURRENT YEAR COST (Obligations)</b>	<b>150,107</b>	<b>\$2,894,164</b>	<b>152,795</b>	<b>\$3,161,999</b>	<b>154,594</b>	<b>\$3,021,156</b>
Additional Information:						
New Obligational Authority (NOA)		\$2,782,186		\$2,943,854		\$2,959,550
Indefinite Authority for Leased Expansion Space		\$135,710		\$219,516		\$0
<b>TOTAL AUTHORITY</b>		<b>\$2,917,896</b>		<b>\$3,163,370</b>		<b>\$2,959,550</b>
Obligations (-)		\$2,894,164		\$3,161,999		\$3,021,156
Prior Year Balances/Recoveries (+)		\$36,503		\$60,235		\$61,606
Unobligated Balance		\$60,235		\$61,606		\$0

Brackets [ ] are non-add.

**GENERAL SERVICES ADMINISTRATION**  
**Public Buildings Service**  
**Federal Buildings Fund**

RENTAL OF SPACE DELEGATIONS INCLUDED IN GSA APPROPRIATIONS  
(Dollars in Thousands)

<b>AGENCY</b>	<b>FY 2000 ACTUAL</b>	<b>FY 2001 CURRENT</b>	<b>FY 2002 REQUEST</b>
Department of Commerce	73,727	77,742	78,787
Department of Defense	114,704	118,620	120,992
Environmental Protection Agency	23,835	27,863	28,420
<b>TOTAL</b>	<b>212,266</b>	<b>223,725</b>	<b>228,199</b>

## EXPLANATION OF ESTIMATES BUILDING OPERATIONS

New Obligational Authority (Dollars in Thousands)		
FY 2000 Actual	FY 2001 Current	FY 2002 Request
\$1,588,543 <sup>1/</sup>	\$1,624,771 <sup>2/</sup>	\$1,748,949 <sup>2/</sup>

<sup>1/</sup> Includes \$14,634 thousand for Indefinite Authority

<sup>2/</sup> Excludes Indefinite Authority

### General Program Description

PBS provides services to operate Government-owned facilities and related building services in leased space where the terms of the lease do not require the lessor to furnish such services.

Building services provided by PBS for facilities occupied by Federal Government employees include cleaning, protection, maintenance, and repairs of \$10 thousand or less, payments for utilities and fuels, and grounds maintenance. Other services include real property management, space acquisition and assignment, building inspections and surveys, moving Federal agencies, on-site inspection of building services, and highly-specialized contract administration support functions.

### Budget Summary

Highlights
<ul style="list-style-type: none"> <li>• building services in 4,197 thousand rentable square feet of new space--\$19,031 thousand</li> <li>• Wageboard and Pay Act Increases--\$18,598 thousand</li> <li>• Environmental audits, which will increase PBS's ability to determine environmental risks and integrate environmental requirements into the business -- \$5,600 thousand</li> <li>• Law Enforcement Security Officer Hires. To remain competitive, we request funding to continue recruiting multifaceted personnel performing law enforcement and physical security duties -- \$3,100 thousand</li> <li>• Contract Security Guard Program. The additional funds will help PBS enhance the procurement process and meet upgraded weapons standards for security guards -- \$10,004 thousand</li> <li>• Security System Replacements to continue improvement of federal facilities to meet minimum security standards -- \$2,500 thousand</li> <li>• Utility Rate and Fuel Increases -- \$21,690 thousand</li> </ul>

Figure 6

We request \$1,748,949 thousand for the fiscal year 2002 Building Operations budget. This funding provides building services in approximately 250,937 thousand rentable square feet of Government-owned and leased space.

For the 110,297 thousand rentable square feet of office space that have an applicable private sector benchmark, we developed cost per square foot targets for cleaning, maintenance, and utilities. Of the total request of \$773,387 thousand for cleaning, maintenance and utilities, \$462,144 thousand is based on commercial benchmarks. The balance of \$311,243 thousand provides services in buildings having no commercial benchmarks. The fiscal year 2001 current program level includes \$16,204 thousand from prior year unobligated balances to pay for unanticipated utility rate increases. This price increase is a result of limited inventories of natural gas, deregulation/unbundling within the natural gas industry, and the limited capacity of the interstate pipeline delivery system to meet consumer demand. PBS is requesting \$21,690 thousand for fiscal year 2002 to meet the increases in utility cost caused by rising natural gas prices.

In Other Building Services, we request \$265,050 thousand for items such as moving, space changes, child care equipment, safety, cafeteria equipment, and operating equipment.

We request \$278,334 thousand for Protection. This request provides for:

- A perimeter and internal security presence
- Problem-solving assistance in criminal and workplace security incidents
- Maintaining intelligence information related to terrorist and other security threats against facilities
- Facility security planning and implementation.

For Other Staff Support, we request \$365,851 thousand to fund budgeted staffing levels and support activities such as building and construction studies, broker services and the telework program. The change in fiscal year 2001 includes \$9,478 thousand from prior year unobligated balances to support the operations and maintenance of PEGASYS, GSA's financial accounting system. Included in Other Staff Support is \$112,481 thousand for Centralized Services and GSA Administrative Support such as Employee Health Services, Workers Compensation, Unemployment Compensation, General Use Printing, General Counsel, Chief Financial Officer, Business Services Centers, and Chief Information Officer.

We request \$66,327 thousand for Information Technology (IT) support. Our IT investment provides PBS managers with building and project information, inventory and real estate information, and security and other critical data for our programs. Our IT structure focuses on linking systems to eliminate redundant data entry and to promote consistent, accurate record keeping. The change in fiscal year 2001 includes \$17,973 thousand from prior year unobligated balances to support our infrastructure and network communications.

## **Achievements**

To comply with the Government Performance and Results Act, PBS linked its budget to business performance. PBS focuses on the critical elements of the business and measures performance in these critical areas. In fiscal year 2002, we have set aside \$25,000 thousand for allocation based on achievement of performance goals.

We compared our operating cost per square foot to the private sector and established a goal to operate government owned space at 12 percent below the private sector cost in fiscal year 2001. We are holding this target flat for fiscal year 2002 since further increasing the differential between GSA and the private sector may have a negative impact on customer satisfaction. See Figure 7.



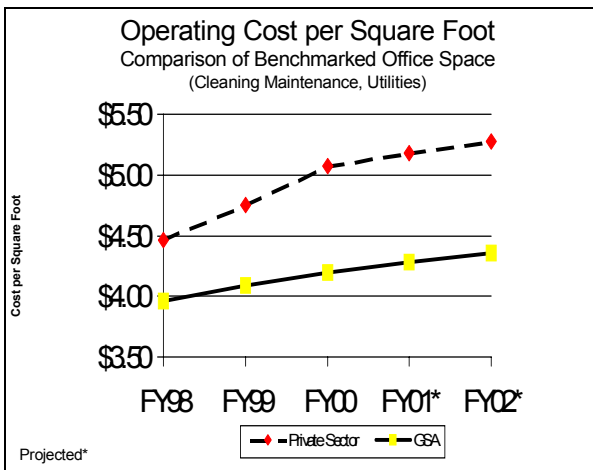


Figure 7

PBS procures utilities and utility services for Federal agencies nationwide. Two of the services PBS provides include area-wide contracts through which agencies obtain utilities and services from regulated utilities. Where the electricity industry is deregulated, PBS aggregates Federal energy usage and procures competitive electricity at reduced rates. Our National Center for Utilities Management provides industry expertise and natural gas supplies to Federal agencies nationwide. These programs have helped PBS to achieve energy reduction goals set by the Energy Policy Act of 1992. See Figure 8.

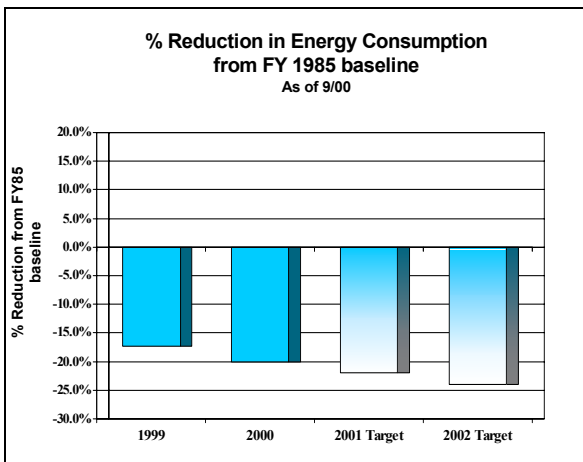


Figure 8

In the past few years, we have generated not only cost savings on a square foot basis, but improved customer service. During the 1994 customer satisfaction survey, 74 percent of our building tenants were satisfied with the services we provided. Recently, the 2000 survey was completed and we have achieved

our customer satisfaction goal of 85 percent. Our fiscal year 2002 goal is to maintain this level of customer satisfaction. See Figure 9.

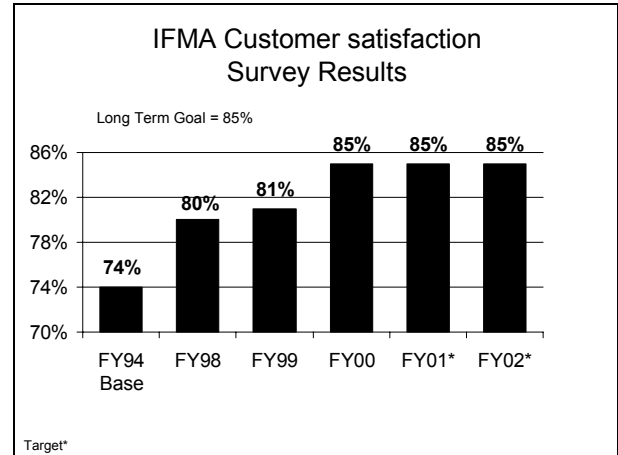


Figure 9

### Budget Summary Information

The following exhibits provide information regarding overall aspects of the Building Operations program.

Exhibit 20 explains budget changes in the FTE and dollars for Building Operations from fiscal year 2001 to 2002.

Exhibit 21 shows the changes in Building Operations by major function for fiscal years 2001 to 2002.

**General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND**

<b>BUILDING</b>		
<b>Explanation of Budget</b>		
<b>(Dollars In</b>		
	<b>FT</b>	
New Obligational		1,624,77
Program Requirements Funded From Unobligated		43,65
<b>Fiscal Year 2001 Current</b>	<b>7,155</b>	<b>1,668,42</b>
Building Services in New	--	19,03
Part Year Increase for FY 2001 Pay Act (3.1%), Effective	--	5,22
Wageboard and Pay Act Increase (3.0%), Effective	--	13,37
Increase for Environmental	--	5,60
Increase for Law Enforcement Security	--	3,10
Increase for Contract Security Guard	--	10,00
Increase for Security System	--	2,50
Fuel and Utility Rate	--	21,69
<b>Fiscal Year 2002</b>	<b>7,155</b>	<b>1,748,94</b>

General Services Administration  
PUBLIC BUILDINGS SERVICE  
FEDERAL BUILDINGS FUND

EXHIBIT 21

CHANGES IN BUILDING OPERATIONS  
FY2001-FY2002  
(Dollars in Thousands)

	Cleaning	Utilities and Fuels	Main- tenance	Other Building Services	Protection	Staff Support	CIO	TOTAL
<b>New Obligational Authority</b>	<b>220,468</b>	<b>257,314</b>	<b>240,605</b>	<b>255,385</b>	<b>258,226</b>	<b>344,419</b>	<b>48,354</b>	<b>1,624,771</b>
<b>Program Requirements Funded From Unobligated Balances</b>		<b>16,204</b>				<b>9,478</b>	<b>17,973</b>	<b>43,655</b>
<b><i>FY 2001 CURRENT</i></b>	<b>220,468</b>	<b>273,518</b>	<b>240,605</b>	<b>255,385</b>	<b>258,226</b>	<b>353,897</b>	<b>66,327</b>	<b>1,668,426</b>
Building Services in New Space	2,519	8,937	3,352	3,286	937	-	-	19,031
Part-Year Cost of FY 2001 Wageboard and Pay Act Increase (3.1%)	203	0	560	1,501	1,175	1,784	-	5,223
FY 2002 Wageboard and Pay Act increase (3.0%)	397	-	1,138	4,878	2,392	4,570	-	13,375
Increase for Environmental Compliance	-	-	-	-	-	5,600	-	5,600
Increase for Law Enforcement Security Officer Hiring	-	-	-	-	3,100	-	-	3,100
Increase for Contract Security Guard Program	-	-	-	-	10,004	-	-	10,004
Increase for Security System Replacements	-	-	-	-	2,500	-	-	2,500
Fuel and Utility Rate Changes	-	21,690	-	-	-	-	-	21,690
<b><i>FY 2002 REQUEST</i></b>	<b>223,587</b>	<b>304,145</b>	<b>245,655</b>	<b>265,050</b>	<b>278,334</b>	<b>365,851</b>	<b>66,327</b>	<b>1,748,949</b>

**Explanation of Estimates  
Reimbursable Program**

**General Program Description**

In return for Rent, GSA furnishes tenant agencies with space and building services (e.g., cleaning, maintenance, utilities, and protection) commensurate with those offered in the private sector. When requested by a tenant, we also provide building services which exceed commercially equivalent levels on a reimbursable basis. The reimbursable program allows us to be fully responsive to the special needs of our tenants in the Government-owned and leased space that we operate. Reimbursable services include space adjustments, facility security, utilities, large projects, and janitorial services required for above standard levels of operations, as well as administrative support costs associated with providing the service.

GSA is currently implementing several large projects through reimbursable arrangements. See Figure 10.

**Budget Summary Information**

Exhibit 22 shows budget changes in reimbursable program from fiscal year 2001 to fiscal year 2002.

	Type 1/	FY 01	FY 02
NCC Generators, Woodlawn, MD	R	\$ 24,000	\$ 0
CDC, Atlanta, GA	C	\$ 15,000	\$ 325
EPA, Research Tri, Pk., NC	C	\$ 17,665	\$ 3,900
Artesia, NM	C	\$ 16,358	\$ 17,700
Site Acquisition, Secret Service - DC	C	\$ 16,000	\$ 0
Design Excellence Program, American Battle Monuments Commission - DC	C	\$ 70,000	\$ 70,000
Main State, Washington, DC	R	\$ 40,000	\$ 50,000

1/ C – Construction  
R – Repairs and Alterations

Figure 10

**REIMBURSABLE PROGRAM**  
**Explanation of Budget Changes**  
**(Dollars in Thousands)**

	FTE	DOLLARS
<b>FY 2001 Current Level</b>	<b>132</b>	<b>\$983,504</b>
Inflation	--	18,946
Workload Increases (+)	--	17,494
Workload Decreases (-)	--	(81,624)
<b>FY 2002 Request</b>	<b>132</b>	<b>\$938,320</b>