MEMORANDUM FOR BRIAN D. MILLER
INSPECTOR GENERAL (J)

FROM: DAN TANGHERLINI
ADMINISTRATOR (A)

SUBJECT: GSA's Management Challenges, Fiscal Year 2014

Thank you for providing me with the opportunity to review your report, which you consider the most significant management and performance challenges facing the U.S. General Services Administration (GSA).

GSA acknowledges these challenges and is implementing a broad range of measures to address them, including achieving GSA's sustainability and environmental goals as well as improving GSA's plan to develop and implement information technology systems and protecting GSA sensitive information due to emerging risks.

Please find attached our comments that provide information and clarification pertaining to the measures above.

We look forward to continuing to work with the Office of the Inspector General (OIG) to minimize if not, eliminate waste, fraud, and abuse and promote greater Government effectiveness and efficiency.

Attachment

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
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Agency Management Comments on the Inspector General's Assessment *(Unaudited)*

Acquisition Programs

ISSUE: GSA continues to face challenges with the timely transition from FTS2001/ Crossover contracts to the Networx contracts and the upcoming transition to Network Services 2020.

RESPONSE: GSA completed a lessons learned analysis and will be communicating the analysis to stakeholders in the coming months. In addition, GSA is incorporating these lessons learned into the NS2020 acquisitions as well as transition planning. As part of this, GSA is contemplating an extension to the Networx contract to ensure a well planned transition. The NS2020 interagency panel continues to meet to address these issues.

The program area acquisition strategies and an Operational Methods and Procedures, Enterprise Services and Migration Strategy, and Roadmap will be completed by end of December 2013. However, GSA anticipates additional feedback on these items and expects them to be finalized in the middle of calendar year 2014.

Information Technology

ISSUE: Improved planning, development, and implementation of information technology systems and services are needed to ensure quality data to support business decisions.

RESPONSE: GSA has completed five Milestone Reviews of major IT programs, leading to recommendations and review by the agency's Investment Review Board. GSA has also completed an inventory refresh of legacy systems, and readily accesses that information for analysis in the Enterprise Architecture Troux tool.

GSA also expanded use of the IT Spend Tracker to include professional services. This has provided the agency's leadership with additional insight and visibility into both IT and professional services acquisitions.

ISSUE: Improvements are needed to protect sensitive GSA information and to address emerging risks.

RESPONSE: To support agencies' migration to cloud computing environments, GSA awarded 12 Infrastructure as a Service blanket purchase agreements (BPAs) to provide government entities with cloud storage, six virtual machines, and web hosting services and has completed security authorizations for four of these contractors as of August 31, 2013. None of the contractors/cloud vendors are allowed to sell their services on the BPA until they finish their assessment and authorization.

GSA's Greening Initiative – Sustainable Environmental Stewardship

ISSUE: Challenges exist in achieving GSA's sustainability and environmental goals.

RESPONSE:

Management Framework for Sustainability

The Senior Sustainability Advisory Group (SSAG) serves as the central strategy, planning, and management body for GSA sustainability initiatives. It harnesses the sustainability expertise within the agency for collaborative development and planning of agency sustainability initiatives; identifies opportunities for shared resources; tracks and assures progress towards meeting agency sustainability goals; increases the awareness and visibility of sustainability

activities occurring across the organization; and facilitates meeting customer agency needs through sustainability. The SSAG is chaired by the Senior Sustainability Officer (SSO) and supported by the SSAG support team, which is comprised of GSA staff detailed to the SSAG, including a representative from the Office of the Chief Financial Officer (OCFO). All SSAG leads and members are either sustainability experts and/or individuals responsible for sustainability initiatives within their business unit including but not limited to: Federal Acquisition Service, Public Buildings Service, Office of Governmentwide Policy, OCFO, Office of Administrative Services, Office of the Chief Information Officer, Office of the Chief People Officer.

Collecting Data to Evaluate Sustainability Results

GSA's Green Proving Ground (GPG) program leverages the agency's real estate portfolio to demonstrate and validate emerging building technologies. Annually, the program selects a limited number of technologies for evaluation based on GSA's programmatic needs. Findings resulting from measurement and validation provide insight on environmental benefits and economic considerations. In addition, GSA tracks energy use reduction, water use reduction and waste diversion at the portfolio level on a quarterly basis. Advanced meters providing real time energy consumption data allows GSA to monitor eighty percent of the agency's electric consumption.

Funding for Sustainability Programs

Each PBS business line budgets for programs that support sustainability mandates. For example, programs such as rapid building assessments, GSA Link, Shave Energy and the Green Proving Ground were funded in 2013.