

GSA RESPONSES TO THE OFFICE OF INSPECTOR GENERAL'S MANAGEMENT CHALLENGES FOR FY 2022 (UNAUDITED)

Challenge 1: Establishing and Maintaining an Effective Internal Control Environment

As the U.S. General Services Administration (GSA) Office of Inspector General (OIG) recommends, GSA will continue its efforts to strengthen its systems of internal control in fiscal year (FY) 2022 and beyond. Support of our Federal partners and the American public requires that GSA maintain a strong internal control environment to safeguard the organization and its assets, advance mission objectives, optimize compliance and effectiveness, and minimize risks. Our internal control environment must be resilient and responsive to new opportunities, challenges, and priorities. In FY 2021, GSA continued to strengthen its internal control environment and its resilience through multiple efforts:

- **Reinforced enterprise-wide accountability and issue resolution** in monthly senior leader meetings, co-chaired by the Deputy Administrator and the Chief Financial Officer (CFO). These discussions focus senior leaders on agency-wide issue resolution, areas of high risk or impact, and actionable priorities. The resulting collaboration and transparency have strengthened compliance and accountability across GSA.
- **Improved contract administration** by strengthening policy, addressing performance and training needs of acquisition professionals, and implementing contract administration process improvements, as stated by the OIG. GSA streamlined its process related to contractor access card deactivation and collection, and strengthened management oversight. GSA continues to apply process and automation improvements as it develops solutions in other areas.
- **Realigned audit management and accountability processes and staff** to the Office of the Chief Financial Officer, which structurally aligned that staff with several enterprise-wide functions, including the internal control program, enterprise risk management, performance improvement, and process improvement/automations. By leveraging their combined expertise, GSA gained insights into program performance and the capability to strengthen operations and controls through the use of automation and process improvement.

GSA recognizes that it is essential to maintain a relationship with the OIG that improves GSA programs and operations. In all efforts, including with respect to GSA's COVID-19 response, GSA has sought to maintain the agency's high standards for responsiveness to OIG and others, while seeking to identify and understand emergent issues in a dynamic environment.

GSA will continue to build upon these efforts and make meaningful progress on internal controls and in resolving audit issues in FY 2022.

Challenge 2: Improving Contract Administration

The advancement of key controls and increased oversight remains a top priority for GSA, and the agency is confident that its actions have already resulted in meaningful improvements to internal controls within the contract administration landscape.

On February 12, 2020, the GSA Administrator issued a memo to the Heads of Services and Staff Offices, spurring several agency-wide corrective action plans elevating the focus on contract administration, improving accountability, and strengthening internal controls.

- **Elevated focus on Contract Administration** - GSA's CFO hosts monthly audit meetings, bringing various stakeholders together, to monitor the status of GSA's response to audits and Procurement Management Reviews.
- **COR critical elements in performance plans** - A new mandatory acquisition critical element was developed to establish common performance elements for GSA Contracting Officer's Representatives (COR) and included in all applicable performance plans beginning FY 2021.
- **Personal Identity Verification (PIV) card controls strengthened** - An agency-wide working group was created to place greater focus on the process of returning GSA access cards at the completion of a contract or termination of building access. [Change 132 dated July 26, 2021](#), amended the General Services Acquisition Regulation under clause 552.204-9 to clarify where the contractor can find PIV requirements and added more detailed procedures for credentialing management under GSAM 504.1370.
 - Mandatory HSPD-12 Training - Agency-wide mandatory HSPD-12 training was developed and deployed as an annual training requirement for all Requesting Officials (RO).
 - PIV Dashboard - A dashboard was created to illustrate active GSA access cards and expirations by contract. ROs can see all credentialed contractor personnel in one place for greater visibility and management oversight.

GSA's Service and Staff Offices have worked, in alignment with agency initiatives, to develop complementary policy and process improvements to align with the agency's targeted focus on improving contract administration. The Federal Acquisition Service (FAS) has issued several policies that support improved contract administration: 1) [PAP 2020-04 FAS Contract File Standards](#) and 2) [FAS PAP 2020-03 FAS Contracting Officer's Representative Function Standard Operating Procedures](#). FAS has issued three acquisitions by topic pages to provide further guidance on contract administration: 1) [FAS Contractor Personal Identity Verification Card \(PIV\) Guidance](#); 2) [Contracting Officer's Representative \(COR\)](#); and 3) [FAS Contract File Guidance](#). The Public Buildings Service (PBS) issued [PBS PIB 21-05 dated 5/12/2021, Contracting Officer's Representative \(COR\) Policy](#), outlining contract file documentation requirements for COR files. PBS has also sought to streamline the manner in which construction goods and services are inspected, accepted and ultimately paid. In FY 2021, GSA's Office of Administrative Services (OAS) updated operational policy for the Office of Internal Acquisition (Operational Notice 17-002) to establish a COR working file checklist and require Electronic Acquisition System Integration (EASI) as the official COR file repository. OIA has also updated the COR Delegation memo template to enhance supervisory oversight and acknowledgement of COR workload. The Office of Mission Assurance enhanced oversight of the GSA PIV function by creating, mapping, and centralizing key processes.

In FY 2022, GSA will remain focused on enhanced oversight and strengthening management controls within contract administration. The Office of Government-wide Policy (OGP) will continue to review contract administration during the FY 2022 Procurement Management Review (PMR) cycle. OGP plans to conduct PMRs in multiple regions and service centers, testing the strength of the previously implemented management controls.

To further advance management oversight, slated for the second quarter in FY 2022, FAS's Information Technology Category Program Management Office will conduct quarterly samplings of

performance-based awards and contract modifications to ensure that Quality Control Plans and Quality Assurance Surveillance Plans (QASP) are in place and being followed. The program office will review, update, and strengthen each QASP, to include assessment and accreditation requirements as well as vulnerability remediation plan, as key performance metrics. All critical/high vulnerabilities will be remediated in 30 days or less. All medium/moderate vulnerabilities will be remediated in 90 days or less. This initiative will help to ensure contract inspections are being conducted against a set of standards and will further validate that the government received the goods and services for which it has paid.

FAS also introduced an Acquisition Excellence Composite Metric (AECM) in the FY 2022 Performance Plans of its Senior Executive Service. This metric is anticipated to promote the quality of FAS acquisitions as a key value proposition. The AECM will baseline acquisition excellence at a FAS-wide enterprise level while highlighting areas of acquisition performance that are both in compliance and those that are in critical need.

Similarly, PBS developed standard FY 2022 performance plan language to be incorporated into the plans of Regional Commissioners (RCs) and Heads of Contracting Activities (HCAs) and into the plans of all subordinates to promote effective and efficient management of financial, human, technology, and other business resources, while reducing unnecessary costs associated with the same. This further improves accountability of GSA officials overseeing multiple acquisition functions (i.e., both contracting and program management) and places a targeted focus on PBS Audit Themes. These themes will be used to address findings, recommendations, and information from other management reviews. In partnership with relevant business lines and regions, RCs and HCAs will be required to develop and implement a National Internal Controls Plan for Acquisition as a determinant of overall performance success.

GSA continues to strengthen its oversight and control environment related to contract administration and will continue to improve in this area.

Challenge 3: Enhancing Government Procurement

The Federal Acquisition Service (FAS) recognizes and acknowledges that it plays a significant role in implementing a wide range of priorities through enhancements to the way the government procures goods and services. The challenges are complex, which is why FAS has executed a focused effort to ensure the FY22-26 GSA Strategic Plan articulates the objectives and identifies key initiatives to drive desired outcomes. FAS will build upon the momentum achieved in the past on these challenging initiatives and will leverage expertise across the agency to ensure continued mission delivery.

Transforming the Multiple Award Schedules (MAS) Program (Schedules Program)

FAS acknowledges the challenges of (1) assigning the consolidated contracts to an acquisition center with the expertise to administer it properly and (2) evaluating and negotiating the consolidated contracts in accordance with federal regulations and GSA internal policies.

FAS is thoughtfully considering these challenges as we continue the MAS Consolidation implementation.

The MAS Consolidation was broken into three phases to allow for full stakeholder engagement and more fluid change management and to date has successfully completed the first two of its three phases. All new offers submitted on or after October 1, 2019, were done so under the single MAS vehicle, with the second phase providing a mass modification to move the existing contracts from one of the 24 legacy Schedules to the single MAS vehicle.

The MAS consolidation final phase (Phase 3) will move contractors with multiple contracts to a single contracting officer (CO) who will work with the contractor to create a plan and schedule on how to get to one contract (with the exception of contractors with Small Business Set Aside Special Item Numbers or SINs). Due to blanket purchase agreements and other highly complex order types, this may take up to five years.

Contractors are assigned to their consolidated Acquisition Center through a complex equation based on offering, preponderance of sales, and Acquisition Center input. Further, the new enterprise focus on MAS necessitated the creation of a subject matter expert group to assist with more complex SINs across centers. Having COs work together on categories they are more familiar with reduces the risks associated with requiring COs officers to be experts in all categories. The MAS PMO and Office of Policy and Compliance have provided multiple training sessions for this phase. This includes going through the streamlined modification PAP that requires a CO to complete a fair and reasonable pricing assessment of all offerings being added to a contract, regardless if on a secondary contract.

FAS has continued to modernize the MAS program with data analysis as part of the fair and reasonable price determination process. This has included opportunities such as the Transactional Data Reporting (TDR) Rule, which allows GSA to collect prices paid data. This has also moved the fair and reasonable determination to a horizontal pricing review rather than a vertical type. Pricing is determined on the market that is gathered through the various data sets in the Price Point Plus Portal (4P) Tool and CALC tool. This is combined with market research that the CO also completes. This ensures that our contractors are not siloed into markets that only apply to a single company thus making pricing more competitive for small businesses and increasing their success rate. This best value, highly competitive ceiling rate determination is what provides customer agencies the ability to use order level competition that will provide the comparison of similar offerings and terms and conditions to achieve the lowest overall cost alternative.

FAS has been working on data maturity of TDR prior to adding this as a data set for eTools. As FAS expands the TDR rule across the MAS Program in FY22-23, it is simultaneously taking steps to normalize TDR data and feed it into the 4P and the Contract Awarded Labor Category Plus (CALC+) tools. COs will be able to use these pricing tools to consider multiple data sources (TDR, BLS, awarded rates) as they make their independent fair and reasonable price determination. Such analysis will strengthen GSA Schedule pricing and ultimately make it more competitive.

Additionally, FAS is developing training for COs on how to properly conduct fair and reasonable pricing determinations, understanding TDR and what TDR data is and how to use it, and how to use the pricing tools that will contain the TDR data.

Finally, GSA continues to welcome the OIG's oversight of the TDR program, and will continue to do its best to address recommendations and concerns as we strive to modernize the MAS program.

Supply Chain Risk Management (SCRM)

SCRM and Cyber SCRM (C-SCRM) are major challenges for the Federal Government acquisition community and GSA is working aggressively to address these. GSA and FAS continue to increase our SCRM maturity through a multiple-year effort to support the entire Federal Government.

The FAS Commissioner represents GSA on the Federal Acquisition Security Council (FASC). GSA and FAS have been strong proponents of FASC and contributed to the issuance of the final regulation that operationalized the authority provided to the FASC in the Secure Technology Act. GSA continues to support the writing and development of the Federal Acquisition Regulation (FAR) to further operationalize these authorities.

GSA, through the Office of Government-wide Policy, has developed and issued a SCRM plan and program. FAS developed a SCRM Organizational Level Plan; launched the FAS SCRM Champions Program; established a SCRM Review Board (an enterprise-wide cross discipline governance body that supported section 889 of the FY 2019 National Defense Authorization Act (NDAA) (Section 889) implementation and supply chain event report triage); developed a Mission Level Plan for Respond-Remove; launched a pilot and expanded the use of Vendor Risk Tools to identify and monitor critical risks; updated acquisition planning guidance to incorporate IT Risk Management; and developed a comprehensive set of SCRM acquisition workforce training. The Mission Level Respond-Remove Plan defined the process to remove or exclude covered Section 889 articles from all FAS offerings.

GSA and FAS have aggressively implemented the Section 889 prohibition in accordance with the FAR to reduce risk. FAS rapidly modified its existing acquisition vehicles to incorporate the required Section 889 parts A and B of the FAR clause. This ensured that customers could continue placing orders with minimal disruption. FAS implemented a series of escalating corrective actions for contractors that did not accept the required modification, including issuing letters of concern, temporary e-system removal, and contract cancellation. FAS cancelled 131 contracts that remained non-compliant and by FY 2021 Q4, 100% of FAS contracts incorporated the required contract clause.

FAS also developed several ongoing compliance monitoring practices that exceed FAR requirements such as:

- the Prohibited Products Robomod process;
- automatically “suppressing” prohibited products from GSA Advantage!;
- leveraging Industrial Operation Analysts (IOA) to educate high-risk vendors;
- leveraging authoritative data from the Verified Products Portal (VPP);
- conducting high risk transaction inquiries when information is present for non-compliance.

Lastly, in FY 2021, GSA requested the assistance of OIG, including reviews of contractor compliance with Section 889 post award MAS contract audits. GSA appreciates the additional support in implementation of this important provision.

In FY 2022, FAS will continue to mature our SCRM capability by:

- leveraging vendor risk tools to support supply chain illumination and risk analysis on critical programs (while managing the vendor risk tool program to share access and reports across FAS as appropriate);
- reviewing major acquisitions through the FAS Acquisition Council (FAC) and providing SCRM subject matter expert support for pre-award and post award strategies to reduce risk; and
- continuing implementation of Executive Order (EO) 14028, including intra-government and industry engagement on labeling, Software Bill of Materials, and critical software identification and compliance.

Enhancing Competition at the Task Order Level

The enhanced competition authority in section 876 of the FY 2019 NDAA provides the flexibility to the workforce to utilize an acquisition strategy that focuses on promoting competition at the task order level. Competition is a key tenet of the Federal acquisition system and drives best value solutions for agencies and the taxpayer. This is accomplished by eliminating the need for the acquisition workforce to negotiate labor rates at the contract vehicle level so the workforce can focus on higher value work of promoting competition. This authority applies to services only and does not extend to products.

This authority will facilitate making it easier for customers to realize better value, the acquisition workforce to focus on helping customers achieve robust competition and suppliers being able to more easily do business with the government.

GSA has engaged all of our acquisition program stakeholders (e.g., customers, acquisition workforce, industry partners and oversight community) to determine when use of the enhanced competition authority represents the best acquisition strategy. GSA implemented Section 876 authority on a limited set of acquisitions (GWACs and MACs) via a Class Deviation to FAR Subpart 16.5 (see CD-2020-14).

To support the successful implementation of enhanced competition, GSA has executed the following actions:

1. Issued a Federal Supply Schedules (FSS) Program Advance Notice of Proposed Rulemaking (ANPR) in the [Federal Register](#) and held listen sessions ([Listening Session Summary](#)) to obtain public comments for all interested parties;
2. Opened two General Services Acquisition Regulation cases to further obtain public comment and feedback on use of the enhanced competition authority;
3. Implemented a comprehensive communications plan to keep all stakeholders informed on development and use of the authority;
4. Began use of the enhanced competition authority with the establishment of the ASTRO contract vehicle that is only available for use with FAS-assisted acquisition portfolio. The ASTRO contract vehicle is a multiple award IDIQ to acquire manned, optionally manned and unmanned platforms and services;
5. Issued [Procurement Information Notice 2021-03](#) - Guidance for use of Section 876 Authority - Orders Against the ASTRO IDIQ MAC and an ordering guide that provides guidance on how to perform market research, develop an independent government cost estimate (IGCE), and determine fair and reasonable pricing when AAS is using the ASTRO contract vehicle.
6. Established metrics and a review process to evaluate ASTRO's use of the enhanced competition authority;
7. Established an Integrated Project Team, including representatives of the GSA Office of Inspector General, to examine whether use of the enhanced competition authority is best acquisition strategy for the Multiple Award Schedules Program;
8. Began development of updating market research, estimation and price analysis capabilities to support use of the authority.

Implementing Procurement through Commercial e-Commerce Portals

GSA's Commercial Platforms Proof of Concept is available to Government Purchase Card holders as a 'managed channel' for open-market purchases through select e-marketplace platforms. The contracts with Amazon Business, Fisher Scientific, and Overstock Government, were awarded in June 2020 and launched in mid-August 2020 as part of an initial three-year "proof of concept." In FY 2021 the program was (and continues to be) heavily focused on adoption and implementation of the proof of concept, receiving both strong interest from prospective agencies and positive feedback from participating buyers over the initial year (with overall satisfaction scores of 9.2 out of 10). Total FY 2021 spend through the program was approximately \$11.7M, across more than 43,000 orders, with 15 agencies participating at the close of the fiscal year, and another 5 slated for onboarding in early FY 2022.

Throughout FY 2022, the program's focus will remain on agency engagement and growth of the proof of concept; collection and analysis of spend data; ongoing implementation of the program's performance measurement process; and continued refinement of the program's assessment of the platforms' compliance with data protection policies. The proof of concept approach allows GSA to test, refine, and ultimately grow the program incrementally based on lessons learned and data collected.

Performance Measurement

The Commercial Platforms program places a strong emphasis on its Performance Management program, having identified metrics and key performance indicators that directly align the program to agency and Administration priorities, particularly as it relates to purchasing in the open-market environment. The program team's performance management framework employs both quantitative and qualitative measures to effectively measure the program's progress and performance. Over the last year the program team focused much of its effort onboarding the participating platform providers and putting in place the necessary foundational processes to receive the requested data elements needed to support the identified metrics. The platform data and metrics were aggregated in the program's dashboards, which launched in mid-FY 2021. The program intends to use FY 2022 to iterate this existing performance management framework using data from the last year and feedback from participating agencies to set goals, targets and timelines for each of the identified metrics. This data will help determine how better buying strategies and decisions can be made through the use of these online platforms and will help to inform where the program evolves in the future.

Supply Chain Risk Management

Supply Chain Risk Management continues to be a significant area of focus for both the Commercial Platforms program and the participating agencies. This emphasis applies to the challenges of counterfeiting more broadly, as well as Government's implementation of Section 889 (parts A and B) of the FY 2019 NDAA. The program is actively working with the participating platforms to limit agency buyer's exposure to supply chain risk by collaborating with agency policy makers to identify those areas of greatest concern, whether it's by product category, seller, or country or origin. As it relates to Section 889, FAS has taken steps as part of its contract to either remove entirely or add alerts/restrictions to product categories that are covered under part A. For part B, the program has documented each platforms' capabilities (and coverages) related to the company's part B representation, and regularly consults with agencies and their buyers to ensure maximum compliance. Lastly, the program conducts monthly training sessions with each of the platforms for participating buyers, which includes a dedicated discussion on each platforms' capabilities related to supply chain risk management and Section 889 compliance.

Data Protections

1. Similar to supply chain risk management, data protections continue to remain a high priority for the Commercial Platform's program. Each of the participating platforms in the proof of concept have agreed to specific language in their contracts as it relates to various data protection requirements, including:
 - sale or disclosure of data to third parties;
 - safeguarding of government data; and
 - restrictions on use of third-party supplier data.
2. The program assessed each of these areas as part of the evaluation phase of the acquisition process prior to contract award. For FY 2022, the program will continue to monitor these key areas and will conduct follow-on reviews of each platform providers'

current data protection policies. The program team will work collaboratively with the acquisition team to ensure compliance with the terms and conditions of the contracts.

3. Looking ahead, GSA plans to continue implementation of the current proof of concept through the duration of the contracts period, concluding in June 2023. The feedback and spend data insights gained throughout implementation will help to inform how the program is progressing and where it should go in the future. The Commercial Platforms program is also mindful of the potential impacts to existing FAS offerings. To that end, in all agency meetings and program materials the program regularly communicates itself as a 'managed channel' for open-market spend, acknowledging that existing FAS offerings, such as the Multiple Award Schedules program, should be considered prior to purchasing from the program's participating platform providers. Additionally, the program is working closely with the Federal Marketplace initiative as FAS considers its product and channel strategy, with the ultimate goal of making it easier for both buyers and sellers to utilize GSA solutions. With this information in hand, GSA can begin to conduct parallel market research and identify an appropriate acquisition strategy to ensure a competitive selection of participating platforms at the end of the current contract term.

Leading the Transition to the Enterprise Infrastructure Solutions (EIS) Contract

There is significant risk of agencies not completing their transition to the Enterprise Infrastructure Solutions (EIS) contract on time. The most recent transition milestone was for customer agencies to have completed 50 percent of their transitions -- as measured by the disconnection of services from the legacy contracts -- by March 31, 2021. However, as of August 31, 2021, only 48.4% of the governmentwide inventory was disconnected, and only 74% of task orders had been awarded. FAS has the following efforts underway to encourage agencies to both accelerate transition and mitigate the risk of not transitioning on time through contingency planning:

Project Plan for Closeout of Transition

To motivate agencies to execute their transitions, FAS is actively addressing the requirements and taking the actions outlined in the "Project Plan for Closeout of EIS Transition." It is important to note that FAS does not have the authority to compel agencies to take specific actions. It is also important to note it is not FAS' intention to disrupt agencies' telecommunications in a way that causes harm to them or to the citizens they serve. GSA is judicious and thoughtful in its implementation of the Closeout Plan, giving both the agencies and their service providers due course to identify any factors that warrant additional time to remain on the expiring contracts, and GSA has on several occasions granted not only additional time but additional assistance from FAS experts to address the challenges delaying the agencies' transitions.

Limiting Users

In FY 2021, FAS completed Phases 1 through 4 of the Closeout project to limit users on the expiring contracts and to curtail new services being added to those contracts. Sixty-four agencies have been removed from the list of authorized users and fifty-three of them have been disconnected from the contracts. In Phase 5, FAS identified eight agencies that have awarded some but not all of their task orders; they received warning letters in October 2021 and are in the process of appealing. Another four agencies will be removed in Phase 5 because their transitions are complete and removing them ensures they do not order anything new on the expiring contracts.

Freezing Contract Modifications and Orders

On October 1, 2020 FAS required any agency needing a modification or order for new services to submit a waiver request for FAS's approval. On October 1, 2021, FAS further restricted the criteria to six exigent scenarios that GSA would consider for a waiver:

1. Disaster Relief activities
2. Activities necessary by law, the Constitution, or necessary for safety of human life or protection of property
3. Maintaining law enforcement operations
4. Providing the protective functions of the U.S. Secret Service
5. Maintaining counter-terrorism or intelligence gathering or dissemination capabilities
6. Matters related to diversity, equity, inclusion and access

In addition, effective November 1, 2021, FAS is requiring agencies to support waiver requests with an updated transition plan that articulates (1) steps to accelerate progress to award outstanding EIS task orders; (2) movement of the newly added inventory to EIS by the September 2022 deadline and no later than the expiration of the legacy contracts in May 2023; and (3) acquisition contingency plans for those agencies lacking awarded EIS task orders to preserve mission and maintain services after the May 2023 expiration date. The agency will also document its agreement to take full responsibility for any stranded legacy contract inventory and/or loss of service as of May 31, 2023.

Ongoing Agency Support

- In FY 2021 FAS began offering Transition Engineering Assistance (TEA) to agencies as part of FAS' ongoing direct agency support. TEA provides dedicated network, voice, cloud, and security engineering resources directly to agencies to assist with their transition from the legacy ETS contracts to their awarded EIS services. The GSA-managed TEA contractors work directly with the assigned agency, awarded EIS contractor(s), and GSA stakeholders to ensure the agency EIS transition goals are achieved in a secure, best practice focused, and where possible modernized method.
- In June 2021 FAS started holding bi-weekly EIS Transition office hours. All agencies are invited and encouraged to use this time to ask questions and share experiences.

Additional Risk Management Activities

- FAS developed a “Take A.I.M Toward EIS” messaging theme for consistent communications: (1) Assess transition status and accelerate progress; (2) Inventory -- disconnect and transition; and (3) Mitigate risk to ensure mission operations continue.
- FAS is working closely with the Office of Management and Budget (OMB) to jointly review agencies’ transition progress and escalate issues. GSA and OMB met with agencies identified to be at high risk of missing transition deadlines, advising agencies to develop contingency plans to ensure services continue after May 31, 2023.
- FAS launched a new project called “Risk Assessment for Transition (RAFT)” to help agencies make a realistic assessment of how long their transition will take, identify contingency options, and state results to stakeholders. FAS is holding RAFT sessions with high-risk and other interested agencies.

Challenge 4: Maximizing the Performance of GSA’s Real Property Inventory

In FY 2022, GSA sees an opportunity to leverage new ways of working across the federal government to further right-size the Federal real estate portfolio. This effort will enable GSA to reduce and consolidate agencies into Federally owned facilities under GSA’s jurisdiction, custody, and control based on their missions and reduce the reliance on costly leases, which will maximize the performance of the GSA real property inventory and provide savings for American taxpayers.

Reducing and Consolidating Space

In response to uncertain future space requirements and the implementation of more flexible workplace policies, including telework, at the beginning of FY 2021, GSA began surveying its customers on their COVID-19 telework posture and their reentry plans. The most recent survey results show that there is a slow return to facilities. Agencies are indicating that they plan to adjust their telework policies to increase telework for the long-term, and have also indicated that changes to their space will occur in two or more years or as Occupancy Agreements expire, whichever is later. In FY 2022, PBS will begin more detailed engagements with all CFO Act agencies to attempt to determine how these long-term changes to telework will translate to space reductions.

GSA faces the challenge of implementing consolidation initiatives to achieve desired reductions in space without access to the full revenue generated within the Federal Buildings Fund (FBF). Every modernization project is an opportunity to consider ways to consolidate agencies from owned to leased space, but this has been particularly harmful for the Consolidation Activities program; this program has supported 87 successful projects since its inception but has not been funded since FY 2019.

Reducing Leasing Costs

Reducing the Federal Government's reliance on costly leases remains a top priority for GSA. GSA continues with its efforts on lease cost avoidance that were favorably recognized by the Government Accountability Office (GAO) by removing the costly leasing segment of Federal Real Property from the High Risk Report, GAO-21-119SP, March 2021. As OIG's Management and Performance Challenges report details, the increased use of telework due to the onset of the COVID-19 pandemic has created opportunities for GSA to reassess its leasing strategy.

PBS created a consolidated vacant space tracking tool to provide a consolidated view of GSA's current vacant space, pending space releases where agencies have provided GSA with their formal notice to release space, and potential vacant space that consists of forward looking information of potential space releases. This tool, which has been shared broadly across PBS, allows us to look forward before space is actually vacant, giving GSA a better opportunity to mitigate leased vacant space through backfill with another occupant agency, a lease buyout, or holding the vacant space.

GSA is also focused on enhancing backfill opportunities for vacant space. We are currently in the planning phase of working to more aggressively market vacant space opportunities to client agencies needing space or that are in expiring leased space.

Additionally, GSA is aware that the potential change in market conditions caused by the global pandemic will require a re-examination of its longer term lease strategy. In May 2021, PBS issued a policy document (Leasing Alert) titled, "Strategic Direction on Lease Terms During and Following the COVID-19 Pandemic." This document advises Lease Contracting Officers (LCOs) to use longer terms for agencies who submit long-term requirements, but recommends shorter lease terms for agencies with continuing space needs who are unable to commit to long-term space requirements. These shorter terms allow the client agency to determine their long-term needs, while considering the changes brought on by the COVID-19 pandemic.

To provide more flexibility in term setting, PBS also added a 10-year/5-year firm term option to its online "Automated Advanced Acquisition Platform" (AAAP) beginning in FY 2022. This new term will allow LCOs to leverage strategically a longer term, instead of an extension, when considering occupant agency requirements with uncertain future space needs. In addition to the 10-year/5-year firm term, AAAP maintains a 17-year/15-year firm, 15-year/13-year firm, and 10-year/8-year firm terms where appropriate.

Finally, GSA replaced the Simplified Lease Model tool as part of a corrective action plan for GAO's study entitled "GSA Leasing: Improving Stakeholder Outreach and Lease Model Evaluation Could Enhance Competition (GAO-20-181)." The Office of Leasing convened a task group to determine the underlying factors that caused low adoption of the simplified model and documented the findings. The findings were used to inform the development of the new Simplified Lease Acquisition Threshold (SLAT) model that was unveiled at the beginning of the last performance period. The effort has proven successful. The SLAT model was developed and deployed in one year and, as of the end of the FY 2021 performance period, was being used on 224 lease acquisitions.

Meeting the Operations and Maintenance Needs of Federal Buildings

We appreciate OIG's discussion of PBS's increasing deferred maintenance backlog and related concerns regarding its oversight and management of its operations and maintenance contracts. Unfortunately, for the past decade, funding shortfalls have hindered PBS's ability to make timely and critical investments in Federally owned GSA-controlled facilities that would keep these facilities safer for Federal employees and in a good state of repair. Over this time period, PBS has received appropriations of NOA totaling less than 60% of the funds generated by its operations and collected from occupant agencies for capital investments; these funds are needed to reinvest to keep those federally owned facilities in a good state of repair. Funding shortfalls have and will continue to force PBS, despite consistently considering deferred maintenance in its investment decision-making process, to address liabilities selectively that either are borne from or exacerbated by chronic underfunding by Congress.

PBS has implemented a "Strategic Acquisition for Quality Services" program with the objective of improving the planning, procurement, and administration of facilities management service contracts, including O&M services, by developing a targeted plan for replacement of existing contracts with quality vendors at appropriate costs. This program will enable GSA to maintain consistent and reliable levels of service.

GSA believes that the most effective way to manage our vast real estate portfolio is for Congress to provide GSA with access to all revenues and collections deposited annually into the FBF. Consistent and sustained funding is vital to maintaining the long-term health, safety, and efficiency of these important public assets.

Administering GSA's Capital Construction Program

OIG has identified the use of construction management (CM) services and the administration of Construction Manager as Constructor (CMc) contracts as a management challenge. Construction management is rooted in traditional project management processes and requires a unique body of skills and professional knowledge to perform successfully. PBS considers construction managers an integral part of project delivery and has established internal controls to minimize the risk associated with this management challenge. These internal controls include:

- CM Statement of Work templates have been created to provide greater detail and clarity on the roles and responsibilities of the CM throughout the design and construction phases.
- A COR Guidebook has been developed to better articulate government responsibilities and will be released to PBS regional teams in November 2021.
- Responsibilities for acquisition professionals, including for CORs, have been clarified and reinforced with the use of certification requirements and tools to enhance consistency.
- Training to ensure compliance with the P120 Cost and Schedule Management Policy, which identifies that inherently governmental work related to cost estimates is performed by a government employee.

- On January 21, 2020, the General Services Acquisition Regulation was amended to include CMc as a formal federal delivery method. Part of GSA's implementation of CMc includes a price evaluation.
- Development of EASi for contract files and data management, which enables GSA to maintain contract files properly.
- The Procurement Management Review (PMR) Division has also conducted a special transactional review of all PBS regions, with a focus on CM. As a result of the PMR and OIG studies, PBS provided training sessions to address critical activities, including inherently governmental functions, relevant policies and processes. This training was delivered to regional COs, CORs, and project managers.

Ensuring Effective Management of Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs)

ESPCs are long-term, high value contracts, and proper administration of these contracts and task orders is important. In response to OIG audit findings, PBS has implemented corrective actions. PBS issued revised guidance, "[Updated Instructional Memorandum Outlining Roles, Responsibilities, Administration and Reporting Requirements for Energy Savings Performance Contracts](#)," on November 13, 2020, to address OIG's audit findings concerning operations and maintenance savings and witnessing, as well as outlining roles and responsibilities for contract administration and annual savings evaluations. PBS continues to monitor contract performance; identify and recover contractual savings shortfalls; and is establishing processes to verify that ESPC contract files include key documentation. Additionally, PBS has created a position within the Office of Facilities Management to improve oversight of ESPCs.

PBS recognizes the importance of working to ensure savings are delivered through internal accounting of ESPCs and is working to do that, where appropriate, as it administers ESPCs going forward. Additionally, PBS is also in the process of strengthening guidance and controls for UESCs in early FY 2022 to help confirm that UESCs are cost effective.

Challenge 5: Managing Agency Cybersecurity Risk

GSA Systems Cybersecurity is an important GSA and national priority. GSA maintains a formal program for information security management focused on meeting Federal Information Security Modernization Act (FISMA) requirements and protecting GSA IT resources. This program focuses on processes necessary to mitigate new threats and anticipate risks posed by new technologies and follows the National Institute of Standards and Technology's (NIST) cybersecurity framework for making risk-based determinations.

This fiscal year, GSA closed all prior year OIG FISMA audit findings, improved in 10 FISMA metrics with moving up to a Level 5 "Optimized" in the Detect Cybersecurity Domain and Information Security Continuous Monitoring area, and GSA's Cybersecurity Program continued to maintain an overall "Effective" rating under the OIG's current ratings method.

Controlling Access to GSA Systems and Sensitive Information

OIG's reported cybersecurity challenges in this area relate to an increased need for GSA to control access to sensitive information available on its network and maintained in GSA-owned systems. GSA has met that challenge with respect to (1) previously reported OIG threats to GSA personnel, facilities, and automated systems with classified and controlled unclassified information from insider threats; (2) exposures of sensitive information — including personally identifiable information — and inappropriate access in GSA HR systems; and (3) personally identifiable information, including

social security numbers and dates of birth, associated with approximately 600,000 active PIV cards and credentials.

GSA has taken numerous actions to correct the issues identified in A190016, Audit of GSA's Insider Threat Program, beginning with creating the Insider Threat Program (ITP) HUB Working Group, which includes members from every GSA Service and Staff Office and Region. Since its inception, the ITP HUB has created a charter to address all insider threat issues at GSA and developed an instructional letter with updates to current policy. A revised GSA Order reflecting these new ITP HUB responsibilities and other updates is also being developed and the annual Insider Threat report was submitted to the GSA Administrator.

GSA has issued, or has under development, policies and procedures addressing insider threat risks from employee separations and terminations. These address issues such as the timely deactivation of IT access and the collection of GSA-issued personal property and GSA access cards. Any anomalies are now reported to ITP. Moreover, there is a process in place to ensure that accounts for users separated from GSA are removed within 30 days of separation. Where the 30 days timeline is missed, it is most often due to human error. The agency is planning to partially or fully automate this process of termination by FY 2022.

GSA has made significant enhancements in the testing and user acceptance process of its human resource system, HR Links, with a key focus on data integrity and security. GSA has increased the level of testing efforts to mitigate any potential exposures of sensitive information. The agency has also codified change management processes to regression test its application environment to ensure no new information exposures have surfaced due to new roles or functional changes. Any new roles or functionality are assessed for user function and validation of need. This has led directly to increased improvement of functional requirement testing, minimization of release defects, and validation of both data and security integrity.

The USAcces program office implemented a remediation plan to ensure vulnerabilities are managed timely and the vendor is held accountable. The program implemented the following actions:

- Updated the Quality Assurance Surveillance Plan to include GSA IT Security policy standards as a service level agreements and remediation timelines for managing vulnerability.
- Initiated a biweekly meeting between the program office and GSA IT information system security manager to discuss system vulnerabilities and remediation progress.
- Initiated vulnerability metrics reporting at the monthly vendor program management meeting.
- Required the vendor to provide a plan to address risks and vulnerabilities that cannot be remediated in 90-days within 14-days of identification of said risks or vulnerabilities, submitting an "acceptance of risk" request.
- Developed an inspection template for monthly surveillance of vulnerability management.

Prioritizing Cyber Supply Chain Risk Management

GSA recognizes that every part of the agency is operating in a world of ever-increasing supply chain risks as it relies more on information and communications technology (ICT), and as adversaries become more sophisticated. To manage supply chain risks, GSA must act as an enterprise to prioritize its investments in the integrity, quality, security, and resilience of its supply chains and of the products and services it procures, delivers, sells, and uses.

To continue to address GSA's cybersecurity and supply chain risks, and as mentioned previously, GSA has asked OIG for assistance. Specifically, GSA has requested that OIG explore auditing

contractor compliance with GSA's cybersecurity controls because GSA has identified that contractor compliance with its cybersecurity controls, including FAR policies (especially Section 889 of the John S. McCain National Defense Authorization Act (NDAA) for FY 2019) and GSA IT requirements, is a risk.

On April 13, 2021, the Acting GSA Administrator, at the recommendation of GSA's Supply Chain Risk Management (SCRM) Executive Board, adopted [GSA's Enterprise-Level Cyber-SCRM Strategic Plan](#). The plan adopted three Cyber-SCRM (C-SCRM) strategic objectives, and GSA C-SCRM work in FY 2021 and planned work in FY 2022 largely falls under those objectives.

In support of Strategic Objective 1, **Address GSA's Highest Enterprise-Level Supply Chain Risks**, in FY 2021, GSA updated GSA IT guides ([CIO-IT Security-09-48](#) and [CIO-IT Security-06-30](#)) to align to [National Institute of Standards and Technology \(NIST\) Special Publication \(SP\) 800-53 Rev. 5](#) and to add GSA-specific organizational ICT SCRM requirements for inclusion in contracts, tailored to the type of contract and business needs. GSA also reviewed GSA's four contractor-managed Federal Information Security Management Act-designated (FISMA-designated) "high impact" and 23 contractor-managed Government-wide FISMA-designated "moderate impact" systems to ensure contract terms enable GSA to enforce revised NIST and GSA IT policies. In FY 2022, GSA plans to update GSA's four "high impact" and 23 Government-wide "moderate impact" system security plans with new SCRM controls, implement those controls, and assess and re-authorize those systems.

In support of Strategic Objective 2, **Further Mature GSA's Acquisition Workforce's Awareness of and Capabilities to Manage Supply Chain Risks**, in FY 2021, GSA created a GSA C-SCRM journey map and communications plan to raise awareness of C-SCRM requirements among GSA's acquisition workforce; partnered with GSA's 18F to create an action-oriented path analysis of C-SCRM focus areas, including the best ways to communicate C-SCRM and provide C-SCRM tools to GSA's acquisition workforce; and established procedures for considering SCRM in GSA contracts, including guidance on [NIST SP 800-171](#) assessments and language from [GSA Acquisition Letter MV-20-10 \(GSAM Case 2021-G512\)](#). Related to this objective, GSA's Federal Acquisition Institute also developed and deployed a new training course, [FAC 093: Introduction to Supply Chain Risk Management](#), for the Federal acquisition workforce.

Numerous activities are planned to support this objective in FY 2022, including:

- Finalizing procedures for reviewing and incorporating requirements into GSA Information Systems ([GSAR Case 2016-G511](#))
- Continuing work under the communications plan to raise awareness of C-SCRM requirements among GSA's acquisition workforce
- Updating C-SCRM site on GSA's Acquisition Portal
- Streamlining GSA's Cyber-Supply Chain Event response and reporting and SCRM Review Board procedures
- Making the Federal Acquisition Institute's new training course, FAC 093: Introduction to Supply Chain Risk Management, a mandatory continuous learning requirement for all of GSA's acquisition workforce
- Exploring contractual language to combat ransomware

The plan's third Strategic Objective is to **Standardize GSA's Key Operational (Tier 2) C-SCRM Plans**. At GSA, the key Tier 2 areas of focus are:

- Detecting counterfeit and compromised ICT products
- Responding to C-SCRM incidents and sharing C-SCRM information

- Adding C-SCRM to cloud services
- Addressing C-SCRM for drones

To support this objective, GSA piloted a software security testing technique for select software products and shared information with GSA OIG regarding contractors that have repeatedly listed Section 889-prohibited equipment for sale on GSA Advantage. GSA also established policies and procedures for coordinating supply chain incident response for GSA IT and GSA-procured systems and for sharing information with the Federal Acquisition Security Council ([GSAM Case 2021-G511](#)); evaluated the results of a vendor risk assessment tool pilot; and extended new strategies to other GSA ICT supply chains, including products, software, systems, and shared services (including cloud offerings). GSA also identified a lead organization to establish necessary C-SCRM controls and flight operation policy for drones used by GSA and issued [GSA Order Office of Administrative Services \(OAS\) 5615.1: GSA Unmanned Aircraft Systems \(UAS\) Policy](#).

In fiscal year 2022, GSA plans to conduct component-level device testing for compromised components or prohibited vendors for five devices (that is, low-level integrity tests to detect counterfeit and compromised ICT products), create a GSA IT knowledge book to assist with intake of GSA Cyber-Supply Chain Event reports, and issue a Senior Procurement Executive memorandum further explaining the GSA acquisition workforce's role in following [GSA Order OAS 5615.1: GSA Unmanned Aircraft Systems \(UAS\) Policy](#).

In addition to the efforts under GSA's Enterprise-Level C-SCRM Strategic Plan, GSA also plans to continue supporting the Administration's cybersecurity and supply chain priorities, including the EOs on [Improving the Nation's Cybersecurity](#) and [America's Supply Chains](#) and any new Federal Acquisition Regulations.

Challenge 6: Safeguarding Federal Facilities and Providing a Secure Work Environment

GSA provides safe, healthy, and secure workplaces for Federal employees and visitors. In partnership with the Federal Protective Service (FPS) at the Department of Homeland Security (DHS), GSA is working to evaluate and continuously improve GSA programs related to safety and security in Federal workplaces.

GSA Access Cards

GSA's Office of Mission Assurance is actively working with Service and Staff Offices to ensure all COs and CORs are aware of their responsibilities for collecting expired or terminated GSA access cards and accurately updating the status of their assigned contractors in the GSA Credential and Identity Management System. Since OIG released A190085, GSA's Mismanagement of Contract Employee Access Cards Places GSA Personnel, Federal Property, and Data at Risk, GSA has significantly strengthened controls over the monitoring and collecting of GSA access cards. GSA has also implemented new procedures to automatically notify COs/CORs when a contractor's GSA access card is made inactive and inform COs/CORs of upcoming contract end dates and the need to collect contractor GSA access cards. COs, after performing due diligence, have the authority to begin retrieving outstanding GSA access cards using the following remedies: contractor Performance Assessments, delay of final payment, recommendation to the Agency Suspension and Debarment Official for consideration of administrative action, and contract termination. When a GSA access card cannot be recovered, despite GSA's efforts to collect the card, COs/CORs are now required to report the issue to FPS.

GSA's Enforcement of Security Protocols

GSA takes seriously its responsibility, in partnership with DHS, for the safety and security at all GSA-controlled facilities. GSA has instituted stronger controls to ensure ongoing attention is given to the safety and security of the referenced high-risk facility. GSA has implemented several reviews of building security including:

- Partnering with the DHS Cybersecurity & Infrastructure Security Agency (CISA) to conduct all-hazards Infrastructure Survey Tool assessment of the building. The CISA facility-specific assessment is being conducted at the request of GSA.
- Conducting a comprehensive operational, infrastructure, fire and life-safety review with future quarterly inspections planned to identify any issues or concerns related to fire and life-safety.
- Partnering with FPS to institute better internal controls, including random quality assurance checks of contract security officer services and a review of security vulnerabilities related to contract guard performance, the video surveillance system, intrusion detection system, entry screening, and other items that require FPS involvement and oversight.

Additionally, GSA has implemented procedures to confirm that future safety and security protocols are followed at this facility, including developing a Facility Security Plan, updating the building Occupant Emergency Plan, and training employees on security procedures. Lastly, GSA has taken administrative actions, including a management review, to address contractor and employee behavior and institute new management of the building.

Security at GSA Child Care Centers

FPS conducted comprehensive assessments to identify security vulnerabilities at each child care center located in a GSA-controlled facility. GSA is coordinating with each Facility Security Committee (FSC) for approval and funding of outstanding countermeasures. GSA is committed to addressing the proposed countermeasures where it is responsible for decision making and funding, and is working with sponsoring agencies to facilitate action to fund and implement upgrades for which they are responsible. If other agencies or FSCs decline to fund a countermeasure, GSA will consider options to mitigate risk, including implementing the countermeasure, relocating a child care center, or closing a child care center.

GSA requested funding as part of its FY 2022 budget to address child care security vulnerabilities. Additionally, GSA issued a memorandum to all PBS Regional Commissioners and Assistant Commissioners in July 2020 providing decision-making guidance to address facility security assessment countermeasures at GSA-controlled facilities with child care centers. GSA also updated child care inspection procedures to assess security equipment and review Facility Security Assessments.

Challenge 7: Managing Presidential Initiatives

The Biden-Harris Administration has issued several EO^s to fulfill urgent public policy objectives. GSA is fully committed to advancing these important goals and is taking a leadership role in the fight against the COVID-19 pandemic, strengthening the economy by maximizing purchases of American-made products, addressing the climate crisis by reducing the federal carbon footprint, and advancing equity through our high-impact services to the rest of government and to the American people. GSA will continue to fully support these public policy objectives within a framework including satisfying customers' mission needs, best value optimized acquisitions, business integrity, and fairness and openness. GSA recognizes the challenge and will continue to implement all of the EO^s with these perspectives in mind.

EO 13985 – Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

Through the issuance of EO 13985 and related policies, the Biden-Harris Administration seeks to advance its priority of investing in our country and historically underserved communities by creating good jobs, lowering costs that hold back families, and building an economy of the future that works for everyone. GSA plays an important role in implementing this policy priority, especially through:

- FAS's work to advance innovations that help Small Disadvantaged Businesses (SDBs) gain better access and find more success in federal contracting vehicles;
- OGP's work with the Domestic Policy Council (DPC), OMB, and other federal agencies to examine whole-of-government pathways to improve equity in procurement policy and practices;
- The Office of Small Disadvantaged Business Utilization (OSDBU) work on engaging stakeholders and providing training opportunities for SDBs, underserved business communities, and the acquisition workforce to advance equity in procurement.

EO 14005 – Ensuring the Future Is Made in All of America by All of America's Workers

Through issuance of EO 14005 and related policies, the Biden-Harris Administration seeks to advance its priority of ensuring that when the government spends American taxpayers' dollars, it supports American workers and businesses. GSA plays an important role in implementing this policy priority, especially through:

- OGP's role on the Federal Acquisition Regulatory Council to set government-wide policy for acquisitions across the executive branch to ensure compliance with this EO;
- FAS's work with OMB to develop a public website to provide transparency around proposed waivers and waivers granted by agencies regarding Made in America Laws as defined in the EO; and
- FAS's work to ensure that the agency's acquisition vehicles comply with requirements in the EO through both training and enabling compliance through easy-to-use tooling for COs.

EO 14008 – Tackling the Climate Crisis at Home and Abroad

Through the issuance of EO 14008, the Biden-Harris Administration seeks to advance its priority of confronting the climate crisis by increasing resilience to the impacts of climate change and building a clean energy future.

- GSA is ensuring the review of the progress made towards the goals and the development of any necessary guidance needed. GSA has established an enterprise-wide approach for climate actions and fosters collaboration and information sharing in order to execute agency climate deliverables and goals.
- GSA will aggregate the demand for Zero Emission Vehicles (ZEV) and work to achieve favorable pricing and alignment with market availability of makes and models. GSA is also engaging with industry on the latest technologies available for Electric Vehicle Supply Equipment (EVSE) to help streamline the procurement process to help agencies get what they need to meet EVSE requirements to deploy ZEVs.
- GSA is committed to monitoring the long-term performance of building improvements by using both internal measures and industry wide metrics. GSA centrally tracks and manages sustainable buildings at both the national and regional levels.

GSA continues to explore additional avenues for implementing these Biden-Harris Administration policy priorities.

Challenge 8: Managing the Impact of COVID-19

GSA faces significant challenges responding to the ongoing COVID-19 pandemic.

GSA considers the health and safety of occupants in GSA-controlled space as its highest priority. GSA facilities have largely remained open for agencies to conduct mission-critical work, and GSA has adapted its processes and policies to be in alignment with the Centers for Disease Control and Prevention (CDC). Since the first COVID-19 incident in GSA-controlled space was reported on March 9, 2020, GSA has responded to over 18,000 COVID-19 incidents across more than 900 Federally owned and 2,300 leased facilities. GSA follows and implements guidelines issued by the CDC, the Occupational Safety and Health Administration and the Safer Federal Workforce Task Force to mitigate COVID-19 risks for building occupants.

GSA has taken aggressive steps to keep employees who work in GSA-controlled spaces safe. For example, at the onset of the pandemic, GSA updated custodial contracts to clean and disinfect Federal workplaces in accordance with CDC guidelines and has continued to update those contracts as those guidelines have changed over time. GSA also adjusted its heating, ventilation and air conditioning (HVAC) operations to increase ventilation and improve air filtration. The agency has modified more than 4,500 lease agreements to account for more stringent cleaning requirements. GSA has procured supplies, such as hand sanitizer, cleaning and disinfecting solutions, and personal protection equipment, to equip our contractor partners with the required items to best manage and mitigate the spread of COVID-19, and to provide all individuals using and occupying GSA-controlled space with access to a safe and healthy space and work environment. The agency has prioritized daily cleaning and, as necessary, disinfection; provided a notifications process for suspected or confirmed COVID incidences; promoted proper hygiene practices; provided appropriate facility signage; and required physical distancing and the wearing of masks, in accordance with CDC guidance.

Implementing Guidance for GSA Facilities to Return to Work

GSA co-chairs the Safer Federal Workforce Task Force, created by EO 13991 on Protecting the Federal Workforce and Requiring Mask-Wearing (January 20, 2021), with OMB and the Office of Personnel Management. GSA continues to implement the Task Force's guidance for our Federally owned and leased facilities under the agency's jurisdiction, custody, or control. [This guidance](#) includes COVID-19 vaccination requirements for executive branch employees and covered contractor employees, which GSA is in the process of implementing. GSA is working with client agencies to determine what impact the pandemic will have on their long-term space needs.

A crucial aspect of a successful return to the office is engaging the entire organization in the workplace change. GSA developed the [Activity Based Planning publication](#) to assist agencies with their return to the workplace planning efforts, which describes research tools, such as surveys and focus groups, for understanding workforce and workplace factors, as well as workplace engagement processes that Federal agencies can use to achieve meaningful workplace change. As with the [Safer Workplace Strategy Book](#), GSA's workplace engagement approaches and tools are continually updated in response to changing conditions. In the current pandemic environment, it includes a thorough assessment of critical hybrid workforce drivers through the Workplace 2030 project.

Effective Communication and Response for COVID-19 Incidents

GSA follows CDC guidelines and appreciates the work of OIG to evaluate GSA's actions. In response to the OIG audit, GSA took immediate action, including implementing new policies, strengthening internal controls, and providing additional training to employees.

As a result of the audit, GSA:

- Revised the notification process for COVID-19 incidents to articulate occupant agency responsibilities clearly, and made occupant agency points of contact aware of those responsibilities.
- Implemented a new process for reporting, tracking, and closing COVID-19 incidents in GSA-controlled facilities.
- Published inspection checklists for Federally owned and leased facilities, for mandatory use when inspecting cleaning and disinfection after a COVID-19 incident.
- Directed our facility managers to review the custodial contractor's Pandemic Plan and Quality Control Plan to verify those plans meet new contract requirements for cleaning and disinfection. If the plans were not adequate, facility managers were directed to inform the vendor that the plan needed to be revised and work with the vendor until the plans were acceptable. Once those plans were accepted, facility managers were directed to review the Government's Quality Assurance and Surveillance Plan and make any necessary adjustments.
- Published step-by-step incident management procedures for use by facility managers and lease administration managers.

Ventilation and Air Filtration

In response to the pandemic, GSA has adjusted its HVAC operations to increase ventilation and improve air filtration. Air filtration has been evaluated; air filters have been improved to higher MERV ratings to the extent possible without reducing air flow and ventilation; and filter banks have been sealed to prevent air from bypassing the filters. HVAC now runs 2 hours before and 2 hours after occupancy hours, providing additional ventilation. Ventilation has been increased, where possible, and demand-controlled ventilation, which reduces ventilation proportional to the building occupancy, has been turned off, so that the ventilation operates at the maximum level. Additionally, GSA is using a portion of the funds appropriated to the FBF by the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136, 134 Stat. 281,531) to make HVAC enhancements at the facilities where they are most needed.

The CDC filtration requirements of the April 7, 2021, COVID-19 [Employer Information for Office Buildings](#), stated, as follows: "Improve central air filtration:

- Increase air filtration to as high as possible without significantly diminishing design airflow.
- Inspect filter housing and racks to ensure appropriate filter fit and check for ways to minimize filter bypass."

CDC calls for improvements in filtration performance to the extent possible with the existing HVAC systems, not to any specific minimum level of filtration efficiency.

Water Quality

GSA fully recognizes the potential risks from consuming drinking water from infrequently used plumbing systems or in buildings experiencing long periods of low or no occupancy. After consulting with drinking water experts at the U.S. Environmental Protection Agency (EPA), GSA issued drinking water guidance that addresses the issues recognized by CDC. The guidance for Federally

owned facilities, issued in May 2020 and updated in October 2020, requires weekly flushing of all drinking water plumbing systems. Testing for hot water temperature and chlorine treatment levels are conducted to verify that the flushing is maintaining fresh water throughout the buildings. The required flushing and testing protocol will continue until agencies re-enter the buildings and water usage returns to pre-pandemic levels. Flushing and testing will be slowly tapered for instances where building re-entry is gradual.

GSA also sent advisory communication to lessors advising them to follow CDC and EPA guidance for maintaining fresh water in their leased buildings during low occupancy at the same time the guidance for Federally owned facilities was issued.