

Client Enrichment Series – Q & A



Topic: FY18 RWA Policy Updates

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Link to Series Information: www.gsa.gov/ces

1. What if the customer only has 1 year funding that expires 30-Sep-2018? How long does it take for GSA to start the work?

Answer: GSA is required to re-obligate customer funds within a “reasonable time.” Typically this means the first contract award must be made within 90 days of RWA Acceptance. For more complex projects in which contract award is not expected to occur until after 90 days, the RWA must have a milestone schedule reflecting when significant activities related to performance of the RWA will take place.

2. What if a project has multiple unique phases? Can they all be included on one RWA? Also what if you realize midway through the project that you need something new - can you amend the existing RWA to add that work?

Answer: In order for an RWA to be accepted, it must have a scope of work that provides for a fully functional project deliverable. For example, an agency looking to renovate existing office space might need to install new workstations, replace the carpets, and install updated security systems as part of the larger renovation project. One RWA may be provided for the entire renovation. An RWA could also be provided to fund just one of these project deliverables, or an RWA could be provided to fund all of the deliverables on one floor, among a few other scenarios. The important thing is the RWA must fully fund the scope of work, which must be a discrete deliverable.

Customers may only amend an RWA for new scope in the fiscal year in which the original RWA was accepted. If the customer identifies a need for something not included in the original scope and it is not the fiscal year in which the original RWA was accepted, then the customer would need to provide a new RWA with currently available funds to service that need.

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3. Does the "term" of the time within which we may spend the funds change after it becomes an RWA commitment with GSA?

Answer: GSA has five full fiscal years after the appropriation expiration date of obligational authority to liquidate obligations against the RWA, i.e. 5 full fiscal years to deliver the work. For example, if GSA accepts an RWA in FY18 that cites FY18 annual funds, then GSA can liquidate obligations against that RWA until the end of FY23.

4. If we are trying to fund overtime utilities, would we submit a new RWA for each month if the CRs go month-to-month?

Answer: No, you do not need to submit a new RWA for each CR period. You can provide one RWA and make a note that the authorized amount entered covers the funding needed for the entire CR period. Customers must email the appropriate GSA POC(s) telling them that the amount entered is the CR amount and not the full year amount. GSA will in turn revise the associated estimate to match the net amount that can be paid today; the residual amount is entered in a "Continuing Resolution" field on the estimate so GSA knows to revise the estimate and the RWA upward to match the full year amount once another CR and/or the full year budget is passed.

5. If I give GSA an RWA to build a building, can I also include funding for the furniture and move?

Answer: Yes. PBS may provide assisted acquisition services via RWA for small, standalone purchases of furniture totaling more than \$25,000 but less than \$500,000 that are not incidental to a buildout or to a repair and alteration (R&A) project. Any request for services in excess of \$500,000 must go through FAS. More information can be found on our website at www.gsa.gov/rwa under the "Policy and Guidance" tab.

6. If GSA hasn't accepted the RWA request yet and the CR expires is the money obligated?

Answer: No. Funds should not be obligated until GSA signs (accepts) the RWA.

7. My agency has concerns regarding GSA estimates. We had an instance recently where the antecedent liability increased the cost over 200% of the original estimate. Is GSA working on improving their estimates?

Answer: Antecedent liabilities refer to unforeseen project cost increases, meaning they could not have been accounted for when the RWA was accepted. There will always be

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some extreme cases that cause project costs to skyrocket, e.g. finding asbestos in walls, soaring steel prices, etc., but these cases are few and far between and even the best of estimates cannot anticipate them.

One of GSA's top priorities is to estimate effectively and manage projects within the established budget. As such, we now target final project costs compared to budget ranges captured at RWA acceptance. Better oversight in project estimating will result in more estimates staying within range, meaning customers should start noticing more accurate GSA estimates going forward.

Furthermore, GSA understands that some customer agencies have very effective cost management teams who develop their own reliable estimates for RWA projects. GSA can accept customer-provided estimates, so long as the estimate is approved in writing by a GSA PM or GSA Cost Estimator.

8. Say a customer gives GSA an RWA based on an IGE, and then the IGE is revised before GSA accepts the RWA. Does the customer need to revise the RWA?

Answer: Yes, a revised IGE would require a revised RWA since the RWA Authorized Amount must reflect the most recently estimated costs. If the IGE changes, then the Summary Cost Estimate (SCE) will change as well (since the SCE is a summary of the IGE), and the new authorized amount on the SCE will be reflected as the new authorized amount on the RWA. Note: if the customer signed the RWA before the IGE was revised, they will need to re-sign the RWA since a change in RWA authorized amount requires re-signature.

9. What if an unrelated building issue causes the cost to rise? Is the Agency responsible for the additional cost or GSA/Building Management?

Answer: It is hard to say without being given a specific example, but customers should expect to bear additional costs for unforeseen increases in project costs.

10. Does the estimate need to be on a certain GSA form?

Answer: There is no official form or template on which the estimate should be written. However, the estimate must have a detailed breakdown of costs, and if provided by the customer, then it must be approved in writing by a GSA PM or GSA Cost Estimator.

11. Are the estimate details provided to the customer?

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Answer: Yes the original estimate and Summary Cost Estimate (SCE) are always uploaded into eRETA, so customers simply need access to the system to view/download them. In eRETA, they will find these documents and others in the 'Documentation' section. Customers can learn how to apply for eRETA access by visiting www.gsa.gov/ereta, or by emailing eRETA@gsa.gov. If customers do not have eRETA access, they can email the GSA PM/POC for a copy of the original estimate and/or SCE.

12. Should estimates be received prior to a customer sending GSA an RWA? What about if a customer is sending a work request?

Answer: There must be an estimate before GSA can accept the RWA. If a customer is sending GSA a work request (meaning requirements have not yet been developed), then there is no need for an estimate at that point because the customer is simply notifying GSA of their need for work to be performed. After submitting the work request, GSA and the customer will work together to develop a scope of work, estimate costs, etc.

13. What is GSA's policy/standard regarding the format/breakdown of the GSA provided estimate? How far is the estimate broken down? Demolition/Construction/Electrical/Materials/man-hours?

Answer: GSA cannot accept estimates with lump sum amounts; there must be a detailed breakdown of costs. Construction costs, for example, must be broken down into itemized detail.

14. Can an RWA be provided before the specific Lessor is identified?

Answer: Yes, an RWA can be provided as soon as the project is identified, scoped and estimated, which in some cases may be before the specific lessor is identified. For example, if a customer approaches PBS with a need for leased space in FY17 and lease award is not anticipated until FY19, PBS can accept an RWA in FY17 for the associated TI. PBS would need a scope, schedule, and cost estimate and work continuously and expeditiously to award the lease. There is a risk to the customer if funds are received too early, as five fiscal years after the appropriation expires, a time limited appropriation cancels and the funds need to be returned to Treasury and new funds (or no-year funds) would need to be provided for any work not completed or expensed.

15. What happens if Tenant Improvement (TI) costs go above the tier and the agency does not have available funding from the date or FY the lease was awarded?

Answer: If an RWA for above standard TI costs was accepted prior to lease award, then the customer could sign a statement indicating they do not have funds available from the FY in which the lease was awarded, and then they could submit an amendment

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to the original RWA citing currently available funds. They could also provide any no year funds without a signed statement.

If an RWA for above standard TI costs was NOT accepted to begin with, then the agency has two options: 1- Descope their requirements so that they stay within their tenant improvement allowance, or 2- amortize a limited portion of their above-standard TI into the rent with a pricing policy deviation (please note GSA does not commonly offer this option).

16. If the agency does not have the funding in support of the above standard TI, must the agency remain in the existing location for an indefinite amount of time?

Answer: Not necessarily. If they don't have the funding to cover what they have identified as their TI requirements, they might still be able to move locations, but they would have to descope their TI requirements to stay within the tenant improvement allowance. Additionally, the existing location may not be a viable option.

17. What is the deadline for submitting Non-Economy Act (and non-DOD) RWAs to GSA for FY18?

Answer: The deadline to submit non-Economy Act RWAs is the end of August. An announcement with the specific dates will be sent to all customer agencies and will be posted on our national website at www.gsa.gov/rwa in the "Policy and Guidance" tab in the coming weeks.

18. What is the deadline for submitting Economy Act (and DOD) RWAs to GSA for FY18?

Answer: The deadline to submit Economy Act RWAs (and DOD RWAs which operate under Economy Act rules) is mid-July. An announcement with the specific dates will be sent to all customer agencies and will be posted on our national website at www.gsa.gov/rwa in the "Policy and Guidance" tab in the coming weeks.

19. Does the agency have the ability to add to the scope or descope the RWA as necessary?

Answer: Customers can descope an RWA as needed. An RWA may only be amended for new scope in the fiscal year in which the RWA was accepted. Otherwise a new RWA is required.

20. Is the customer responsible to set aside funds after the lease is awarded in lieu of the estimate?

Answer: No. Customers are responsible to fully fund the estimated costs for above standard TI requirements at RWA acceptance, which is prior to lease award. In cases

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where scope does not change but costs go higher than expected (i.e. antecedent liability), the customer can fund those increased costs with funds that were available when the original RWA was accepted. If they do not have funds that were available when the original RWA was accepted, then they may sign a statement saying those funds are not available, and then provide any currently available funds. They may also provide any no year funds without a signed statement.

21. What recourse do we have if we submit the RWA by 8/31 but our GSA building manager sits on it and fails to submit it?

Answer: The end of year RWA deadline is for RWAs that are fully executable, meaning the customer and GSA have developed requirements on the RWA, it has a succinct scope of work backed by an estimate, and is signed by the customer. If a customer submits an RWA to GSA by the deadline but it is not fully executable, the RWA will not be considered for acceptance, and the customer will have to submit the RWA in the next fiscal year with currently available funds.

If a customer submits a fully executable RWA to a GSA building manager before the deadline and he/she fails to act, then customers should reach out to the regional RWA Manager who will be happy to assist. You can find their contact information on our national website www.gsa.gov/rwa. At the bottom of the page you'll see a map and list showing the regional RWA Managers and their contact information.

22. One of the big concerns we have regarding needing the RWA prior to lease award is we have not begun design, including finishes. How can the RWA estimate be accurate?

Answer: GSA understands that an estimate in this scenario might not be a completely accurate final project cost indicator. However, customers should have a good understanding of their TI requirements that will go above the standard TI allowance. We should be able to estimate costs for those requirements, and the RWA must fully fund those projected costs.

23. What kind of performance measures does GSA have in place to ensure RWAs are processed timely?

Answer: GSA targets the RWA Intake and Submission Process to be conducted within 15 business days from receipt of a fully executable RWA. In other words, after GSA and the customer develop requirements on an RWA and the customer sends the completed, signed RWA to GSA, the customer should expect the RWA to be accepted within 15 business days.

24. Does eRETA include the vendor/contractor's cost proposal in detail after the lease is awarded?

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Answer: The eRETA documentation section includes RWA Project Information including schedules, estimates, and customer letters from Receipt to Closeout. Cost Proposals and bids are typically not included in eRETA.

25. Has eRETA been updated to allow for multiple customer signatures?

Answer: It has not. eRETA allows for only one customer signature. Different customers have varying internal routing processes, and GSA elected not to build logic in eRETA to accommodate some customers' processes while simultaneously negatively impacting others. Customers that require multiple approvals can pull up the RWA in eRETA, go to the "Customer Approval" tab, click the button to print the RWA Form, save it as a PDF, and then send the RWA to the appropriate individuals for internal approval. If signing digitally, they could send the RWA to GSA with "request to digitally sign" in Block 18C. GSA will then route the RWA to the final approving official to digitally sign.

26. If an agency has an emergency and all requirements are not known, can an RWA still be accepted and amended as more requirements are known?

Answer: There must be a defined scope of work which GSA can act on, otherwise GSA cannot accept the RWA. Also an RWA may only be amended for new scope in the same fiscal year in which it was accepted.

27. We have received several emails from several different GSA Regions telling us that we have to submit RWAs using eRETA. We have explained that we cannot submit using eRETA because we require two signatures on our RWAs and NO electronic signatures. Will sending in RWAs via emails continue to be allowable and can we request that each GSA Region set up an RWA intake mailbox?

Answer: Customers are not required to submit RWAs to GSA via eRETA at this time. Customers may continue to submit RWAs to GSA using their preferred manual method (email, fax, in person, etc.). Many regions do have an RWA Mailbox where customers can email their RWAs, and these can be found on our national website www.gsa.gov/rwa towards the bottom of the page. For regions that do not have a designated RWA Mailbox, customers should send their RWAs to the regional RWA Manager, whose contact info can be found on the [RWA Manager Map](#) which is also located on our national website www.gsa.gov/rwa.

Regarding electronic signatures, customers are not required to electronically sign RWAs at this time, and they may continue to sign manually.

28. If a customer's existing RWA does not show up in an eRETA search, and the Agency Bureau Code is valid, is there someone to reach out to for assistance?

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Answer: Yes, you can always reach out to eRETA@gsa.gov with any eRETA issues, and we will be happy to assist.

29. How could the TI allowance period be over if the initial lease build-out is not complete?

Answer: The bona fide need for the above standard TI components is established prior to the lease being awarded. In order to comply with appropriations law, that means an RWA for those above standard TI components must be accepted prior to lease award and it must cite currently available funds.

30. Are we saying that the software allows us to identify our finance authorization person, or do we obtain this in the background and end up having to sign ourselves after we independently get authorization from our own organizations?

Answer: Customers identify who in their agency needs to sign the RWA. If the customer is using eRETA data entry capabilities to enter their RWA into the eRETA application directly, they would select the “Electronic Signature Request” button on the “Customer Approval” tab and enter the signer’s email address. Alternatively, if customers are submitting their RWA manually but opt to sign the RWA electronically, they can denote this request in block 18A or 18C of the RWA Form by writing “request to sign digitally.”

31. Can customers enter the GSA PM/POC themselves? Also what should customers do if GSA enters the GSAPM/POC field themselves but it turns out to be the wrong GSA PM/POC for the project?

Answer: When creating an RWA Work Request in eRETA, customers have the ability to enter the GSA PM/POC for the project. They should only do so if they have already been working on a project with a particular GSA PM/POC before entering the RWA in eRETA. Otherwise they should leave the GSA PM/POC field blank so that GSA can assign the appropriate PM/POC to the project. If a customer has an issue with the GSA PM/POC assigned to their RWA, they can reach out to the regional RWA Manager who will be happy to assist. RWA Managers’ contact information can be found on our national website www.gsa.gov/rwa.

32. How can I register for eRETA? I currently use VCSS, is it the same?

Answer: VCSS and eRETA are two separate applications. VCSS is a billing module whereas eRETA is a project information system. Customers can find instructions on how to register at www.gsa.gov/ereta in the “How do I access eRETA” tab on the left navigation bar. Customers can also email eRETA@gsa.gov with any eRETA related questions.

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33. Is RWA information in eRETA directly uploaded into the OA Tool in the development of rent?

Answer: eRETA does not upload RWA information into the OA Tool. RWAs are for projects or services that go beyond what is included in a customer's rental agreement; they do not affect the customer's rental rate.

34. What is the difference between severable and non-severable services?

Answer: A severable service is one in which value is received as the service is rendered. For example, utilities are severable because there is value from each extra input of power. In other words, the customer makes use of each incremental unit of power received.

A non-severable service is one in which value is received only when the entire service is performed. For example, a project to renovate office space is nonseverable because the value is received once the entire space is renovated.