



Client Enrichment Series

Welcome to today's presentation on:

RWA Protocols for 2017

the presentation will start at 2:00 PM Eastern

Note: Phones are automatically muted during the presentation. You have the ability to send questions to the host and presenters through your questions pane. They will answer as many of the questions as possible throughout and at the end of the presentation. All questions will be captured, and answers sent to all participants prior to the next presentation.



Client Enrichment Series

RWA Protocols for 2017

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Reimbursable Work Authorizations (RWA) basics – what is an RWA?

An RWA is an agreement between GSA and a customer whereby GSA agrees to provide materials and/or services and the customer agrees to reimburse GSA's costs.

RWAs capture and bill the costs of altering, renovating, repairing, or providing services in GSA-managed space that go over and above the basic operations financed through rent.

The RWA identifies the specific needs of the customer and establishes a financial agreement.

The RWA (GSA Form 2957) is accepted by OMB as GSA's formal Inter-Agency Agreement (IAA) with agencies.



Appropriations Law

40 U.S.C. §301: **Property Act**

Provides GSA the authority to acquire and maintain property and provide services for Government use.

40 U.S.C. § 592(b): **Federal Buildings Fund**

PBS's authority to provide reimbursable services in facilities in GSA's portfolio.

31 U.S.C. §1535 (as amended): **Economy Act**

Requires both the requesting and the performing agency to obligate the provided funds within the period of funding availability. GSA uses this for properties in other agencies' portfolios.

31 U.S.C. §1341: **Anti-deficiency Act**

Officials may not authorize expenditures exceeding the amount available for the obligation.



Appropriations Law (contd.)

31 U.S.C. §1552(a): **Period of Availability**

On September 30 of 5th fiscal year after period of availability, account shall be closed and any remaining balance (whether obligated or unobligated) shall be canceled.

31 U.S.C. §1501: **Purpose of Appropriation, and Recording Statute**

Agencies have authority to spend funding for certain purposes and must have documentary evidence to support a valid obligation during the period of availability; and a specific, clear description of work.

31 U.S.C. §1502: **Bona Fide Need**

Funds are available only for expenses properly incurred during period of availability. Agencies may only obligate funds for a need arising the current fiscal year.



Appropriation Types

Annual: Funds are available for obligation by the Client Agency during one specific fiscal year.

Multiple Year: Funds are available for obligation by the Client Agency for a definite period in excess of one fiscal year.

No Year: Funds are not bound by fiscal year limitations, and the Client Agency may obligate them at any time.

An RWA may only be amended for new scope in the fiscal year in which the RWA was accepted by GSA, regardless of fund type. Otherwise, a new RWA will be required.



RWA National Policy Document Updates

- ***Full Funding Requirement:*** Clarification on the need for “full funding” to cover the entirety of a scope of work at RWA acceptance for nonseverable RWAs.
- ***Incremental Funding:*** Definition and confirmation that incremental funding is not permitted.
- ***Antecedent Liabilities:*** Identification and appropriate funding for antecedent liabilities that arise during project execution.



Prohibition of Incremental Funding

Incremental Funding: Funding of the same scope of work for a nonseverable service over several fiscal years.

More specifically, incremental funding is defined as using time-limited funds (annual or multiple year funding) or mixed fund types such as annual or multiple year funding and funding that is available until expended (no-year funds) from multiple fiscal years to fund a nonseverable service, such as construction.

Fiscal law, GSA and DoD policy prohibit incremental funding.

Nonseverable services may not be partially or incrementally funded regardless of fund type, including no-year funding.

If a service is nonseverable, the client agency must fund the entire effort with dollars available for obligation at the time the client agency submits an RWA.

For proper acceptance of a nonseverable service RWA, the complete funding equal to the scope of work must provide for a discrete and fully functional project deliverable (that is, a complete phase or stage of the project or essentially a severable component of the scope of work for the nonseverable service.)



Example of Incremental Funding

Incremental Funding

RWA Scope of Work: Design and construction of 2nd & 3rd floors of building XYZ in Washington, DC, per the attached scope of work.

Situation: Estimate for scope of work is \$5 million. RWA being provided is only for \$3 million, thus not fully funding the RWA.

Potential Resolutions:

Reduce scope of work to only include design (clear and distinct deliverable). Estimate must also be reduced to support this new scope of work. New RWA may be provided at a later date to fund the construction portion.

Reject the RWA and request the customer provide the full \$5 million at one time; fully funding the RWA.



Antecedent Liabilities

Antecedent Liability: The liability of the Federal government that arises and is enforceable under a provision in the original contract.

Examples include:

Costs to remove asbestos found within walls of a space buildout that was not evident before starting construction but is within the original scope of work.

Unforeseen increases in material or labor costs, or both, that arise under the contract for a project within the original scope of work (that is, for the accepted RWA) that cause the project to exceed the original GSA Cost Estimate or IGE, including contingencies.



Example of Antecedent Liability

Antecedent Liability

RWA Scope of Work: Renovate leased space on the 2nd & 3rd floors of building XYZ in Washington, DC, per the attached scope of work.

Situation: Asbestos found during renovation on 3rd floor.

Funding Mechanics: Original RWA provided with annual funds. Amendment being requested/provided in a different FY.

Potential Funding Options:

- (1) Customer provides amendment with funds available when the original RWA was provided.
- (1) Customer provides Statement of Further Written Assurance for Amendment confirming funds from the original FY are no longer available, and thus currently available funds will be provided to support the cost increase to deliver same scope of work.



RWA National Policy Document Updates

Amendments: Regardless of fund type, all RWAs may only be amended for new scope in the fiscal year in which GSA accepted the RWA. After the first fiscal year of performance, a new RWA is required.

Formalizes the **requirement for a GSA Cost Estimate or IGE** for every RWA. GSA can accept a customer provided estimate as long as a GSA cost estimator or GSA Contracting Officer acknowledges in writing that it is fair and reasonable.

Encourages the use of **electronic (digital) signatures**.

RWAs for **above-standard Tenant Improvement (TI)** costs must be provided prior to lease award and include all known costs.

Timely RWA acceptance/submission: Formalizes the requirement for an acceptance letter to be sent to the client agency and the RWA entered in “submitted” status into RETA within 5 business days of RWA signature acceptance by GSA.



RWA Intake & Submission

- **What is the RWA intake and submission process?** The RWA intake and submission process is the time from the customer signature date (approval/commitment of funding) to the date GSA signs/accepts the RWA and the RWA is subsequently entered into “submitted” status in RETA.
- **What can customers expect?** GSA is targeting the RWA intake and submission process being conducted within 15 business days from receipt of a fully executable RWA.
- **What is a fully executable RWA?** A fully executable RWA is one in which all information is accurate and supported by a scope of work and cost estimate.
- **Where do I send RWAs?** Several regions have established a mailbox, while others funnel through the RWA Manager. Visit www.gsa.gov/rwa for specific details.



RETA & eRETA

RETA/eRETA stands for “RWA Entry and Tracking Application” – GSA’s electronic repository for all RWA projects.

RETA/eRETA is technically one application; the primary differences are:

- Logging in (internally vs externally)
- RWAs that are accessible (customers by AB Code, GSA by GSA Region)

RETA/eRETA contains all RWA financial information as well as an electronic document file that includes copies of the RWA 2957 form, Receipt, Acceptance, Completion and Closeout letters, and much more.

RWA Financial Information in RETA is updated 3x a day from GSA’s Financial Management System.



eRETA – What’s coming

eRETA 7.3 (delivered in Spring 2016) available to 30 pre-identified customer agency SMEs for beta testing

- Ability to submit new RWA Work Requests electronically online.
- Ability to electronically initiate administrative amendments for existing RWAs and instantly submit them into GSA’s database.
- Ability to electronically initiate financial amendments for existing RWAs and direct them to GSA for review and acceptance.
- Ability to upload documentation into eRETA to maintain an electronic “RWA file.”
- Over 150 electronic work requests entered in eRETA as of February 2017.

eRETA 7.7 (coming Summer 2017)

- eRETA 7.3 features (above) made available to all customer agencies.
- Incorporation of digital signature functionality to sign RWAs from within eRETA.
- Additional workflow improvements as identified by all GSA customer agencies after using eRETA 7.3
- Visit gsa.gov/ereta to gain access to eRETA!



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Questions?

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Thank you for joining us today for a discussion on
RWA Protocols for 2017

- **Future sessions**

Please keep a look out for the Introduction to Leasing session on April 20, 2017, invite. See you in the Spring!

www.gsa.gov/ces

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