



U.S. General Services Administration

ADMINISTRATOR'S SEMIANNUAL MANAGEMENT REPORT TO CONGRESS



**REPORT NO. 63
APRIL 1, 2020 – SEPTEMBER 30, 2020**

U.S. General Services Administration

Emily W. Murphy
Administrator

Office of the Chief Financial Officer

Gerard Badorrek
Chief Financial Officer

Office of Audit Management and Accountability

Evan Farley
Director

November 2020

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Copies of this report can be obtained using any of the following:

Mail: Office of Audit Management and Accountability
Office of the Chief Financial Officer
U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405

E-mail: GAO-IGAuditMgmtDiv@gsa.gov

Online: [Semiannual Management Report to Congress](#)

Telephone: (202) 384-2511

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Message from the Administrator

I am pleased to submit the U.S. General Services Administration (GSA) Semiannual Management Report to Congress, which summarizes the agency's audit-related actions and accomplishments for the 6-month period that ended September 30, 2020.

As Administrator of GSA, I established audit responsiveness as a key organizational priority 3 years ago. In response, GSA has taken numerous agency-wide actions that have strengthened systems of audit follow-up and internal control, increased senior management attention and oversight, instituted accountability tools and measures, and helped ensure effective and efficient operations. While there are many examples of GSA's improvements in this last area, highlights include the following:

- Saving taxpayer money by avoiding approximately \$1.45 billion in lease costs for customer agencies;
- Consolidating over 99 percent of Federal supply schedule contracts into a single solicitation during the past fiscal year;
- Scoring an "A+" rating on the December 2019 and August 2020 Federal Information Technology Acquisition Reform Act Scorecards; and
- Receiving an "A+" rating on the annual Small Business Procurement Scorecard by the Small Business Administration for fiscal year 2019 and, for the first time ever, making more than \$1 billion in direct awards to small businesses in FY 2020.

During the past 6 months, GSA made decisions on 38 audits (pre-award, post-award, and performance) and took final action on 43 GSA Office of Inspector General (OIG) audits. GSA also continued its strong effort to reduce the number and age of open contract audits, making management decisions for 31 contract audits and taking final action on 47. Of the 40 contract audits that remained open on October 1, 2020, only 11 were open for more than 1 year. GSA's efforts represent the recovery of \$7,784,614.44 in Government funds, which cites an increase of 38.8 percent compared to the last reporting period.

While GSA's achievements and progress are meaningful, agency leadership and staff are perhaps most pleased to have been able to provide significant pandemic support to other Federal agencies, their staffs, and the Nation. This has involved:

- Repurposing CenturyLink Field in Seattle to be used as a field hospital, delivering 11,144 hospital cots and beds, and resupplying two United States Navy Hospital Ships (the Mercy and the Comfort) in record time for deployment in Los Angeles, CA, and New York City, NY;
- Assisting the Centers for Disease Control and Prevention (CDC) INFO's response to an increase of more than 78,000 weekly calls and 26,000 weekly emails since the program declared a surge in call/email volumes in late January 2020. In total, the Federal Acquisition Service has helped CDC respond to more than 690,000 calls and 200,500 emails since the beginning of the calendar year; and
- Procuring or delivering more than 51 million protective gloves, 41.3 million cleaning wipes, 509,400 masks and face shields, 550,000 gallons of disinfectant and cleaning solutions,

361,000 gallons of hand sanitizer, 208,350 meals ready-to-eat (MREs), 51,100 disposable protective coveralls, 6,550 laptops for agency partners, 87,600 infrared thermometers, and 47 ventilators.

GSA is deeply committed to providing customer agencies with maximum value on behalf of the American taxpayer. We appreciate the work and insights of the GSA OIG in helping to accomplish this goal and look forward to continued work with the OIG and Congress to help ensure continued and improved responsiveness to the American taxpayer.



Emily W. Murphy
Administrator
U.S. General Services Administration

Overview

Management's Response to the OIG Semiannual Report to Congress

This report, GSA's 63rd report to Congress since the implementation of the reporting requirement, presents management's perspective on audit resolution and follow-up activity for the semiannual reporting period, in addition to general statistical summaries. The data in this report indicates that GSA's audit monitoring and management activities continue to play a significant and effective role in the effective management of GSA operations, the accomplishment of the Agency mission, and the effective use of taxpayer dollars.

U.S. General Services Administration Organization

GSA's Public Buildings Service and Federal Acquisition Service provide Governmentwide delivery of real estate, acquisition, and technology services. GSA's Office of Government-wide Policy manages the development of specific Governmentwide policies and regulations and provides shared services across the government. GSA's 11 regions provide local support to Federal agencies nationwide, while GSA's several staff offices provide support to other GSA organizations, other Federal agencies, and the public.

The Administrator of General Services directs the execution of all GSA functions. Members of the Administrator's office, as well as Regional Administrators and Heads of Services and Staff Offices, advise and make recommendations on policy or operational issues of national scope. Heads of Services and Staff Offices also are responsible for the execution of programs and services within their offices, under the leadership of the Administrator.

Audit Follow-up Program

Organization of Audit Follow-up Program

GSA has effective systems in place for tracking and managing audit recommendations, and enhancement and modification of these systems is ongoing. GSA's management is accountable for ensuring prompt appropriate corrective action and works with supervisors and program managers who develop remedies from identified vulnerabilities and report progress in implementing solutions. Agency managers have the responsibility to act on the auditor's recommendations, with the audit resolution process overseen by the Agency Audit Follow-up Official. The descriptions of the duties of the GSA officials involved in the audit follow-up process are below.

Agency Audit Follow-up Official

The GSA Deputy Administrator as the Agency Audit Follow-up Official has overall responsibility for the audit follow-up program. This includes responsibility for ensuring the adequacy of the Agency's follow-up system, monitoring the resolution of audit recommendations, and ensuring timely implementation of corrective actions. The incumbent in this position also makes final decisions to resolve differences between Agency management and the GSA OIG.

Chief Financial Officer (CFO)

The CFO provides direction and oversight to the officials in the Office of the Chief Financial Officer (OCFO) who manage the GSA's Audit Resolution and Follow-up System. Their responsibilities are as follows:

- Liaison with the GSA OIG and GAO for the coordination of OIG and GAO audits within GSA, and coordinate preparation of responses and reports for the signature of the Heads of Service and Staff Offices or the Administrator, as required;
- Ensure timely and effective resolution and implementation of audit recommendations made by the GSA OIG and GAO;
- Ensure agency efficacy in the resolution of findings that cross multiple offices or agencies.
- Oversee the collection and proper accounting of monetary amounts determined due to the Government as the result of audit-related claims;
- Analyze particularly as related to past or present audit recommendations;
- Maintain automated control systems for internal and external audits that provide an accurate means for monitoring, analyzing, tracking, and documenting actions taken to implement audit recommendations; and
- Provide analysis to identify trends, minimize repeat findings, and enable preventive action.

Heads of Services and Staff Offices, Regional Administrators

Heads of Services and Staff Offices and Regional Administrators to whom audit recommendations pertain have primary responsibility for resolving and implementing recommendations promptly, and for the following:

- Ensure controls are implemented to provide timely, accurate, and complete responses to audit reports;
- Develop, advocate, and document agency positions on audit recommendations;
- Prepare responses to GSA OIG and GAO draft and final reports;
- Provide comments on audit decision papers prepared by the GSA OIG to accurately state management's position on unresolved audit recommendations.

Synopsis of Audit Activity

The Inspector General Act of 1978, as amended, requires the Administrator of General Services to report directly to Congress on management decisions and final actions taken on audit recommendations made by the GSA OIG.

This report covers the period of April 1, 2020, through September 30, 2020. Included in the report are summaries of GSA audit activities concerning the following:

- GSA implementation of GSA OIG audit report recommendations;
- Final actions not taken on audits 1 year after the date of the management decision; and,
- Audit reports and audit actions involving financial recommendations, including disallowed costs, funds put to better use (better use funds), or both.

On April 1, 2020, GSA had 72 contract and internal audit reports pending final action. These reports contained financial recommendations totaling \$469,915,955.78 (sum of row A, pages 8 and 9).

- Financial recommendations for 57 contract audits totaled \$469,904,025.78
- Financial recommendations for 15 internal audits totaled \$11,930

Between April 1, 2020, through September 30, 2020, GSA finalized management decisions on 32 audit reports concerning nationwide GSA programs and operations.

- Across the 32 audits, a total of \$6,408,461 in pre- and post-award contracts and internal program spending identified as having been incorrectly charged to the Government was determined to be disallowed costs.
- In 23 of the 32 audits, GSA OIG recommended that \$46,148,783 could be used more effectively if management took action to fully implement and complete GSA OIG's recommendations (see Appendix).

During this 6-month reporting period, GSA successfully took final action on 47 audits. GSA's audit actions represent the recovery of \$7,784,614.44 (row C, page 8) in Government funds and the identification of \$201,833,746 in potential future savings (row C, page 9), of which \$16,292,819 affected GSA's budget.

As of October 1, 2020, GSA had 64 open performance and contract audits and two audits in litigation.

Audits with Disallowed Costs

Final Action for the 6 Months Ending September 30, 2020	Number of Audit Reports	Disallowed Costs
A. Audit reports where final action had not been taken by the commencement of the reporting period.	72	\$36,897,351.59
B. Audit reports where GSA/OIG made management decisions during the reporting period.	32	\$6,408,461.00
<hr/>		
C. Audit reports where GSA took final action during the reporting period.	47	\$17,348,524.52
<i>(i) the dollar value of disallowed costs</i>		<i>\$7,784,614.44</i>
- collections.....		\$7,742,849.51
- offset.....		\$0.00
- property in lieu of cash.....		\$0.00
- surplus.....		\$25,399.93
- other.....		\$16,365.00
<i>(ii) the dollar value of disallowed costs written off by management.</i>		<i>(\$9,563,910.08)</i>
D. Audit reports where GSA did not take final action by the end of the reporting period and includes audit reports issued during this reporting period.	64	\$13,342,415

Audits with Better Use Funds (Potential Cost Savings)

Final action for the 6 Months Ending September 30, 2020	Number of Audit Reports	No Budget Impact (Actual and Estimated)	Budget Impact
A. Audit reports where final action had not been taken by management by the commencement of the reporting period.	72	\$433,018,604.19	\$0
B. Audit reports where GSA/OIG made management decisions during the reporting period	32	\$46,148,783	\$0
C. Audit reports where GSA took final action during the reporting period.	47	\$185,540,927	(\$16,292,819)^{1,2}
<i>(i) the actual dollar value of recommendations that were actually completed.</i>		\$0	
<i>(ii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be implemented or completed.</i>		\$0	
<i>(iii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be determined (calculated).</i>		\$0	
<i>(iv) the estimated dollar value of "funds to be put to better use" as agreed to by GSA management and GSA OIG.</i>		\$201,833,746	
D. Audit reports where GSA took no final action by the end of the reporting period and includes audit reports issued during this reporting period.	64	\$319,435,447.19	\$0

United States Court of Federal Claims:

¹CBCA 6123, settlement agreement that resolves all matters in dispute between GSA and Engility Corporation (formerly TASC, Inc.) and the Board dismisses this case with Prejudice, Contract Number GS-23F-0008K **(\$1,236,901.00)**.

²CBCA 2953-R, 2954-R, 2955-R, 3596-R, 4175-R, 4377-R, and 5006-R; awards to Suffolk Construction Company, Inc., concerning dispute with GSA, with regard to Contract Number GS-01P-05-BZ-C-3010 **(\$15,055,918.00)**, including interest).

Audits under Appeal/Litigation

Financial recommendations are not included for contract awards or actions that are not completed.

Audit Report Number and Name of Contractor	Issue Date of Report	Management Decision Amounts of Disallowed Costs
A200987P3X20030 WSSA Birmingham, LLC	4/22/2020	\$0
A100982P4X20032 Fusco Arena Associates, LLC	5/7/2020	\$0

Contract Audits

Audits with Management Decisions made before September 30, 2019, with No Final Action as of September 30, 2020

Audit Report Number and Name of Contractor	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action
A160039Q3X16055 Carahsoft Technology Corporation	8/8/2016	\$0	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A150001Q2X17033 Noble Sales Co., Inc.	3/30/2017	\$285,906	Investigation in process – An investigation was opened by either the OIG or the Justice Department regarding actions taken by the contractor.
A170046Q4X18026 Enlightened, Inc.	4/20/2018	\$261,427	In the process of collection - GSA is collecting funds owed the Government.
A180035Q3X18034 Millennium Systems Services, Inc.	6/12/2018	\$54,029	In the process of collection - GSA is collecting funds owed the Government.
A180052P4X19018 Honeywell International, Inc.	2/21/2019	\$0	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A180048Q6X19021 Corporate Lodging Consultants, Inc.	3/20/2019	\$915,649	Unresolved - Agreement not reached between OIG and Contracting Officer on the Decision Record.
A160103Q3X19032 Unistar-Sparco Computers, Inc.	7/2/2019	\$294,660	In the process of collection - GSA is collecting funds owed the Government.
A180091Q3X19035 The Boston Consulting Group, Inc.	7/11/2019	\$0	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A180072Q9X19037 The RAND Corporation	7/12/2019	\$53,667	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.

Internal Audits

Audits with Management Decisions made before September 30, 2019, with No Final Action as of September 30, 2020

Audit Report Number and Title of Report	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action	Projected Completion Date
A130011Q5P15001 (Reopened for an implementation review) Great Lakes Region Network Services Division Invoicing Process Lacks Transparency	2/27/2015	\$0	Audit is in Implementation	12/31/2020
A160019P4R17003 (Reopened for an implementation review) PBS Failed to Enforce Kress Building Lease Provisions and May Have Exposed Tenants to Health Risks	1/27/2017	\$0	Audit is in Implementation	12/31/2020
A160133P6R18002 Audit of GSA's Public Buildings Service Does Not Track and Report All Unused Leased Space as Required	8/10/2018	\$0	Audit is in Implementation	5/31/2021
A170027P6R19002 (Reopened for an implementation review) Audit of Environmental Issues at the Goodfellow Federal Complex in St. Louis, Missouri	3/15/2019	\$0	Audit is in Implementation	TBD
A180073P2R19006 Audit of IT Security Requirements in GSA Leasing Support Services Contracts	6/19/2019	\$0	Audit is in Implementation	12/31/2020

Internal Audits (cont.)

Audits with Management Decisions made before September 30, 2019, with No Final Action as of September 30, 2020

Audit Report Number and Title of Report	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action	Projected Completion Date
A170118Q6P19004	7/23/2019	\$0	Audit is in Implementation	12/31/2020
Improper Pricing on the McKinsey Professional Services Contract May Cost the United States an Estimated \$69 Million				
A170116QTP20001	8/23/2019	\$0	Audit is in Implementation	10/30/2020
FAS Does Not Effectively Manage Information Security Risks in the System for Award Management				

Open OIG Recommendations Not Fully Implemented as of September 30, 2020

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A130011Q5P15001 (Reopened for an implementation review) Great Lakes Region Network Services Division Invoicing Process Lacks Transparency	2/27/2015	001	Require the Network Services Division establish formal agreements with customer agencies that set terms and conditions, and disclose all pricing components, including the contract rates that GSA pays to vendors. Original due date: 7/29/2016 Reopened due date: 12/31/2020
A160019P4R17003 (Reopened for an implementation review) PBS Failed to Enforce Kress Building Lease Provisions and May Have Exposed Tenants to Health Risks	1/27/2017	001	Enforce the terms of the lease and take immediate action to ensure that all necessary maintenance and repairs are addressed. Original due date: 7/31/2017 Reopened due date: 12/31/2020
		002	Develop and distribute guidance that ensures the immediate communication of environmental concerns and test results to affected building tenants. Original due date: 7/31/2017 Reopened due date: 12/31/2020
A160133P6R18002 Audit of GSA's Public Buildings Service Does Not Track and Report All Unused Leased Space as Required	8/10/2018	001	Develop and implement a process to ensure that PBS reports and mitigates all unused space for all non-cancelable occupancy agreements in its lease portfolio. Original due date: 3/31/2020 Current due date: 5/31/2021
		002	Take action to ensure that existing and future non-cancelable occupancy agreements comply with PBS's policy. Original due date: 3/31/2020 Current due date: 11/30/2020
A180073P2R19006 GSA's Northeast and Caribbean Region Lacks Policies and Procedures for Emergencies and Evacuations in Puerto Rico	6/19/2019	001	Coordinate the development of policies and procedures for emergencies and evacuations in all areas where GSA has a presence based on lessons learned and applicable federal regulations. Original due date: 7/31/2020 Current due date: 12/31/2020

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A170118Q6P19004 Improper Pricing on the McKinsey Professional Services Contract May Cost the United States an Estimated \$69 Million	7/23/2019	003	Review all FAS contracts with team-based pricing to ensure they comply with Federal Acquisition Regulation requirements. Original due date: 12/31/2019 Current due date: 12/31/2020
A170047P5R19007 Audit of the PBS Great Lakes Region's Lease Financial Performance	8/23/2019	002	Evaluate U.S. Postal Service-owned space leases for terms and conditions allowing for the risk of long-term vacancies and FFO loss and implement necessary safeguards to protect PBS against this risk. Original due date: 9/30/2020 Current due date: 12/31/2020
A170116QTP20001 FAS Does Not Effectively Manage Information Security Risks in the System for Award Management	12/20/2019	004	Reassess risk management policies and procedures to reduce fraud risks in SAM. Original due date: 10/30/2020 Current due date: 10/30/2020
A180068Q3P20002 FAS's Use of Pricing Tools Results in Insufficient Price Determinations	12/23/2019	003	Develop and implement controls to ensure compliance with FAS Policy and Procedure 2018-03 - Proper Documentation of Price Analysis Decisions - Federal Supply Schedule (FSS) Program - in regards to documenting use of the pricing tools. Original due date: 10/30/2020 Current due date: 10/30/2020
A170119P6R20001 Audit of Child Care Centers in GSA Controlled Buildings Have Significant Security Vulnerabilities	1/30/2020	001	Ensure that PBS maintains childcare centers in safe locations that meet minimum-security standards. Original due date: 1/29/2021 Current due date: 1/29/2021
		002A	Address the specific vulnerabilities OIG identified for the childcare centers by ensuring in coordination with DHS that security cameras are operating. Original due date: 1/29/2021 Current due date: 1/29/2021

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A170119P6R20001 (cont.) Audit of Child Care Centers in GSA Controlled Buildings Have Significant Security Vulnerabilities	1/30/2020	002B	Address the specific vulnerabilities OIG identified for the childcare centers by ensuring that outdoor playgrounds are protected from intruders or observation. Original due date: 1/29/2021 Current due date: 1/29/2021
		002C	Address the specific vulnerabilities OIG identified for the childcare centers by performing progressive collapse assessments at buildings with childcare centers and implementing countermeasures to prevent vulnerabilities identified. Original due date: 1/29/2021 Current due date: 1/29/2021
		002D	Address the specific vulnerabilities OIG identified for the childcare centers by ensuring that window blast protection is compliant with security recommendations for childcare centers. Original due date: 1/29/2021 Current due date: 1/29/2021
		002E	Address the specific vulnerabilities OIG identified for the childcare centers by implementing countermeasures to prevent vulnerabilities related to air filtration systems in buildings with childcare centers. Original due date: 1/29/2021 Current due date: 1/29/2021
		003	Conduct a comprehensive assessment to identify security vulnerabilities at each childcare center located in a GSA-controlled building and expedite action to upgrade these buildings to the minimum security standards; If PBS cannot address vulnerabilities identified in these buildings, the child care centers should be moved to safer locations. Original due date: 1/29/2021 Current due date: 1/29/2021
A180053P4R20002 GSA's PBS Northwest/Arctic Region Service Center Does Not Effectively Administer Lease and Service Contracts	2/20/2020	003	Strengthen internal controls to ensure that regional management provides contract oversight necessary to ensure compliance with applicable quality control and contract file requirements. Original due date: 9/30/2020 Current due date: 11/30/2020

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
Audit of the Public Buildings Service's Photovoltaic Installations in the New England and Northeast and Caribbean Regions	3/27/2020	001	Develop and implement policies and procedures to ensure that PV power generation data is consistent, reliable, and supported. Original due date: 4/30/2021 Current due date: 4/30/2021
		002B	Direct regional management to develop a directive for building personnel to track and collect PV readings directly from the equipment and for officials in the Energy and Utilities Branch to verify those readings with the corrected advanced metering system. Original due date: 1/29/2021 Current due date: 1/29/2021
		003A	Direct regional management to implement and reinforce the instructions for monthly tracking of PV power generation readings set forth in its January 17, 2018, memorandum. Original due date: 3/31/2021 Current due date: 3/31/2021
		004A	Direct regional management to develop a system to validate that the PV power generation numbers are fully supported and documented directly from the equipment before annual reporting to GSA's Office of Sustainability Performance. Original due date: 12/31/2020 Current due date: 12/31/2020
		004B	Direct regional management to ensure property management is aware of and enforces the semiannual maintenance and inspection requirements for the PV installations. Original due date: 3/31/2021 Current due date: 3/31/2021
		004C	Direct regional management to implement controls to ensure that data collection and reporting processes result in accurate and reliable sustainability reports for use by management and other key stakeholders, including DOE and Congress. Original due date: 12/31/2020 Current due date: 12/31/2020

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
Audit of the PBS's \$1.7 Billion Energy Savings Performance Contracts Are Not Achieving Energy and Cost Savings Due to Inadequate Oversight	3/27/2020	001	Improve oversight of ESPC savings evaluation; this may include regional or ESPC PMO reviews, reconciliations, and approvals to authorize payments. Original due date: 3/31/2021 Current due date: 3/31/2021
		002	Identify and, if possible, recover savings shortfalls. Original due date: 3/31/2021 Current due date: 3/31/2021
		003	Renegotiate O&M contracts to achieve the estimated savings on existing ESPCs with O&M savings and train PBS officials on current policy. Original due date: 3/31/2021 Current due date: 3/31/2021
		004A	Ensure witnessing and proper review of required ESPC reports by developing internal guidance on M&V review procedures. Original due date: 11/30/2020 Current due date: 11/30/2020
		004B	Ensure witnessing and proper review of required ESPC reports by implementing GSA training to standardize witnessing of M&V nationwide. Original due date: 3/31/2021 Current due date: 3/31/2021
		004C	Ensure witnessing and proper review of required ESPC reports by requiring periodic review of ESPC contract files by the ESPC PMO. Original due date: 3/31/2021 Current due date: 3/31/2021
		005A	Ensure the contract files include the following required key document: Final, signed task order terms and conditions. Original due date: 3/31/2021 Current due date: 3/31/2021
		005B	Ensure the contract files include the following required key document: ECM Quality Control Inspection Plans. Original due date: 3/31/2021 Current due date: 3/31/2021

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A180017P5R20004 (cont.) Audit of the PBS's \$1.7 Billion Energy Savings Performance Contracts Are Not Achieving Energy and Cost Savings Due to Inadequate Oversight		005C	Ensure the contract files include the following required key document: Complete, final ESPC reports (i.e., commissioning, post-installation, and M&V) submitted in accordance with task order terms and conditions. Original due date: 3/31/2021 Current due date: 3/31/2021
		006	Ensure that annual CPARS evaluations are completed for all future ESPCs in accordance with the FAR. Original due date: 3/31/2021 Current due date: 3/31/2021
		007	Increase the ESPC PMO's oversight of the regions' administration of ESPCs through the performance period. Original due date: 3/24/2021 Current due date: 3/24/2021
A180039P4R20006 Audit of the GSA Public Buildings Service's Commercial Parking Outleases	3/31/2020	004	Ensure that PBS verifies reports generated by commercial parking management companies and reconciles fees collected when variable payment terms are included in a parking outlease. Original due date: 3/31/2021 Current due date: 3/31/2021
A170070PRR20005 Audit of GSA's Total Workplace Furniture and Information Technology Program	3/31/2020	001	PBS/FAS establish formalized policy and guidelines that enables the Total Workplace Program Management Office to manage all aspects of the FIT Program. Original due date: 12/31/2020 Current due date: 12/31/2020
		002	PBS to consolidate all guidance into one finalized FIT Program Administrative Guide that ensures roles and responsibilities are outlined for the project approval process, FIT Program IT projects, and billing. Original due date: 12/31/2020 Current due date: 12/31/2020

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A170070PRR20005 (cont.) Audit of GSA's Total Workplace Furniture and Information Technology Program	3/31/2020	003	PBS evaluate the mandatory FIT Program requirements to determine if revisions are necessary to meet customer agency needs, achieve cost savings, and reduce the federal footprint. Original due date: 3/31/2021 Current due date: 3/31/2021
		004	FAS ensure that FIT Program projects have qualified contracting officers' representatives who are able to verify that projects are delivered according to the terms of the Supplemental Occupancy Agreements. Original due date: 12/31/2020 Current due date: 12/31/2020
		005	FAS implement controls to ensure that contractors are not accepting products and recommending payment on behalf of the government. Original due date: 12/31/2020 Current due date: 12/31/2020
		006	FAS resolve the outstanding billing dispute related to the Broadcasting Board of Governors FIT Program project. Original due date: 12/31/2020 Current due date: 12/31/2020
A180104Q2P20004 Audit of GSA's Controls to Prevent Contracting With Suspended and Debarred Contractors	6/19/2020	001A	OIG recommends that the Office of GSA IT identify the root cause(s) for failures to update exclusion statuses of suspended and debarred contractors within GSA's eTools and take corrective action to ensure eTools are updated with the exclusion list from SAM as scheduled. Original due date: 10/30/2020 Current due date: 10/30/2020
		001B	OIG recommends that the Office of GSA IT implement an automated reconciliation process to confirm daily updates were successful. Original due date: 10/30/2020 Current due date: 10/30/2020

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A180104Q2P20004 (cont.) Audit of GSA's Controls to Prevent Contracting With Suspended and Debarred Contractors	6/19/2020	002	Coordinate with the ISDC to determine how best to provide more complete exclusion data as required by FAR 9.404, Exclusions in the System for Award Management. Original due date: 1/29/2021 Current due date: 1/29/2021
A190033PRR20007 Audit of PBS's Lease Extensions and Holdovers	6/22/2020	001	Evaluate the upfront planning requirements to determine if revisions are necessary to align the expectations of Central Office and regional offices to reduce extensions and holdovers. Original due date: 4/30/2021 Current due date: 4/30/2021
		002	Increase collaboration with tenant agencies and communicate the importance of compliance with upfront planning milestones to reduce extensions and holdovers. Original due date: 4/30/2021 Current due date: 4/30/2021
		003	Increase awareness and training of the appropriate uses of all Request for Lease Proposals models. Original due date: 4/30/2021 Current due date: 4/30/2021
A170063Q2P20005 Audit of the GSA Federal Acquisition Service's New England Region Client Support Center	7/20/2020	001	Develop, implement, and maintain the policies and procedures necessary to ensure that acquisition plans are prepared in accordance with the FAR and GSAM. Original due date: 12/31/2020 Current due date: 12/31/2020
		002	Develop, implement, and maintain the policies and procedures necessary to ensure that guidance is established for the development and use of QASPs and that surveillance activities outlined in the QASPs are properly performed and documented. Original due date: 3/31/2021 Current due date: 3/31/2021
		003	Develop, implement, and maintain the policies and procedures necessary to ensure that required legal reviews are performed and documented by regional Office of General Counsel. Original due date: 12/31/2020 Current due date: 12/31/2020

Open OIG Recommendations Not Fully Implemented (cont.)

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation
A170063Q2P20005 Audit of the GSA Federal Acquisition Service's New England Region Client Support Center	7/20/2020	004	Develop, implement, and maintain the policies and procedures necessary to ensure that IGCEs contain sufficient detail and supporting documentation to determine the basis for the IGCE. Original due date: 12/31/2020 Current due date: 12/31/2020
		005	Develop, implement, and maintain the policies and procedures necessary to ensure that task orders are performed within their allowed period of performance. Original due date: 12/31/2020 Current due date: 12/31/2020
		006	Develop, implement, and maintain the policies and procedures necessary to ensure that fair and reasonable price determinations are properly documented. Original due date: 12/31/2020 Current due date: 12/31/2020

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses Awaiting OIG Feedback

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
A170027P6R19002 (Reopened for an implementation review) Audit of Environmental Issues at the Goodfellow Federal Complex in St. Louis, Missouri	3/15/2019	005	Institute controls to ensure that all health, safety, and environmental studies are distributed upon completion of the occupants of any Heartland Region property where studies are performed.
A180085P4R20008 Audit of the Public Buildings Service's Green Roof Maintenance and Safety Practices	7/23/2020	001	OIG recommends that the PBS Commissioner develop a comprehensive strategy to ensure that PBS maintains its green roof inventory in accordance with internal guidance and industry standards.
		002	OIG recommends that the PBS Commissioner develop a comprehensive strategy to ensure that PBS provides regular training on the unique requirements of green roof maintenance.
		003	OIG recommends that the PBS Commissioner develop a comprehensive strategy to ensure that PBS uses life-cycle costing during green roof design as required by PBS P100, Facilities Standards for the Public Buildings Service.
		004	OIG recommends that the PBS Commissioner develop a comprehensive strategy to ensure that PBS protects individuals accessing green roofs from fall hazards by enforcing contract terms and adhering to federal regulations and internal guidance.
		005	OIG recommends that the PBS Commissioner develop a comprehensive strategy to ensure that PBS mitigates fall hazards when installing green roofs.
		006	OIG recommends that the PBS Commissioner develop a comprehensive strategy to ensure that PBS discontinues installation of future green roofs until recommendations 1 through 5 are implemented.
A190024C7F20003 GSA Needs to More Effectively Manage Its Workers' Compensation Program	9/2/2020	001A	OIG recommends that GSA's Office of Human Resources Management review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to document all case actions and updates for all active cases.
		001B	OIG recommends that GSA's Office of Human Resources Management review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to obtain and maintain sufficient documentation in case files.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
A190024C7F20003 (cont.) GSA Needs to More Effectively Manage Its Workers' Compensation Program	9/2/2020	001C	Review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to ensure timely submittal of forms to DOL.
		001D	Review, revise, and implement policies and procedures to more effectively manage GSA's workers' compensation cases, including to develop a plan to manage all active cases.
		002A	Review, revise, and implement case monitoring policies and procedures to ensure that workers' compensation specialists provide timely responses to inquiries and questions from DOL regarding workers' compensation cases.
		002B	Review, revise, and implement case monitoring policies and procedures to ensure that workers' compensation specialists review forms and reports from DOL to ensure accuracy and completeness.
		002C	Review, revise, and implement case monitoring policies and procedures to ensure that workers' compensation specialists request additional information or further review from DOL on questionable cases.
		003A	Review and revise policies and procedures to include a process for assessing cases where employees have not returned to work to determine appropriate follow-up actions.
		003B	Review and revise policies and procedures to include a process for maintaining contact with claimants to monitor their status and assist in returning them to work when medically capable.
		004	Develop and implement a process to verify the accuracy of the DOL chargeback reports.
		005	Determine if employees receiving workers' compensation benefits were part of a GSA function transferred to another agency and request DOL to remove transferred employees from GSA's chargeback report and recover the associated payments, if allowable.
A150028P4R20009	9/4/2020	001a	For all current CM and GC contracts, perform a review and take corrective actions to ensure that qualified PBS personnel are performing the required review prior to approving government estimates prepared by non-government personnel, estimates are prepared before receipt and independent of proposals, and access to estimates is granted only to government personnel whose official duties require knowledge of the estimates.
Audit of the GSA Public Buildings Service's Use of Construction Management Services.			

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
A150028P4R20009 (cont.) Audit of the GSA Public Buildings Service's Use of Construction Management Services.	9/4/2020	001b	For all current CM and GC contracts, perform a review and take corrective actions to ensure that Non-government personnel do not perform inherently governmental functions, such as voting on source selection boards, accepting services on behalf of the government, and conducting negotiations without meaningful involvement, review, and approval from government personnel.
		001c	For all current CM and GC contracts, perform a review and take corrective actions to ensure that PBS contracting officers identify, evaluate, and mitigate potential organizational conflicts of interest before contract award and during contract performance.
		001d	For all current CM and GC contracts, perform a review and take corrective actions to ensure that access to competitors' proprietary information and government data is limited to government personnel whose official duties require knowledge of the information. PBS should conduct a comprehensive assessment to identify 1) Sensitive information, as described in Finding 2, including personally identifiable information and sensitive but classified information, which was placed at risk by the failure of the construction manager's former employee to return general construction contract files. In accordance with the GSA Information Breach Notification Policy, PBS should report the unauthorized disclosure and notify all affected individuals and 2) Companies that have access to competitors' proprietary information. PBS should obtain copies of agreements between construction managers and other companies to ensure knowledge is protected, and ensure that such agreements are properly executed.
		001e	We recommend that the PBS Commissioner for all current CM and GC contracts, perform a review and take corrective actions to ensure that PBS personnel do not award services prohibited under the GSA's Professional Engineering Services Schedule.
		002a	For future CM and GC contracts, implement controls to ensure that qualified PBS personnel are performing the required review prior to approving government estimates prepared by non-government personnel, estimates are prepared before receipt and independent of proposals, and that access to estimates is granted only to government personnel whose official duties require knowledge of the estimates.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Cited Recommendation
A150028P4R20009 (cont.) Audit of the GSA Public Buildings Service's Use of Construction Management Services.	9/4/2020	002b	For future CM and GC contracts, implement controls to ensure that Non-government personnel do not perform inherently governmental functions, such as voting on source selection boards, accepting services on behalf of the government, and conducting negotiations without meaningful involvement, review, and approval from government personnel.
		002c	For future CM and GC contracts, implement controls to ensure that PBS contracting officers identify, evaluate, and mitigate potential organizational conflicts of interest before contract award and during contract performance and obtain copies of agreements between construction managers and other companies to ensure knowledge is protected and ensure that such agreements are properly executed.
		002d	For future CM and GC contracts, implement controls to ensure that access to competitors' proprietary information and government data is limited to government personnel whose official duties require knowledge of the information.
		002e	For future CM and GC contracts, implement controls to ensure that PBS personnel do not award services prohibited under the GSA's Professional Engineering Services Schedule.
A170121Q6P20006 The Federal Acquisition Service's Reporting of Small Business Procurements Contained Significant Inaccuracies	9/14/2020	001	Address the FPDS-NG limitations to ensure that contracting officers can accurately identify, and the data will accurately reflect, small business procurements.
		002	Hold discussions with the SBA to consider if changes should be initiated to require reporting of subcontracting and reseller work for small business procurements.
A200984O3F20004 Audit of GSA's Fiscal Year 2019 Travel Card Program	9/18/2020	001	Strengthen controls to ensure that travel card coordinators and GSA travel cardholders complete required travel card training in accordance with GSA policy.
		002	Strengthen controls to ensure that delinquent travel card accounts are resolved.

Open OIG Recommendations Not Fully Implemented (cont.)

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date	Recommendation Number	Cited Recommendation
A190019PRR20010 Audit of Competition in the Public Buildings Service's National Capital Region	9/23/2020	001	Establish controls to ensure that decisions to forego competition, both in the acquisition plan and justification documentation, are reviewed and approved at the appropriate level.
		002	Ensure that contracting staff are taking the appropriate steps to award contracts at fair and reasonable prices, and that reasonable price determinations are documented in contract files.
		003	Establish controls to ensure that Federal Procurement Data System-Next Generation data is input accurately and reviewed for accuracy.
A201005MTF20005 Audit of GSA's Compliance with the Geospatial Data Act of 2018	9/25/2020	001	Establish effective internal controls to ensure the Inventory of Owned and Lease Property data and the associated metadata is complete, accurate, and correctly formatted prior to publication.
		002	Establish effective internal controls to ensure oversight responsibilities are assigned and procedures related to data and metadata quality are implemented, effective, and consistently followed.

Glossary of Terms

The following definitions, based on the Inspector General Act Amendment of 1978, apply to terms used in this Semiannual Management Report:

Questioned Costs Costs questioned by the OIG because of:

- an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds;
- a finding that, at the time of an audit, such cost is not supported by adequate documentation;
- a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

Disallowed Cost Questioned costs that GSA management in a management decision sustained or agreed should not be charged to the Government.

Recommendation that Funds be Put to Better Use A recommendation by the GSA OIG that funds could be used more efficiently if management took action to implement and complete the recommendations, including:

- reductions in outlays;
- de-obligation of funds from programs or operations;
- withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds;
- costs not incurred by implementing recommended improvements related to the operations of the establishment, a contractor, or grantee;
- avoidance of unnecessary expenditures noted in pre-award reviews of contract or grant agreements;
- any other savings that are identified specifically.

Management Decision The evaluation by management of the findings and recommendations included in an audit report and the issuance of a final decision by management and concurrence by the OIG concerning its response to such findings and recommendations, including planned corrective actions to remedy weaknesses identified in the report.

Final Action The completions of all actions that GSA management concluded in its management decision were necessary with respect to the findings and recommendations included in the audit report. In the event that GSA concluded no action was necessary, final action occurred when the management decision was made.

Glossary of Terms

Management Actions - Questioned Costs The following are the different management actions used by GSA management to resolve questioned costs in an audit report.

- **Audit reports on which management decisions made during the period:** Data pertaining to the number of audit reports on which management decisions made during the period and the associated amount of disallowed costs furnished by GSA OIG.
- **Write-offs:** For the purposes of this report, write-offs represent a management decision not to recover the disallowed cost cited by the OIG report.

Management Actions - Better Use Funds The following are the different management actions used by GSA management to resolve the "better use" of funds in an audit report.

- **Better Use Funds:** The figure represents amounts cited as "cost avoidance" and "funds to be put to better use," as agreed to by GSA management and the OIG. Prior to April 1990, no funds were identified by the OIG specifically as "funds to be put to better use," and no management decisions were issued based on the consideration of "better use" of funds.
- **Budget Impact Funds:** Funds identified as "budget impact" involve the obligation process. Audit-related savings of these funds, depending on the particular fund involved, may be available for reprogramming.
- **No Budget Impact Funds:** Funds identified as "no budget impact" are composed of estimated and actual amounts, and do not involve obligated monies, and; therefore, cannot be construed as having a material effect on GSA's appropriated funds.
- **Audit reports on which management decisions made during the period:** Data pertaining to the number of audit reports on which management decisions made during the period and the associated dollar amounts agreed to by management furnished by GSA OIG.
- **Value of recommendations that management concluded should not or could not be calculable:** Management was unable to determine the award amounts and "better use funds" implemented since the amount is included in the overall award to the prime contractor and savings could not be determined.

Appendix



Office of Audits
Office of Inspector General
U.S. General Services Administration

October 6, 2020

MEMORANDUM FOR THERESA OTTERY
 DIRECTOR
 AUDIT MANAGEMENT DIVISION (H1EB)

FROM: 
 LISA L. BLANCHARD
 DIRECTOR
 AUDIT PLANNING, POLICY, AND OPERATIONS STAFF
 (JAO)

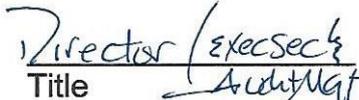
SUBJECT: Semiannual Report to the Congress on the Number
 of Management Decisions

This memo is intended to relate the total management decisions for the period April 1, 2020 through September 30, 2020. The totals are based on H1EB/JA Data Match Report, dated October 1, 2020 and JA's AIS database. The OIG's management decision statistics are, as follows:

Type of Audit	Number of Audits	Amount of Better Use Funds	Amount of Disallowed Cost
Preaward	17	\$ 44,199,494	\$ 736,251
Postaward	6	\$ 1,949,289	\$ 5,670,602
Internal	9	\$ 0	\$ 1,608
Totals	32	\$ 46,148,783	\$ 6,408,461

Please acknowledge your agreement of the statistics by signing below and returning to JAO as soon as possible.


 Name


 Title

10/8/2020
 Date



U.S. General Services Administration
1800 F Street NW, Washington, DC 20405