



# GSA's New RWA Fee Structure

*A Simple, Single Fee Based on Project Cost*

## Background and Benefits

The Public Buildings Service is mandated by federal law to recover the full cost of providing reimbursable work, and we aim to do so while providing our customers with the highest level of service. Over the past several years, an internal team has worked to ensure we meet our fiscal obligations while identifying ways to make project delivery more efficient. The results of this effort have put several new initiatives into place.

Our efforts will culminate with the implementation of a new RWA fee structure, the first fee adjustment since 1995. The new structure will combine the sliding scale and 4% fees associated with RWAs into a single, simple fee based on overall project costs.

The new fee structure will apply to RWAs with an Acceptance Date on or after August 1, 2020. RWAs accepted prior to August 1, 2020, will continue to be charged the existing 4% fee and existing sliding scale fee.

## What is the New Fee Structure?

The new fee structure combines the current sliding scale fee and 4% fee associated with nonrecurring RWAs into a single fee, determined by a percentage of overall project costs. There are 18 cost ranges within the new fee structure, and a stepped fee percentage rate that decreases as total project costs rise. The chart below shows the new fee structure, including ranges and rates.

The new fee structure applies to RWAs with an Acceptance Date on or after August 1, 2020.

Note that this new fee structure will apply to all project costs with the exception of certain personal property expenses. Commensurate with the implementation of the new fee structure, the flat fee for recurring RWAs will increase to \$500.

Rate	Range – Low	Range – High	Maximum Fee for Range
Flat \$500	\$0	\$1,999	\$500
25%	\$2,000	\$4,999	\$1,250
23%	\$5,000	\$9,999	\$2,300
21%	\$10,000	\$14,999	\$3,150
19%	\$15,000	\$19,999	\$3,800
17%	\$20,000	\$24,999	\$4,250
15%	\$25,000	\$49,999	\$7,500
14%	\$50,000	\$99,999	\$14,000
13%	\$100,000	\$149,999	\$19,500
12%	\$150,000	\$199,999	\$24,000
11%	\$200,000	\$249,999	\$27,500
10%	\$250,000	\$349,999	\$35,000
9%	\$350,000	\$499,999	\$45,000
8%	\$500,000	\$749,999	\$60,000
7%	\$750,000	\$1,249,999	\$87,500
6%	\$1,250,000	\$1,999,999	\$120,000
5%	\$2,000,000	\$2,999,999	\$150,000
4%	\$3,000,000	\$4,999,999	\$200,000
3%	\$5,000,000	∞	∞



### **Example of the New Fee**

Under the current sliding scale fee structure, every dollar amount has a different overhead rate.

As shown in the table, the new fee structure has an effective rate that applies to all dollar amounts within one of the 18 defined ranges.

For example, RWAs within the \$200,000 - \$249,999 range will have an 11% fee applied. Under the new fee structure, the fee for a project with a cost of \$200,000 would be \$22,000 while a project with a cost of \$240,000 would have a \$26,400 fee.

### **What is the RWA Acceptance Date?**

The new fee structure applies to RWAs with an acceptance date on or after August 1, 2020. For nonseverable RWAs (i.e. “projects”) the Acceptance Date is the date the RWA is digitally signed by GSA (after it is signed by the customer).

The Acceptance Date for severable service RWAs (i.e. “services”) is the first day of the period of performance of the requested service. A severable service RWA is typically accepted (i.e. both signatures applied) before the first day of the period of performance.

### **Is the Fee Changing for Overtime Utility RWAs?**

Yes. Overtime utilities provided on nonrecurring RWAs (typically N Type RWAs) will be assessed either the old fee structure (4% fee + sliding scale fee) or the new fee structure, depending on the Acceptance Date (first day of performance period) of each RWA.

Overtime utilities provided on R Type RWAs will be charged the flat \$100 fee if the Acceptance Date (first day of the period of performance) is before August 1, 2020 or \$500 if the Acceptance Date is on or after August 1, 2020.

### **Does the New Fee Impact Currently Accepted RWAs?**

Any RWA that is currently accepted, or is accepted prior to August 1, 2020, will utilize the existing fee structure (4% fee plus sliding scale fee) until it is completed and closed out. The original RWA Acceptance Date will determine the applicable fee structure; RWAs accepted before, but amended after the new fee implementation will continue to utilize the existing 4% fee and sliding scale fee structure.

### **For More Information**

For more information about the new RWA fee structure and PBS' overall RWA fee policies, visit [www.gsa.gov/rwa](http://www.gsa.gov/rwa).