U.S. General Services Administration

A REPORT *to Citizens*

Summary of Performance and Financial Information

GSA *By the Numbers*

- **$20.2 billion** in revenue
- Owns or leases over **9,600 properties** with **374 million square feet**
- Preserves **438 historical properties**
- Offers **11 million products and services** to other federal agencies
- Leases **200,000 vehicles** to other agencies

See other ways **GSA Benefits the Public** *in the FY 2011 Agency Financial Report.*

GSA MISSION AND STRATEGIC GOALS

The U.S. General Services Administration (GSA) supports the mission of all federal agencies by providing them with workspace, acquisition services, administrative policies, and citizen engagement tools, so that they can focus on achieving their respective missions. GSA meets the needs of federal agencies by providing modern, efficient, and comprehensive solutions. The GSA mission statement inspires its employees to take risks and be innovative, seek an intimate understanding of customer missions and goals, and seek continuous improvement in GSA business processes.

The GSA mission is to use expertise to provide innovative solutions for our customers in support of their missions and by so doing foster an effective, sustainable, and transparent government for the American people.

GSA has three strategic goals – Innovation, Customer Intimacy, and Operational Excellence. GSA uses its government-wide perspective and expertise, centralized procurement and property management role, and unique statutory authorities to innovate where others cannot. GSA seeks an intimate understanding of our customers to serve them with integrity, creativity, and responsibility. GSA strives for performance excellence, continuous improvement, and the elimination of waste in operations.

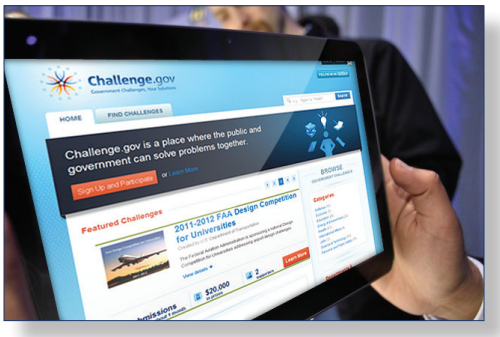
GSA connects with the public through technologies that enhance communication, collaboration, and information exchange. Through our transparent approach to sharing knowledge, best practices, and lessons learned GSA provides more effective solutions to enhance excellence in the business of government. Connect with GSA on Facebook.com/gsa, YouTube.com/usgsa, and Twitter.com/usgsa.

GSA is committed to excellence in the business of government by providing modern, efficient, and comprehensive solutions that meet the needs of all federal agencies. In FY 2011, GSA accomplished a set of agency priority goals, which align with its three strategic goals. The strategic goal of Innovation is supported by the "Environmental Sustainability" agency priority goal. Customer Intimacy objectives are reported in the "Open Government and Transparency" agency priority goal. Success in Operational Excellence will be measured, in part, by performance against the agency priority goal of "Excellence in Solutions Delivery".

INNOVATION

Environmental Sustainability

GSA reduced its consumption of resources and provided its federal agency customers with solutions that help them manage and reduce their consumption.



In FY 2011, there were three key areas where the agency sought to make the greatest impact in improving federal environmental performance: government-wide policy, recycling in federal buildings, and greening the federal supply chain. GSA modified government-wide policies and set the example by applying new sustainability policies internally to ensure policy making embodies sustainability goals and drives the GSA zero environmental footprint objective. Additionally, GSA outperformed its FY 2011 target for solid waste recycling by 862 tons through increasing communication and collaboration across the GSA real estate portfolio.

GSA also worked toward environmental sustainability by greening the federal supply chain. GSA incorporated greenhouse gas (GHG) emissions in procurement decisions to reduce the environmental impact of the federal government's acquisition activities. In FY 2011, GSA used GHG emissions as a technical evaluation factor in four procurements: the carbon footprint tool, the Federal Emergency Management Agency Joint Field Office blanket purchase agreement (BPA); the Information Technology commodities BPA; and the short term rental BPA. These four procurements will inform future efforts to increase the sustainability of the federal supply chain.

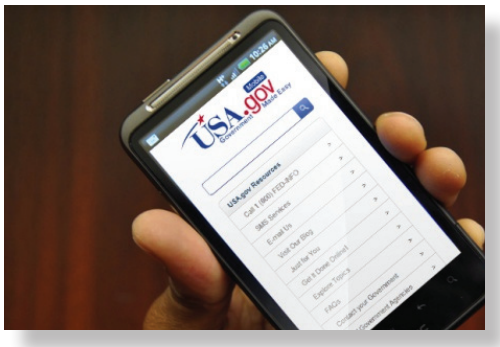
In FY 2011, GSA purchased 44,121 alternative fuel vehicles valued at $950 million allowing the GSA fleet to achieve a 21 percent mile per gallon improvement, leading to fuel savings of over $2.5 million and reducing GHG emissions by 22,506 metric tons.

CUSTOMER INTIMACY

Open Government and Transparency

GSA has developed expertise in delivering government information and services directly to citizens and helping other federal agencies improve their interactions with the public. GSA is using its strength in this area to improve the effectiveness of government by helping other agencies improve their interactions with citizens, engage citizens in government, and increase transparency in government.

GSA public-facing tools and programs produced over 272 million citizen interactions in FY 2011. GSA citizen interactions include federal government information and consumer action print publications ordered, phone calls answered and e-mail inquiries received by GSA-operated contact centers; and web clicks on USA.gov and GobiernoUSA.gov, the English and Spanish-language web portals of the federal government.



In FY 2011, agencies across the federal government conducted 344 engagement activities sponsored by GSA. These activities included social media tools such as challenges, blogs, wikis, and web-forums that allow agencies to collaborate with citizens by offering a forum for citizens to introduce new ideas and concepts. By promoting the use of these tools across the federal government, GSA is increasing the number of channels through which citizens can discover information about the federal government.

OPERATIONAL EXCELLENCE

Excellence in Solutions Delivery

As the government's expert in real estate, GSA worked with customer agencies to develop strategic portfolio plans that best meet mission workplace needs, manage customer real estate costs, and maximize the performance of the GSA inventory.

In FY 2011, GSA developed Customer Portfolio Plans (CPPs) with three customer agencies: the Department of State, the Department of Health and Human Services, and the Social Security Administration. CPPs allow GSA and the customer agency to address its real estate portfolio from a holistic view and address current and future customer agency mission requirements more cost effectively. Additionally, these plans will increase the efficiency of the customer agency's workspace and optimize GSA utilization of federal real property assets. Historically, federal agency real estate projects were approached as individual customer engagements.

For more information about GSA FY 2011 performance, please visit the **Performance Section** *of the FY 2011 Agency Financial Report.*

KPMG LLP issued an **unqualified "clean" opinion** on the GSA **FY 2011 financial statements**. GSA's financial statements and the audit opinion results demonstrate the agency's commitment to accountability and integrity in financial management. The online GSA **FY 2011 Agency Financial Report** allows users to explore financial data in a user-friendly way through **Interactive Financial Data** and features a **Schedule of Spending** that provides details on agency costs.

Federal Buildings Fund

The Federal Buildings Fund (FBF) funds the GSA Public Buildings Service (PBS). PBS provides workplaces for federal agencies and their employees. The FBF is primarily supported by rent paid to GSA from other federal entities. It also operates a Reimbursable Work Authorization program that provides alterations and lease improvements above those in the agencies' base rental agreements.

FBF Top 5 Customers	Revenues (Dollars in Millions)	Percentage of Total Revenues
Department of Justice	$ 1,762	16%
Department of Homeland Security	$ 1,735	16%
Federal Judiciary	$ 1,126	10%
Social Security Administration	$ 843	8%
Department of the Treasury	$ 821	7%

FBF Obligations and Outlays (Dollars in Millions)	FY 2011	FY 2010	Change ($)	Change (%)
Obligations Incurred	$11,443	$14,886	($3,443)	(23.13)%
Gross Outlays	$12,664	$11,232	$ 1,432	12.75%
Offsetting Collections	$10,956	$10,444	$ 512	4.90%

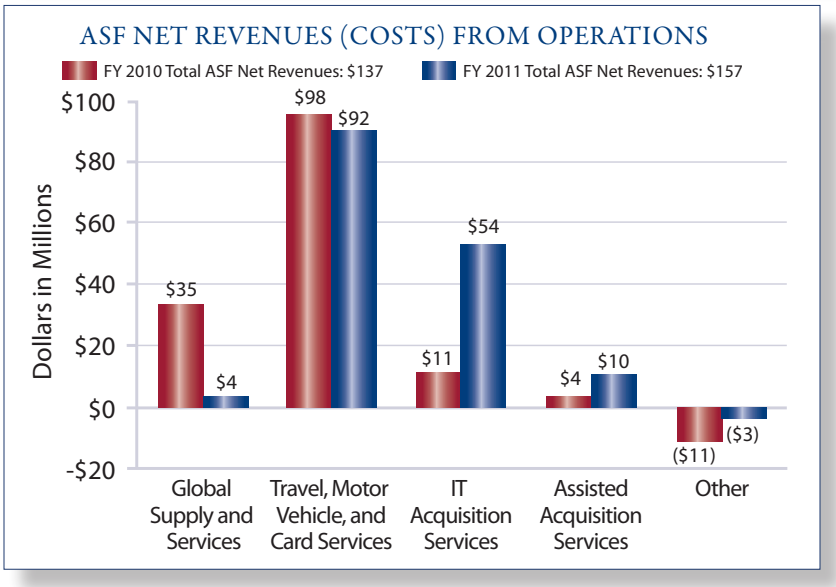
In FY 2011, FBF revenue totaled $11 billion, with more than half of its revenue coming from the five federal agencies shown in the "FBF Top 5 Federal Customers" table. Revenues and expenses in FBF come primarily from rent and building operations. Net revenues from operations are invested in major repairs and alterations to federal buildings and partially offset the costs of constructing new federal buildings.

In the FBF, obligations are primarily the value of contracts awarded to commercial vendors for the construction of new federal buildings; for repairs, cleaning, utilities, and other maintenance of GSA-owned federal buildings; and lease and related payments to commercial landlords for space leased by GSA for federal agencies. FBF Obligations decreased by more than $3.4 billion between FY 2010 and FY 2011. This significant reduction is the direct result of the depletion of Recovery Act resources and reduced ordering as the initiation of Recovery Act projects is winding down. Recovery Act obligations in the FBF continued throughout the year until the availability of funds expired at the close of FY 2011. Outlays are payments made by the government, once goods and services are received at an acceptable level of quality and completeness. FBF Outlays increased by $1 billion in FY 2011 as a result of the Recovery Act and payments to vendors as projects are being completed. Offsetting collections represent revenues collected from other federal agencies that "offset" expenditures made by GSA on behalf of other federal agencies.

Acquisition Services Fund

The Acquisition Services Fund (ASF) is a revolving fund that operates on the revenue generated from its business and is the primary fund of the GSA Federal Acquisition Service (FAS). FAS consolidates common requirements from multiple federal agencies and uses its negotiating expertise to acquire products and services at better prices and terms than agencies could obtain individually.

ASF Top 5 Customers	Revenues (Dollars in Millions)	Percentage of Total Revenues
Department of Defense	$ 5,552	58%
Department of Homeland Security	$ 508	5%
Department of Agriculture	$ 409	4%
Department of Justice	$ 325	4%
Department of Health	$ 261	3%



In FY 2011, the ASF realized $9.5 billion in revenues. Of these revenues, nearly 75 percent came from the five agencies shown in the "ASF Top 5 Federal Customers" table. Revenues and expenses in ASF come primarily from the sale of goods and services and the respective costs associated with them. Net revenues from Operations are invested in the GSA Fleet, information systems and other investments necessary to improve FAS responsiveness to its customers and compliance with new regulatory and statutory requirements. ASF net revenues increased by 15 percent, or $20 million, to $157 million in FY 2011. The increase in net revenue was primarily attributed to increases of $43 million in the Integrated Technology Services portfolio and $6 million Assisted Acquisition Services Portfolio offset by declines in net revenue among ASF's other portfolios.

In the ASF, obligations and outlays are primarily driven by contracts awarded to commercial vendors to provide goods and services to federal agencies. From FY 2010 to FY 2011, obligations increased $472 million because of slight growth in overall business volume.

ASF Obligations and Outlays (Dollars in Millions)	FY 2011	FY 2010	Change ($)	Change (%)
Obligations Incurred	$11,363	$10,891	$472	4.33%
Gross Outlays	$10,344	$10,049	$295	2.94%
Offsetting Collections	$10,413	$10,232	$181	1.77%

For more information about GSA's FY 2011 financial results, please visit the **Financial Section** *of the FY 2011 Agency Financial Report.*

OIG REPORT ON MANAGEMENT CHALLENGES FACING GSA

Each year, the GSA Office of the Inspector General (OIG) produces a report on **"GSA's Major Management Challenges."** Following is a summary of the challenges the OIG identified:

- **GSA GREENING INITIATIVE** – Sustainable Environmental Stewardship – Congress has given GSA the responsibility of implementing sustainable practices throughout the federal government. GSA is required to increase energy efficiency; reduce greenhouse gases; conserve water; reduce waste; support sustainable communities; and leverage federal purchasing power to promote environmentally responsible products and technologies. Four challenges for GSA's sustainability initiatives are:
  - Developing a management framework that GSA can use;
  - Developing metrics that demonstrate the impact of GSA's changes;
  - Collecting data to support goals and evaluate return on investment; and
  - Funding specific programs.
- **ACQUISITION PROGRAMS** – The Multiple Award Schedule Program is one of GSA's largest acquisition programs. As a result of its large size, effectively negotiating contractor's best prices, enforcing contract compliance, and managing workload will be a challenge for GSA. Additionally, there are several issues with the proposed changes to the General Services Administration Acquisition Manual.
- **FINANCIAL REPORTING** – Controls over budgetary and financial reporting need improvement, specifically, in regard to the interface between acquisition systems and financial systems and the process to review and verify environmental liability estimates reported on the financial statements.
- **INFORMATION TECHNOLOGY** – Improved planning, development, and implementation of information technology systems and services are needed to ensure quality data and to support business decisions. Additionally, improvements are needed to protect sensitive GSA information and address emerging risks associated with cloud computing.
- **PROTECTION OF FEDERAL FACILITIES AND PERSONNEL** – While GSA provides employees and visitors with secure work environments, increased risks of unauthorized access and terrorism have greatly expanded the range of vulnerabilities traditionally faced by building operations personnel.
- **FEDERAL BUILDINGS FUND** – GSA faces the challenge of managing budget cuts to the Federal Buildings Fund. As a result, GSA will need to reconsider current housing plans for customer agencies and for its portfolio; may not be able to complete multiple phased renovation projects on schedule; may not adequately address building maintenance and repairs; and may result in costly lease holdovers and extensions.
- **AMERICAN RECOVERY AND REINVESTMENT ACT** – GSA continues to work on Recovery Act projects, but it will have to manage these projects for a prolonged period of time with diminished budgets and no additional Recovery Act Funds.