



U.S. General Services Administration

FY 2006 ANNUAL PERFORMANCE AND ACCOUNTABILITY REPORT

2006



GSA helps Federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services, and management policies

HOW TO USE THIS REPORT

This Performance and Accountability Report (PAR) for fiscal year (FY) 2006 provides the General Services Administration's (GSA) financial and performance information, enabling the President, Congress, and the American people to assess the Agency's performance as provided by the requirements of the:

- Reports Consolidation Act of 2000 and other laws
- Government Management Reform Act of 1994
- Government Performance and Results Act (GPRA) of 1993
- Chief Financial Officers Act of 1990
- Federal Managers' Financial Integrity Act (FMFIA) of 1982
- Office of Management and Budget (OMB) Circular A-136.



The assessment of GSA's performance contained in this report compares performance results to the Agency's strategic goals and performance goals. GSA's Strategic Plan, Performance Plan, and annual PARs are available on GSA's Web site at www.gsa.gov/annualreport. GSA welcomes feedback on the form and content of this report. If you wish to provide feedback please choose a contact from the annual report Web page.

This report is organized into the following major components:

1 LETTER FROM THE ADMINISTRATOR OF GSA

The Administrator's letter includes an assessment on the reliability and completeness of the financial and performance information presented in the report and a statement of assurance on the Agency's management controls as required by the FMFIA.

2 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

This section provides an overview of the financial and performance information contained in the Performance Section, Financial Section, and Appendices. The MD&A includes an overview of the GSA organization, highlights of the Agency's most important performance goals and results, current status of systems and internal control weaknesses, and other pertinent information such as the progress being made by GSA in implementing the President's Management Agenda (PMA).

3 PERFORMANCE SECTION

This section provides the annual performance information as required by OMB Circular A-11 and the GPRA. Included in this section is a detailed discussion and analysis on the Agency's performance in FY 2006. Information on key performance measures with past results can be found in the Performance Section.

4 FINANCIAL SECTION

This section contains the details on GSA's finances in FY 2006. An introduction letter from GSA's Chief Financial Officer (CFO), followed by the Independent Auditor's Report; the Agency's audited financial statements and other supplemental financial information containing the Inspector General's (IG) Updated Assessment of GSA's Major Management Challenges with Management's comments; and information on the Agency's Debt Management and Payments Management.

5 APPENDICES

Summary chart of performance information, Improper Payments Improvement Act (IPIA) information, and a glossary of acronyms.



MISSION STATEMENT

GSA HELPS FEDERAL AGENCIES BETTER SERVE THE PUBLIC BY OFFERING, AT BEST VALUE, SUPERIOR WORKPLACES, EXPERT SOLUTIONS, ACQUISITION SERVICES, AND MANAGEMENT POLICIES.

STRATEGIC GOALS

PROVIDE BEST VALUE FOR CUSTOMER AGENCIES AND TAXPAYERS

ACHIEVE RESPONSIBLE ASSET MANAGEMENT

OPERATE EFFICIENTLY AND EFFECTIVELY

ENSURE FINANCIAL ACCOUNTABILITY

MAINTAIN A WORLD-CLASS WORKFORCE AND A WORLD-CLASS WORKPLACE

CARRY OUT SOCIAL, ENVIRONMENTAL, AND OTHER RESPONSIBILITIES AS A FEDERAL AGENCY

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LETTER FROM THE ADMINISTRATOR

FY 2006 PERFORMANCE AND ACCOUNTABILITY REPORT

I am pleased to present the Fiscal Year (FY) 2006 Annual Performance and Accountability Report (PAR) for the U.S. General Services Administration (GSA). This report details the Agency's accomplishments and challenges in upholding our mission to help other agencies better serve the public by meeting, at best value, their needs for products and services, and to simplify citizen access to government information.

GSA is committed to delivering products and services in an effective and efficient manner while ensuring accountability to the U.S. taxpayer through superior performance and prudent financial and budget management. GSA is the premier source for cost-effective, timely, and compliant property management and government procurement. GSA procurements offer the Federal government products and services at lower costs, more quality, and with greater compliance. This vision requires us to improve all of our customer services and better understand and anticipate the requirements of our customers. As Administrator, I am committed to doing this through rekindling the entrepreneurial spirit within GSA and developing sound metrics that demonstrate our performance. Moreover, GSA is now taking on a leadership role in reducing wasteful government spending associated with buying the goods and services that are required by the Federal government.

Unqualified "Clean" Opinion

During FY 2006, we continued our emphasis on ensuring that GSA has strong internal controls in place to minimize the risk of waste, fraud, and erroneous payments. We also



Lurita Doan

intensified our efforts toward addressing the six reportable conditions, including the material weakness, "Controls over monitoring, accounting, and reporting of budgetary transactions, are inadequate," identified in FY 2005. The outcome of this effort resulted in an unqualified "clean" opinion for the FY 2006 audit. Moreover, the material weakness was reduced to a reportable condition, and three of the other five previous reportable conditions were resolved.

With the attainment of the unqualified financial statement opinion, we are committed to moving forward during FY 2007 to continue improving our internal control processes and fulfilling the financial management improvement goals of the President's Management Agenda (PMA). While our auditor's disclaimer of opinion last year ended a long string of clean opinions, it strengthened our determination to educate the Agency in the proper closeout of completed projects and returning unused budgetary authority, regardless of whether it is expired or canceled, and therefore, no longer available. These actions have resulted in more accurate financial accounting and reporting and eliminated the prior year material weakness.

GSA Priorities

President Bush has challenged all Federal agencies to find new and smarter ways to do business and move toward a government that is citizen-centered and results-oriented. There are important changes underway at GSA that will help us to meet the President's directive, meet the needs of our customers, and at the same time provide savings to the taxpayers. Under my tenure, my top priorities in meeting the President's call for leadership are:

- Rededicating the mission of GSA as the pre-eminent procurement agency for the Federal government
- Ensuring the Agency's financial stability and returning GSA's technology offerings to a full cost recovery basis
- Enforcing sound financial management practices through transparency, integrity, and accountability
- Successful implementation of the Federal Acquisition Service (FAS)
- Improving employee morale and confidence
- Providing best value for GSA customers and cost-savings for the U.S. taxpayer
- Restoring and enhancing customer satisfaction and service by putting the customer at the center of all GSA business transactions
- Making GSA the premier platform for goods and services to support emergency response and recovery
- Facilitating opportunities for small businesses to participate in government contracting.

Federal Acquisition Service

GSA has now embarked upon the boldest and most comprehensive restructuring and reorganization in the Agency's 50-year history. Once fully implemented, the restructuring will bring transformational changes to GSA resulting in significant savings to taxpayers on all goods and services procured through GSA. As a direct result of the GSA Reorganization Bill signed into law by President Bush in October 2006, we have taken the following actions:

- FAS has been created which consolidates the Federal Supply Service (FSS) and Federal Technology Service (FTS) into one department. In this way, disparate

services have been combined, management strengthened, redundant and duplicative efforts eliminated, and policies standardized.

- Financial controls, accountability, and oversight have been strengthened. Two different GSA funds, requiring separate controls and budgetary oversight, have been combined into a single Acquisition Fund.

The new reorganization has brought significant improvements to GSA and given us the necessary authorities to reduce and eliminate redundant efforts that once only confused our stakeholders, delayed our procurements, and frustrated our employees. Perhaps more importantly, it has given us a fresh opportunity to rethink all of our business processes with the goal of eliminating needless bureaucratic actions that no longer serve our stakeholders. In particular, I am happy to highlight just two of the many examples of new entrepreneurial energy from GSA employees:

- Small businesses reported excessive delays and time required to apply for and be awarded a simple GSA Schedule. GSA Schedules are particularly important to the small business community, and it was taking far too long to navigate this cumbersome process. GSA employees have recently found ways to speed the process and the average time it takes a small business to apply for and receive a GSA Schedule, and we are committed to achieving an average of 30 days to award a basic GSA Schedule by the end of the 2007 calendar year.
- A GSA employee came up with a great idea to save taxpayer money by reducing the amount of expensive warehouse space needed to stockpile large amounts of office supplies. After calculating that it was costing the government more to store these supplies than the supplies were worth, he then came up with the inspired

idea that GSA could donate these supplies to schools and libraries in the Gulf region that is still recovering from Hurricane Katrina and save taxpayer money at the same time.

We have recently made some difficult choices to tighten fiscal discipline and manage all of our operations to budget. One of my first actions as Administrator was to revise the FY 2007 financial plans and cut approximately nine percent from GSA operations. These cuts allowed us to trim wasteful spending and programs that were underperforming. I also placed limitations on spending across GSA, including reducing funding for non-essential travel of senior executives, service support contracts, and hiring for only critical positions. Interestingly enough, GSA managers at all levels of the organization (with only one exception) were eager to confront the many programs and policies that had outlived their usefulness and were wasting taxpayer money.

While it might be counterintuitive, morale throughout the organization has soared. GSA is suddenly an exciting place, doing exciting things. Yes, we still face a number of challenges (which will be outlined shortly), but the future of GSA is bright and getting better everyday. Today, GSA is now leaner and meaner and ready to take on new challenges.

As this report describes, GSA has taken specific new steps over the past year to further these objectives and improve performance across the Agency. While GSA saw a decline in revenue and a loss of customers, particularly in our technology offerings during the past fiscal year, we are working aggressively to correct that situation. GSA has clarified and standardized the basic internal rules to improve procurement activities. GSA customers can expect consolidated, enterprise-wide, efficient solutions for their procurement needs. We have also taken steps to ensure procurement professionals in GSA and other government agencies have the knowledge and training they need. Additionally, I am meeting individually with my counterparts at our client agencies to assure them that GSA is the best source for all of their workplace needs. The new organization will strive for the best value at the best

prices through strategic sourcing, faster contracting services, greater efficiency and flexibility in procurement processes, lower transaction costs, and smarter ways of doing business.

Second, FAS continues to face a downturn of business and revenue shortfalls. We analyzed and revised the FY 2007 financial plans and cut approximately nine percent from non-performing programs. In order to help offset losses in FAS and free up funds in the Public Buildings Service (PBS) for additional project-related work, limitations have been placed on spending across GSA, including reducing funding for non-essential travel, service support contracts, and hiring for critical positions only. We are working aggressively to regain old business and seize new business opportunities.

Third, GSA has taken the necessary steps to address a small number of past contracting irregularities, and we are confident that GSA contract awards are compliant with the Federal Acquisition Regulation (FAR). A review by the GSA Inspector General (IG) reflected that 12 Customer Service Centers are now conforming to procurement regulations. Additionally, our FY 2005 reportable condition on contracting practices no longer exists. GSA continues to work on the development of consistent policies and procedures for GSA and Department of Defense (DoD) interagency contracting.

Fourth, the bill authorizing the reorganization and consolidation of two GSA funds into a single Acquisition Fund was approved by Congress at the end of FY 2006 and signed by President Bush at the beginning of FY 2007. This legislative change will streamline the financial process, improve accountability and oversight, and is consistent with GSA's acquisition excellence efforts.

Public Buildings Service

GSA's PBS has made great progress improving asset management of GSA's real property and successfully delivering large, complex construction projects, including land border ports of entry, government buildings, and Federal courthouses.

Finally, PBS has maintained a steady course in FY 2006. PBS's extraordinary efforts led GSA in becoming the first agency to achieve the Green rating for Real Property, and it has consistently maintained this high standard.

Over the past few years, PBS has been working to restructure and introduce new efficiencies to its leasing program. In August 2006, PBS announced that beginning in FY 2008, the leasing fees it charges Federal customer agencies will be reduced. The fee for most leased space will decrease from eight to seven percent. Unique space will see a drop from six to five percent. GSA currently leases over 166 million rentable square feet of space in 7,300 buildings nationwide. New online leasing tools and other technologies, as well as a restructured PBS workforce, have provided greater efficiencies for GSA, enabling the Agency to reduce its fees and save additional monies for taxpayers.

I look to FY 2007 with optimism, confidence, and a renewed sense of purpose to meet the management challenges set out by President Bush and a return to GSA's core function: helping other agencies perform their missions of service on behalf of the American people. I am proud and honored to serve as the 18th Administrator.

President's Management Agenda

The PMA Scorecard as of the end of FY 2006 shows solid accomplishments for GSA as well as continued work to be done to push us further and further toward improving performance. GSA is rated Green for status and progress for both Budget and Performance Integration and Real Property. This is the first time GSA has earned a Green-Green rating on the Budget and Performance Integration Scorecard. The rating for Human Capital and E-Gov was Yellow for status and Green for progress with the reverse for Competitive Sourcing, Green status and Yellow progress. It is anticipated that with the completion of key deliverables early in FY 2007, these will be elevated to Green-Green. Financial Performance has a rating of Red for status and Green for progress largely related to last year's financial audit. This year's successful audit

should improve that rating to Green. These results indicate, through the efforts and willingness to go the extra mile by GSA's employees, our performance is improving across the board.

Financial Performance and Program Data

The ability of GSA financial management to respond to the disclaimer of opinion on the FY 2005 financial statements demonstrates the determination and motivation to promote and support first-class financial management. In FY 2006, GSA addressed the identified material weakness and system nonconformance related to budgetary controls and reporting. Agency managers made significant progress in remediation of the audit findings.

GSA obtained a clean audit opinion on our FY 2006 financial statements. As outlined in the Management Assurance section of this report, GSA conducted its assessment of the effectiveness of internal control over financial reporting. GSA can provide reasonable assurance that its internal control over financial reporting is operating effectively and no new material weaknesses were found. We are extremely proud of this accomplishment, but more work needs to be done. GSA is aggressively making continued improvements to its financial systems and operations. Throughout the year, our senior managers assessed the efficiency and effectiveness of their organizations by analyzing financial and performance data. Management relies on this data to identify material inadequacies in financial and program performance areas and to identify corrective tasks needed to resolve them.

As required by the Reports Consolidation Act of 2000, I have assessed the financial and performance data used in this report, and I believe it to be complete and reliable.

Management Challenges

During the coming months GSA faces a number of challenges that will test our abilities and stress our new organizational structure:

- We have several billion dollar, high risk, high priority contracts to award, including Networx, HSPD-12, Alliant Small Business, and IT Infrastructure Support (GITGO); and the President is counting on GSA to roll out these services on time and at a fair price to taxpayers.
- We face challenges in managing public buildings. We must reduce the time required to build public buildings. We must not be afraid to think creatively about how we could build the different public buildings, court houses, and ports of entry faster and at a lower cost to taxpayers.
- GSA has made great progress in creating a culture of excellence, but that task is not complete. Senior management must create a climate that fosters and rewards better and innovative ideas. Programs and processes that are no longer serving their intended purposes must be identified and eliminated.
- GSA has a difficult responsibility to press all agencies to make better use of GSA contracting expertise. In particular, the widespread proliferation of Government Wide Acquisition Contracts (GWAC) has resulted in wasted taxpayer money, but these contracts are deeply entrenched throughout the Federal government. GSA will put forth a determined effort to help our colleagues throughout the Federal government understand that these GWACs are duplicative and expensive to maintain.
- GSA's IG is unsupportive of recent changes, including my decision to deny the request for additional reimbursable spending authority. The IG budget and staff have grown annually and substantially over the past five years and future unrestrained growth cannot be justified or afforded. A more serious challenge is how to engage the Office of Inspector General (OIG) to be a full participant in GSA's efforts to modernize and improve operations. GSA

stakeholders and contracting officers report that there is undue pressure and intimidation from the OIG, and it is vital that we work together to find a balance between proper and independent oversight without intimidating our work force. This will prove to be our most serious challenge.

Last, and most importantly, during the past few months, GSA has made an important transformation into a world class organization and the leader in Federal procurement. Our task now is to keep moving forward and to leverage all of our talents, abilities, and energy to provide direct and meaningful savings to taxpayers. To be sure, good things are happening and our customers are starting to realize the savings possible from GSA services. One such customer, when discussing how best to meet the requirements for new government-wide ID cards, said, "The most efficient and cost-effective way (to comply) is to go with GSA. If you don't come to GSA or you do your own thing, you will pay higher prices."

A great start, but only a start. Over the next 12 months, it will be the task of every GSA employee from the Administrator down to the newest and most junior hire to build on this hard won progress. If we do, we can change the way the government procures goods and services and bring significant savings to taxpayers.

This is our goal. This is our challenge. This is GSA.



Lurita Doan
Administrator

November 10, 2006

How GSA BENEFITS THE PUBLIC

GSA's mission statement establishes how it supports government agencies with superior workplaces, equipment, and products and services that they need to operate successfully. The benefit of the bundled buying power of the Federal government to reduce wasteful spending and save the taxpayer's money is sometimes unclear to the U.S. public. The following gives some examples of how GSA directly benefits the public.

Recovery from Hurricane Katrina

When Hurricane Katrina hit the United States, GSA and its associates moved quickly to deliver critical information, supplies and other services to millions of hurricane victims. The week before Katrina made landfall, GSA's Public Buildings Service (PBS) prepared buildings for the anticipated destruction and established information hotlines and Web sites to communicate with customers. In the days, weeks and months following the storm, GSA provided more than \$1 billion in supplies and services, answered more than 1.5 million hurricane related inquiries, and dispatched more than 700 Agency experts to help citizens who, in many cases, lost all their material possessions in the hurricane. Additionally, the Federal Acquisition Services' (FAS) National Furniture Center provided the Federal Emergency Management Agency (FEMA) with furniture and office equipment in a matter of days, thus allowing FEMA to continue assisting people in the Gulf Region who were in need of food, clothing, and shelter.

GSA's Office of Citizen Services and Communications (OCSC) provided \$54 million worth of contact center services to FEMA and provided hurricane victims and their families with real time information 24 hours a day. FirstGov.gov, which is managed by GSA's OCSC, served as the government's leading source for information on "Finding Family and Friends." The Greater Southwest Region also contributed greatly in the recovery efforts of Hurricane Katrina. In the first 70 days following the storm, the region awarded 43 temporary leases to displaced Federal agencies.

Nationally, the GSA Property Management Program facilitated over \$21 million in transfers and donations of excess and surplus property to support State Agencies for Surplus Property (SASP) and Federal activities in emergency disaster areas. GSA Fleet worked closely with Federal agencies and provided over 700 vehicles. The vehicles were assigned on an immediate, short-term basis and supported relief work in the affected areas.

GSA disaster preparations have further improved for the 2006 hurricane season. Since the summer of 2005, the GSA Office of Emergency Management (OEM) has standardized emergency operating procedures, updated the emergency management program handbook, and participated in exercises/discussions with Department of Homeland Security (DHS/FEMA) and other support agencies. Because GSA plays a critical role in emergency response and disaster recovery, it is GSA's responsibility to ensure that its emergency response procedures are exemplary.

War on Terrorism

The Army and the GSA Fleet partnered to provide non-tactical vehicles to support Operation Iraqi Freedom. GSA Fleet leased the U.S. Army 520 vehicles for use in the Green Zone in Baghdad. These vehicles replaced commercially leased vehicles at a cost savings of \$19,842 per vehicle, saving the Army and the U.S. public over \$10 million dollars annually.

GSA Fleet continues to provide vehicles to assist the Army in its expanded recruiting efforts. This past year, GSA supplied 50 H3 Hummers for use as a recruiting asset at special events. These H3s are mobile theaters with the intent to educate the U.S. public and future recruits on the opportunities offered by the Army.

The Eastern Distribution Center located in GSA's Mid Atlantic Region 3 continues to provide Global Supply support for Operation Enduring Freedom and Operation Iraqi Freedom. It supplies U.S. troops with anything they need ranging from tools and hardware, safety items, industrial supplies, as well as office supplies and furniture.

Commitment to Small Businesses

The strength and viability of small businesses are important to the nation's economy and the public, particularly since they account for over 45 percent of total retail sales and 40 percent of Federal tax revenues. GSA is committed to increasing contracting opportunities for small businesses. Since Hurricane Katrina hit the Gulf Coast over a year ago, 76 percent (\$478 million) of GSA's contracting dollars, in response to Katrina, have been awarded to small businesses. GSA continues to reach out to small businesses by simplifying the process of finding Federal contracting opportunities through its Web site, GSA.gov. A Disaster and Emergency Operations Vendor Profile form is now online so that small businesses do not miss out on Federal contract opportunities in a time of disaster.

In FY 2006, the Heartland Region added a new government wide acquisition contract (GWAC) to their portfolio with the creation of Veterans Technology Services (VETS). As a result of VETS, there are now three GWACs dedicated exclusively to small businesses.

The Southeast Sunbelt Region continues to be a champion of small businesses by organizing numerous Small Business Outreach events and conferences throughout the region. This past year they hosted five small business events and over 1,100 small businesses participated. GSA hopes to leverage more opportunities in the Federal contracting process by increasing support to the Historically Underutilized Business Zone (HUBZone) Program, the Women Owned Small Business Program, the GSA Native American Business Center (NABC); and creating a new business development task force. This will be done by providing extensive national and regional outreach. Additionally, GSA's Office of Small Business Utilization (OSBU) makes it possible for the small business community to meet key contracting experts and be counseled on the procurement process.

E-Government

FirstGov.gov is the U.S. government's official Web portal. It is the only Web site that provides information and services from Federal, state, and local government all "under one roof." FirstGov.gov helps citizens find and do business with

government online, on the phone, by mail, or in person. The site is clear, simple, user friendly, and connects citizens to a wide array of topics, such as education, health, taxes, housing, driver's licenses, Federal benefits, and many other online government resources. It is easy to navigate and uses a clustering technology that organizes thousands of search results into categories that allow citizens to zero in on topics of interest. From finding out what services and assistance the government has to offer, to getting news updates, this Web site is the U.S. public's gateway to government services. Brown University designated FirstGov.gov as the number one Web site in the Federal government. Additionally, the United Nations rated FirstGov.gov as the number one Web site for quality and e-government readiness.

Rapid Response Efforts

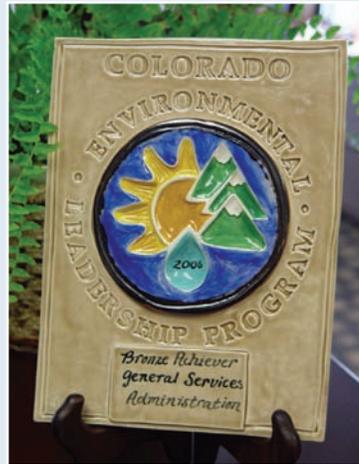
In June 2006, a severe storm that hit the Washington, D.C. metropolitan region caused severe flooding in several Federal buildings and steam tunnels, which resulted in loss of power and air conditioning as well as an interruption of hot water service. The National Capital Region (NCR) PBS employees and contractors responded immediately and worked with Federal tenants to remove water, restore power, and correct damage caused by the storm. Through their efforts, only five of the 189 GSA-owned buildings in the NCR were closed immediately following the floods. Because of the GSA employees' leadership, dedication, and extraordinary efforts, only the Internal Revenue Service (IRS) building is still undergoing repairs, and is expected to be ready for occupancy in January 2007.

In FY 2006, the U.S. Department of Agriculture (USDA) requested GSA's assistance in a project to assemble and store "Strike Kits." These kits can be used to disinfect areas infected by avian influenza. Each kit consists of items such as gloves, protective suits, disinfectant, and brushes, and is designed to support as many as 31 users for up to three days. The initial purchase of over \$2 million worth of kits is being properly stored and will be readily accessible if ever needed.

Partner in Wildfire Protection

GSA furnishes wildfire protection equipment and supplies to Federal agencies through formal agreements with USDA, the

U.S. Forest Service, and the U.S. Department of the Interior (DOI) Bureau of Land Management (BLM). During an active fire season, orders in excess of 1,600 tons are received, processed, and shipped to support ongoing firefighting and replenishment efforts. GSA, through FAS, manages and coordinates the various functions necessary for support of wildland firefighting operations and includes fire item specifications, purchasing, order processing, stocking, inventory management, and transportation.



On March 23, 2006, the GSA's Denver Federal Center Campus was notified by the Colorado State Health Department that it was awarded the **2006 Bronze Environmental Achievement Award**. The Bronze tier of the Health Department's Environmental Leadership Program is the entry-level tier that recognizes the voluntary and significant environmental achievements of Colorado businesses and organizations. The award was made in recognition of the significant achievements made by GSA to improve environmental management practices and ultimately develop a more sustainable campus.

In FY 2006, the Northwest/Arctic Region significantly improved its lead times in providing critical items during the fire season to fire personnel in Alaska. GSA worked with BLM in Alaska and agreed to stock certain critical supplies for BLM, as well as state and local fire departments directly in the BLM Fire Cache in Fairbanks, AK. As a result, supplies can now arrive within 24 hours from the time they are ordered. GSA is committed to actively assisting and participating in the national wildfire suppression effort.

Energy Conservation and Alternative Fuel

GSA has taken great strides over the years to reduce energy consumption in buildings and comply with related executive orders and mandates. Since 1985, GSA has achieved an overall energy reduction of 35 percent in its facilities. Through its Energy and Water Conservation Programs, GSA has reduced Federal utility costs by promoting optimal energy use and offering organizations strategic energy management programs. These resources are available to all Federal agencies and nonprofit organizations. Furthermore, Federal and non-Federal customers look to GSA's energy program to procure green and non-green power that is cost effective and environmentally responsible. GSA won the Energy Star Building Award for Superior Performance. Energy Star is a symbol of energy efficiency established by the Environmental Protection Agency (EPA) and the Department of Energy (DOE).

The Mid-Atlantic Region also realizes the importance of energy consumption in buildings. The region has recently reduced gas consumption in two of its courthouses by seven percent and installed energy-saving lighting and motion sensors, which translate to an annual savings of \$716,000 for U.S. taxpayers. Additionally, through PBS and the Energy Center of Expertise, GSA conducts Energy Awareness programs for its tenants in an effort to build awareness of conservation methods.

GSA Fleet has been involved in the Federal government's alternative fuel program since the enactment of the Alternative Motor Fuels Act of 1988 (AMFA). By purchasing over 100,000 Alternative Fuel Vehicles (AFV), cars and trucks that operate on fuels other than gasoline and diesel, GSA leads the government in fuel conservation efforts. AFVs can enhance GSA's energy security by reducing the need for imported fuels, and can improve air quality by reducing the emissions associated with many vehicles that use traditional transportation fuels. More than half of the gasoline GSA puts in its cars comes from oil imported from other countries.

Donations of Usable Surplus

GSA serves the public by providing a channel for Federal agencies to donate usable surplus property to state and local governments or selected nonprofit organizations. Once a Federal agency determines it has unneeded property, that property is declared excess and is available for transfer to any

other Federal agency. If no agency wants the excess property, it is declared surplus for Federal needs and may be donated or sold through public auctions.

In an effort to make modern computer technology an integral part in classrooms across the nation, the Computers For Learning (CFL) Program provides schools and educational nonprofit organizations a place to request excess computer equipment. It also provides a quick and easy way for government agencies and the private sector to donate that equipment to schools and educational nonprofits. This results in (1) a benefit to schools who receive much needed computers, (2) organizations which no longer waste space storing surplus computers, and (3) a public that is better served through the deployment of surplus computers as valuable learning tools.

Historical Preservation

GSA is responsible for the stewardship of over 400 historic properties. These properties represent the work of prominent architects and are valued for their significance in U.S. history, architecture, art, archaeology, engineering, and culture. GSA

takes great pride in its inventory and strives to preserve, protect, and utilize historic properties as established in the National Historic Preservation Act of 1966. Currently over 200 properties are listed in the National Register of Historic Places. GSA continues to preserve historic properties by providing redevelopment in urban areas. For example, one of the properties listed on the register, the Denver Federal Center (DFC) in GSA's Rocky Mount Region is located in the city of Lakewood six miles west of Denver. GSA is selling 65 acres of vacant land to the city of Lakewood with the intent that a major level one trauma hospital and a bus and light rail station will be built on the site. The hospital will be a first in the city of Lakewood and will bring a host of services to the community that they currently don't enjoy.

GSA's legacy buildings include customhouses, courthouses, post offices, land border ports of entry, and Federal agency offices across the United States and its territories. Many are grand structures designed to serve a symbolic, ceremonial, and functional purpose. As stewards of its historic legacy buildings, GSA's goal is to shape this legacy through its preservation efforts so that the U.S. public can continue to enjoy and appreciate its cultural and architectural heritage.



The year 2006 brought more recognition for GSA's innovative renovation of the century-old Howard M. Metzenbaum U.S. Courthouse in Cleveland, OH.