U.S. General Services Administration

ACQUISITION SERVICES FUND

Fiscal Year 2024 Congressional Justification

CONTENTS

Program Financing

The Acquisition Services Fund (ASF) is a full-cost-recovery revolving fund financing a majority of the Federal Acquisition Service's (FAS) operations. FAS also includes organizations that are funded out of the Operating Expense appropriation, the Transportation Audits warrant, and the Federal Citizen Services Fund (FCSF). The ASF provides for the acquisition of information technology (IT) solutions, telecommunications, motor vehicles, supplies, and a wide range of goods and services for Federal agencies. This fund recovers costs through fees charged to Federal agencies for services rendered and commodities provided.

The ASF is authorized by section 321 of title 40, U.S. Code, which requires the Administrator to establish rates to be charged to agencies receiving services that: (1) recover costs; and (2) provide for the cost and capital requirements of the ASF. The ASF is authorized to retain earnings to cover these costs, such as replacing fleet vehicles, maintaining supply inventories adequate for customer needs, and funding anticipated operating needs specified by the Cost and Capital Plan.

Federal Acquisition Service

The mission of the Federal Acquisition Service (FAS) is to:

Provide an exceptional customer experience by delivering best value goods and services through an increasingly digital environment.

The FAS mission reflects a commitment to delivering service, innovation, and value through efficient operations, market expertise, and proactive partnerships with both customer agencies and private sector vendors. FAS accomplishes this mission by providing solutions to partner agencies through six business portfolios helping agencies buy smarter and achieve administrative cost savings throughout the Government.

In order to better carry out this mission, FAS works to improve tools and systems for agency buyers and suppliers by:

- Providing more access to data and information
- Streamlining the ordering process
- Improving acquisition solutions and contracts
- Creating centers of expertise on the products and services FAS provides

In addition, FAS is identifying ways to provide more centralized services and platforms for agency partners.

FAS tailors its current offerings to help partner agencies improve transparency, increase competition, and reduce duplication to minimize administrative costs so the agencies can focus on mission-critical activities.

The ASF currently funds six business portfolios, one strategic initiative, and integrator support offices within FAS:

Assisted Acquisition Services (AAS) - This portfolio assists agencies in making informed procurement decisions and serves as a center of acquisition excellence for the Federal community. AAS provides acquisition, technical, and project management services related to information technology and professional services at best value.

Office of General Supplies and Services Categories (GS&S) - This portfolio provides partner agencies with general products such as furniture, office supplies, and hardware products. GS&S centralizes acquisitions on behalf of the Government to strategically procure goods and services at reduced costs while ensuring regulatory compliance for partner agency procurements. This portfolio also provides personal property disposal services to partner agencies, which are partially funded by the Operating Expenses appropriation.

Information Technology Category (ITC) - This portfolio provides access to a wide range of commercial and custom IT products, hardware, software, telecommunications, and security services and solutions to Federal, state, and local agencies.

Professional Services & Human Capital Categories (PSHC) - This portfolio provides Federal agencies with professional and human capital services contract solutions, including payment solutions through the GSA SmartPay® program.

Technology Transformation Services (TTS) - This portfolio partners with Government agencies to transform the way they build, buy, and share technology by using modern methodologies and technologies to help Federal agencies improve the public's digital experience with the Government. TTS helps agencies make their services more accessible, efficient, and effective with modern applications, platforms, processes, personnel, and software solutions.

Travel, Transportation, and Logistics Categories (TTL) - This portfolio provides partner agencies with travel, transportation, and relocation services; motor vehicle acquisition; and motor vehicle fleet leasing services.

Integrated Award Environment (IAE) - This strategic initiative provides centralized technology to support a modernized Federal award environment. As a result of a reorganization in FY 2022, The Integrated Award Environment (IAE) was realigned organizationally to the Technology Transformation Services (TTS). IAE provides a Government-wide service in collaboration with

governance groups of interagency experts by providing technology solutions to manage the collection and display of standardized data that is critical to maintaining the integrity of Federal procurement and financial assistance awarding processes and navigating the Federal acquisition lifecycle.

FAS Integrators - These offices support the business portfolios by providing strategic, organizational, and policy guidance to the business units.

FAS Supporting Administration Priorities

The Administration has communicated an ambitious set of priorities to move America forward. While many of these priorities require a coordinated, whole-of-government approach, the Federal Acquisition Service (FAS) has a substantial role in delivering meaningful results for a number of the Administration's priorities. Furthermore, because of its unique ability to enable and enhance the missions of other agencies, FAS is positioned to be a Government-wide leader of many efforts that directly support these goals. These include:

- Prioritizing IT Modernization & Cybersecurity,
- Tackling the Climate Crisis,
- Enhancing the Public's User/Customer Experience, &
- Driving Diversity, Equity, Inclusion, and Accessibility Across Government

To pursue these priorities, FAS will continue to deliver best value products and services to enable its customers' missions and will continuously work to improve the overall experience for buyers and suppliers. In doing so, FAS will leverage its buying power, partnerships, and unique position across Government to improve socioeconomic impact, equity, and racial justice; drive nationwide policy on environmental protection; and fuel our continued economic recovery and expansion. This will create lasting changes beneficial to the many communities that FAS serves.

Building FAS's Strategic Capabilities to Deliver on the Priorities

FAS manages a very diverse portfolio of solutions, participates in nearly every commercial product and services marketplace, and serves every other agency within the Government. However, the incredible breadth and depth of this work should not obscure FAS's very straightforward vision for how it will help meet the Administration's priorities. Across the strategic capabilities it develops, FAS will:

1. *Add tremendous value to our customers' mission*
2. *Enable and support a thriving, innovative, compliant, and resilient marketplace*
3. *Make it incredibly easy to do business with FAS*

The categorized strategic capabilities below illustrate how these core principles serve to focus FAS's work to fulfill its mission and maximize its contribution to our Administration's priorities.

1. *Add tremendous value to our customers' mission*

Initiative: **Digital Experience**

Using Agile methodologies and in partnership with its stakeholders, buy.gsa.gov is a single-sign-on customer-facing portal launched in April 2022 that provides a consolidated suite of popular market research tools. Previously, these tools were managed and maintained independently of one another across various GSA sites. Under the Digital Experience initiative, buy.gsa.gov combines and modernizes the functionality of 11 different tools into one place and focuses exclusively on the pre-solicitation phase of the acquisition process. buy.gsa.gov makes it easier to do business with GSA by assisting in the creation of an Acquisition Package, and by serving as a sales funnel for FAS products and services. While Digital Experience did not originate as a direct result of the passage of the 21st Century Integrated Digital Experience Act (IDEA), this initiative closely aligns with the directives and methods outlined by IDEA.

Administration Priority(ies) Supported:
- Prioritizing IT Modernization & Cybersecurity
- Enhancing the Public's User/Customer Experience

Initiative: **Services Marketplace**

The Services Marketplace (SMP) is a collective of contract offerings and initiatives that support the Federal Government's services-related procurement spend, which accounts for over 80 percent of all common Federal procurement spend. The SMP will improve FAS's services initiatives and offerings to streamline operations; improve the customer, supplier, & workforce experiences; and increase the use of FAS managed indefinite delivery/indefinite quantity (IDIQ) contracts (including MAS).

Administration Priority(ies) Supported:
- Prioritizing IT Modernization & Cybersecurity
- Enhancing the Public's User/Customer Experience

2. *Enable and support a thriving, innovative, compliant, and resilient marketplace*

Initiative: **Cybersecurity & Supply Chain Risk Management (C-SCRM)**

FAS continues to build its SCRM program capability and to implement regulatory mandates for Supply Chain Resilience. In implementing its organizational level SCRM plan, FAS is developing policy, governance, tools and training to manage supply chain risks throughout the

acquisition lifecycle. Supply chain security statutes drive FAS prioritization as FAS continues to support the Federal Acquisition Security Council and its Information Sharing Agent mandate to mature SCRM across the Federal Government.

Additionally, there are specific supply chain concerns related to cybersecurity. FAS must implement Executive Order 14028, "Improving the Nation's Cybersecurity" (Cyber EO) to include FAS-wide communications planning; development of plans for contract clauses; and coordination with vendor partners, customers, and acquisition professionals. FAS's support of the Cyber EO requires partnership and coordination with GSA's OCIO (as the agency lead), as well as modifications to contracts as required by provisions of the Federal Acquisition Regulation (FAR), as well as policies issued by the Office of Government-wide Policy. Coordination efforts may also include system changes and training for the acquisition workforce.

Administration Priority(ies) Supported:
- Prioritizing IT Modernization & Cybersecurity

Initiative: **Small Business Enablement (Post Award Support Strategy)**

FAS is working closely with GSA's Office of Small and Disadvantaged Business Utilization (OSDBU) to provide enhanced training for contract holders to better understand the Federal marketplace, its terminology, data sources, and how Federal buyers approach the buying process. Successful implementation will result in a decreased percentage of contractors with no/low sales, increased business volume through new contractors with socioeconomic status, and an increased percentage of spend through small businesses.

Administration Priority(ies) Supported:
- Enhancing the Public's User/Customer Experience
- Driving Diversity, Equity, Inclusion, and Accessibility Across Government

Initiative: **Fleet Electrification**

The Fleet Electrification initiative will be a major contributing factor in the Federal Government's deployment of Zero Emission Vehicles (ZEVs) and meeting the electrification goals of the Administration. GSA Fleet will continue to deploy ZEVs within the GSA Leased Fleet as models become available that will meet agency mission requirements. GSA Fleet will also continue to provide purchasing channels for agencies to purchase ZEVs for agency-owned fleets. The Federal Government purchases approximately 50,000 vehicles annually through GSA Fleet, which positions GSA to be a major contributor to the electrification effort. GSA Fleet also provides access to charging infrastructure for customers through a blanket purchase agreement and is currently working to develop an enhanced Government-wide solution that will provide the latest models and technology to support ZEV charging requirements. These actions and this

initiative support near-term global reductions in greenhouse gas emissions and a long-term goal of net-zero global emissions through fleet electrification.

Administration Priority(ies) Supported:
- Tackling the Climate Crisis
3. *Make it incredibly easy to do business with FAS*

Initiative: **Supplier Experience on MAS**

FAS is reviewing all online content related to suppliers' Multiple Award Schedule (MAS) program onboarding journey and working with industry to provide a consistent and easy path to providing an offer through the MAS program. FAS has created an updated MAS Roadmap that provides step-by-step instructions on how to get a MAS contract. In direct support of the 21st Century IDEA objectives, FAS also launched a new and improved Vendor Support Center site that was updated through customer experience feedback. FAS will continue this experience by updating the MAS Welcome Package that onboards new contractors after award.

Administration Priority(ies) Supported:
- Enhancing the Public's User/Customer Experience
- Driving Diversity, Equity, Inclusion, and Accessibility Across Government

Initiative: **Catalog Management**

The Catalog Management initiative is streamlining and improving how FAS manages data associated with the more than 50 million products and services offered to the Federal marketplace, including items represented on GSA Advantage! The forthcoming changes will address long-standing problems surrounding user experience by both industry partners and customers. Modernizing catalog management will continue to streamline and improve the way FAS ingests, validates, and shares catalog information.

Administration Priority(ies) Supported:
- Prioritizing IT Modernization & Cybersecurity

- Enhancing the Public's User/Customer Experience

Initiative: **Contract Acquisition Lifecycle Management (CALM)**

FAS will deliver a modern, enterprise-wide Contract Acquisition Life-cycle Management (CALM) system to streamline acquisition systems across five major programs: 1) The Multiple Award Schedules, 2) Multiple Award IDIQ Contracts (non-MAS), 3) GSA Global Supply, 4) Assisted Acquisition Services, and 5) Technology Transformation Services. Using human-centered

design principles as a guide, the goal is to deliver a reliable enterprise contract writing system that helps end users do their job effectively, efficiently, and economically while reducing burden and improving performance.

Administration Priority(ies) Supported:
- Prioritizing IT Modernization & Cybersecurity
- Enhancing the Public's User/Customer Experience

Summary of Request

The FY 2024 Request for the ASF provides a total of $25.9 billion and 4,056 full-time equivalent (FTE) employees. This is an increase of $1.611 billion in obligations and an increase of 77 FTE from the FY 2023 Plan. The FY 2023 Plan and FY 2024 Request reflect FAS's concerted effort to increase savings Government-wide by increasing the utilization of current offerings and achieving internal operational efficiencies.

The FY 2024 Request includes an increase of $1.611 billion from the FY 2023 Plan:

- $789.1 million in additional business volume through FAS Offerings

- $675.2 million for inflation on goods and services sold

- $364.7 million for increases in capital outlays for the Fleet Leasing program

- $35.2 million for increases in the WCF Contribution

- $27.0 million for the FY 2024 Pay Increase

- $14.0 million in FTE costs to support business priorities

- $7.4 million increase in Operational Contractual Services and Miscellaneous Spending

- $7.0 million for increased costs for Operation and Maintenance of equipment

- -$0.8 million decrease in Reserve Investment Spending

- -$24.5 million for decreases in Login.gov obligations funded through the TMF ARP award

- -$283.0 million in decreased Costs of Goods Sold due to the agencies' Telecom Transition from Networx to EIS

Explanation of Changes
(Dollars in Thousands)

	FTE		Obligations
2023 Plan……………………………………..............................	3,979	$	24,343,507
2024 Plan……………………………………..............................	4,056	$	25,954,781
Net Change…………………………………….............................	**77**	**$**	**1,611,275**

	FTE		Obligations
Maintaining Current Levels:			
FY 2024 Pay Increase		$	27,057
Inflation on Goods and Services Sold		$	675,238
Subtotal, Maintaining Current Levels…………...	**-**	**$**	**702,295**
Program Changes			
Increase in Business Volume through FAS Offerings..		$	789,134
Increase in Capital Outlays for the Fleet Leasing Program..		$	364,687
Increase in WCF Contribution..		$	35,183
Increase in FTE to Support Business Priorities..	77	$	13,995
Increase in Operational Contractual Services & Other Misc. Spending...........................		$	7,418
Increase in Costs for Operation and Maintenance of Equipment....................................		$	6,954
Decrease in Reserve Investment Spending...		$	(833)
Decrease in Login.gov Obligations funded through TMF ARP Award...........................		$	(24,506)
Decrease in ITC Cost of Goods Sold due to Telecom Transition^1.............................		$	(283,052)
Subtotal, Program Changes…………...	**77**	**$**	**908,980**
Net Change……………………………………...	**77**	**$**	**1,611,275**

1 - The ITC Network Services Transition will result in a shift from GSA obligating Telecom funds on behalf of customer agencies to customers directly obligating funding against GSA contract vehicles.

Obligations by Object Classification

(Dollars in Thousands)

			2022 Actual		2023 Plan		2024 Plan
11.1	Full-time permanent	$	408,162	$	495,804	$	525,071
11.3	Other than permanent	$	31,463	$	74	$	87
11.5	Other personnel compensation	$	11,216	$	11,072	$	11,724
11.9	Total personnel compensation	$	450,841	$	506,950	$	536,882
12.1	Civilian personnel benefits	$	161,722	$	186,821	$	197,941
13.0	Benefits for Former Personnel	$	-	$	-	$	-
21.0	Travel and transportation of persons	$	1,601	$	10,140	$	10,142
22.0	Transportation of things	$	42,758	$	7,522	$	7,958
23.1	Rental payments to GSA	$	28,926	$	29,143	$	29,065
23.3	Communications, utilities, and miscellaneous charges	$	880,468	$	613,200	$	342,297
24.0	Printing and reproduction	$	1,837	$	2,679	$	2,703
25.1	Advisory and Assistant Service	$	20,640,852	$	17,707,041	$	18,759,919
25.2	Other good and services from non-Federal sources	$	5,377	$	5,396	$	5,504
25.3	Other purchases of goods and services from Federal sources	$	319,480	$	317,126	$	352,680
25.4	Operation and maintenance of facilities	$	-	$	-	$	-
25.7	Operations and maintenance of equipment	$	-	$	140,145	$	147,099
26.0	Supplies and materials	$	245,350	$	1,350,656	$	1,455,645
31.0	Equipment	$	872,199	$	3,388,792	$	4,053,607
32.0	Land and structures	$	2,135	$	-	$	-
42.0	Insurance claims and indemnities	$	-	$	50	$	-
43.0	Interest and Dividends	$	-	$	5	$	5
	Total new obligations	$	**23,653,546**	$	**24,265,667**	$	**25,901,447**
	Subtotal, PC&B	$	*612,563*	$	*693,772*	$	*734,823*
	Subtotal, Non-labor	$	*23,040,983*	$	*23,571,895*	$	*25,166,624*
99.0	*Obligations, appropriated (multi-year)*	$	*26,755*	$	*77,840*	$	*53,334*
99.9	***Total obligations***	$	***23,680,301***	$	***24,343,507***	$	***25,954,781***
	Civilian full-time equivalent employment		3,646		3,979		4,056
	Net Outlays		596,091		228,635		(108,391)

Summary of Results of Operations

The ASF's authorizing legislation requires the Administrator to establish rates to be charged to agencies receiving services that: (1) recover costs; and (2) provide for the cost and capital requirements of the ASF. After making provision for operating needs, any uncommitted balances at the end of the year are returned to the Treasury. In order to fulfill this requirement, GSA projects estimated income and expenses as part of the budget process. Below are highlights of this process as they relate to growth in revenue and utilization of reserves.

In FY 2022, the ASF returned $1.4 million in net proceeds from the sale of personal property across the Federal Government to the Treasury in accordance with 40 USC § 573. In FY 2023 and FY 2024, total ASF Revenue is projected to be $22.3 billion and $23.6 billion respectively. The projected ASF Revenue in FY 2024 is less than the total obligation request for FY 2024, because the total obligation request includes anticipated flow-thru obligations that will not be recognized as Revenue until subsequent fiscal years. The ASF revenue is generated across FAS's six business portfolios and initiatives. Revenue is projected to increase from FY 2023 to FY 2024 for all portfolios, except for ITC and IAE, due to increased utilization of current offerings as well as the introduction of several new offerings.

Below is the portfolio-by-portfolio summary that totals the ASF's $1,263.3 million increase in anticipated Revenue from FY 2023 to FY 2024:

- $953.5 million increase in AAS due to continued growth in customer orders

- $479.3 million increase in TTL due to increased miles driven, increased use of Zero Emission Vehicles (ZEV), and increased rates to cover increased costs related to growth in fuel prices, vehicle acquisition costs, and other fleet related expenses

- $86.4 million increase in GS&S associated with the expansion of store operations

- $46.7M million increase in TTS through continued growth of the Login.gov program

- $5.5 million increase in PSHC due to continued growth across all business lines as well as beginning to earn Revenue from the new OASIS + offering

- -$3.1 million decrease in IAE associated with collections from customers returning to steady-state levels after experiencing an increase in collections in FY 2023 due to the final planned reimbursement for the Dun & Bradstreet (D&B) Data Rights previously purchased by GSA

● -$305.0 million decrease in ITC as agencies transition from ITC's Networx contract to the lower rates on the Enterprise Infrastructure Solutions (EIS) contract

In FY 2023 and FY 2024, reserve expenses include funding the modernization of business systems and offerings (Fleet Systems, Contract Acquisition Lifecycle Management (CALM), Catalog Management), as well as enhancements to the IAE, continued contract transition for the Network Services Program, and support of FAS's Digital Experience initiative.

In FY 2018, FAS began using an operating efficiency metric to monitor how it converts resources into business offerings that recover costs. This metric is calculated by dividing FAS's direct operating expenses by the total gross margin earned (the fees collected) by FAS's various business lines (in this methodology, a lower percentage indicates greater efficiency). FAS's direct operating expenses are defined as the costs over which FAS has direct control, i.e., those costs not related to customer orders or controlled by a part of GSA other than FAS. Examples of costs excluded from FAS's direct operating expenses include maintenance costs of vehicles leased to customers and payments to GSA's Working Capital Fund.

FAS achieved a result of 32.0 percent in FY 2022 compared to the target of 35.3 percent. For FY 2023 and FY 2024, FAS is targeting 36.4 percent and 35.3 percent respectively. FAS was more efficient than the target in FY 2022 due to strong growth in gross margin coupled with lower expenses driven primarily by below-plan FTE levels. The efficiency metric is projected to decrease in FY 2023 and FY 2024 as FAS plans to actively grow its staffing levels to support the growth in business volumes experienced over the last few years, while also continuing to spend in support of Administration priorities. However, overall efficiency in FY 2024 is improved as projected growth in gross margin exceeds projected growth in operating costs as staffing levels normalize after the ramp up in staffing in FY 2023. Individual portfolios within FAS provide services on profit and loss statements and have different fixed and variable direct cost models, therefore, they have different operational efficiency ratios. Management evaluates efficiency at portfolio levels to ensure FAS's ability to serve changing levels of Government demand at optimal levels of efficiency.

Results of Operations by Program

(Dollars in Thousands)

Income and Expense Statement		FY 2022 Actual		FY 2023 Plan		FY 2024 Plan
1. Assisted Acquisition Services (AAS)						
Revenue	$	15,106,045	$	16,291,629	$	17,245,099
Acquisition Training Fund^1	$	-	$	-	$	-
Cost of Goods Sold	$	14,683,585	$	15,843,229	$	16,771,128
Gross Margin	$	422,460	$	448,400	$	473,971
Cost of Operations						
Program Expenses	$	216,794	$	266,417	$	288,705
Corporate Overhead	$	74,698	$	82,322	$	95,716
Other Cost of Operations	$	1,688	$	1,984	$	2,037
Total Cost of Operations	$	293,180	$	350,723	$	386,459
Net Operating Results	$	129,280	$	97,677	$	87,512
Reserve Expenses	$	20,241	$	24,792	$	36,277
Net Financial Impact	$	109,039	$	72,885	$	51,235
2. General Supplies and Services (GSS)						
Revenue	$	1,351,400	$	1,275,241	$	1,361,657
Acquisition Training Fund^1	$	(2,636)	$	(2,678)	$	(2,675)
Cost of Goods Sold	$	1,101,907	$	1,049,037	$	1,124,012
Gross Margin	$	246,857	$	223,526	$	234,970
Cost of Operations						
Program Expenses	$	175,152	$	202,823	$	207,773
Corporate Overhead	$	49,622	$	50,616	$	55,911
Other Cost of Operations	$	8,451	$	1,562	$	1,428
Total Cost of Operations	$	233,225	$	255,001	$	265,111
Net Operating Results	$	13,632	$	(31,475)	$	(30,141)
Reserve Expenses	$	8,719	$	21,090	$	19,839
Net Financial Impact	$	4,913	$	(52,565)	$	(49,980)
3. Information Technology Category (ITC)						
Revenue	$	1,305,952	$	826,619	$	521,576
Acquisition Training Fund^1	$	(10,189)	$	(9,860)	$	(9,732)
Cost of Goods Sold	$	904,511	$	486,471	$	202,998
Gross Margin	$	391,252	$	330,288	$	308,846
Cost of Operations						
Program Expenses	$	219,377	$	248,924	$	242,497
Corporate Overhead	$	61,448	$	65,121	$	68,666
Other Cost of Operations	$	2,834	$	1,523	$	1,760
Total Cost of Operations	$	283,659	$	315,568	$	312,923
Net Operating Results	$	107,593	$	14,720	$	(4,077)
Reserve Expenses	$	14,280	$	21,463	$	24,161
Net Financial Impact	$	93,313	$	(6,743)	$	(28,238)

U.S. General Services Administration
Acquisition Services Fund

Income and Expense Statement		FY 2022 Actual		FY 2023 Plan		FY 2024 Plan
4. Professional Services & Human Capital (PSHC)						
Revenue	$	121,535	$	118,932	$	124,404
Acquisition Training Fund^1	$	(6,023)	$	(5,947)	$	(6,220)
Cost of Goods Sold	$	-	$	-	$	-
Gross Margin	$	115,512	$	112,985	$	118,184
Cost of Operations						
Program Expenses	$	78,359	$	93,133	$	95,184
Corporate Overhead	$	23,100	$	24,785	$	27,493
Other Cost of Operations	$	368	$	617	$	507
Total Cost of Operations	$	101,827	$	118,535	$	123,184
Net Operating Results	$	13,685	$	(5,550)	$	(5,000)
Reserve Expenses	$	3,874	$	8,276	$	8,701
Net Financial Impact	$	9,811	$	(13,826)	$	(13,701)
5. Travel, Transportation, and Logistics (TTL)^2						
Revenue	$	3,031,083	$	3,634,905	$	4,114,278
Acquisition Training Fund^1	$	(888)	$	(1,109)	$	(1,266)
Cost of Goods Sold	$	1,538,545	$	1,951,434	$	2,272,995
Gross Margin	$	1,491,650	$	1,682,362	$	1,840,017
Cost of Operations						
Program Expenses	$	559,349	$	538,877	$	674,406
Corporate Overhead	$	53,938	$	57,645	$	64,226
Other Cost of Operations	$	602,933	$	613,339	$	622,704
Replacement Cost Pricing^3	$	263,541	$	463,960	$	478,546
Total Cost of Operations	$	1,479,761	$	1,673,821	$	1,839,882
Net Operating Results	$	11,889	$	8,541	$	135
Reserve Expenses	$	24,629	$	26,609	$	16,740
Net Financial Impact	$	(12,740)	$	(18,068)	$	(16,605)
6. Integrated Award Environment (IAE)						
Revenue	$	101,025	$	68,112	$	65,025
Acquisition Training Fund^1	$	-	$	-	$	-
Cost of Goods Sold	$	73,712	$	62,574	$	63,633
Gross Margin	$	27,313	$	5,538	$	1,392
Cost of Operations						
Program Expenses	$	9,871	$	10,636	$	10,777
Corporate Overhead	$	6,400	$	6,330	$	7,603
Other Cost of Operations	$	3,737	$	3,674	$	(42)
Total Cost of Operations	$	20,008	$	20,640	$	18,338
Net Operating Results	$	7,305	$	(15,102)	$	(16,946)
Reserve Expenses	$	42,444	$	53,290	$	45,033
Net Financial Impact	$	(35,139)	$	(68,392)	$	(61,979)

Income and Expense Statement	FY 2022 Actual		FY 2023 Plan		FY 2024 Plan	
7. Technology Transformation Services (TTS)						
Revenue	$	112,475	$	125,475	$	172,189
Acquisition Training Fund^1	$	-	$	-	$	-
Cost of Goods Sold	$	68,546	$	52,402	$	84,019
Gross Margin	$	43,929	$	73,073	$	88,170
Cost of Operations						
Program Expenses	$	65,519	$	84,227	$	91,941
Corporate Overhead	$	14,295	$	15,029	$	17,201
Other Cost of Operations	$	201	$	388	$	397
Total Cost of Operations	$	80,015	$	99,644	$	109,539
Net Operating Results	$	(36,086)	$	(26,571)	$	(21,369)
Reserve Expenses	$	4,258	$	3,276	$	8,275
Net Financial Impact	$	(40,344)	$	(29,847)	$	(29,644)
8. HR Quality Service Management Office PMO (HR QSMO)						
Revenue	$	-	$	-	$	-
Acquisition Training Fund^1	$	-	$	-	$	-
Cost of Goods Sold^4	$	350	$	-	$	-
Gross Margin	$	(350)	$	-	$	-
Cost of Operations						
Program Expenses	$	1,804	$	-	$	-
Corporate Overhead	$	894	$	-	$	-
Other Cost of Operations	$	(40)	$	-	$	-
Total Cost of Operations	$	2,658	$	-	$	-
Net Operating Results	$	(3,008)	$	-	$	-
Reserve Expenses	$	6,107	0		0	
Net Financial Impact	$	(9,115)	$	-	$	-

U.S. General Services Administration
Acquisition Services Fund

Income and Expense Statement	FY 2022 Actual		FY 2023 Plan		FY 2024 Plan	
9. Total Acquisition Services Fund (ASF)						
Revenue^5	$	21,129,515	$	22,340,913	$	23,604,228
Acquisition Training Fund^1	$	(19,736)	$	(19,594)	$	(19,893)
Cost of Goods Sold	$	18,371,156	$	19,445,147	$	20,518,785
Gross Margin	$	2,738,623	$	2,876,172	$	3,065,550
Cost of Operations						
Program Expenses	$	1,326,225	$	1,445,037	$	1,611,283
Corporate Overhead	$	284,395	$	301,848	$	336,815
Other Cost of Operations	$	620,172	$	623,087	$	628,791
Replacement Cost Pricing^3	$	263,541	$	463,960	$	478,546
Total Cost of Operations	$	2,494,333	$	2,833,932	$	3,055,435
Net Operating Results	$	244,290	$	42,240	$	10,115
Reserve Expenses	$	124,552	$	158,796	$	159,026
Net Financial Impact	$	119,738	$	(116,556)	$	(148,911)

1 - The FY 2024 amount for Acquisition Training Fund does not reflect the Legislative Proposal to increase the FAS contributions to the Acquisition Workforce Training Fund (AWTF) from the current 5% to the proposed 7.5% in FY 2024. That increase in contribution percentage would result in a $9.9 million increase in contributions in FY 2024 from the currently planned $19.9 million to a projected $29.8 million.

2 - TTL Portfolio Revenue and Cost of Goods Sold include $1,180.4 million, $1,232.1 million, and $1,334.5 million in intra-GSA sales of vehicles that GSA Fleet plans to purchase from GSA Automotive in FY 2022, FY 2023, and FY 2024, for its leasing program for Federal agencies.

3 - TTL and Total ASF operating expenses include Replacement Cost Pricing (RCP), which is a component of current year fees and is used to cover the cost of inflation on vehicles purchased by GSA Fleet as well as for funding vehicle consolidations.

4 - The FY 2022 Cost of Goods Sold for the HR QSMO reflects expenses paid to vendors for work funded by Cross Agency Priority (CAP) Goal funding provided in FY 2021.

5 - Total FY 2024 ASF Revenue is $2,350.6 million less than the total obligation request of $25,954.8 million for FY 2024. The total obligation request includes anticipated increases in flow-thru obligations that will not be recognized as Revenue until subsequent fiscal years.

FTE by Portfolio, Initiative, and Integrator Office

	FY 2022 Actual	FY 2023 Plan	FY 2024 Plan
Portfolios & Initiatives	**3,034**	**3,273**	**3,326**
Assisted Acquisition Services	696	773	825
General Supplies Services	459	483	489
Information Technology Category	618	686	655
Professional Services & Human Capital	248	266	269
Travel, Transportation, & Logistics	685	716	719
Integrated Award Environment	37	35	35
Technology Transformation Services	291	313	334
HR Quality Service Management Office PMO	1	-	-
Integrators	**613**	**706**	**730**
Office of the Commissioner	9	8	8
Regional Commissioners	101	128	130
Office of Enterprise Strategy Management	155	189	207
Office of Customer & Stakeholder Engagement	245	257	257
Office of Policy & Compliance	54	60	60
Contracting	48	64	68
Total ASF FTE^1	**3,647**	**3,979**	**4,056**

1 - The sum of the individual office's FTE may not add up to the total ASF FTE levels due to rounding.

FAS Portfolio and Integrator Initiatives

Assisted Acquisition Services

The Assisted Acquisition Services (AAS) portfolio offers customized acquisition, project management, and financial management services for large and complex projects at best value to the Government. AAS's highly trained contracting, project, and financial management professionals provide direct assistance to partner agencies for the Government's complex IT, professional services, facilities maintenance, research and development, and cybersecurity challenges. This commitment to mission ensures agency requirements are met on time and within budget while reducing contracting risk. AAS provides best value in acquisition, so that partner agencies can focus on their mission-critical activities instead of overseeing acquisition and project management personnel.

The AAS portfolio includes twelve Client Support Centers (CSC), one in each region as well as in GSA's Central Office. Based on their operating tempo and business capacity, each CSC is able to support clients in other geographic areas to meet the overall needs of the AAS portfolio and best serve customer agency mission requirements.

In FY 2022, AAS's business continued to grow significantly over prior years with obligations increasing by 15 percent from FY 2021 levels and Business Volume ending the year at $14.7 billion. To ensure quality as AAS expands, the portfolio continues its Acquisition Quality Initiative focusing on increasing knowledge sharing across the enterprise as well as providing greater enterprise-wide guidance, templates, and training to improve contract filing and create a more consistent experience for customers and industry.

In March 2020, two AAS CSCs were given permanent authority by GSA's Senior Procurement Executive (SPE) to provide assisted acquisition services for Small Business Innovation Research (SBIR) Phase III work. In February 2021, the SPE expanded the authority to allow authorized AAS CSCs to support customer agencies with all phases of SBIR/ and Small Business Technology Transfer (STTR) work contracts. With this expanded authority, two CSCs were approved to support Phases I and II and four CSCs were approved to support Phase III. The SBIR program is a competitive program encouraging domestic small businesses to engage in Federal research and development (R&D) with the potential for commercialization. The SBIR program aims to stimulate technological innovation, partner with small businesses to meet Federal R&D needs and increase private-sector commercialization of innovations derived from Federal R&D to increase competition, productivity, and economic growth.

ASTRO is an IDIQ contract providing platform-related services, which issued a Notice to Proceed in November 2021. In FY 2022, there were two awards totaling $3.2 billion under the ASTRO IDIQ, which exceeded the projected goal of $3 billion. For FY 2023 AAS currently has

15 opportunities in the acquisition pipelines that are estimated at a $9 billion total award ceiling if all 15 are awarded under ASTRO.

AAS continues to find opportunities to stand up expanded operational support with customer agencies. For example, CSC4 are longtime partners with the Environmental Protection Agency (EPA). EPA's mission, to protect human health and the environment, is closely tied with the Biden-Harris Administration's priority of tackling climate change. EPA performs highly-specialized scientific research, and their mission success depends upon having the right personnel in place.

EPA's Office of Air Quality Planning and Standards (OAQPS) required professional assistance to support air quality monitoring and analysis. The CSC4 team worked closely with the customer to understand the requirements and get the right contract support in place to conduct air quality model simulations, analyze emissions, and take ambient air measurements.

In FY 2023 and FY 2024, AAS will continue to promote transparent, sustainable, and superior quality acquisitions across the Government. To meet significant year-over-year increases in customer demand, AAS is increasing agency-partner support through commensurately higher staffing levels in the CSCs and by expanding its best practice and information sharing programs. Additionally, AAS continues to use a business model that channels demand to acquisition and project management professionals who have the expertise and greatest capacity to meet agency requirements.

Office of General Supplies and Services Categories

The Office of General Supplies and Services Categories (GS&S) leverages the Government's buying power to procure non-IT products and services at reduced prices, with fast delivery times and in compliance with the Federal Acquisition Regulation (FAR). GS&S provides value to Federal agencies by establishing acquisition solutions that can be used Government-wide; thereby avoiding contract duplication and eliminating the need for agencies to develop their own contract vehicles for commercially available items and related services. GS&S also provides personal property disposal and offers sales services to partner agencies. GS&S delivers these services through the offices of Supply Chain Management, Retail Operations, Acquisition Management, and Personal Property Management.

Office of Supply Chain Management (SCM) — is the program office for the OMB designated Best-In-Class (BIC) GSA Global Supply program which provides Federal agencies access to competitively priced products as part of the National Supply System. The direct vendor delivery and assisted acquisition models enable the program to efficiently meet agency demands for competitively priced products, faster delivery, and lower administrative costs.

In FY 2022, SCM continued to build on key initiatives and improve the program. The domestic direct vendor delivery model was expanded to include overseas military customers operating in the Outside Continental United States (OCONUS) Combatant Commands (COCOMs) through the execution of forward supply point solutions in Europe and the Pacific Rim which improved service levels and shortened customer wait times. In FY 2023, SCM will expand the OCONUS fast delivery initiative to the U.S. Central Command (CENTCOM) Area of Responsibility (AOR) (Middle East), Alaska and Puerto Rico. These solutions are designed to vastly improve service delivery times for customers in these areas from 45-60 days to 3-5 business days. These added efforts will further expand the Global Supply product base for high demand items, while continuing to improve the customer ordering experience in obtaining these items.

SCM continues to manage its commercial third-party logistics provider (3PL) solution designed to significantly reduce the cost to ship orders to OCONUS military customers. The 3PL solution is a less costly and more efficient alternative than the previous approach, and SCM has saved an estimated $3.25 million per year with the 3PL solution through FY 2022.

SCM is also playing a significant role in supporting the U.S. response to events occurring in Ukraine, having processed over 22,000 Ukraine-specific customer orders valued at over $7.1 million during FY 2022.

SCM Part Number sales have grown significantly since the initiative began in 2017 with $27.3 million in sales in FY 2022 sales compared to $13.3 million in FY 2021. SCM is also working through the acquisition process to add Information Technology part numbers to GSA Global Supply® for customers to requisition and anticipates execution in late FY 2023. This is unprecedented for the requisition channel.

In FY 2022 and into FY 2023, SCM continues to expand the growing-in-popularity special order program (SOP–Global Supply assisted acquisition) while the modernization of National Stock Number (NSN) Management (Cataloging) will lead to faster/more timely NSN updates and improved customer service via movement to cloud technology.

Office of Retail Operations (RO) — Plans, directs and coordinates the development and execution of strategic retail supply chain operations for DoD, DHS and other civilian agencies. RO leverages GSA's contracting and acquisition experience and the product-fulfillment expertise of commercial industry leaders and Ability One partners to manage the acquisition, storage, merchandising, delivery, and billing aspects of a comprehensive requisition-based supply solution that provides common commercially available products. This 4th Party Logistics, or 4PL, is the business model that allows RO customers to easily access needed supplies, gather business intelligence on their spending and be freed from the resource constraints inherent in operating their own supply systems. Although there is no "standard" service offering, and each customer's needs are different, RO operates retail stores, tool rooms, issue points,

and an online portal to provide customers with commercial industrial supplies and office supplies through a fast, convenient, fiscally integrated and compliant requisition method.

The value-add proposition of the 4PL model is to provide a greater level of expertise, and by completely outsourcing the logistics functions a customer can have greater focus on their core competencies. The 4PL focus on savings is on the entire supply chain process to include competitive product value. Additionally, the larger cost savings is related to the acquisition of products, inventory, receiving process and the reconciliation of products. All of this effort normally accomplished by the customers is now handled through the 4PL program.

RO currently operates and manages 81 locations around the world supported by 13 vendor partners.

GSA RO's recent expansion includes 20 new Public Works Departments (PWD) locations under the Naval Facilities Engineering Systems Command (NAVFAC) Enterprise. There are 40 NAVFAC shops processing orders through these locations. This count continues to expand with the expectation of 10 new locations to go live in the coming months. For FY 2023 and FY 2024, Retail operations will continue to roll out locations bringing the eventual total to 86 RO 4PL operations to include five (5) overseas locations. NAVFAC engagement reflects both brick and mortar operations, issue points, satellite PWD locations and the USMC Virtual Store.

Office of Acquisition Management (AM) — provides Federal agencies with direct access to vendor goods and services through MAS contracts, assisted acquisitions for furniture through the Integrated Workplace Acquisition Center (IWAC), and awards and administers contracts to support GSS' Global Supply, Retail Operations, Personal Property Management, and the Commercial Platforms program.

The Global Supply contract vehicles ensure access to an easy-to-use sourcing solution across Federal agencies, saving contracting officers and the vendor community time and money while facilitating billions in Federal purchases each year. AM's management of the underlying contracts for the supply-related Requisition program facilitates easy ordering and direct delivery through Government-to-Government transfers of NSN and commercial part number items via GSA Global Supply.

AM's goals for FY 2023 and FY 2024 with regard to Global Supply are to continue to award contracts to support customers outside the United States (for faster delivery than shipping from the U.S.), and to continue to have contractors report order status and improve delivery times.

AM awarded new Blanket Purchase Agreements (BPAs) to support the growth of RO stores across the globe. The new process allows new stores to be opened without awarding a new BPA each time, and assists RO in expanding their business during FY 2023.

In June of 2020, AM awarded three contracts with online platform providers to support the Commercial Platforms program's initial implementation. In FY 2022, the program continued to receive strong interest from over 25 participating agencies, as a 'managed channel' for their routine online spend. AM plans to continue supporting the current contracts through their expiration in June of 2023, and is working closely with the Commercial Platforms program office on follow-on contracts that will expand and broaden the channel to additional platform providers in the future.

IWAC will continue to partner with the Public Building Service to provide furniture to Federal agencies through GSA's Total Workplace solution. GSA's Total Workplace solution provides resources and expertise to encourage Federal agencies to reduce their office space, foster collaboration, better manage IT spending, and increase efficiency.

Office of Personal Property Management (PPM) — provides sales services to Federal agencies through the Property Sales Program. Personal Property Sales staff work with agencies to conduct sales of surplus, seized and forfeited or non-excess personal property with a continuing need under the Exchange/Sale authority. The majority of the sales proceeds are reimbursed to the partner agency. PPM returned $166 million to partner agencies in FY 2022, and has returned $44 million through December of FY 2023.

Since March 2021, GSA has conducted eleven cryptocurrency sales on GSA Auctions and received over 4,482 bids during these auctions. The last cryptocurrency sale on GSA Auctions was held August 29-31, 2022.

In FY 2023 and FY 2024, the PPM program will focus on new Exchange/Sale opportunities. There will be new opportunities to increase sales of Army Blackhawks for the U.S. Army's helicopter pilot training program, and an updated agreement with the U.S. Army's Tank and Automotive Command to sell heavy equipment.

The Sales Program is aggressively working to modernize its business systems to better serve customers, improve the reuse of Federal assets, and reform outdated business processes. The Personal Property Management System (PPMS) will merge multiple legacy systems covering all aspects of the disposal process into one system, providing integral interfaces for GSA users and customer agencies. PPM is deploying the new modernized PPMS during FY 2023.

Additionally, this program provides reimbursable services to agencies for activities necessary to make excess Federal personal property ready for transfer and reutilization. Program functions include scheduling intake of Federal excess property, physically receiving and cataloging property, securing and storing property, facilitating the onsite screening of property, processing transfers and donation of property, releasing property to recipients, updating accountability records, and IT functions associated with the AAMS module. Federal agencies utilize the

services offered at the warehouse due to lack of space, security, and other mission requirements.

Information Technology Category

The Office of Information Technology Category (ITC) integrates emerging technology and innovation into a portfolio of offerings in excess of $33 billion annually, with over $250 billion in contract ceiling value, $1.9 billion annually in customer savings, and a small business utilization rate of 48.2 percent.

These vehicles provide a critical set of opportunities to drive Digital Government adoption across the Federal Government. The portfolio includes the high profile, highly competitive Government-wide acquisition contracts (GWACs) program, IT MAS, agency and Government-wide BPAs, and other contract solutions that connect Federal buyers with large, diverse industry partner pools, including eight OMB designated Best-in-Class vehicles.

ITC improves the strategic acquisition of IT solutions across the Government while demonstrating commitment to key Administration priorities, including:

- **Delivering superior customer and supplier experiences (CX/SX):** ITC is continuously creating an enhanced end-to-end experience that supports customer requirements and makes it easier for suppliers to sell to the Government, using data and feedback from customers and suppliers gathered throughout the acquisition lifecycle to drive what ITC delivers and how ITC delivers it using digital tools and training.
- **Achieving equity:** ITC's dedication to DEIA initiatives is demonstrated by providing opportunities for historically underserved groups. Since the inception of the GSA's Socioeconomic Small and Small Business GWACs, Federal customers have utilized them to fulfill over $31 billion in IT requirements. ITC vehicles:
    - Provide life cycle opportunities for socioeconomic small and small business growth
    - Ensure socioeconomic small and small business set-asides are available to GSA's customers
    - Expand opportunities to maximize competition for underserved communities
    - Leverage on-ramps to grow the industrial base by offering opportunities to new entrants
- **Connecting Government buyers with climate sustainable IT solutions:** ITC's GWACs are a valuable partner in creating a climate ready Federal Government, and the program is actively working to manage and reduce supply chain emissions and climate-related supply chain risks, boost sustainable offerings, and maximize net zero economy offerings.

ITC's focus extends to connecting a diverse group of Federal agencies and organizations to artificial intelligence (AI), distributed ledger technology (DLT), robotic process automation (RPA), and emerging technologies that will evolve over the life of the contract. GSA's vehicles enable agencies to procure ever-advancing technology, allowing them to adapt and improve their processes, saving time and taxpayer dollars, while creating new opportunities for the supplier community. All of this work is encompassed in the ITC value proposition, with these key elements:

- **Customer commitment**
    - Acquisition and IT subject matter expertise
    - Responsive customer support to assist with emerging tech needs
    - Training and decision support tools available
- **Convenience**
    - Variety and flexibility with uncompromising value and quality
    - Easy to identify and secure vendors, products, and services
    - Achieve small business / socio-economic goals
- **Cost savings**
    - Reduce costs, save time and resources for the mission
    - Solutions with pre-negotiated and competitive pricing
    - Access to Best-In-Class offerings recommended by OMB
- **Compliance**
    - Align with complex Federal regulations, laws, directives, and guidance
    - Reduce security and acquisition risks
    - Safeguard cyber assets and supply chains

ITC also serves as the Government-wide IT Category Manager, overseeing 13 BIC acquisition vehicles housed in GSA, HHS, NASA, and DoD Army. This includes the Information Technology Vendor Management Office (ITVMO), which provides Government-wide market intelligence services to Federal agencies to support better IT buying practices for the Federal Government.

ITC Subcategories:

Office of Enterprise Technology Solutions (ETS) - helps Federal agencies acquire network and telecommunications services needed to accomplish their missions efficiently and at the best possible price. The subcategory consists of network infrastructure, satellite communications, wireless, mobility, managed security, network support, and cloud services provided via Enterprise Infrastructure Solutions (EIS), Complex Commercial SATCOM Solutions (CS3), and the MAS SIN for Wireless and Mobility.

The EIS contracts address all aspects of Federal agency IT telecommunications, infrastructure, and cybersecurity requirements. With nine contracts and a ceiling of $50 billion, EIS is providing a pathway for 228 Federal agencies and other government entities with $2 billion in annual requirements to evolve from legacy services to more modernized and secure IT infrastructures. To promote a successful transition from expiring contracts to EIS, ETS has assisted agencies with planning, acquisition development, service migration, inventory tracking, and project management.

In 2019, GSA extended expiring contracts through May 31, 2023, providing agencies with additional time to execute their transition to EIS. Because it is now clear that some agencies will not complete their transition off the expiring contracts by the May 31, 2023 expiration date, GSA will be invoking Continuity of Service (CoS) clauses which will give agencies up to May 31, 2024 to complete their transition. GSA has also agreed to extend the contracts to May 31, 2026 for large agencies with extraneous circumstances.

IT Services — invests in the development of the next generation of Government-wide Acquisition Contracts (GWACs). Agencies spend approximately $10.8 billion annually through GSA's GWACs, which represents approximately 32% of ITC's total business volume. All of the GWAC vehicles continue to meet the rigorous category management performance criteria and have been designated BIC vehicles by OMB, with these highlights per vehicle:

- **8(a) STARS III:** Awarded in June 2021 with a five-year base period, three-year option, and a $50 billion ceiling. The GWAC generated more than 425 task orders in FY 2022, estimated at $550 million, which were awarded to more than 245 suppliers. Nearly 58 percent of these task orders were awarded to SDB suppliers, with a 47.5 percent increase in SDB awards during the GWAC's second cohort. The contract's year one sales reflect a 39 percent increase in comparison to the 8(a) STARS II GWAC contract's year one sales.
- **VETS 2:** Approaching the end of its fifth year, VETS 2 has reached over $2 billion in total estimated value and nearly $1 billion in obligated sales. This puts VETS 2 on target to exceed the total sales for base and option periods of its predecessor, VETS GWAC. A testament to the success of this GWAC is that in nearly five years, it has already reached half of its $5 billion ceiling.
- **Alliant 2:** GSA increased its contract ceiling from $50 billion to $75 billion in August 2022 to help ensure customer demand continues to be met while Alliant 3 is being developed. Alliant 3 will continue to support and adapt to emerging Administration priorities, regulatory requirements, and agency needs.
- **Polaris:** serves as a flagship demonstrating ITC's commitment to the DEIA initiatives outlined in EO 13985: Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. Polaris will be the first GSA GWAC to feature multiple socioeconomic groups through a single offering, and it will bring

innovation from the socioeconomic and small business community to Federal agencies and the acquisition workforce leading to substantial benefits to the supplier community, improved technology for Federal agencies, and greater flexibility for acquisition professionals across Government. Final awards are anticipated at the end of calendar year 2023.

IT Software — provides traditional software products, licensing, and maintenance services, and cloud products and services through initiatives and offerings, to include:

- **The Department of Defense Enterprise Software Initiative:** partnership to utilize ITC vehicles to aggregate software requirements, drive down prices, and establish more consistent licensing terms and conditions.
- **Department of the Treasury's Financial Management Quality Service Management Office (FM QSMO):** a MAS SIN launched in May of 2022 that provides agencies with access to innovative and proven financial management solutions and expert guidance, advancing Government-wide financial management objectives and modernizing systems.

IT Hardware — includes purchase, lease, and maintenance options for communications, computing, electronics, and fiber-optic equipment, and hardware services through solutions including:

- **2nd Generation IT (2GIT) Products BPAs:** operationalizes improved standards for the customer buying experience, Supply Chain Risk Management (SCRM), data collection, and vendor support for IT hardware and software purchasing through ITC's Best In Class MAS contracts.
- **Government-wide Strategic Solutions for Desktops and Laptops:** helps agencies purchase desktops and laptops with standard configurations with transparent contract terms and conditions and better pricing.

IT Security — provides products and services to protect information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction through solutions including:

- **Highly Adaptive Cybersecurity Services (HACS):** offers ongoing vendor technical evaluation and customer outreach to assist agencies in complying with Government-wide requirements to assess, monitor, and manage High-Value Assets.
- **USAccess HSPD-12 Managed Service Office:** provides Federal Information Processing Standard Publication 201 compliant Personal Identity Verification (PIV) card issuance services to over 1 million Federal employees and contractors with 120 Federal

agencies, commissions, and boards. In FY 2022, GSA operationalized the USPS Credentialing Post Sites with five sites in the DC, Maryland, and Virginia area, opened a new site in Colleyville, TX in December 2022, and has plans to extend to 14 additional metropolitan areas by the end of calendar year 2023.

- **Federal Public Key Infrastructure (FPKI) Management Authority:** a shared service enabling identity management practices for secure physical and logical access and information sharing across Federal agencies and external business partners through the execution of digital certificate policies and standards.

Professional Services and Human Capital Categories

The Office of Professional Services and Human Capital Categories (PSHC) manages non-IT professional and human capital services contract programs, GSA's SmartPay® 3 commercial payment solutions program, and leads the Federal Government's professional services category management activities.

PSHC's goals are to:

- Be tenaciously customer centric by improving Federal agencies' and its suppliers experience by making it easier to work with the organization and the contract programs it manages
- Collaborate for innovation by developing market-leading shared services that help customers more efficiently use taxpayer dollars
- Shift toward modernization by providing customer-centric secure marketplaces - of quality services providers - which drives standardization, integrates solutions, and responds to agency business needs

Professional Services - is the second-largest category of contract spend in the Federal Government. In FY 2022, $111 billion in total contract obligations were awarded of which approximately 65 percent were considered spend under management of the Government-wide category. From the PSHC developed and managed contract solutions, $23.2 billion were awarded through the Professional Services Special Item Numbers on the Multiple Award Schedule (MAS-PS) and the OASIS suite of contracts. Overall, the category experienced 10 percent growth in total obligations compared to FY 2021, with PSHC Government-wide contracts realizing business volume growth of 9 percent.

Through its two Government-wide contract programs, PSHC manages 4,528 MAS-PS contracts and 1,285 OASIS contracts. Small business contracts account for 3,622 (80 percent) of the MAS-PS contracts and 899 (70 percent) of the OASIS contracts. In FY 2022, MAS-PS business volume increased slightly (less than 2 percent) with $10.8 billion in reported sales, with $4.9 billion (45 percent) of sales awarded to small businesses. In FY 2022, OASIS business volume

increased by about 16% with $12.4 billion in reported obligations, with $4.7 billion (43 percent) of these obligations awarded to small businesses through 279 task orders.

In FY 2023 and FY 2024, PSHC will continue to support agencies in achieving their professional services category management goals through various efforts.

Such efforts include:

- Co-leading a cross-functional team focused on improving the Services Marketplace for Federal agencies' use; with solutions and digital tools that enhance visibility of supplier capability and buyers ordering behavior
- Awarding *OASIS*+, a new suite of expanded Government-wide contracts for non-IT services with a complement of small business set-asides, increased vendor onboarding opportunities and improved systems and tools
- Building on the progress to-date to fully execute the MAS consolidation plan while exploring the path to further reduce burden to industry by streamlining the evaluation criteria to participate in the contract program
- Expanding use of the best-in-class OASIS contract, and its new OASIS 8(a) contract program, while providing a centralized task order management tool for customers to ease ordering for customers
- Conducting market research into the viability of an eCommerce solution for services
- Strategically supporting high-spend Federal agencies with procurement spend analysis and tailored acquisition strategies
- Hosting professional services contract opportunities forecasting events for industry
- Educating and training agency acquisition professionals and industry partners through webinars, social media, and in-person events
- Expanding its supplier relationship management program with an industry relations community of practice
- Continuing to expand the Civilian Services Acquisition Workshop (CSAW) program to instill a process to simplify the use of performanced-based contracting

GSA SmartPay® - GSA SmartPay is the world's largest government charge card and related payment services program, supporting over 500 Federal agencies, organizations, and Native American governments. The program provides customer agencies with a portfolio of commercial purchase, travel, fleet, and integrated payment solutions with no upfront cost. World class master contracts with multiple commercial banks allow agencies and organizations across the government to obtain innovative payment solutions to support their mission needs.

GSA SmartPay generated more than $5.6 billion in agency refunds since its inception in 1998. In FY 2022 alone, the program supported more than 78 million agency transactions through 6 million accounts, totaling $32.7 billion in spend and resulting in $426.4 million in agency refunds.

In FY 2022 GSA SmartPay® travel spend totaled $7.5 billion, which was 37.2 percent above the spend in FY 2021.

In FY 2023 and FY 2024, GSA's Center for Charge Card Management will continue to work with agencies to assist them in optimizing the use of the GSA SmartPay® program. Additionally, the program is applying optimization measures internally and capturing lessons learned in order to share with customer agencies.

Human Capital - supports the Federal Human Capital category led by the Office of Personnel Management (OPM), by offering a wide variety of human resources and administrative services to improve the quality of human capital outcomes through simplified buying processes. PSHC, through the Multiple Awards Schedule - Human Capital (MAS-HC) and Human Capital and Training Solutions (HCaTS), provides Federal buyers access to contractors with both simple and complex services that support the entire human-capital life cycle as described in the Federal Human Capital Business Reference Model (HCBRM).

MAS-HC manages approximately 600 Tier 2 SUM contractors through GSA's MAS program. The Human Capital MAS schedules show growth year over year, with the biggest increase in FY 2022. With the advent of telework and remote work for many agencies, human capital and training requirements are trending upwards. In FY 2023 and FY 2024, MAS-HC will continue to focus on consolidating its contracts as part of FAS's MAS consolidation initiative and will expand training for both agency buyers and industry on how to use and manage their MAS-HC contracts and task orders.

HCaTS is a BIC contract that provides complex human capital and training services through over 200 contracts. Since its inception the program now boasts an estimated value of $1.87 billion in sales. DHS, USAID, and DHA have awarded major task orders under HCaTS in FY 2022 at an estimated value of $443 million. In the first quarter of FY 2023, DHA awarded a $445 million task order award. In FY 2023 and FY 2024, PSHC will focus on supporting Federal buyers using the HCaTS contracts through the program's expanded industrial base. The program will actively engage with vendors and Federal customers to ensure agency requirements are well defined and that the industrial base is well positioned and informed to meet agency needs. The HCaTS PMO provides continual training and advice on how to provide equitable procurements through the use of Small Business and particularly businesses with various underserviced socioeconomic status. Additionally, the program will continue its efforts to partner with industry and customers to provide training, seminars, and workshops.

Technology Transformation Services

Technology Transformation Services (TTS) aims to transform the way Government agencies build, buy, and share technology. The operations for TTS are funded by both the ASF as well as through appropriations, reimbursable work, and agency contributions to the Federal Citizen Services Fund (FCSF). The operations funded by the FCSF enable public access and engagement with the Government through an array of public and agency-facing products and

programs. The FCSF-funded initiatives within TTS help individuals, businesses, other governments, and the media to easily interact with Federal information, services, benefits, and business opportunities. Additionally, the ASF-funded portions of TTS help agencies make their services more accessible, efficient, and effective by building, providing, and buying technology applications, platforms, processes, personnel, and software solutions. TTS emphasizes transparency and user-centered design. In FY 2023 and FY 2024, TTS will continue to partner with agencies, industry, and the digital technology community to build the foundation for the Government's digital transformation through the offices and programs described below.

Office of 18F - is a team of designers, engineers, product managers, and acquisition specialists. 18F is a technology consultancy for the Government, inside the Government, that works with partners to help them build and buy technology that instills trust, is accessible, secure, delivered efficiently, meets the needs of users, and strengthens technology practices to last beyond its partnerships. 18F works in the open to share approaches, practices, templates, and examples, such as the 18F De-Risking Guide for use by its partners and all those working to better deliver services to the public.

In FY 2022, 18F began work with designated High-Impact Service Providers (HISPs), continued work with additional partners in the Executive and Judicial branches, and partnered closely with other TTS programs to help all of these partners better build and buy technology to improve the user experience of Government.

In FY 2023 and FY 2024, 18F will continue and seek new opportunities to improve the user experience of Government services by helping partners, including designated High-Impact Service Providers (HISPs), build and buy technology. 18F will seek new opportunities to improve the public's most meaningful priority life experiences, broadly share its practices and approaches, help its partners meet the needs of those who depend on their services, and also continue to focus on making the organization run more efficiently.

Presidential Innovation Fellows (PIF) Program - unites industry's brightest technologists, designers, and strategists with Federal leaders to tackle issues at the convergence of technology, policy, and process. By embedding senior-level technology leaders into agencies as

trusted advisors and "entrepreneurs in residence," PIF empowers partner agencies to challenge existing paradigms, rethink problems, and pilot and scale novel, agile approaches.

In FY 2022, the PIF program continued to grow and recruit the best private-sector innovation talent. In addition, PIF diversified its portfolio to build a stronger presence within agencies where Fellows were best suited to drive technology modernization. PIF collaborated with other TTS programs and the Administration to accelerate AI adoption across the Government. Lastly, PIF continued to provide a positive customer experience by utilizing the feedback provided in customer experience surveys from agency partners.

In FY 2023, the PIF program was transferred from the ASF to the FCSF to facilitate improved operations. Some fellows remained in the ASF at the start of the fiscal year because they were on existing Interagency Agreements (IAAs) that carried into FY 2023, but will transfer when their agreements end. The PIF program is fully cost recoverable and currently operates under the Economy Act, which prevents it from entering into agreements across fiscal years. Transferring PIF to the FCSF enables the program to use the recently approved broadened reimbursable authority of the FCSF which allows the program to better serve its partner agencies by entering into agreements that can cross fiscal years. In FY 2024, the PIF program will be fully transitioned and funded out of the FCSF.

Login.gov — is an authentication and identity verification system available for use by Government partners. Login.gov simplifies secure access to online Government services for the public while reducing costs for taxpayers and agencies. The system was designed and developed as a partnership between TTS and U.S. Digital Service and leverages over a dozen private-sector tools and services. At the end of FY 2022, Login.gov was serving over 300 agency applications in production, with over 41 million active users across applications. It is continuing to grow rapidly, with an average of over 10 million active users per quarter in FY 2022 across applications.

The program successfully onboarded several additional partners in FY 2022 for identity verification services and projects additional agency and state/local launches in FY 2023. Login.gov continues to grow its team aggressively to support the ever-growing demand for its services.

Additionally, at the end of FY 2021 the Login.gov program was awarded $187 million from the Technology Modernization Fund's (TMF) American Rescue Plan appropriation. This TMF funding will allow GSA to further scale the Login.gov shared service by increasing cybersecurity identification and protection for current and future users, adding equitable identity verification and in-person options for vulnerable populations, and growing the Login.gov environment by reducing the barrier to entry for agencies to allow for Login.gov to increase usage to a higher percentage of citizen participation. The resulting benefits of this project include increasing

identity verification services, reducing fraud, expanding access to digital services for millions of citizens, and reducing Government-wide costs at scale.

Cloud.gov and Federalist (Cloud.gov Pages) — are shared services designed to expedite cloud adoption Government-wide. Both products accelerate procurement, Authority-to-Operate (ATO), and security compliance processes, allowing teams to focus on delivering the highest value to their users.

Cloud.gov is a cloud-based platform-as-a-service, tailored for the needs of the Federal Government. Cloud.gov maintains a FedRAMP Joint Authorization Board Moderate-level authorization and provides a strong security and compliance foundation for new digital services. In FY 2022, Cloud.gov operated in 27 Federal agencies and was used in 66 production systems. Cloud.gov has a renewal rate of 95 percent and maintains a growing and dedicated user-base. In FY 2023 and FY 2024, Cloud.gov anticipates increased demand for cloud services and is well-positioned to expand to new offices and agencies.

Federalist, now called Cloud.gov Pages, is a modern publishing platform for Government websites that is built on cloud.gov's infrastructure. In a matter of minutes, a team can build a new website using the U.S. Web Design System. In FY 2022, Cloud.gov Pages hosted over 130 production websites in 17 agencies, serving over 100 million visitors per year, 500 million requests per month, and average 17 million requests per day. Federal law now requires all new sites to be accessible and mobile-friendly; thereby driving demand for Cloud.gov Pages.

Made in America (MiA) - The Made in America Office (MIAO) will ensure that any waivers from Made in America laws are applied clearly, consistently, and transparently across Federal agencies. The MIAO will analyze the information it gathers from waivers to support U.S. manufacturing and more resilient supply chains. madeinamerica.gov will provide relevant market intelligence to those interested in doing business with the U.S. Government. By centralizing information on past and pending waivers, MiA aims to maximize opportunities for U.S. producers to supply goods and services to the Federal Government.

Centers of Excellence (CoE) — focuses on enterprise-wide modernization by engaging agencies on the following functional areas: Artificial Intelligence, Cloud Adoption, Contact Center, Customer Experience, Data Analytics, and Infrastructure Optimization, along with Practice Areas for Innovation Adoption and Acquisition.

Demand for CoE's fee-for-service consulting services remained strong in FY 2022 and into FY 2023 with a total of 30 new partnership agreements valued at over $57 million signed during the period. Major accomplishments with public-facing impact from the portfolio include:

- Center for Disease Control (CDC) - CoE helped CDC implement a centralized approach to DevSecOps and data management best practices, allowing faster deployments to service public health infrastructure, creating automated pipelines with more efficient and consistent data for servicing public health, and providing a foundation for authoritative source for consolidated data to disseminate public health information.
- HUD Central Contact Center - Launched newly designed "Find A Housing Counselor Website" to help the public more easily locate and obtain services from Housing Counselors, and implemented new Interactive Voice Response features, Salesforce CRM, and a Knowledge Management System to increase call center capacity, responsiveness and effectiveness.
- FEMA Contact Center - Provided FEMA with a contact center future state roadmap and scoped follow-on implementation work that will help FEMA better serve citizens impacted by disaster.
- USDA Farm Service Agency (FSA) - CoE helped FSA improve the Loan Assistance Tool (LAT) that directly supports economic relief for the American farmer. Success means lowering the barrier of entry for loan applications, decreasing frustration and improving transparency for farmers who need immediate relief.
- Veterans Affairs - Established an enterprise level citizen developer program at VA where business units can learn and perform end-to-end RPA development and deployment so that they can automate routine tasks and allocate human capital to higher value activities.
- GAO Engagement - CoE team members along with GAO engagement partners were recognized by the Comptroller General of the United States and the Executive Committee at GAO for "Results through teamwork award" in recognition of the exceptional quality, comprehensiveness, and Government-wide impact of the Anti-fraud Resource and Conceptual Fraud Model published in Jan 2022.

In addition the CoE passed USDA and National Institutes of Health - National Library of Medicine clients to AAS to do assisted acquisitions totaling over $600 million. CoE also connected its CDC client to AAS for a $1 billion cloud acquisition which will run in FY 2023.

FY 2022 also saw the successful kickoff of CoE Resources and Advisory Support, a newly branded suite of products, solutions, and learnings aligned to CoE Centers and Practice Areas and offered at *no cost* to Federal agencies. Implemented in the third quarter of FY 2022 with funding from the American Rescue Plan, these offerings have generated enthusiastic demand from the Federal community. These offerings have already shown great promise in the Federal marketplace, with 18 events conducted for hundreds of customers from 61 unique Federal agencies through the first quarter of FY 2023.

In FY 2023 and FY 2024, CoE will continue to focus on delivering excellence for Federal partners in the fee-for-service consulting space, with a renewed focus on working with the 35

agencies designated as High Impact Service providers. At the same time, CoE will continue delivery of its popular CoE Resources and Advisory Support offerings, with the goal of either identifying a permanent funding source to support them or winding them down at the end of FY 2024. Finally, CoE will continue to work on staffing challenges to better align staffing levels with market demand.

Office of Integrated Award Environment (IAE) - is an E-Government initiative that provides centralized technology and processes to support a modernized Federal award environment. IAE operates SAM.gov, along with several legacy systems which are in the process of being modernized and converged, to reduce the administrative burden and improve user experience and compliance for Federal and industry officials alike across the Federal award processes. In FY 2022, the Office of Systems Management underwent a reorganization in order to improve efficiencies, clarify organizational missions and reduce accounting complexities. As a result of the reorganization, The Integrated Award Environment (IAE) was realigned to the Technology Transformation Services (TTS).

IAE continues to successfully move forward on the large-scale modernization effort to consolidate its portfolio of 10 disparate systems into a cohesive, modern infrastructure. IAE has retired six of the 10 systems, along with a major component of a seventh system, leaving just over three remaining systems on the roadmap to retire.

In March 2022, IAE launched a Google Contact Center Artificial intelligence (CCAI) Virtual Agent available on the Federal Service Desk (FSD) with two current use cases with plans to add additional functionality in the future integrating AI into more robust customer service solutions.

In April 2022, as part of a Government-wide modernization initiative, IAE transitioned from the DUNS Number to a Government issued and managed unique entity identifier, as well as a new entity validation service provider. While IAE faced some challenges during the transition, GSA is working to resolve those issues as expeditiously as possible. Now, entities doing business with the Federal Government use the Unique Entity ID created in SAM.gov. These entities no longer have to go to a third-party website to obtain their identifier. By separating the Government requirement for a Unique Entity ID from the Government requirement to validate that the entities are unique, competitiveness was introduced into entity validation services. The transition in identifiers only needs to happen once, even if in the future a different entity validation service provider is selected. Demand for entity validation has been extremely strong with many entities seeking services for reasons not required by Federal policy. IAE has seen a year-over-year 15 percent increase in daily usage and a 40 percent increase in registered users.

IAE is actively supporting the executive agencies preparing to and implementing grant programs enacted in the Bipartisan Infrastructure Law and the Inflation Reduction Act, ensuring that these grant programs in support of these once-in-a-generation investments are able to realize the

intent, revitalize the American economy, and provide the economic security of American companies.

IAE continues to make regular updates to its systems to incorporate new policy requirements, security upgrades, address issues, and make minor enhancements using technology to reduce burden for those doing business with the Government. For example, IAE successfully completed Redshift Consolidation activities, which provided a few key benefits such as, single datasource for Databank reporting across all SAM.gov domains, reduced cloud cost, and data/reports teams have better control over the data.

IAE initiated plans to implement non-Federal Entity Administrator identity proofing using login.gov. The identity proofing process will prevent unauthorized access to entity registration accounts, and specifically, access to sensitive data that could harm or damage an entity. As part of the process, administrators will be asked to submit an image of their state issued photo ID, Social Security number and a valid phone number. That information will be confirmed with the issuing agency and compared with other registrant data.

In FY 2023 and FY 2024, IAE will make progress on Federal award data modernization initiatives by continuing the migration of the remaining legacy system functionality to the new modernized environment. IAE will continue to use human centered design principles, partner with agency users, and communicate with stakeholders Government-wide to update information architecture to tie pre-award to post-award data, streamline data entry and eliminate duplication, increase data quality, and address customer requests to eliminate "siloed" data. IAE also has plans to add site enhancements and new features to SAM.gov. IAE will continue to bring systems into full compliance with the 21st Century IDEA and GSA Guidance for Digital Presence. These efforts include continuing to focus on customers, making systems available on mobile devices, and bringing systems into full compliance with Federal user interface standards.

Travel, Transportation and Logistics Categories

The Travel, Transportation and Logistics Categories (TTL) portfolio provides agencies with a broad scope of innovative and cost-effective services covering travel, transportation and relocation services, motor vehicle acquisition, and fleet management services.

The COVID-19 pandemic had a significant impact on TTL in FY 2021 and FY 2022 and is projected to continue to impact the program in FY 2023. The pandemic has resulted in substantial decreases in customer demand for most TTL offerings as customers are not driving as many miles, buying as many new vehicles, traveling, or transporting as many goods.

Operations within this portfolio include two major business lines: the Office of Fleet Management (GSA Fleet), and the Office of Travel, Employee Relocation, and Transportation.

GSA Fleet delivers vehicle and vehicle-related equipment buying, leasing, and short-term rental shared service programs across the Federal Government and is composed of the Fleet Purchasing and Fleet Leasing business lines.

During FY 2022, GSA Fleet took an active role in helping agencies to plan for and deploy zero emission vehicles (ZEVs) within available resources. This is a major priority of the Administration that requires dedicated resources, including GSA appropriations requested in the Electric Vehicles Fund, to support a surge in electrification. GSA has been working with agencies to plan and do limited deployments within current budget levels. In FY 2023 and beyond this type of support will continue and is anticipated to grow as dedicated funds are provided to purchase and deploy ZEVs and charging infrastructure. GSA Fleet also is actively engaged with suppliers to ensure that as new models of vehicles are released, they can be made available to Federal customers and incorporated into the Federal Fleet.

In FY 2023, GSA Fleet will continue to build upon the progress made in FY 2022 to modernize and migrate its suite of fleet management applications and their datasets from mainframe-based legacy systems to a single application with a cloud-based architecture called GSAFleet.gov. The system's modernization will bring efficiencies to the program by using IT to reduce duplication, automate manual tasks, collect and analyze data, and improve the user experience. This investment will improve the customer and supplier experience when using GSA Fleet systems to buy, lease, and rent vehicles and equipment.

Fleet Purchasing — GSA is the mandatory source for DoD and Executive agencies purchasing non-tactical vehicles in the United States. The program provides services to reduce overhead costs across the Government associated with multiple motor vehicle acquisition programs. By aggregating demand and thus increasing the negotiating power of the Federal Government, the Fleet Purchasing program saves on the overall cost of vehicles, obtaining prices substantially lower than dealer invoice. Each year, the Federal Government procures approximately 50,000 vehicles through GSA Fleet's Purchasing program. The program also offers standardized equipment packages that are mission ready for agency customers, including law enforcement, ambulatory/wheelchair accessible, medium/heavy-duty trucks, and other first responder vehicles, such as firefighting, counterterrorism, diplomatic/executive security, and disaster/recovery vehicles. In addition to purchasing vehicles, GSA established BPAs for charging infrastructure and is pursuing new contracting actions to update its charging infrastructure offerings to continue to support the Federal Government's electrification efforts.

The Fleet Purchasing program has to operate in alignment with the Statutory Pricing Limitation (SPL), which is legislation that establishes the maximum price the Government can pay for passenger motor vehicles including the systems and equipment that are customarily standard

on vehicles. The actual price for the SPL is set annually in fiscal year appropriations through the Government-wide general provision included in Section 702 of that year's appropriations act.

For FY 2024, the Administration and GSA are requesting to waive the SPL provision temporarily through the proposed Section 702 of the President's Budget Request:

Sec. 702. Notwithstanding subsection 1343(c) of Title 31, United States Code, there shall be no maximum amount established for the purchase of any passenger motor during the current fiscal year."

The request to waive the SPL through Section 702 of the FY 2024 Appropriations Act is a short-term fix as the Administration pursues a permanent fix through the submission of a legislative proposal to eliminate the SPL. Elimination of the SPL is required because the SPL is extremely outdated and obsolete given modern automotive industry practices. Manufacturing processes have changed and industry no longer manufactures vehicles in the way the SPL asks industry to price vehicles. Additionally, removing the SPL will streamline vehicle procurement processes, but will not affect awarded vehicle pricing, agency budget requirements, or other policy measures. The SPL only applies to about 14 percent of Federal vehicles, and is not an effective control measure. There are many other regulatory acquisition, price, and programmatic control mechanisms in place and working well to stimulate free market competition, including for the remaining 86 percent of Federal vehicles purchased.

The legislative proposal would amend 31 U.S.C 1343 by eliminating subsection (c). This proposal does not impact the requirement that agencies still require specific statutory authority to purchase passenger motor vehicles, it only eliminates the SPL. This proposal would amend Section 1343 of Title 31 of the United States Code by striking subsection (c) and redesignating subsections (d) and (e) as (c) and (d), respectively, as outlined below:

31 U.S. Code § 1343. Buying and leasing passenger motor vehicles and aircraft

(a) In this section, buying a passenger motor vehicle or aircraft includes a transfer of the vehicle or aircraft between agencies.

(b) An appropriation may be expended to buy or lease passenger motor vehicles only—

> *(1) for the use of—*

>> *(A) the President;*

>> *(B) the secretaries to the President; or*

>> *(C) the heads of executive departments listed in section 101 of title 5; or*

(2) as specifically provided by law.

(c) An appropriation (except an appropriation for the armed forces) is available to buy, maintain, or operate an aircraft only if the appropriation specifically authorizes the purchase, maintenance, or operation.

(d) This section does not apply to–

> *(1) buying, maintaining, and repairing passenger motor vehicles by the United States Capitol Police;*

> *(2) buying, maintaining, and repairing vehicles necessary to carry out projects to improve, preserve, and protect rivers and harbors; or*

> *(3) leasing, maintaining, repairing, or operating motor passenger vehicles necessary in the field work of the Department of Agriculture.*

Fleet Leasing — provides full-service leases for more than 227,000 non-tactical vehicles to Federal agencies and other eligible customers each year. The program provides agencies with end-to-end fleet management services including:

- Vehicle acquisition and disposal
- Maintenance control and accident management
- Fuel and loss prevention services
- A fleet management system to provide data and analytics on fleet operations.

The National Maintenance Control Center and the National Accident Management Center support all leased vehicles by offering agencies preventive maintenance, repair, and accident management services at best value, helping to prevent the Government from incurring higher maintenance costs. Additionally, the program also provides a GSA Fleet Card with each vehicle for the purchase of fuel and minor maintenance, helping the program control costs, and monitor waste, fraud, and abuse.

Fleet Leasing is committed to improving fuel efficiency across the leased fleet; each year, GSA replaces eligible vehicles in the GSA-leased fleet with new, more fuel-efficient vehicles. In support of the Administration's goal of electrifying the Federal fleet, GSA is requesting $50 million in funding in FY 2024 for the Electric Vehicles Fund. If authorized, this funding will be transferred and merged with the funds of Federal agencies, including the ASF, for the procurement of ZEVs and the associated charging equipment. The GSA Fleet Leasing operating model provides agencies self-sustaining options for obtaining ZEVs as they become available in the commercial marketplace, into perpetuity. GSA can leverage the stability of its

program and this additional funding to significantly increase the number of ZEVs in the GSA leased fleet through purchasing ZEV replacements.

Additionally, GSA Fleet continues to work with Federal agencies to consolidate agency-owned vehicles, replace costly commercial leasing arrangements, and improve the collection and management of data that are essential in effectively acquiring and managing fleet vehicles. In FY 2021, GSA Fleet successfully transitioned 2,951 agency-owned vehicles into GSA's leased fleet and ordered approximately 2,800 additional vehicles for customers to support expanded mission requirements, replace commercial leases or replace agency-owned vehicles. GSA Fleet continued to support agencies through consolidations in FY 2022, though because of supply chain issues and a focus on electrification, there were only 511 vehicles consolidated in FY 2022. However, it is anticipated that FY 2023 consolidation levels will significantly outpace those seen in FY 2022.

In FY 2022, GSA Fleet continued rolling out its telematics program, installing devices on leased vehicles. Installations of telematics devices will continue into FY 2023, leading to improved data collection and better fleet management both by GSA and its customers.

The Fleet program did see an increase in miles driven in FY 2022 as the impact of COVID-19 and remote work decreased in comparison to FY 2021. However, miles driven rates have not returned to pre-pandemic levels yet. Supply chain disruptions and shortages of materials to produce automobiles continued to be a challenge for industry and GSA in FY 2022. The limited supply of vehicles has led to longer lead times to get replacement vehicles and higher pricing. There is a downstream impact as well of GSA not being able to sell vehicles that are replacement eligible and provide a revenue stream to the program to purchase replacement vehicles. One final challenge in FY 2022 were the increases in petroleum prices negatively impacting the program.

Travel, Employee Relocation, and Transportation — manages three program and acquisition centers offering a variety of services related to the travel and relocation of Federal employees and the transportation of Federal property: the Travel Management Division, the Employee Relocation Resource Center Division, and the Transportation Management Division.

In FY 2023, the programs will focus on category management and continued Government-wide customer service and supplier relationship management strategies. Specifically, the programs will improve data collection and analytics for better performance management and increasing category spend under management.

Travel Management Division — manages the E-Gov Travel Service 2 (ETS2), GSA's City Pair Program (CPP), FedRooms®, and the Travel Category Schedule.

The Travel Management Division witnessed significant declines in travel as a result of COVID-19. For FY 2022, travel utilization was approximately 65 percent of FY 2019 levels based on airfare data. The program anticipates travel will slowly rebound in FY 2023, but as agencies look to alternative solutions for travel (such as video conferencing and online training) the longer-term impact is highly uncertain. Preliminary projections of utilization in FY 2023 are somewhere between 70 to 75 percent of FY 2019 levels.

The E-Gov Travel Service 2 (ETS2) is a Government-wide, web-based, and world-class travel management service. In FY 2022, FAS continued to strategize and plan for the next generation solution (ETSNext) by conducting market research with industry and customer agencies, which reinforced the recommendation to deliver an end-to-end travel and expense service - that results in a more efficient government-wide travel and expense marketplace. This would build upon the recently implemented travel and expense business standards and have a user-centric design that integrates all travel products for an improved customer experience that is in line with the objectives outlined by the 21st Century IDEA. The solution will be centrally acquired and delivered as a shared service, allowing GSA to focus on prioritizing customer needs, cost efficiencies, security, and environmental benefits. By the end of FY 2023, FAS intends to finalize its Acquisition Plan and issue a Synopsis for a Request for Proposal (RFP) that will be approved in early FY 2024.

The City Pair Program leverages the government's buying power and negotiates discounted airfares with commercial airlines for scheduled airline passenger transportation services. In FY 2022, partner agencies used the City Pair Program to purchase about 2.8 million tickets, saving about $1.367 billion government-wide when compared to similar commercial airfares.

The Travel Services Solution Schedule provides emergency management lodging and travel management center offerings; while the FedRooms lodging program offers Federal employees with access to over 8,100 properties globally, and in FY 2022, saved $41 million Government-wide.

The Emergency Lodging Service (ELS) supports Federal agencies as well as state, tribal, and local governments that need lodging support prior to, during, and/or after incidents requiring a coordinated Federal response. In FY 2022, ELS provided over one million room nights in support of Hurricane Ida and 236 thousand room nights in support of Operations Allies Welcome for interim to long-term resettlement of Afghan Refugees.

In FY 2023 and FY 2024, the Travel Management Division will look to increase utilization of its business offerings in alignment with Category Management principles, specifically with regard to ETSNext, DoD travel management center services, ride-share, and long-term lodging. In addition, the Travel Management Division will consider mitigation options to address COVID-19

travel demand impacts by reviewing its revenue and expense model to look for opportunities to maximize returns to the government.

Employee Relocation Resource Center — The Employee Relocation Resource Center (ERRC) is a Government-wide center for employee relocation products and services, with high customer and supplier engagement and loyalty. The ERRC offers Federal agencies a streamlined procurement process with flexible programs, subject matter expertise, and program support for two primary offerings for executive agencies: employee relocation services and household goods shipping services. More than 90 percent of agencies chose to use ERRC programs in FY 2022 for civilian employee moves. In FY 2023 and FY 2024, the ERRC will explore opportunities to ensure partner agencies procure relocation services effectively through a shared services managed solution.

The Transportation Management Division — provides two major services: multimodal freight, and transportation schedule services. Both services offer competitive rates, industry expertise, and management of transportation services for civilian customers Government-wide. In FY 2022, the Transportation Management Division partnered with the ERRC to collapse system requirements and deploy a modernized rate-procurement and shopping system at less cost to the Government. Additionally in FY 2022, the Division expanded its Assisted Acquisition support by handling critical shipments and warehousing needs for Operation Fly Formula (infant formula) and COVID-19 tests and other medical supplies. In FY 2023 and FY 2024, the program intends to sustain its Assisted Acquisition agreements and leverage its Tier 2 Category Management designation to increase spend under management Government-wide.

FAS Integrators

The FAS integrator offices support the business portfolios by providing strategic, organizational, and policy guidance to the business units. Integrator offices also maintain FAS business processes and IT systems; provide contracting support; build strategic partner relationships; and support the FAS workforce.

Executive Direction - provides leadership and overall executive and program direction to ensure the mission and responsibilities of FAS are effectively carried out. Executive Direction is composed of the Office of the Commissioner and the Regional Commissioners' offices. Each of GSA's 11 regions contain a Regional Commissioner's Office that oversees regional FAS operations while ensuring that the acquisition needs of Federal agencies are met.

Additionally, in FY 2021 the Human Resources Quality Service Management Office (HR QSMO) Project Management Office (PMO) transitioned from the Working Capital Fund (WCF) to the ASF under Executive Direction. The PMO continued to make significant progress in advancing the work needed to ensure that the HR QSMO is successful. In FY 2022, OMB designated OPM

as the lead agency for the HR QSMO, therefore GSA has abolished its HR QSMO PMO. As a result, GSA's FY 2024 budget request does not account for any HR QSMO related activity, including the PMO funded by the ASF. GSA is in the process of transferring all intellectual property associated with the HR QSMO to OPM.

Office of Customer and Stakeholder Engagement (CASE) - identifies and addresses customer needs utilizing the Voice of the Customer (VoC), Voice of the Supplier (VoS), data analytics, and customer feedback. CASE manages the FAS opportunity pipeline and uses the principles and practices for strategic account management to ensure FAS is coordinated with customers and industry partners. CASE engages with the vendor community and Federal, state and local agencies, as well as tribal and territorial governments, through communications, training, industry events, and the FAS corporate content on the GSA.gov channel.

In FY 2023 and FY 2024, CASE will continue to support improving service to suppliers and customers by coordinating with FAS Portfolios and FAS Integrators. In FY 2022, CASE developed an opportunity pipeline review and analysis process to aid portfolios in understanding how to better anticipate agency requirements and improve FAS solutions. CASE continues to work with the portfolios to capture all relevant customer relationship data in a single repository for use across FAS. Additionally, CASE will also continue to expand on GSA-sponsored virtual training events to share lessons learned and acquisition techniques in key market segments.

Office of Enterprise Strategy Management (OESM) - manages FAS's strategic planning and governance bodies, helps FAS programs develop and execute business plans to meet their goals, and provides support to the 10 Government-wide category managers while working with agencies on adoption of category management practices. OESM also provides product management support in reengineering processes and their associated systems and leads the transition to an integrated digital experience. Further, OESM leads governance of FAS data assets to ensure data standardization, transparency, and privacy; all of which will support analytics and data-driven decision making to ensure the FAS workforce is prepared to help FAS meet its mission.

In FY 2022, OESM expanded as the result of a reorganization whereby the Common Acquisition Platform (CAP) and governance portions of the Office of Systems Management were moved into OESM.

In FY 2023, OESM will more tightly integrate FAS's investment review and governance as well as executive performance planning processes, including organization-specific performance reporting. Tighter integration will result in further improvements in FAS's ability to execute business strategies and achieve business goals.

OESM will also continue execution of several strategic initiatives dedicated to making it easier to do business with FAS. In FY 2023, improvements will focus on the MAS program, improving the underlying data supporting product and service search capabilities offered through GSA contracts, and streamlining FAS acquisition systems in support of a more efficient back-end process, driving efficiency and transparency for both the acquisition workforce and users.

In addition, the FAS Digital Experience effort will continue iterating on improvements to the customer buying process, and debut new tools to enhance the experience of suppliers doing business in the Federal marketplace. OESM will refine the digital tools and services available to agency buyers, suppliers, and the FAS acquisition workforce.

OESM will continue to grow and challenge the workforce by moving to higher levels of GSA's workforce planning maturity model, as well as build a strong pipeline of FAS leaders through entry-level and mid-career development programs.

The Office of Systems Transformation (OST; formerly Common Acquisition Platform or "CAP"): serves as the program and product management resource for FAS, working with FAS business lines as well as all integrator functions to reengineer existing FAS business processes, enhance existing acquisition systems, and integrate new IT product systems and tools. OST will continue to provide customized levels of support for FAS's systems modernization and promote the use of Agile best practices incremental value delivery, improved user experience, and delivery of quality, secure, and user-centered solutions to the FAS internal and external users.

Office of Policy and Compliance (OPC) - establishes policies and procedures to support FAS's acquisition workforce, monitors compliance to enhance contract integrity, and facilitates a consistently positive agency partner experience in order to improve acquisition outcomes. OPC ensures operating practices are consistent across business lines and FAS activities are compliant with applicable laws, regulations, and policies. OPC maximizes the use of data analytics to strengthen compliance of the acquisition function across FAS and reduce the burden of analysis placed on the acquisition workforce.

OPC leads the SCRM strategy and implementation across FAS and supports the Federal Acquisition Security Council (FASC) through GSA's council member, the FAS Commissioner. To further advance FAS's SCRM maturity, OPC has developed innovative activities to support SCRM through the blending of data and process automation for the removal of prohibited products.

In FY 2023 and beyond, OPC will lead FAS SCRM initiatives. OPC continues to pilot third-party risk management assessment tools to identify and assess third party risk. OPC also will continue its efforts to develop FAS' SCRM expertise and mature FAS offerings as they relate to SCRM. These efforts have bolstered FAS's Vendor Risk Assessment Program by monitoring

contractors on risk factors during the acquisition cycle, provided FAS with C-SCRM visibility into GSA's critical upstream suppliers, equipped FAS to deliver footprint analysis and vendor risk assessment requests from both the FASC and CFIUS, and equipped FAS in identifying open source data to substantiate findings from partners in the intelligence community.

In FY 2022, OPC established the Office of Industrial Climate to lead the development of strategic policy objectives and implementation to ensure FAS has a healthy supply chain. OPC also leads discussions on FAS industrial base to meet customer needs and fulfill important public policy objectives, such as small business, domestic sourcing, equity and diversity, climate, cyber and labor objectives. In regard to Climate and Sustainable Acquisition, OPC serves as the FAS Sustainability Advocate leading the FAS-wide sustainability and climate adaptation working group. In FY 2023 and beyond, this group will focus on achieving GSA and FAS-wide goals, monitor rules and regulations impacting climate/environmental risk management efforts and propose solutions to address needs and increase FAS maturity. Additionally, OPC will continue to monitor changes to the statutory/regulatory environment and execute policy actions associated with administration priorities.

Contracting Division - supports the acquisition needs of client agencies doing business with the AAS and ITC portfolios. By providing pre-award and post-award contracting support, the office maximizes competition, reduces lead time procurement costs, and ensures that customer objectives are being satisfied.

FAS IT Systems - provides development, operational, and management support to FAS business systems and applications. The ASF's FAS IT budget includes the contractual support and equipment funding for FAS's business systems. The GSA IT organization manages FAS's business systems in partnership with OST and FAS's portfolios to synthesize business system requirements around enterprise strategy and system architecture. FAS IT incorporates business knowledge and technological expertise to choose and implement the best solution available for FAS programs. In line with FAS's strategic focus on driving customer value and making it easy to do business with FAS, modernizations and enhancements supporting the 21st Century IDEA are a central focus of both short and long-term efforts.

In FY 2022, FAS IT continued to utilize its multiple award BPA for system development and operations (COMET). Since awarding the COMET BPA, 18 call orders have been awarded for management and modernization of the FAS portfolio of applications. In FY 2021, FAS IT re-opened the solicitation to on-ramp additional small businesses because nearly all of the original COMET small business vendors had graduated. As a result, eight small business vendors were awarded contracts on the COMET BPA in December of 2021. As other IT contracts within FAS reach their logical end, these contracts will be competed as call orders under COMET, which will result in a more cohesive acquisition and IT strategy for FAS systems. In FY 2023 and FY 2024, FAS IT will continue to partner with OST and the FAS portfolios to plan, architect,

develop, and deploy modernized systems which leverage the cloud, COTS, and open source to the greatest extent possible.

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