

Required Supplementary Information (Unaudited)

Deferred Maintenance and Repairs

GSA reports deferred maintenance and repairs (DM&R) consistent with the definition in SFFAS 42, *Deferred Maintenance and Repairs: Amending Statements of Federal Financial Accounting Standards 6, 14, 29, and 32*: Deferred maintenance and repairs are maintenance and repairs that were not performed when scheduled or delayed for a future period. Maintenance and repairs are activities directed toward keeping fixed assets in an acceptable condition. Activities include preventive maintenance; replacement of parts, systems, or components; and other activities needed to preserve or maintain assets. Maintenance and repairs, as distinguished from capital improvements, exclude activities directed towards expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, its current use.

In accordance with SFFAS No. 42, GSA has disclosable DM&R related to its inventory of buildings in the Federal Buildings Fund (FBF). GSA utilizes the Building Assessment Tool (BAT) to determine the amount of all repairs and alterations (R&A) needed to correct major components or system deficiencies in owned buildings (and certain leased buildings where GSA has responsibility for R&A). The BAT is a 38 question survey that provides a biennial assessment of the physical conditions of each building's basic structure and systems and provides an overall assessment of GSA's building inventory. Building assessments electronically document building conditions, with approximately half of GSA's building inventory being surveyed each year. Buildings included in the assessment could be capitalized general PP&E, fully depreciated general PP&E, or non-capitalized general PP&E leased buildings. GSA requires a building assessment for every Government-owned, leased, or delegated asset that meets all the following criteria:

- GSA has R&A responsibility;
- The asset maintains an "active" or "excess" status; and
- The asset has a real property type of "building" or "structure."

GSA uses survey results to develop a multi-year plan for all R&A projects, not just those associated with DM&R, and prioritizes those projects using the established weights within each of the following categories:

- Fire, life, health, and environmental;
- Physical security;
- Serviceability;
- Special emphasis programs; or
- Tenant space alterations.

Data collected through the survey is used to support GSA's overall building assessment, workload planning, and budgeting needs, and is not designed to specifically capture data that would be defined as DM&R. However, subsets of the workload planning directly result from conditions classified as

DM&R. GSA has determined, from analysis of data in the BAT, that when applying certain criteria, results can be used to provide a reasonable estimate to meet the FASAB DM&R reporting requirements. At the end of fiscal years 2020 and 2019, based on the analysis of the BAT results, GSA estimates the total cost of DM&R to be approximately \$2.53 billion and \$1.93 billion, respectively, for activities categorized as work needing to be performed immediately to restore or maintain acceptable conditions within the building inventory.

GSA measures the condition of its inventory of buildings by using an industry accepted metric called the Facility Condition Index (FCI). The FCI is the ratio between total repair and alteration needs and the functional replacement value of an asset (i.e., repair needs divided by the asset's replacement value). Based on the end of FY 2020 BAT data, approximately 70.96 percent of GSA's inventory, according to square footage, is considered in "Good Condition," with an FCI of 10 percent or less. There has been no significant change in reporting methodology in deferred maintenance and repairs from prior years.

Supplemental Schedule of Budgetary Resources

In its principal financial statements, GSA displays balances for the two major funds (FBF and the Acquisition Services Fund) while combining all remaining funds into an "Other Funds" group. Within the Other Funds group, The Working Capital Fund (WCF) and Technology Modernization Fund (TMF) make up approximately 66 percent of the total budgetary resources. As these funds are a very significant component of the total Other Funds budgetary results, below is a schedule showing the activities of WCF, TMF, and Other Funds for the years ended September 30, 2020 and 2019 (dollars in millions).

	OTHER FUNDS EXCLUDING WCF AND TMF		WORKING CAPITAL FUND		TECHNOLOGY MODERNIZATION FUND		OTHER FUNDS TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019
BUDGETARY RESOURCES								
Unobligated Balance from Prior Year Budget Authority, Net	\$158	\$130	\$141	\$133	\$56	\$66	\$355	\$329
Appropriations	306	302	2	—	25	19	333	321
Spending Authority from Offsetting Collections	44	42	693	684	6	1	743	727
Total Budgetary Resources	508	474	836	817	87	86	1,431	1,377
STATUS OF BUDGETARY RESOURCES								
New Obligations and Upward Adjustments	337	312	715	709	1	1	1,053	1,022
Unobligated Balance, End of Period								
Apportioned, Unexpired Accounts	68	62	36	26	60	84	164	172
Unapportioned, Unexpired Accounts	57	55	85	82	26	1	168	138
Unexpired Unobligated Balance, End of Period	125	117	121	108	86	85	332	310
Expired Unobligated Balance, End of Period	46	45	—	—	—	—	46	45
Unobligated Balance, End of Period, Total	171	162	121	108	86	85	378	355
Total Status of Budgetary Resources	508	474	836	817	87	86	1,431	1,377
OUTLAYS, NET								
Net Outlays from Operating Activity	261	256	(3)	(9)	(6)	—	252	247
Distributed Offsetting Receipts	(67)	(38)	—	—	—	—	(67)	(38)
Total Net Outlays	\$194	\$218	(\$3)	(\$9)	(\$6)	\$—	\$185	\$209