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U.S. General Services Administration

ADMINISTRATOR'S SEMIANNUAL MANAGEMENT REPORT TO CONGRESS



REPORT NO. 75
APRIL 1, 2026 - SEPTEMBER 30, 2026

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U.S. General Services Administration
Edward C. Forst
Administrator

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November 2026

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Semiannual Management Report to the Congress

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Message from the Administrator

I am pleased to submit the U.S. General Services Administration's (GSA) Semiannual Management Report to Congress, which summarizes the agency's audit-related actions and accomplishments for the six-month period ending September 30, 2026.

GSA greatly values the critical work of the Office of Inspector General (OIG) and takes its audit recommendations seriously. The agency remains committed to strengthening oversight and implementing thoughtful, innovative solutions that safeguard taxpayer dollars and promote the safety and effectiveness of the federal workforce. This commitment is demonstrated through our actions on OIG recommendations and numerous related initiatives.

GSA looks forward to continuing collaboration with the OIG and Congress to enhance the Government's responsiveness and accountability to the American people.



Edward C. Forst
Administrator
U.S. General Services Administration

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Overview

Management's Response to the OIG Semiannual Report to Congress

This report, GSA's 75th report to Congress since the reporting requirement was established, covers April 1, 2026, through September 30, 2026. It presents management's perspective on audit resolution and follow-up activities during the semiannual reporting period, along with statistical summaries of audits involving disallowed costs or recommendations for better use of funds, as well as those under appeal or in litigation. The data indicates that GSA's audit monitoring and management activities continue to play a significant role in the efficient management of GSA operations, the accomplishment of the agency's mission, and the effective use of taxpayer dollars.

U.S. General Services Administration Organization

The U.S. General Services Administration (GSA) plays a vital role in ensuring that the Federal Government operates efficiently, responsibly, and in alignment with the interests of the American taxpayer. Established to streamline federal operations and promote effective government management, GSA remains committed to maximizing value for the American people through robust oversight, fiscal discipline, and service excellence.

GSA is the engine of the American government; driving real estate, acquisition, technology and shared services. Through the Public Buildings Service (PBS), Federal Acquisition Service (FAS), and various staff offices, GSA provides workspace for federal civilian workers, oversees the preservation of historic buildings, and facilitates the federal government's purchase of high-quality, low-cost goods and services from reliable commercial vendors.

GSA Services

Public Buildings Service
Throughout the 50 states, five territories, and the District of Columbia, PBS manages one of the nation's largest and most diverse real estate portfolios. As the largest federal landlord in the United States, PBS owns and leases approximately 8,500 assets and maintains an inventory of almost 360 million square feet. GSA's inventory of assets comprises over 540 buildings listed or eligible for listing in the National Register of Historic Places. PBS provides high-quality real estate and workspace solutions, including acquiring, designing, constructing, leasing, and disposing of surplus federal real property for 50 federal departments and agencies.

Federal Acquisition Service
GSA's FAS helps government agencies buy and access the products, services, and solutions they need to achieve their missions. FAS is dedicated to cutting costs and promoting efficiency for our customers and the American people. FAS collaborates with suppliers, creates easy-to-use acquisition contracts, and ensures compliance with laws and policy. It delivers shared services across acquisition and technology. Its market knowledge helps agencies manage costs and maximize every dollar the government spends through its contracts and services.

FAS's Technology Transformation Services improves the public's digital interactions with the government by providing technology expertise and government-friendly, shared products, platforms, and services to make agencies more efficient, and effective for the American public.

Office of Government-wide Policy
The Office of Government-wide Policy (OGP) uses policies, data, and strategy to drive efficiency, excellence, and dynamic mission delivery across the federal government. OGP focuses on key administrative areas such as shared services, travel and transportation, acquisition, acquisition workforce development, fleet management, information technology modernization, and real estate management. OGP influences agency behavior in these areas by developing government-wide policies, performance standards, benchmarking resources, and transparent reporting of government-wide data.

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Audit Follow-Up Program

Organization of the Audit Follow-up Program

GSA has effective systems for tracking and managing audit recommendations. GSA's management is accountable for ensuring prompt, appropriate corrective action and works with supervisors and program managers who develop corrective actions for identified findings and report progress in implementing those. Agency managers are responsible for acting on the auditor's recommendations, with the audit resolution process overseen by GSA's Deputy Administrator, who fulfills the role of the Agency Audit Follow-up Official. The descriptions of the duties of the GSA officials involved in the audit follow-up process are below.

Agency Audit Follow-up Official

The Agency Audit Follow-up Official has overall responsibility for the audit follow-up program. This includes responsibility for ensuring the adequacy of the agency's follow-up system, monitoring the resolution of audit recommendations, and ensuring timely implementation of corrective actions. The incumbent in this position also makes final decisions to resolve differences between agency management and the GSA OIG.

Chief Financial Officer (CFO)

The CFO provides direction and oversight to the Office of the Chief Financial Officer (OCFO) officials who manage GSA's Audit Resolution and Follow-up System. Their responsibilities are as follows:

- Liaise with the GSA OIG and GAO for the coordination of OIG and GAO audits within GSA, and coordinate the preparation of responses and reports for the signature of the Heads of Services and Staff Offices or the Administrator, as required.
- Ensure timely and effective resolution and implementation of audit recommendations made by the GSA OIG and GAO.
- Ensure agency efficacy in the resolution of findings.
- Oversee the collection and proper accounting of monetary amounts determined due to the government because of audit-related claims.
- Maintain automated control systems that provide an accurate means for monitoring, analyzing, tracking, and documenting actions taken to implement audit recommendations.
- Analyze trends, minimize repeat findings, and enable preventive action through reporting and periodic meetings with GSA leadership on audit and internal control issues.

Heads of Services and Staff Offices

Heads of Services and Staff Offices have primary responsibility for resolving and implementing recommendations promptly. Their responsibilities include:

- Ensuring controls are implemented to provide timely, accurate, and complete responses to audit reports.
- Developing, advocating, and documenting agency positions on audit recommendations.
- Preparing responses for GAO draft reports and transmittals for final GAO reports in coordination with OCFO.
- Providing comments on audit decision papers prepared by the OIG to ensure that management's position on unresolved audit recommendations is properly stated.

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Synopsis of Audit Activity

The Inspector General Act of 1978, as amended, requires the Administrator of General Services to report directly to Congress on management decisions and final actions taken on audit recommendations made by the GSA OIG. For fiscal year 2026, GSA resolved 80% of corrective action plan steps within 12 months.

This report covers the period of April 1, 2026, through September 30, 2026. Included in the report are summaries of GSA audit activities concerning:

- GSA implementation of GSA OIG audit report recommendations;
- Final actions not taken on audits 1 year after the date of the management decision;
- Audit reports and audit actions involving financial recommendations, including disallowed costs, funds put to better use (better use funds), or both.

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Audits with Disallowed Costs

Final Action for the 6 Months Ending September 30, 2026	**Number of Audit Reports**	**Disallowed Costs**
A. Audit reports where final action had not been taken by the commencement of the reporting period.	50	$22,738,278.00
B. Audit reports where GSA/OIG made management decisions during the reporting period.	21	$163,999.00
C. Audit reports where GSA took final action during the reporting period.	24	*$1,177,880.66*
(i) the dollar value of disallowed costs *- collections $803,265.00* *- offset $38,991.00* *- property in lieu of $0.00* *- surplus $32,597.46* *- other $0.00*		*$874,853.46*
(ii) the dollar value of disallowed costs written off by management.		*$303,027.20*
D. Audit reports where GSA did not take final action at the end of the reporting period and includes audit reports issued during this reporting period.	46	$30,990,907.00

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Audits with Better Use of Funds (Potential Cost Savings)

Final action for the six-month period September 30, 2026	**Number of Audit Reports**	**No Budget Impact (Actual and Estimated)**	**Budget Impact**
A. Audit reports where final action had not been taken by management by the commencement of the reporting period.	50	$477,772,203.00	$0.00
B. Audit reports where GSA/OIG made management decisions during the reporting period.	21	$600,406,295.00	$0.00
C. Audit reports where GSA took final action during the reporting period.	24	$289,857,729.00	$0.00
(i) the actual dollar value of recommendations that were completed.		*$0.00*	
(ii) the actual value of recommendations that management has subsequently concluded should not or could not be implemented or completed.		*$0.00*	
(iii) the actual dollar value of recommendations that management has subsequently concluded should not or could not be determined (calculated).		*$0.00*	
(iv) the estimated dollar value of 'funds to be put to better use' as agreed by GSA management and GSA OIG.		*$289,857,729.00*	
D. Audit reports for which no final action has been taken at the end of the reporting period and audit reports issued during this reporting period.	46	$604,526,978.00	$0.00

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Audits under Appeal/Litigation

Financial recommendations are not included for contract awards or actions that are not completed.

Audit Report Number and Name of Contractor	Issue Date of Report	Management Decision Amounts of Disallowed Costs
A201027Q7X23028 Ad Hoc LLC	07/14/2023	$3,867,261.00

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Contract Audits

Audits with Management Decisions made prior to September 30, 2025, with No Final Action as of September 30, 2026

Audit Report Number and Name of Contractor	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action
A200986P4X21014 Balfour Beatty Construction, LLC	02/11/2021	$0.00	In Negotiation - Negotiations are proceeding between the Contracting Officer and contractor.
A201000P4X21031 Berkel & Company Contractors, Inc.	06/09/2021	$0.00	In Negotiation - Negotiations are proceeding between the Contracting Officer and contractor.
A200997P4X21040 Kirlin Design Build, LLC	08/27/2021	$0.00	In Negotiation - Negotiations are proceeding between the Contracting Officer and contractor.
A201027Q7X23028 Ad Hoc LLC	07/14/2023	$3,867,261.00	Litigation in process - The contractor has appealed the Contracting Officer's decision and the audit is now in the litigation process.
A230064P5X25013 Gilbane-Grunley Joint Venture	05/05/2025	$0.00	Price/settlement negotiated - Negotiations have been completed between Contracting Officer and contractor.
A240080P5X25014 Kirlin Mid-Atlantic, LLC	05/08/2025	$0.00	Unresolved - Agreement has not been reached between OIG and Contracting Officer on the Decision Record.
A240082P4X25019 Truebeck Construction, Inc.	07/22/2025	$0.00	In negotiation - Negotiations are proceeding between Contracting Officer and contractor.
A240043Q6X25020 M-Pak, Inc.	07/24/2025	$201,263.00	In the process of collection - GSA is in the process of collecting funds owed the government from the contractor.
A240081Q7X25022 The Pragma Corporation	07/30/2025	$28,591.00	In the process of collection - GSA is in the process of collecting funds owed the government from the contractor.
A230025Q7X25025 Evoke Research and Consulting, Inc.	08/28/2025	$2,545,804.00	In Negotiation - Negotiations are proceeding between the Contracting Officer and contractor.
A220025Q6X25026 Hill ASC, Inc.	09/25/2025	$14,750,000.00	In the process of collection - GSA is in the process of collecting funds owed the government from the contractor.

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Internal Audits

Audits with Management Decisions made prior to September 30, 2025, with No Final Action as of September 30, 2026

Audit Report Number and Title of Report	Issue Date of Report	Management Decision Amounts of Disallowed Costs	Reason for No Final Action	Projected Completion Date
A230065Q3P24001 FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	09/16/2024	$0.00	Audit is in the Implementation Stage (Audit Record Re-opened for an Implementation Review on 07/20/2026)	12/31/2026
A240064P2R25002 Safety and Accessibility Deficiencies at the Jacob K. Javits Federal Building in New York, New York	06/17/2025	$0.00	Audit is in the Pending Closure Status (There are no open recommendations)	09/30/2026
A240066H3F25003 GSA's Office of Administrative Services Awarded an Invalid $13.7 Million Task Order	07/10/2025	$0.00	Audit is in the Implementation Stage	10/30/2026
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	$0.00	Audit is in the Implementation Stage	10/14/2026
A240041P9R25004 Audit of Roof Fall Protection and Safety in GSA-Owned Buildings	08/14/2025	$0.00	Audit is in the Implementation Stage	10/15/2026
A230058P5R25006 PBS's Administration of Construction Manager as Constructor Contracts Needs Improvement	09/15/2025	$0.00	Audit is in the Pending Closure Status (There are no open recommendations)	09/30/2026

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A230065Q3P24001 FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	9/14/2024	001	OIG recommends that the FAS Commissioner conduct a review of all active AAS Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions. Original due date: 12/31/2026 Current due date: 12/31/2026
A230065Q3P24001 FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts	9/14/2024	003B	OIG recommends that the FAS Commissioner update existing controls to monitor and ensure compliance with contract security classifications by verifying compliance with AAS security classification policies during existing internal contract reviews. Original due date: 12/31/2026 Current due date: 12/31/2026
A240066H3F25003 GSA's Office of Administrative Services Awarded an Invalid $13.7 Million Task Order	07/10/2025	001	OIG recommends that the GSA Chief Administrative Services Officer ensure that justifications for other than full and open competition are completed prior to award and publicly posted. Original due date: 03/31/2026 Current due date: 10/30/2026
A240066H3F25003 GSA's Office of Administrative Services Awarded an Invalid $13.7 Million Task Order	07/10/2025	003	OIG recommends that the GSA Chief Administrative Services Officer revise OIA's Internal Quality Assurance Review policy to reduce delays, and employ a risk-based sampling methodology when selecting contracts for review. Original due date: 01/30/2026 Current due date: 10/30/2026

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Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	001	OIG recommends that the FAS Commissioner evaluate TTS's use of Direct-Hire Authority (DHA) to ensure it complies with 5 C.F.R. 337.205. Original due date: 09/30/2026 Current due date: 10/14/2026
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	002	OIG recommends that the FAS Commissioner ensure TTS's hiring procedures comply with GSA hiring requirements. Original due date: 09/30/2026 Current due date: 10/14/2026
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	003A	OIG recommends that the FAS Commissioner strengthen controls to ensure that TTS's hiring actions provide open and fair competition among qualified applicants and adhere to merit system principles. Original due date: 09/30/2026 Current due date: 10/14/2026
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	003B	OIG recommends that the FAS Commissioner strengthen controls to ensure that TTS's hiring actions are properly documented to allow for a complete and accurate third-party review, as required by OPM. Original due date: 09/30/2026 Current due date: 10/14/2026
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	003C	OIG recommends that the FAS Commissioner strengthen controls to ensure that recruitment incentives are considered in lieu of Superior Qualifications Appointment (SQAs) and are documented to verify compliance with 5 C.F.R. 531.212(d). Original due date: 09/30/2026 Current due date: 10/14/2026

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Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	003D	OIG recommends that the FAS Commissioner strengthen controls to ensure that the U.S. Digital Corps (USDC) group recruitment incentive is reviewed and approved annually, as required by GSA Order HRM 9575.1 CHGE 1 and 5 C.F.R. 575.105(b)(3). Additionally, evaluate and document the need to award a group recruitment incentive that exceeds GSA's recommended amount. Original due date: 09/30/2026 Current due date: 10/14/2026
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	004	OIG recommends that the FAS Commissioner evaluate the Superior Qualifications Appointment (SQAs) awarded to TTS employees beginning April 1, 2021, to determine if the pay step granted is properly supported. If errors exist, refer to GSA's Office of General Counsel to determine the appropriate action. Original due date: 09/30/2026 Current due date: 10/14/2026
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	005	OIG recommends that the FAS Commissioner evaluate the TTS Talent team's job series classifications to ensure they align with the team's primary responsibilities and develop necessary controls to ensure future compliance. Original due date: 09/30/2026 Current due date: 10/14/2026

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240037Q6P25001 GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	006	OIG recommends that the FAS Commissioner evaluate TTS's pay distribution and develop the controls necessary to ensure there is equal pay for work of equal value and consistency throughout TTS and GSA in accordance with 5 U.S.C. 2301(b)(3). Original due date: 09/30/2026 Current due date: 10/14/2026
A240041P9R25004 Audit of Roof Fall Protection and Safety in GSA-Owned Buildings	08/14/2025	006	OIG recommends that the PBS Commissioner require contractors to use OSHA-compliant fall protection. Original due date: 09/30/2026 Current due date: 09/30/2026
JE26-001 Safety and Accessibility Deficiencies at the Jacob K. Javits Federal Building in New York, New York	12/09/2025	002	PBS will conduct training on the new policy and technical documents for the PBS Building Managers of buildings with firing ranges, PBS Risk Management Subject Matter Experts, and other firing range stakeholders, emphasizing roles and responsibilities for the operation and maintenance of the indoor firing ranges, document retention and recordkeeping requirements, and inspection and cleaning procedures. Original due date: 11/30/2026 Current due date: 11/30/2026

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240064P2R25002 Federal Agencies Are at Risk of Overpaying for Products in the Multiple Award Schedule Program Due to Significant Price Variability	02/12/2026	001	OIG recommends that the FAS Commissioner resume iterations of the Competitive Pricing Initiative at the MAS Program level to identify, address, and reduce price variability. Original due date: 01/29/2027 Current due date: 01/29/2027
A240064P2R25002 Federal Agencies Are at Risk of Overpaying for Products in the Multiple Award Schedule Program Due to Significant Price Variability	02/12/2026	002A	OIG recommends that the FAS Commissioner strengthen policies and procedures to address data inaccuracies within FAS pricing tools. Original due date: 01/29/2027 Current due date: 01/29/2027
A240064P2R25002 Federal Agencies Are at Risk of Overpaying for Products in the Multiple Award Schedule Program Due to Significant Price Variability	02/12/2026	002B	OIG recommends that the FAS Commissioner strengthen policies and procedures to ensure bilateral contract modifications are submitted and approved prior to catalog changes. Original due date: 01/29/2027 Current due date: 01/29/2027
A240064P2R25002 Federal Agencies Are at Risk of Overpaying for Products in the Multiple Award Schedule Program Due to Significant Price Variability	02/12/2026	004	OIG recommends that the FAS Commissioner inform federal customer agencies that they should perform separate and independent price determinations because significant price variability puts federal customer agencies at risk of overpaying for products on MAS contracts. Original due date: 01/29/2027 Current due date: 01/29/2027

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Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240064P2R25002 Federal Agencies Are at Risk of Overpaying for Products in the Multiple Award Schedule Program Due to Significant Price Variability	02/12/2026	005	OIG recommends that the FAS Commissioner increase oversight and implement additional controls related to temporary price reductions. Original due date: 01/29/2027 Current due date: 01/29/2027
A240084P6R26002 PBS Is Not Effectively Tracking and Monitoring Building Studies	03/06/2026	001	OIG recommends that the PBS Commissioner develop and implement a method to track and monitor building studies and ensure that PBS can retrieve all studies efficiently. Original due date: 02/26/2027 Current due date: 02/26/2027
A240084P6R26002 PBS Is Not Effectively Tracking and Monitoring Building Studies	03/06/2026	002A	OIG recommends that the PBS Commissioner develop and implement policies and procedures to ensure that PBS building study data is complete, accurate, and reliable. Original due date: 02/26/2027 Current due date: 02/26/2027
A240084P6R26002 PBS Is Not Effectively Tracking and Monitoring Building Studies	03/06/2026	002B	OIG recommends that the PBS Commissioner develop and implement policies and procedures to ensure that PBS is not wasting tax dollars on unnecessary or duplicative building studies. Original due date: 11/30/2026 Current due date: 11/30/2026

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Audits with Management Decisions and Approved Due Dates

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A240039P5R26004 GSA Is Not Consistently Addressing Deficient Security Fixtures at GSA-Controlled Facilities	03/24/2026	002A	OIG recommends that the GSA Administrator, in conjunction with FPS, conduct a nationwide assessment of outstanding deficient security fixtures. Original due date: 10/30/2026 Current due date: 10/30/2026
A240039P5R26004 GSA Is Not Consistently Addressing Deficient Security Fixtures at GSA-Controlled Facilities	03/24/2026	002B	OIG recommends that the GSA Administrator, in conjunction with FPS, develop and implement a plan to repair, replace, or install security fixtures identified through the nationwide assessment. Original due date: 01/29/2027 Current due date: 01/29/2027
A240039P5R26004 GSA Is Not Consistently Addressing Deficient Security Fixtures at GSA-Controlled Facilities	03/24/2026	002D	OIG recommends that the GSA Administrator in conjunction with FPS, if GSA cannot secure funding to repair, replace, or install security fixtures, work with OMB to establish a consistent funding stream to address current and future security fixture deficiencies. Original due date: 03/19/2026 Current due date: 03/19/2026
A240069ITF26001 GSA Should Strengthen Its Oversight of the Kahua Federal Network to Protect Sensitive Project Data	03/26/2026	001	OIG recommends that the GSA Chief Information Officer direct the KFN authorizing official to review the CSP's continuous monitoring deliverables, including the vulnerability scan reports, on a monthly basis, as stated in the FedRAMP Continuous Monitoring Playbook, to maintain awareness of the active risks being posed to the system. Original due date: 02/26/2027 Current due date: 02/26/2027

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A240069ITF26001 GSA Should Strengthen Its Oversight of the Kahua Federal Network to Protect Sensitive Project Data	03/26/2026	002	OIG recommends that the GSA Chief Information Officer establish and implement procedures to ensure that the CSP provides sufficient evidence to support that configurations for vulnerability scans are validated and up-to-date. Additionally, enforce FedRAMP IT security policies requiring the CSP to coordinate with an independent assessor, as detailed in the FedRAMP Continuous Monitoring Strategy Playbook, to ensure that continuous monitoring deliverables, such as vulnerability scan configurations, are properly validated. Original due date: 02/26/2027 Current due date: 02/26/2027
A240069ITF26001 GSA Should Strengthen Its Oversight of the Kahua Federal Network to Protect Sensitive Project Data	03/26/2026	003A	OIG recommends that the GSA Chief Information Officer review and update existing policies and procedures to align with the FedRAMP Continuous Monitoring Strategy Playbook to require that the KFN authorizing official conduct a monthly review of continuous monitoring deliverables. Original due date: 02/26/2027 Current due date: 02/26/2027

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Audits with Management Decisions and Approved Due Dates

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240069ITF26001 GSA Should Strengthen Its Oversight of the Kahua Federal Network to Protect Sensitive Project Data	03/26/2026	003B	OIG recommends that the GSA Chief Information Officer review and update existing policies and procedures to align with the FedRAMP Continuous Monitoring Strategy Playbook to require that outstanding vulnerabilities are mitigated within prescribed time frames. Original due date: 02/26/2027 Current due date: 02/26/2027
JE26-002 Security Inspection of the U.S. General Services Administration Headquarters Building	04/24/2026	001	OIG recommends that the Associate Administrator of the Office of Mission Assurance, in conjunction with the Assistant Commissioner, Office of Facilities Management, should develop a corrective action plan to formally address the 13 deficiencies involving implementation and maintenance of facility and childcare center security countermeasures. If a specific corrective action cannot be identified for an individual deficiency, formal acceptance of the risk should be provided in writing. Original due date: 09/30/2026 Current due date: 04/23/2027
JE26-002 Security Inspection of the U.S. General Services Administration Headquarters Building	04/24/2026	002	OIG recommends that the Chief Administrative Services Officer of the Office of Administrative Services should develop a written contingency plan for mail processing in the event of a mailroom or building closure, including security protocols, inspection requirements, and coordination with facility security personnel. Original due date: 08/31/2026 Current due date: 10/30/2026

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240054Q2P26002 The Processes FAS Uses to Ensure It Awards and Collects Accurate Product Data Are Ineffective	08/13/2026	001	OIG recommends that the FAS Commissioner identifies and corrects existing manufacturer part number and name inconsistencies in TDR and GSA Advantage! catalog data for products to ensure that identical products use the same part numbers.
A240054Q2P26002 The Processes FAS Uses to Ensure It Awards and Collects Accurate Product Data Are Ineffective	08/13/2026	002	OIG recommends that the FAS Commissioner develop and implement processes that ensure accurate and consistent part numbers are established upon new contract award and modification approval, while continuing to improve TDR data match rates through the TDR Data Quality Dashboard.
A240054Q2P26002 The Processes FAS Uses to Ensure It Awards and Collects Accurate Product Data Are Ineffective	08/13/2026	003	OIG recommends that the FAS Commissioner improve the FAS Catalog Platform's automated data quality checks to ensure that incorrect part numbers are flagged and corrected to minimize the need for FAS contracting personnel to perform manual market research.
A240054Q2P26002 The Processes FAS Uses to Ensure It Awards and Collects Accurate Product Data Are Ineffective	08/13/2026	004	OIG recommends that the FAS Commissioner provide FAS contracting personnel with tools, guidance, and resources that allow for efficient and effective manual market research.
A240054Q2P26002 The Processes FAS Uses to Ensure It Awards and Collects Accurate Product Data Are Ineffective	08/13/2026	005	OIG recommends that the FAS Commissioner ensures FAS industrial operations analysts verify the accuracy of TDR data, as required, and verify whether part numbers are consistent with manufacturer sources.

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A240054Q2P26002 The Processes FAS Uses to Ensure It Awards and Collects Accurate Product Data Are Ineffective	08/13/2026	006	OIG recommends that the FAS Commissioner implements processes to ensure identical related product add-ons and base products with options that have a single manufacturer part number for multiple variations can be identified and compared.
A250021PRR26005 Audit of PBS's Management of Permit-Required Confined Space	08/27/2026	001A	OIG recommends that the Acting PBS Commissioner improve PBS's management of permit-required confined space by ensuring that PBS CORs verify that all O&M contractors: i. Maintain complete building operating plans, including a confined and permit space inventory. ii. Ensure all building operating plans are uploaded into NCMMS and verify that the plans include a fully populated, current permit space inventory. iii. Develop building-specific permit space entry programs. iv. Assess permit spaces and ensure they are accurately classified and labeled in accordance with OSHA requirements.
A250021PRR26005 Audit of PBS's Management of Permit-Required Confined Space	08/27/2026	001B	OIG recommends that the Acting PBS Commissioner improve PBS's management of permit-required confined space by Maintaining complete and accurate contract files, including all permit space deliverables.
A250021PRR26005 Audit of PBS's Management of Permit-Required Confined Space	08/27/2026	002	OIG recommends that the Acting PBS Commissioner improve PBS's management of permit-required confined space by establishing a formal COR handover checklist that requires outgoing CORs to digitally certify the transfer of all permit space inventories and permit systems to their successor(s) before offboarding.

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A250036P2R26006 PBS Is Not Consistently Complying with Its Internal Guidance for the Building Assessment Tool, Resulting in Underreported Liabilities and Increasing the Risk of Errors	09/09/2026	001A	Improve oversight of the BAT surveys by ensuring surveyors and approvers have access to building maintenance liability information contained in the Inventory Reporting Information System (IRIS) Prioritization of Asset Repair (PAR) and Work Items (WI) modules.
A250036P2R26006 PBS Is Not Consistently Complying with Its Internal Guidance for the Building Assessment Tool, Resulting in Underreported Liabilities and Increasing the Risk of Errors	09/09/2026	001B	Improve oversight of the BAT surveys by requiring surveyors and approvers to review the building maintenance liability information contained in the IRIS PAR and IRIS WI modules when completing and reviewing BAT surveys.
A250036P2R26006 PBS Is Not Consistently Complying with Its Internal Guidance for the Building Assessment Tool, Resulting in Underreported Liabilities and Increasing the Risk of Errors	09/09/2026	002	Strengthen quality control procedures by incorporating reviews of the building maintenance liability information contained in the IRIS PAR and IRIS WI modules into the annual variance analysis, particularly for BAT surveys reporting zero liabilities.
A250036P2R26006 PBS Is Not Consistently Complying with Its Internal Guidance for the Building Assessment Tool, Resulting in Underreported Liabilities and Increasing the Risk of Errors	09/09/2026	003A	Require a separate surveyor and approver for each BAT survey, clearly document both roles in the BAT system, and ensure each PBS employee performs only the duties of their assigned role. This should include, at a minimum, implementing controls to: (1) prevent a BAT survey from being completed and approved by the same person and (2) provide clear guidance to all BAT users regarding separating duties and independent approval expectations.

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
A250036P2R26006 PBS Is Not Consistently Complying with Its Internal Guidance for the Building Assessment Tool, Resulting in Underreported Liabilities and Increasing the Risk of Errors	09/09/2026	003B	Require a separate surveyor and approver for each BAT survey, clearly document both roles in the BAT system, and ensure each PBS employee performs only the duties of their assigned role. This should include, at a minimum, updating the February 2026 BAT internal guidance to explicitly prohibit any individual from serving as both surveyor and approver for the same BAT survey.
JE26-003 Public Buildings Service Failed To Ensure The Continued Maintenance and Security of the Peachtree Summit Federal Building	04/24/2026	001A	The Commissioner of the Public Buildings Service, in conjunction with the Associate Administrator of the Office of Mission Assurance, should, review the 2023 and 2025 Facility Security Assessment Countermeasure Recommendations for the Peachtree Summit Federal Building.
JE26-003 Public Buildings Service Failed To Ensure The Continued Maintenance and Security of the Peachtree Summit Federal Building	04/24/2026	001B	The Commissioner of the Public Buildings Service, in conjunction with the Associate Administrator of the Office of Mission Assurance, should coordinate with the Facility Security Committee and Federal Protective Service on implementation of countermeasure recommendations.
JE26-003 Public Buildings Service Failed To Ensure The Continued Maintenance and Security of the Peachtree Summit Federal Building	04/24/2026	001C	The Commissioner of the Public Buildings Service, in conjunction with the Associate Administrator of the Office of Mission Assurance, should record any GSA-responsible countermeasures that are declined by the Facility Security Committee and document risk acceptance or threat mitigation plans.

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Open OIG Recommendations Not Fully Implemented as of September 30, 2026

Audit Responses in Development

Audit Report Number and Title of Report	Issue Date of Report	Recommendation Number	Recommendation Text
JE26-003 Public Buildings Service Failed To Ensure The Continued Maintenance and Security of the Peachtree Summit Federal Building	04/24/2026	001D	The Commissioner of the Public Buildings Service, in conjunction with the Associate Administrator of the Office of Mission Assurance, should monitor and track countermeasures recommended in all Facility Security Assessment reports and notify the Facility Security Committee of unresolved deficiencies.
JE26-003 Public Buildings Service Failed To Ensure The Continued Maintenance and Security of the Peachtree Summit Federal Building	04/24/2026	002A	The Assistant Commissioner, Office of Facilities Management, should develop a corrective action plan to remove the lock and chain from the affected main-level gate and, if necessary, provide an approved locking arrangement that will release upon activation of the fire alarm system.
JE26-003 Public Buildings Service Failed To Ensure The Continued Maintenance and Security of the Peachtree Summit Federal Building	04/24/2026	002B	The Assistant Commissioner, Office of Facilities Management should conduct an assessment of all tenant-occupied space in the building to identify poor window conditions and develop a corrective action plan to address those issues.

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Glossary

The following definitions, based on the Inspector General Act Amendment of 1978, apply to terms used in this Semiannual Management Report:

Questioned Costs Costs questioned by the OIG because of:

- an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds;

- a finding that, at the time of an audit, such cost is not supported by adequate documentation;

- a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable

Disallowed Cost Questioned costs that GSA management, in a management decision, sustained or agreed should not be charged to the Government.

Recommendation that Funds be Put to Better Use A recommendation by the GSA OIG that funds could be used more efficiently if management took action to implement and complete the recommendations, including:

- reductions in outlays;

- de-obligation of funds from programs or operations;

- withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds;

- costs not incurred by implementing recommended improvements related to the operations of the establishment, a contractor, or grantee;

- avoidance of unnecessary expenditures noted in pre-award reviews of contract or grant agreements;

- any other savings that are identified specifically.

Management Decision The evaluation by management of the findings and recommendations included in an audit report and the issuance of a final decision by management and concurrence by the OIG concerning its response to such findings and recommendations, including planned corrective actions to remedy weaknesses identified in the report.

Final Action The completion of all actions that GSA management concluded in its management decision were necessary with respect to the findings and recommendations included in the audit report. If GSA concluded no action was necessary, final action occurred when management made the decision.

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Glossary (continued)

Management Actions - Questioned Costs The following are the different management actions used by GSA management to resolve questioned costs in an audit report.

- **Audit reports on which management decisions were made during the period:** Data pertaining to the number of audit reports on which management decisions were made during the period and the associated amount of disallowed costs furnished by GSA OIG

- **Write-offs:** For the purposes of this report, write-offs represent a management decision not to recover the disallowed cost cited by the OIG report.

Management Actions - Better Use Funds The following is a list of the different management actions used by GSA management to resolve the "better use" of funds in an audit report.

- **Better Use Funds:** The figure represents amounts cited as "cost avoidance" and "funds to be put to better use," as agreed to by GSA management and the OIG. Prior to April 1990, no funds were identified by the OIG specifically as "funds to be put to better use," and no management decisions were issued based on the consideration of "better use" of funds.

- **Budget Impact Funds:** Funds identified as "budget impact" involve the obligation process. Audit-related savings of these funds, depending on the fund involved, may be available for another use.

- **No Budget Impact Funds:** Funds identified as "no budget impact" are composed of estimated and actual amounts, and do not involve obligated monies, and, therefore, cannot be construed as having a material effect on GSA''s appropriated funds.

- **Audit reports on which management decisions were made during the period:** Data pertaining to the number of audit reports on which management decisions were made during the period and the associated dollar amounts agreed to by management were furnished by the OIG.

- **Value of recommendations that management concluded should not or could not be calculable:** Management was unable to determine the award amounts and "better use funds" implemented since the amount is included in the overall award to the prime contractor and savings could not be determined.

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Appendix I

Office of Audits
Office of Inspector General
U.S. General Services Administration

October 1, 2026

MEMORANDUM FOR EVAN FARLEY
DIRECTOR
OFFICE OF PERFORMANCE AND ACCOUNTABILITY (BP)

FROM: LISA L. BLANCHARD
DIRECTOR
AUDIT PLANNING, POLICY, AND OPERATIONS STAFF (JAO)

LISA BLANCHARD Digitally signed by LISA BLANCHARD Date: 2026.10.01 15:26:54 -04'00'

SUBJECT: Semiannual Report to the Congress on the Number of Management Decisions

This memo is intended to relate the total management decisions for the period April 1, 2026 through September 30, 2026. The totals are based on BP/JA Data Match Report, dated October 1, 2026 and JA's AMIS database. The OIG's management decision statistics are, as follows:

Type of Audit	Number of Audits	Amount of Better Use Funds	Amount of Disallowed Cost
Preaward	13	$ 600,406,295	$ 163,999
Postaward	0	$ 0	$ 0
Internal	7	$ 0	$ 0
Totals	20	$ 600,406,295	$ 163,999

Please acknowledge your agreement of the statistics by signing below and returning to JAO as soon as possible.

Name _____ Title Deputy CFO Date 10/5/26

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Appendix II

This next page begins the Office of Inspector General Semiannual Management Report to the Congress.

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Office of Inspector General
U.S. General Services Administration

SEMIANNUAL
REPORT TO THE CONGRESS

April to September 2026



Docusign Envelope ID: 923B3B1B-1A33-8590-83C2-0B0FC5C2CB29

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MESSAGE FROM THE INSPECTOR GENERAL



I am pleased to submit to Congress our Semiannual Report for the period of April 1 through September 30, 2026. During this reporting period, the General Services Administration (GSA) Office of Inspector General (OIG) issued 23 reports with more than $458 million in recommended financial savings. Additionally, we recovered more than $51.8 million.

Our special agents determined that a former GSA construction control representative accepted multiple bribe payments in exchange for awarding GSA contracts to contractors. Another investigation determined that an individual removed and sold parts from a Huey helicopter that had been entrusted to a museum's care after the museum had obtained it through GSA's Federal Surplus Personal Property Donation Program. An additional investigation found that a debarred contractor secured at least $198,955 in federal contracts through his use of false statements and certifications.

We continued to work with the Department of Justice on False Claims Act cases. One case resulted in a company agreeing to pay $21.3 million to resolve allegations that they improperly obtained federal contracts reserved for service-disabled veteran-owned small businesses and other eligible small businesses. Another case resulted in a company agreeing to pay $7.75 million to resolve allegations arising from its employment of a government official who, while employed by both the company and the government, participated personally and substantially in government contracts awarded to the company.

Our auditors reported that GSA's Advantage! catalog contained inaccurate product data, including multiple variations for the same product, which impairs the effectiveness of price analysis techniques. Additionally, our auditors found that GSA's Public Buildings Service is not consistently complying with its own internal guidance for the building assessment tool, which results in underreported building maintenance liabilities and increasing the risk of undetected errors.

Our inspections team inspected a high-risk GSA building and found several issues involving security controls that created serious security vulnerabilities. They also found that GSA did not provide safety inspections or the required oversight of certain facility support operations. In another report, the team found that PBS failed to sufficiently manage the Peachtree Summit Federal Building's security, fire safety, and maintenance despite being aware of many issues.

Without the hard work of our staff seeking to combat waste, fraud, and abuse of taxpayer dollars on a daily basis, these efforts would not have been possible. I am honored to lead this office and thankful for Congress's and GSA management's continued support of our work.

Robert C. Erickson
Acting Inspector General
October 30, 2026

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OIG PROFILE

ORGANIZATION

The General Services Administration (GSA) Office of Inspector General (OIG) was established on October 1, 1978, as 1 of the original 12 OIGs created by the Inspector General Act of 1978. The OIG's five components work together to perform the mission mandated by Congress.

The OIG provides nationwide coverage of GSA programs and activities. The OIG's components include:

- **THE OFFICE OF AUDITS**, an evaluative organization staffed with auditors and analysts that provides comprehensive coverage of GSA operations through program, financial, regulatory, and system audits and assessments of internal controls. The office conducts attestation engagements to assist GSA contracting officials in obtaining the best value for federal customers and American taxpayers. The office also provides other services to assist GSA management in evaluating and improving its programs.
- **THE OFFICE OF ADMINISTRATION**, a professional support staff that provides budget and financial management, contracting, facilities and support services, human resources, information technology (IT) services, executive resources, and administration of the OIG's records management program.
- **THE OFFICE OF COUNSEL**, an in-house legal staff that provides legal advice and assistance to all OIG components, represents the OIG in litigation arising out of or affecting OIG operations, and manages the OIG legislative and regulatory review.
- **THE OFFICE OF INSPECTIONS**, a multi-disciplinary organization that analyzes and evaluates GSA's programs and operations through management and programmatic inspections and evaluations that are intended to provide insight into issues of concern to GSA, Congress, and the American public. The office also coordinates quality assurance for the OIG and analyzes potentially fraudulent or otherwise criminal activities in coordination with other OIG components.
- **THE OFFICE OF INVESTIGATIONS**, a statutory federal law enforcement organization that conducts nationwide criminal, civil, and administrative investigations of illegal or improper activities involving GSA programs, operations, and personnel.

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OFFICE LOCATIONS

Headquarters:

Washington, D.C.

Field and Regional Offices:

Atlanta, Georgia; Boston, Massachusetts; Chicago, Illinois; Denver, Colorado; Fort Lauderdale, Florida; Fort Worth, Texas; Kansas City, Missouri; New York, New York; Oakland, California; Philadelphia, Pennsylvania; Santa Ana, California; Tacoma, Washington; and Washington, D.C.

STAFFING AND BUDGET

As of September 30, 2026, the OIG's on-board staffing level was 227 employees. The OIG's Fiscal Year (FY) 2026 budget was $73.837 million in annual appropriated funds plus $600,000 in reimbursable authority.

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FISCAL YEAR 2026 RESULTS

During FY 2026, OIG activities resulted in:

- More than $819 million in recommendations that funds be put to better use and questioned costs—if adopted, these recommendations ultimately result in savings for the taxpayer;
- More than $54.3 million in criminal, civil, administrative, and other investigative recoveries;
- 46 audit reports, 2 audit memorandums, and 3 evaluation reports that assisted management in improving the efficiency and effectiveness of GSA operations;
- 154 investigations opened and 142 cases closed;
- 51 subjects accepted for criminal prosecution and 16 subjects accepted for civil litigation;
- 49 criminal indictments/informations and 21 successful prosecutions on criminal matters previously referred;
- 12 civil settlements and judgments;
- 24 employee actions taken on administrative referrals involving government employees;
- 25 contractors/individuals suspended and debarred;
- 4 lost pieces of New Deal artwork recovered; and
- 1,894 hotline contacts received—of these, 320 were referred to GSA program officials for review and appropriate action, 83 were referred to other federal agencies, 97 were referred to the OIG Office of Audits, and 154 were referred to investigative field offices for investigation or further review.

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GSA'S MANAGEMENT CHALLENGES

The Reports Consolidation Act of 2000, Pub. L. No. 106-531, requires Inspectors General to report on the most significant management challenges facing their agencies. The following table briefly describes the challenges the OIG identified for GSA for FY 2026. The complete assessment is posted on the OIG website.

MANAGEMENT CHALLENGE	DESCRIPTION
Implementation of GSA-Wide Reorganization Efforts	In February 2025, the President issued an executive order requiring federal agencies to reform the federal workforce to maximize efficiency and productivity. As part of the order, the president directed federal agencies to "promptly undertake preparations to initiate large-scale reductions in force, consistent with applicable law." Accordingly, the president directed agencies to develop agency reorganization plans so that the reductions in force would enable agencies to most efficiently deliver their statutorily required functions. In response, GSA undertook widespread staffing reductions before it had effective reorganization plans in place, leading to a series of unintended consequences. Many aspects of GSA's reorganization remain on hold due to ongoing legal actions and changes in the Agency's leadership. GSA should conduct a comprehensive assessment of the reorganization to ensure that the Agency has the resources and skill sets necessary to fulfill its statutory mission while meeting the president's call for efficiency and savings.
Establishing and Maintaining an Effective Internal Control Environment	GSA management is responsible for designing, implementing, and monitoring controls to ensure the organization is operating effectively. Since 2018, we have cited that GSA lacks effective internal controls or does not follow the controls it has in place. This puts the Agency at risk of not complying with federal laws and regulations, and of inefficiently using or misusing government resources.
Improving Contract Award and Administration	GSA awards contracts annually to procure billions of dollars of products, services, and facilities for federal government agencies. After awarding these contracts, GSA is responsible for proper contract administration to ensure compliance with the terms of the contracts, safeguard the government's interests, and protect taxpayer dollars. Despite GSA's efforts, we continue to find deficiencies in the Agency's contract administration practices. These deficiencies, combined with GSA's increased role in government acquisitions, place taxpayer dollars at risk.
Developing Efficient and Effective Acquisition Solutions	GSA's Federal Acquisition Service (FAS) is undertaking several initiatives that will have a major impact on its acquisition solutions. These initiatives include streamlining and right-sizing the Multiple Award Schedule (MAS) Program, managing supply chain risk, and consolidating government procurement. While these initiatives are intended to help FAS meet GSA's commitments, they also significantly change FAS's processes and programs, creating challenges to FAS's ability to meet its mission.
Maximizing the Performance of GSA's Real Property Inventory	GSA's Public Buildings Service (PBS) must maximize the performance of its real property inventory to provide its tenant agencies with space that meets their needs at a reasonable cost to the taxpayer. To achieve this goal, PBS must determine the best approach to accelerate the disposal of federal buildings and to meet the operations and maintenance (O&M) needs of its increasingly aging building inventory. Further, PBS must properly administer its capital construction program and ensure effective management of its energy and utility contracts.
Managing Agency Cybersecurity Risks	As cybersecurity threats continue to emerge, sensitive government information and systems must be adequately secured to safeguard against internal and external threats that could compromise critical information and systems. The Office of GSA IT must continue to identify and implement technical solutions and processes to mitigate cyber threats and risks in an environment of evolving priorities, reduced budgets and staff, and increasingly sophisticated cyberattacks.
Providing a Safe Work Environment	GSA is responsible for providing a safe and healthful work environment at buildings under its jurisdiction, custody, and control. To foster a safe work environment, GSA must continue to address ongoing challenges to its management of, among other things, drinking water quality; environmental contaminants, including asbestos; fire and life safety risks; and fall protection.
Securing Federal Facilities	As landlord for the federal government, GSA has the responsibility to ensure that GSA-controlled space is constructed, operated, and maintained in a safe, secure, and healthful manner. However, our recent audit work demonstrates that GSA remains challenged to fulfill this responsibility across its real estate portfolio. GSA needs to strengthen its monitoring and enforcement of security protocols at federal facilities nationwide.

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MANAGEMENT CHALLENGE	DESCRIPTION
Changing the Direction of the Technology Transformation Services	Past oversight of GSA's Technology Transformation Services has reported weaknesses in its management controls related to oversight, financial management, performance, IT, and human capital. In FY 2026, with significant staffing reduction and changing priorities, the Technology Transformation Services remains at risk of misspent taxpayer money and degradation of services for its customer agencies.
Overhauling the Federal Acquisition Regulation	The GSA Office of Acquisition Policy is responsible for writing and maintaining the Federal Acquisition Regulation (FAR) as part of the Federal Acquisition Regulatory Council. Executive Order 14275, *Restoring Common Sense to Federal Procurement*, has tasked the Council to completely overhaul the FAR within 180 days of April 15, 2025. To achieve quicker and more immediate implementation, initial FAR changes will be implemented through agency-specific deviations before going through the formal rule-making process. GSA is challenged with overhauling the FAR and adopting deviations within this extremely short time frame.

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SIGNIFICANT AUDITS

The Office of Audits conducts independent and objective audits to improve the effectiveness and efficiency of GSA's management and operations. These audits focus on GSA's programs, internal controls, IT infrastructure, and compliance with federal laws and regulations. Audits are also performed to assist GSA contracting personnel in obtaining the best value and price for federal customers. During this reporting period, we issued 23 audit reports, including 14 contract audits. Our contract audits identified more than $458 million in potential cost savings and recoveries for the federal government.

PREAWARD AUDITS

GSA provides federal agencies with products and services through various contract types. We oversee GSA's procurement program, which generates billions of dollars in annual sales through thousands of contracts, by conducting preaward, postaward, and performance audits. Historically, for every dollar invested in our preaward audits, we recommend at least $20 in cost savings to the government through lower prices or more favorable contract terms and conditions for the benefit of the American taxpayer.

The predecisional, advisory nature of preaward audits distinguishes them from other audit products. Preaward audits provide vital, current information, enabling contracting officers to significantly improve the government's negotiating position to realize millions of dollars in savings on negotiated contracts.

During this reporting period, three of our more significant preaward audits were of MAS contracts, with combined projected government sales of more than $1.9 billion. Through these audits, we identified potential savings and recoveries of more than $387 million. We found that transactional data reporting (TDR) was not accurate or complete; Commercial Sales Practices information did not serve as a suitable basis for negotiation; proposed labor rates were overstated; MAS sales were not adequately reported; sales monitoring and billing systems were not maintained to ensure proper administration of billing provisions of the MAS contract; and a MAS contract was improperly used for sales to state and local government customers.

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PERFORMANCE AUDITS

THE PROCESSES FAS USES TO ENSURE IT AWARDS AND COLLECTS ACCURATE PRODUCT DATA ARE INEFFECTIVE

Report Number A240054/Q/2/P26002, dated August 13, 2026

In prior audits of GSA's pricing tools, we identified: (1) deficiencies in TDR data quality, including the use of inaccurate part numbers; and (2) limited effectiveness of the Price Point Plus Portal. If contracting officers do not have fully reliable and effective data to conduct price analysis, federal customer agencies risk overpaying for products and wasting taxpayer dollars.

Our audit objective was to determine if GSA's systems and processes ensure transactional data submitted by the contractor and the contractor's product catalog contains actual manufacturer part numbers in accordance with applicable regulations and GSA policies.

Access to accurate and consistent manufacturer names and part numbers is imperative to: (1) maximize the price analysis capability of the FAS's pricing tools and (2) provide information FAS contracting personnel can use to make fair and reasonable price determinations.

However, we found inaccurate manufacturer names and part numbers for products in the GSA Advantage! catalog and TDR data, including multiple variations for the same product, as well as names and part numbers that did not match those from the manufacturer. We also found that FAS does not standardize part numbers for related product add-ons and base products with options that have a single manufacturer part number for multiple variations, which inhibits identifications and comparability across MAS contracts.

Absent reliable manufacturer name and part number data, FAS's pricing tools cannot identify identical products and provide useful pricing information for contracting officers' use in negotiations, potentially resulting in higher awarded pricing. As a result, federal customer agencies may overpay for products offered on MAS contracts and waste taxpayer dollars.

We recommended that the FAS Commissioner:

1. Identify and correct existing manufacturer part number and name inconsistencies in TDR and GSA Advantage! catalog data for products to ensure that identical products use the same part numbers.
2. Develop and implement processes that ensure accurate and consistent part numbers are established upon new contract award and modification approval, while continuing to improve TDR data match rates through the *TDR Data Quality Dashboard*.
3. Improve the FAS Catalog Platform's automated data quality checks to ensure that incorrect part numbers are flagged and corrected to minimize the need for FAS contracting personnel to perform manual market research.

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4. Provide FAS contracting personnel with tools, guidance, and resources that allow for efficient and effective manual market research.
5. Ensure FAS industrial operations analysts verify the accuracy of TDR data, as required, and verify whether part numbers are consistent with manufacturer sources.
6. Implement processes to ensure identical product add-ons and base products with options that have a single manufacturer part number for multiple variations can be identified and compared.

The FAS Acting Commissioner partially agreed with the report recommendations.

PBS IS NOT CONSISTENTLY COMPLYING WITH ITS INTERNAL GUIDANCE FOR THE BUILDING ASSESSMENT TOOL, RESULTING IN UNDERREPORTED LIABILITIES AND INCREASING THE RISK OF ERRORS

Report Number A250036/P/2/R26006, dated September 9, 2026

Building maintenance liabilities are the current estimated costs to repair building deficiencies to an acceptable condition. GSA is required to identify and report its building maintenance liabilities annually.[1] Accurate, complete, and reliable building maintenance liability data is critical to GSA because it: (1) directly affects its financial reporting; (2) informs its long-term capital planning; and (3) supports decisions about funding, prioritizing, and executing repairs across GSA's building portfolio.

PBS uses the Building Assessment Tool (BAT) system to estimate the cost of repairs and maintenance needed to correct major deficiencies in GSA-owned buildings, as well as in certain leased buildings for which GSA is responsible for repairs and alterations. Due to the importance of the BAT system to PBS's management of its building portfolio, we included this audit in our *Fiscal Year 2025 Audit Plan*. The objective of the audit was to determine whether PBS is effectively using the BAT system to monitor the costs of building repairs and maintenance in accordance with internal guidance.

We found that PBS is not consistently complying with the internal guidance it designed to ensure that the estimated costs of building repairs and maintenance in the BAT system are complete and accurate, resulting in underreported liabilities and increasing the risk of undetected errors. Specifically, PBS did not review existing data sources for repair and alteration costs when preparing some BAT surveys, resulting in underreported building maintenance liabilities. We found that 79 of the BAT surveys in our sample of 196 buildings underreported repair and alteration costs by a total of $73 million. PBS also did not consistently perform independent completeness and accuracy reviews of BAT surveys, thereby increasing the risk of undetected errors.

We recommended that the PBS Commissioner:

1. Improve oversight of the BAT surveys by:

[1] 40 U.S.C. 524, *Duties of executive agencies*.

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a. Ensuring surveyors and approvers have access to the building maintenance liability information contained in the Inventory Reporting Information System (IRIS) Prioritization of Asset Repair (PAR) and IRIS Work Items (WI) modules.

b. Requiring surveyors and approvers to review the building maintenance liability information contained in the IRIS PAR and IRIS WI modules when completing and reviewing BAT surveys.

2. Strengthen quality control procedures by incorporating reviews of the building maintenance liability information contained in the IRIS PAR and IRIS WI modules into the annual variance analysis, particularly for BAT surveys reporting zero liabilities.

3. Require a separate surveyor and approver for each BAT survey, clearly document both roles in the BAT system, and ensure each PBS employee performs only the duties of their assigned role. This should include, at a minimum:

a. Implementing controls to: (1) prevent a BAT survey from being completed and approved by the same person and (2) provide clear guidance to all BAT users regarding separating duties and independent approval expectations.

b. Updating the February 2026 BAT internal guidance to explicitly prohibit any individual from serving as both surveyor and approver for the same BAT survey.

The PBS Acting Commissioner agreed with the report recommendations.

AUDIT OF PBS'S MANAGEMENT OF PERMIT-REQUIRED CONFINED SPACE

Report Number A250021/P/R/R26005, dated August 27, 2026

We planned and performed this audit after an assessment of a hotline complaint found widespread concerns over PBS's oversight of contractors' compliance with permit-required confined space (permit space) requirements.

Our objective was to evaluate whether PBS is adequately identifying, assessing the safety of, and mitigating the hazards found in permit spaces as required by Occupational Safety and Health Administration (OSHA) Standard 1910.146, *Permit-required confined spaces* (29 C.F.R. 1910.146).

Confined spaces are work areas that are enclosed or partially enclosed, presenting unique health and safety risks to workers who must enter, work in, or exit from them. Without proper safety measures, work in confined spaces can present significant health and life safety risks.

Some confined spaces (i.e., permit spaces) present additional health or safety hazards, such as entrapment, engulfment, or hazardous atmospheric conditions. Employers are required to issue a written or printed permit to control entry into those spaces. Examples of permit spaces include tanks, sump pump pits, traps, manholes, crawl spaces, and elevator pits.

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We found that PBS is not effectively managing permit space, and as a result, it is not complying with OSHA requirements, potentially exposing GSA employees and contractors to health and life safety risks. Specifically, PBS did not ensure O&M contractors consistently complied with PBS's permit space requirements. PBS also did not consistently implement timely and complete abatement plans for open confined and permit space risk conditions. Finally, PBS did not consistently evaluate elevator pits to determine whether they are permit spaces.

We recommended that the Acting PBS Commissioner improve PBS's management of permit-required confined space by:

1. Ensuring that PBS contracting officers' representatives (CORs):
    a. Verify that all O&M contractors:
        i. Maintain complete building operating plans, including a confined and permit space inventory.
        ii. Ensure all building operating plans are uploaded into the National Computerized Maintenance Management System and verify that the plans include a fully populated, current permit space inventory.
        iii. Develop building-specific permit space entry programs.
        iv. Assess permit spaces and ensure they are accurately classified and labeled in accordance with OSHA requirements.
    b. Maintain complete and accurate contract files, including all permit space deliverables.
2. Establishing a formal COR handover checklist that requires outgoing CORs to digitally certify the transfer of all permit space inventories and permit systems to their successor(s) before offboarding.
3. Developing and implementing comprehensive training for CORs concerning:
    a. O&M contract requirements, including those governing permit and confined spaces.
    b. Appropriate oversight to ensure that permit space deliverables meet OSHA and PBS policy requirements.
4. Ensuring that current bridge contracts and all future O&M solicitations incorporate the updated language and requirements of the current *PBS National O&M Specification*.
5. Developing and implementing a formal quality assurance review process within IRIS to verify that abatement plans for open confined and permit space risk conditions contain a justification for delay, a completion timetable, and interim protective measures.

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6. Developing standardized guidance for evaluating elevator pits to determine if they meet OSHA and PBS permit space requirements.

The Acting PBS Commissioner agreed with the report recommendations.

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN: FAS'S OFFICE OF ASSISTED ACQUISITION SERVICES SHOULD IMPROVE ITS OVERSIGHT AND ADMINISTRATION OF CLASSIFIED CONTRACTS, REPORT NUMBER A230065/Q/3/P24001, SEPTEMBER 16, 2024

Assignment Number A260034, dated July 20, 2026

We performed an implementation review of the management actions taken in response to the recommendations contained in our September 16, 2024, audit report, *FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts* (Report Number A230065/Q/3/P24001). The objectives of our audit were to determine if: (1) Office of Assisted Acquisition Services (AAS) contracts are accurately classified, (2) sufficient controls are in place to monitor and ensure compliance with AAS policy for contract security classification levels, and (3) AAS contracting personnel possess adequate security clearances to effectively award and administer contracts with classified elements.

AAS has established contract security classification levels ranging from Level 1 (Unclassified Acquisitions) to Level 4 (Classified Acquisitions) to identify and monitor contracts with classified elements. Our September 2024 audit found that AAS Level 2 contracts were not accurately classified, and as a result, some contracts are not subject to the portfolio reviews implemented by AAS to reduce its risk. We also found that AAS policy does not require AAS Level 3 contracting officers to have adequate security clearances, which can impair the administration of contracts with classified elements.

However, our implementation review found that AAS did not fully implement the corrective actions for two recommendations. Specifically, we found that AAS's review of active AAS Level 2 contracts was ineffective in ensuring that all contract security classifications adhere to AAS's current policy and definitions.

GSA OFFICE OF INSPECTOR GENERAL'S FISCAL YEAR 2025 RISK ASSESSMENT OF GSA'S PURCHASE CARD PROGRAM

Memorandum Number A260039, dated September 29, 2026

The Government Charge Card Abuse Prevention Act of 2012 and Office of Management and Budget Revised Circular No. A-123, Appendix B, *A Risk Management Framework for Government Charge Card Programs*, requires Inspectors General to periodically conduct risk assessments of purchase and travel card programs.

We conducted a risk assessment of GSA's purchase card program to identify and analyze the risk of illegal, improper, or erroneous purchases and payments related to GSA's purchase cards. In addition, the risk assessment is used to determine the necessary scope, frequency, and number of audits of the purchase card program.

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We based our risk assessment on GSA's FY 2025 purchase card data and five categories: (1) high-risk transactions, (2) internal controls, (3) previous audits, (4) training, and (5) GSA OIG's Office of Investigations' input. We assessed two of the five risk categories as low-risk, two as moderate-risk, and one as high-risk.

Based on our risk scale, we assessed the overall risk for GSA's purchase card program as moderate. In addition, it has been 9 years since we performed a full audit of GSA's purchase card program. As a result, we included an audit of GSA's purchase card program in our *Fiscal Year 2027 Audit Plan*.

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN: BUILDING MAINTENANCE CONTRACTORS ARE NOT COMPLYING WITH THEIR GSA CONTRACTS DUE TO POOR PERFORMANCE AND INEFFECTIVE OVERSIGHT, REPORT NUMBER A230032/P/2/R24004, MAY 3, 2024

Assignment Number A260049, dated August 28, 2026

We performed an implementation review of the management actions taken in response to the recommendations contained in our May 3, 2024, audit report, *Building Maintenance Contractors Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight* (Report Number A230032/P/2/R24004). Our audit objective was to determine whether O&M contractors are complying with the terms and conditions of their GSA contracts.

Our May 2024 audit found that O&M contractors did not complete all work orders for service requests and preventive maintenance. In some cases, O&M contractors marked work orders as complete even though the work was not actually completed. O&M contractors also did not complete work orders timely. These deficiencies occurred for a variety of reasons that are attributable to both the O&M contractors and PBS.

We found that O&M contractors are not always providing sufficient staff to meet their contract requirements, are struggling to hire and retain key personnel, and are not effectively monitoring their contract performance. We also found that O&M contractors and PBS are misinterpreting the time frames in O&M contracts for completing work orders for routine service requests and that PBS does not always provide effective oversight of the O&M contractors' performance. Based on our audit findings, we made five recommendations to the PBS Commissioner.

Our implementation review determined that PBS management has taken appropriate corrective actions to address the recommendations. We determined that no further action was necessary.

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IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN: AUDIT OF PBS NATIONAL CAPITAL REGION'S ASBESTOS MANAGEMENT IN BUILDING 40 OF THE ST. ELIZABETHS WEST CAMPUS, REPORT NUMBER A230046/P/R/R24003, MAY 1, 2024

Assignment Number A260035, dated May 15, 2026

We performed an implementation review of the management actions taken in response to the recommendations contained in our May 1, 2024, audit report, *Audit of PBS National Capital Region's Asbestos Management in Building 40 of the St. Elizabeths West Campus* (Report Number A230046/P/R/R24003). Our audit objective was to determine if PBS's National Capital Region (NCR) is managing asbestos in Building 40 of the St. Elizabeths West Campus in accordance with federal regulations and PBS policy to ensure the health and safety of individuals.

Our May 2024 audit found that PBS NCR mismanaged asbestos in Building 40. Specifically, we found that PBS NCR:

- Did not maintain comprehensive and reliable asbestos records for Building 40, which hindered its ability to effectively manage asbestos in the building;
- Did not take appropriate measures to eliminate or mitigate asbestos-containing material hazards in Building 40, placing building occupants, visitors, and contractors at risk of asbestos exposure; and
- Failed to notify building occupants of the presence and location of asbestos in Building 40 in violation of an OSHA standard and PBS asbestos management policy.

Based on our audit findings, we made three recommendations to the PBS NCR Regional Commissioner.

Our implementation review determined that PBS NCR has taken appropriate corrective actions to address the recommendations. We determined that no further action was necessary.

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN: AUDIT OF THE CALEXICO WEST LAND PORT OF ENTRY EXPANSION AND MODERNIZATION PROJECT, REPORT NUMBER A210070/P/9/R23006, MARCH 2, 2023

Assignment Number A260017, dated April 16, 2026

We performed an implementation review of the management actions taken in response to the recommendations contained in our March 2, 2023, audit report, *Audit of the Calexico West Land Port of Entry Expansion and Modernization Project,* (Report Number A210070/P/9/R23006). The objective of the audit was to determine whether PBS's planning, award, administration, and close out of construction contracts related to the expansion and modernization of the Calexico West Land Port of Entry were in accordance with the FAR, the GSA Acquisition Manual, and PBS's pricing policy and facilities standards.

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Our March 2023 audit found that:

- Security at the Calexico West Land Port of Entry project is compromised by inconsistent requirements and inadequate enforcement;
- PBS did not oversee the acquisition activities performed by the construction manager;
- PBS contract modifications lack essential documents, including support for price reasonableness determinations and regional business clearance reviews;
- Oversight of contractor compliance with labor standards requirements is inadequate to ensure PBS responsibilities are met;
- PBS violated federal acquisition procedures and competition requirements by awarding a soil analysis contract without seeking multiple offers and reviewing qualifications; and
- PBS did not ensure that contractors completed required safety orientation training before working on-site, creating the potential for safety incidents.

Based on our audit findings, we made 10 recommendations to the PBS Regional Commissioner for the Pacific Rim Region.

Our implementation review determined that PBS has taken appropriate corrective actions to address the recommendations. We determined that no further action was necessary.

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN: GSA'S ROBOTIC PROCESS AUTOMATION PROGRAM LACKS EVIDENCE TO SUPPORT CLAIMED SAVINGS, REPORT NUMBER A210057/B/5/F24001, NOVEMBER 30, 2023

Assignment Number A260045, dated June 18, 2026

We performed an implementation review of the management actions taken in response to the recommendations contained in our November 30, 2023, audit report, *GSA's Robotic Process Automation Program Lacks Evidence to Support Claimed Savings* (Report Number A210057/B/5/F24001). Robotic process automations, commonly referred to as "bots," perform repetitive tasks and routine communications, allowing federal employees to focus on higher-value work, often involving human judgment. The objective of the audit was to determine whether GSA effectively uses bots to free up work hours and achieve cost savings.

Our November 2023 audit found that GSA lacks evidence to support the claim that bots allowed it to reclaim more than 240,000 work hours every year. Based on our audit findings, we made two recommendations to the GSA Chief Financial Officer.

Our implementation review determined that the Office of the Chief Financial Officer has taken appropriate corrective actions to address the recommendations. We determined that no further action was necessary.

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GSA COMPLIED WITH THE PAYMENT INTEGRITY INFORMATION ACT FOR FISCAL YEAR 2025

Report Number A260014/B/F/F26002, dated May 15, 2026

We performed an audit of GSA's compliance with the Payment Integrity Information Act of 2019 (PIIA) for FY 2025. This law aims to improve efforts to identify and reduce government-wide improper payments. In FY 2025, the federal government reported approximately $186 billion in estimated improper and unknown payments. The PIIA requires federal agencies to review their programs and identify those that are susceptible to significant improper payments.

Office of Management and Budget (OMB) Memorandum M-21-19, *Transmittal of Appendix C to OMB Circular A-123, Requirements for Payment Integrity Improvement,* requires each agency to conduct improper payment risk assessments for each program with annual outlays greater than $10 million at least once every 3 years to determine whether the program is likely to have improper payments above the statutory threshold. The PIIA requires each agency's Office of Inspector General to assess agency compliance. Our audit objective was to determine if GSA complied with the PIIA in FY 2025.

We determined that GSA complied with the PIIA for FY 2025. GSA met two of the OMB requirements by publishing payment integrity information with the annual financial statement and posting the annual financial statement and accompanying materials on the Agency website.

In addition, GSA conducted improper payment risk assessments for each program with annual outlays greater than $10 million at least once every 3 years and adequately concluded whether these programs were likely to make improper and unknown payments above or below the statutory threshold. The four remaining requirements did not apply because GSA did not report any significant improper payments at the program level for FY 2025.

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SUMMARY OF CONTRACT AUDIT REPORTS

The Office of Audits issues contract audit reports to assist contracting officials in awarding and administering GSA contracts. The two primary types of contract audits include:

- Preaward audits, which provide GSA contracting officials with information to use when negotiating fair and reasonable GSA contract prices.
- Postaward audits, which examine GSA contractors' adherence to contract terms and conditions.

During the period April 1 to September 30, 2026, we issued 14 contract audit reports. In these reports, we found:

- 9 contractors either overcharged GSA customers or overstated their proposed labor rates;
- 7 contractors did not submit accurate, current, and/or complete information;
- 7 contractors did not accurately report their schedule sales and/or did not pay the associated Industrial Funding Fee;
- 5 contractors did not follow other terms and conditions of their contract;
- 3 contractors assigned employees who were unqualified for their billable positions to work on GSA schedule task orders; and
- 2 contractors did not maintain an adequate system to properly administer the Price Reductions Clause and/or did not comply with price reduction provisions.

We also recommended more than $458 million in cost savings. This includes funds that could be put to better use, which is the amount the government could save if our audit findings are implemented. It also includes questioned costs, which is money that should not have been spent such as overbillings and unreported price reductions.

April 1 - September 30, 2026

CONTRACT AUDIT REPORTS	
Recommendations That Funds Be Put to Better Use	$449,394,890
Questioned Costs	$9,055,894

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FAR DISCLOSURE PROGRAM

The FAR requires government contractors to disclose credible evidence of violations of federal criminal law under Title 18 of the United States Code (18 U.S.C.) and the False Claims Act to agencies' OIGs. To facilitate implementation of this requirement, we developed internal procedures to process, evaluate, and act on these disclosures and created a website for contractor self-reporting.

FAR RULE FOR CONTRACTOR DISCLOSURE

FAR 52.203-13(b), *Code of business ethics and conduct*, implements the Close the Contractor Fraud Loophole Act, Pub. L. 110-252, Title VI, and Chapter 1. Under the rule, a contractor must disclose, to the relevant agency's OIG, certain violations of federal criminal law (within 18 U.S.C.), or a violation of the civil False Claims Act, connected to the award, performance, or close out of a government contract performed by the government contractor or subcontractor. The rule provides for suspension or debarment of a contractor when a principal knowingly fails to disclose—in writing—such violations in a timely manner.

DISCLOSURES FOR THIS REPORTING PERIOD

As disclosures are made, our Offices of Audits, Investigations, and Counsel jointly examine each acknowledgment and determine as to what actions—if any—are warranted. During this reporting period, we received 5 new disclosures regarding Trade Agreements Act noncompliance, inaccurate small business determinations, Price Reductions clause noncompliance, and cybersecurity issues. We concluded our evaluation of 3 disclosures and assisted on 15 disclosures referred by other agencies because of potential impact on GSA operations that resulted in over $5.5 million in settlements and recoveries to federal agencies. Finally, we continued to evaluate 14 existing disclosures during this reporting period.

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STATISTICAL SUMMARY OF OIG AUDITS

April 1 - September 30, 2026

OFFICE OF AUDITS	
Total Financial Recommendations	$458,450,784
These include:	
Recommendations That Funds Be Put to Better Use	$449,394,890
Questioned Costs	$9,055,894
Audit Reports Issued	23
Audit Memorandums Provided to GSA	1
GSA Management Decisions Agreeing with Audit Recommendations	**$600,570,294**

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SIGNIFICANT INSPECTIONS

The Office of Inspections conducts systematic and independent assessments of GSA's operations, programs, and policies, and makes recommendations for improvement. Reviews involve on-site inspections, analyses, and evaluations to provide information that is timely, credible, and useful for Agency managers, policymakers, and others. Inspections may include an assessment of efficiency, effectiveness, impact, and sustainability of any GSA operation, program, or policy. Inspections are performed in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

FACILITY SECURITY INSPECTION OF A HIGH-RISK GSA BUILDING

Report Number JE26-002, dated April 24, 2026

We conducted an inspection of a high-risk GSA building to determine whether GSA's high-risk building's security countermeasures were present and functioning according to the established guidance. Our inspection found that GSA did not fully implement and maintain the required security countermeasures. We found several issues involving security controls that created multiple security vulnerabilities, increasing the likelihood of GSA being unable to sustain specific facility support operations during an emergency or facility disruption.

We also found that GSA did not provide safety inspections or the required oversight of certain facility support operations. Furthermore, we found unsecured and unattended GSA equipment and Controlled Unclassified Information during our inspection. The non-functioning and unimplemented facility security controls at the building create serious security vulnerabilities. Our report made two recommendations for corrective action.

Our report addressed issues categorized as physical security information under GSA Order PBS 3490.3 CHGE 1, *Security for Sensitive Building Information Related to Federal Buildings, Grounds, or Property*, March 22, 2021. Therefore, our report requires safeguarding and dissemination controls and is not available to the public.

PUBLIC BUILDINGS SERVICE FAILED TO ENSURE THE CONTINUED MAINTENANCE AND SECURITY OF THE PEACHTREE SUMMIT FEDERAL BUILDING

Report Number JE26-003, dated September 23, 2026

We conducted this inspection to evaluate whether PBS is complying with GSA policies to sufficiently manage the security, fire safety, and maintenance at the Peachtree Summit Federal Building in Atlanta, Georgia. We initiated this inspection in response to security and maintenance concerns in the Peachtree Summit Federal Building and the adjacent parking garage.

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Our inspection found that PBS failed to sufficiently manage the building's security, fire safety, and maintenance. Specifically, we identified issues with critical security measures. We found a chain and padlock on a gate leading from egress doors on the main level to the sidewalk and ineffective window maintenance. PBS was aware of many of these issues but failed to take action to address the issues and improve the safety and security for the building occupants and visitors at the Peachtree Summit Federal Building.

To address these findings, we recommended the following actions:

1. The Commissioner of the PBS, in conjunction with the Associate Administrator of the Office of Mission Assurance, should:
    a. Review the 2023 and 2025 Facility Security Assessment Countermeasure Recommendations for the Peachtree Summit Federal Building;
    b. Coordinate with the Facility Security Committee and Federal Protective Service on implementation of countermeasure recommendations;
    c. Record any GSA-responsible countermeasures that are declined by the Facility Security Committee and document risk acceptance or threat mitigation plans; and
    d. Monitor and track countermeasures recommended in all Facility Security Assessment reports and notify the Facility Security Committee of unresolved deficiencies.
2. The Assistant Commissioner, Office of Facilities Management should:
    a. Develop a corrective action plan to remove the lock and chain from the affected main-level gate and, if necessary, provide an approved locking arrangement that will release upon activation of the fire alarm system.
    b. Conduct an assessment of all tenant-occupied space in the building to identify poor window conditions and develop a corrective action plan to address those issues.

Our report addressed issues categorized as physical security information under GSA Order PBS 3490.3 CHGE 1, S*ecurity for Sensitive Building Information Related to Federal Buildings, Grounds, or Property*, March 22, 2021. Therefore, our report required redacting and safeguarding security information and is not available to the public.

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SIGNIFICANT INVESTIGATIONS

The Office of Investigations conducts independent and objective investigations relating to GSA programs, operations, and personnel. The office consists of special agents with full, statutory law enforcement authority to make arrests, execute search warrants, serve subpoenas, and carry concealed weapons. Special agents conduct investigations that may be criminal, civil, or administrative in nature and often involve complex fraud schemes. Investigations can also involve theft, false statements, counterfeit or substandard products, embezzlement, bribery, antitrust violations, credit card fraud, diversion of excess government property, and digital crimes.

During this reporting period, we opened 71 investigative cases, closed 110 investigative cases, referred 32 subjects for criminal prosecution, and helped obtain 13 convictions. Civil, criminal, and other monetary recoveries resulting from our investigations totaled more than $51.8 million.

CRIMINAL INVESTIGATIONS

FORMER GSA OFFICIAL TOOK BRIBES TO STEER FEDERAL CONTRACTS TO CO-CONSPIRATOR

A GSA OIG investigation determined that Jesse Leonard, a former GSA construction control representative, accepted multiple bribe payments for awarding GSA contracts.

The investigation began after the Federal Bureau of Investigation (FBI) notified GSA OIG that Leonard had been soliciting bribes from multiple contractors working at the Martin Luther King Building and Federal Courthouse in Newark, New Jersey. The joint investigation found that Leonard received $17,500 in bribes from a confidential informant in exchange for awarding the informant's company with multiple government contracts worth approximately $250,000. On May 12, 2026, Leonard was sentenced to 6 months of probation.

The investigation also identified Christopher Marzo, owner of Total Relocation Services, a GSA MAS contract holder, as one of the contractors who paid bribes to Leonard in exchange for GSA contracts. Marzo pleaded guilty in 2023 to bribery of a public official for his role in the scheme and was sentenced to 3 months of home confinement, 2 years of probation, and a $30,000 fine.

GSA OIG investigated this case with the FBI. The case was prosecuted by the U.S. Attorney's Office for the District of New Jersey.

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PENNSYLVANIA MAN ORDERED TO PAY $425,000 FOR STRIPPING AND SELLING PARTS FROM GOVERNMENT HELICOPTER

A GSA OIG investigation determined that Douglas Zych removed and sold parts from a Huey helicopter that had been entrusted to a museum's care. The museum had obtained the aircraft through GSA's Federal Surplus Personal Property Donation Program, which provides donees such as museums with surplus government property for use in a manner consistent with the donee's mission. On May 27, 2026, Zych pleaded guilty in federal court to theft of government property and was sentenced to 6 months of probation and ordered to pay a $425,000 judgment to the United States.

GSA OIG investigated the case. It was prosecuted by the U.S. Attorney's Office for the Western District of Pennsylvania.

MIAMI MAN SENTENCED TO 27 MONTHS IN PRISON FOR ACCESS DEVICE FRAUD AND AGGRAVATED IDENTITY THEFT

A GSA OIG investigation determined that Jose Cespedes Farinas was part of a large, organized scheme involving the use of unauthorized access devices to purchase goods for resale at much lower prices. Farinas pleaded guilty to access device fraud and aggravated identity theft. On August 19, 2026, he was sentenced to 27 months in prison, followed by 3 years of supervised release, and ordered to pay restitution of $88,085. GSA OIG investigated this case with the U.S. Secret Service. The case was prosecuted by the U.S. Attorney's Office for the Southern District of Florida.

DEBARRED CONTRACTOR SENTENCED IN CONTRACTING SCHEME

A GSA OIG investigation found that Raymond Lofthouse, after being suspended and debarred from federal contracting — stemming from a prior federal conviction for making a false claim — caused other individuals to let him register and use certain businesses, specifically Redlettersupply, 941 Supply, and Top Shelf Supply, in GSA's System for Award Management, and to submit bids for Defense Logistics Agency contracts. In total, Lofthouse obtained at least $198,955 through his false statements and certifications. Lofthouse pleaded guilty to making a false statement to a federal agency. On September 16, 2026, he was sentenced to 3 years of probation and 75 hours of community service.

GSA OIG investigated this case with the Defense Criminal Investigative Service (DCIS). The case was prosecuted by the U.S. Attorney's Office for the Middle District of Florida.

CIVIL SETTLEMENTS

CONTRACTORS PAY $21.3 MILLION SETTLEMENT OVER FRAUD SCHEME INVOLVING SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS CONTRACTS

On June 9, 2026, Broadway Electric Inc. (Broadway), Cornerstone Contracting Inc. (Cornerstone), and two company executives, Chief Executive Officer John Oehler and President Christian Blake**,** agreed to pay $21.3 million to resolve False Claims Act

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allegations that they improperly obtained federal contracts reserved for service-disabled veteran-owned small businesses and other eligible small businesses.

The investigation revealed that, from approximately April 2017 through May 2025, the defendants engaged in a coordinated scheme to obtain federal set-aside contracts for which Broadway and Cornerstone were not eligible by using purported service-disabled veteran-owned small businesses and other small businesses as pass-through entities. Neither Oehler nor Blake is a service-disabled veteran and neither qualified to own or control a service-disabled veteran-owned small business. Although contracts were set aside by law for qualifying small businesses, Broadway and Cornerstone personnel in fact primarily controlled execution, staffing, and financial administration.

The government alleged that Broadway and Cornerstone identified contracting opportunities, prepared and priced bids submitted in the names of purported small businesses, and primarily controlled project execution and financial administration, including payroll. The alleged small businesses received fixed payments that were generally not tied to the scope of work performed, while remaining contract revenue flowed to Broadway, Cornerstone, and selected contractors. The company executives were directly involved in establishing, maintaining, and directing the arrangements.

GSA OIG investigated this case with the Department of Veterans Affairs (VA) OIG, DCIS, Army Criminal Investigation Division (CID), Small Business Administration (SBA) OIG, and the U.S. Postal Inspection Service. The case was litigated by the U.S. Department of Justice (DOJ) Civil Division Commercial Litigation Branch and the U.S. Attorney's Office for the Northern District of New York.

DEFENSE CONTRACTOR AGREED TO PAY $7.75M TO RESOLVE FALSE CLAIMS ACT ALLEGATIONS

On July 28, 2026, the Sierra Nevada Company, LLC (SNC) agreed to pay $7.75 million to resolve False Claims Act allegations arising from its employment of a government official who, while employed by both SNC and the government, participated personally and substantially in government contracts awarded to SNC. From July 2019 to June 2020, SNC retained Michael Henry, a Department of War (DoW) employee, as a consultant. As a DoW employee, Henry was involved in the award of three different government contracts to SNC, including a GSA contract. After beginning his employment with SNC, Henry continued to serve as a DoW employee. In that capacity, Henry continued participating personally and substantially in the contracts by evaluating and obtaining approvals for SNC's products. While serving as an SNC consultant, Henry also participated personally and substantially in the contracts on SNC's behalf by recommending SNC's products for purchase. In 2025, Henry pleaded guilty to acts affecting a personal financial interest, and he was sentenced to 2 years of probation and ordered to pay a $100,000 fine.

GSA OIG investigated this case with DCIS and Army CID. The criminal case was prosecuted by, and the civil case was litigated by, the U.S. Attorney's Office for the Eastern District of Virginia.

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CONTRACTOR AGREES TO PAY $5 MILLION TO SETTLE FALSE CLAIMS ACT ALLEGATIONS INVOLVING ABILITYONE PROGRAM

On September 17, 2026, Lifeview Group, Inc., together with its corporate predecessors and affiliates (Lifeview), agreed to pay approximately $5.06 million to resolve False Claims Act allegations related to the DoW's Defense Manpower Data Center Enterprise Information Technology Services (EITS) contract, which was awarded through the AbilityOne Program. The investigation revealed that Lifeview allegedly did not meet AbilityOne Program direct labor hour ratio requirements for the EITS contract and made false statements to the AbilityOne Commission about its contract performance in the period leading up to the contract's renewal.

The government alleged that Lifeview's false statements concerned compliance with the AbilityOne Program, which required participating contractors to perform 75% of direct labor hours using individuals who are blind or significantly disabled, unless a lower project-specific ratio is approved. The settlement resolves allegations arising from a False Claims Act lawsuit filed in the Eastern District of Michigan.

GSA OIG investigated this case with the U.S. AbilityOne Commission, the U.S. AbilityOne Commission OIG, and DCIS. The civil case was litigated by the U.S. Attorney's Office for the Eastern District of Michigan.

CONTRACTOR AND ITS OWNERS AGREED TO PAY ADDITIONAL $2.5 MILLION IN CIVIL PENALTIES FOR DEFRAUDING THE UNITED STATES

KDHK, Inc., Kenneth Flores, Irma Flores, and Christopher Flores agreed to resolve allegations that they defrauded the United States by submitting false claims in connection with contracts for housekeeping services at U.S. Army medical facilities. The agreements require the defendants to collectively pay $2.5 million in civil penalties under the False Claims Act.

The GSA OIG investigation determined that former government employees Karisa Waysepappy Kelley and John Jordan "Chip" Mathes, who were members of a government procurement Source Selection Evaluation Board, conspired with Kenneth Flores, Christopher Flores, and Irma Flores to steer Army housekeeping and janitorial services contracts for Army hospitals and medical centers to companies owned and operated by the Flores family. In exchange, the Flores family paid gratuities totaling $216,710 to Mathes's company, C&S Consulting, and $57,906 to Kelley's company, Waysepappy Consulting.

Under the terms of the civil resolutions, KDHK, Inc., Kenneth Flores, and Irma Flores agreed in August 2025 to jointly pay the United States $2,000,000 for their roles in perpetuating this fraud. Christopher Flores's resolution of this matter — in which he agreed to pay an additional $500,000 — was finalized on September 18, 2026. The United States previously obtained judgments imposing a total of $547,613.92 in civil penalties against the two federal employees who conspired with the Flores family. The defendants were sentenced in the criminal case in 2024.

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GSA OIG investigated this case with Army CID, DCIS, VA OIG, and Internal Revenue Service Criminal Investigation. The civil case was litigated by the U.S. Attorney's Office for the Western District of Texas.

CONTRACTOR AND EXECUTIVES AGREE TO PAY $2.25 MILLION TO SETTLE ALLEGATION OF SMALL BUSINESS PROGRAM FRAUD AND TAA VIOLATIONS

On September 28, 2026, Enterprise Technology Solutions, Inc. (ETS), Stratus, Inc., and company officials Zahid "Donny" Sheikh and Shameela "Meena" Sheikh agreed to pay $2.25 million to resolve allegations that they violated the False Claims Act. The settlement resolves a *qui tam* complaint alleging that ETS falsely claimed eligibility for two small business contracting programs — the Historically Underutilized Business Zone (HUBZone) program and the Women-Owned Small Business (WOSB) program — and separately sold non-compliant products under its GSA MAS contracts.

To qualify for HUBZone status, a company must maintain its principal office in a HUBZone and have at least 35% of its employees residing in a HUBZone. The investigation found that from 2020 through at least mid-2023, ETS instead employed more than 50 people at a location in Pakistan, operating there under the name "ETS Devices, Ltd.," along with at least 5 employees in the United Kingdom under the name "Digital Devices, Ltd." As a result of its false HUBZone certifications, ETS was awarded 72 HUBZone set-aside contracts worth more than $21 million under a National Aeronautics and Space Administration (NASA) procurement vehicle.

The investigation also found that ETS falsely represented itself as a WOSB. Although Meena Sheikh was presented as leading the company, company records showed that Donny Sheikh exercised day-to-day and strategic control over ETS and effectively functioned as its president and chief executive officer. As a result of these false WOSB certifications, ETS was awarded 75 additional set-aside contracts worth more than $20 million under the same NASA vehicle. ETS also obtained 16 further HUBZone and WOSB set-aside awards worth $745,000 under contracts with other federal agencies.

Separately, the investigation found that ETS violated the terms of three GSA MAS contracts, which required it to deliver only products made in the United States or in countries designated under the Trade Agreements Act (TAA). From 2018 through 2023, ETS knowingly resold more than $1.3 million worth of non-TAA-compliant products from Logitech, Jabra (GN Netcom), StarTech, and Western Digital to government customers.

The settlement agreement is not an admission of liability by ETS, nor does it reflect any concession by the government that its claims lacked merit.

GSA OIG investigated this case with NASA OIG. The case was litigated by the U.S. Attorney's Office for the District of Columbia.

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PURICLOUD OWNERS AGREED TO $1.99M BANKRUPTCY JUDGMENT TO SETTLE FALSE CLAIMS ACT ALLEGATIONS RELATED TO ECONOMIC INJURY DISASTER LOAN REPAYMENT AND SELLING OF FEDERAL SURPLUS PROPERTY

On May 29, 2026, the owners of PuriCloud, LLC (PuriCloud) agreed, in their individual capacity, to a $1.99 million bankruptcy judgment to settle allegations that they violated the False Claims Act by misappropriating and failing to repay SBA Economic Injury Disaster Loans (EIDL) funds, and by converting and selling federal surplus property without authorization. PuriCloud participated in the SBA 8(a) Business Development Program, which made it eligible to receive surplus federal property through the GSA Federal Surplus Personal Property Donation Program. Through this program, PuriCloud obtained approximately $1.5 million in surplus government property. Program rules prohibited PuriCloud from selling or transferring that property until 1 year after graduating from the SBA 8(a) Business Development Program. The investigation found that nearly all of the property was sold without authorization, in violation of the program's terms and conditions. The investigation also found that PuriCloud obtained approximately $1.7 million in SBA EIDL loans that were never used for their intended purpose and were never repaid.

Under the bankruptcy settlement, PuriCloud's owners agreed that the debt owed to the United States was non-dischargeable in bankruptcy and agreed to a judgment for repayment of approximately $1.9 million — a negotiated amount comprising approximately $1.7 million plus $234,000 in accrued interest owed to the SBA EIDL Program, and $50,000 owed to the GSA Federal Surplus Personal Property Program.

GSA OIG investigated this case with SBA OIG. The case was litigated by the U.S. Attorney's Office for the District of Idaho.

DATA ANALYTICS

GSA OIG's Data Analytics and Investigative Analyst teams work collaboratively to identify GSA program areas vulnerable to fraud and develop proactive initiatives that generate leads for further investigation. Rather than relying solely on complaints or referrals, the teams use data analytics to detect patterns and anomalies in GSA program data, enabling GSA OIG to identify potential fraud earlier and more efficiently. These efforts have led to significant investigative outcomes, including individuals who improperly obtained pandemic-related relief loans, as well as the identification of employees who fraudulently collected locality pay to which they were not entitled.

During this reporting period, we completed eight cases developed through these initiatives, identifying or recovering $370,511 in fraudulent or improper payments.

PANDEMIC FRAUD INITIATIVE

This proactive initiative identified GSA employees who fraudulently obtained or attempted to obtain funds through COVID-19 pandemic relief programs, including the Paycheck

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Protection Program (PPP) and EIDL. During this reporting period, successful pandemic fraud cases include the following:

- A GSA OIG investigation determined that Deborah Cullins-Threets, former GSA HR equal opportunity specialist, applied for and received $43,685 in PPP loans which she was not entitled. Cullins-Threets falsely certified that her business, Introspective LLC, was formed in 2018; however, Illinois Secretary of State records showed that Introspective LLC was established in June of 2020. Cullins-Threets pleaded guilty to defrauding a financial institution and was sentenced on September 29, 2026, to 2 years of probation and ordered to pay $43,685 in restitution. GSA OIG investigated this case with the FBI. The case was prosecuted by the Cook County State's Attorney's Office in Cook County, Illinois.
- A GSA OIG investigation found that a GSA building management specialist received $52,500 in PPP loans they were not eligible for and used misinformation to apply for PPP loan forgiveness. The GSA employee also attempted to apply for EIDL that they didn't qualify for, including one application submitted while employed at GSA. The investigation also found that the GSA employee made a false statement on a federal job application form, falsely claiming that they had no overdue federal debt. On September 1, 2026, the GSA employee was issued a 30-day suspension. The U.S. Attorney's Office for the District of Maryland declined criminal prosecution.

LOCALITY PAY FRAUD INITIATIVE

This proactive initiative identified GSA employees who were potentially residing and working outside their authorized duty location without approval, resulting in locality pay to which they were not entitled. During this reporting period, successful locality fraud cases include the following. Cases involving senior GSA officials are reported separately in the *Investigations of Senior Officials* section below.

- A GSA OIG investigation determined that a GSA IT project manager, while working abroad without authorization, received inflated locality pay. The IT project manager regularly traveled outside the United States for extensive periods of time and falsely certified that they were either teleworking or in the office. The IT project manager resigned after GSA OIG investigators interviewed them. GSA determined that the IT project manager owed $68,296 for inflated locality pay and on June 22, 2026, set up a debt collection to recoup the loss to the government. The U.S. Attorney's Office for the Southern District of New York declined criminal prosecution.
- A GSA OIG investigation found that a fully remote GSA property disposal specialist falsely claimed to live in Carson City, Nevada, rather than lower-cost Dayton, Nevada, resulting in roughly $11,493 in inflated locality pay over about 2 years. The employee admitted to knowingly collecting the excess pay and was criminally charged in Nevada for obtaining money by false pretenses. GSA placed them on indefinite suspension, during which they resigned through the agency's Deferred Resignation Program. Under a deferred prosecution agreement, the employee repaid the $11,493, and the charges were dropped on July 7, 2026. GSA OIG

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investigated the case with the FBI, and it was prosecuted by the State of Nevada Attorney General's Office.

- A GSA OIG investigation determined that a GSA contract specialist violated GSA's telework and remote work policy by working outside their assigned duty station without authorization. As a result, they received inflated locality pay. The employee retired from federal service. On June 5, 2026, GSA determined the employee owed $50,444 for the inflated locality pay and collected the debt from the employee. The U.S. Attorney's Office for the Middle District of Florida declined criminal prosecution.
- A GSA OIG investigation determined that a GSA Realty Specialist violated GSA's Telework and Remote Work policy by working outside their assigned duty station without authorization. As a result, they received inflated locality pay. The Realty Specialist was issued an official reprimand for failure to comply with GSA's Telework and Remote Work Policy and on August 12, 2026, was sent a debt collection letter for $25,672. The U.S. Attorney's Office for the Middle District of Florida declined criminal prosecution.

FLEET CARD FRAUD

The Office of Investigations collaborates with GSA's Fleet Loss Prevention Team to prevent, detect, and investigate fraud involving GSA's government-wide Fleet program. During this reporting period, these investigations uncovered identity fraud, and fraudulent use of GSA Fleet cards for personal gain.

Examples of Fleet card fraud cases include the following:

- Quentin Davis led a fraud ring targeting government Fleet cards and local businesses in the area. Davis pleaded guilty to identity fraud and was sentenced to 27 months in prison, followed by 10 years of probation, and ordered to pay restitution of $44,706. GSA OIG investigated this case with the U.S. Postal Inspection Service and the Columbus, Georgia Police Department. This case was prosecuted by the Chattahoochee Judicial Circuit, Georgia District Attorney's Office.
- A Naval Facilities Engineering Systems Command electrical mechanic fraudulently used a GSA Fleet card to purchase $2,088 in fuel for personal use. When confronted, the employee admitted to the fraud. The employee entered pre-trial diversion and agreed to pay full restitution and complete at least 40 hours of community service. GSA OIG investigated the case with the Naval Air Systems Command Mid-Atlantic. The case was prosecuted by U.S. Attorney's Office for the Eastern District of Virginia.
- A U.S. Marine Corps Staff Sergeant recruiter pleaded guilty to theft of government property and was sentenced to 1 year probation and ordered pay $957 in restitution for fraudulently using a GSA Fleet card to purchase fuel and car washes for personal

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benefit. The Staff Sergeant also received a letter of reprimand from Marine Corps command for failure to obey a lawful order. The case was prosecuted by the U.S. Attorney's Office for the Eastern District of Texas.

- A former electrician with Amtrak, pleaded guilty to disorderly conduct and was sentenced to a pre-trial intervention program and ordered to pay $3,751 in restitution for fraudulently using GSA Fleet cards to purchase fuel for personal benefit. GSA OIG investigated this case with the Jersey City Police Department and Amtrak OIG. The case was prosecuted by the Hudson County Prosecutor's Office, Jersey City, New Jersey.
- A Navy civilian heating repair mechanic pleaded guilty to fraudulently using a GSA Fleet credit card and was sentenced to pre-trial intervention program and ordered to pay $281.97 in restitution. GSA OIG investigated this case with the Naval Criminal Investigative Service. The case was prosecuted by the Monmouth County Prosecutor's Office, Freehold, New Jersey.
- Three U.S. Marine Corps recruiters — two Staff Sergeants and a Sergeant — fraudulently used GSA Fleet cards for personal use. One of the Staff Sergeants admitted to allowing their girlfriend, who is not a federal employee, to use a government-owned vehicle for personal purposes. As a result, one Staff Sergeant received verbal counseling, while the Sergeant and remaining Staff Sergeant each received non-judicial punishment for failure to obey an order or regulation under Article 92 of the Uniform Code of Military Justice, forfeiting $4,110 and $4,612, respectively.
- A Staff Sergeant in the U.S. Air Force was discharged for fraudulently using a Fleet card to make purchases for personal benefit.

INVESTIGATIONS OF SENIOR OFFICIALS

GSA SENIOR IT SPECIALIST TERMINATED FOR COLLECTING $20,147 IN LOCALITY PAY WHILE WORKING ABROAD

A GSA OIG investigation determined that, a GSA senior information technology (IT) specialist (GS-15), while working abroad without authorization, received inflated locality pay which they were not entitled to, resulting in an overpayment of approximately $20,147. The investigation revealed that over the course of 7 years with GSA, the senior IT specialist spent extensive periods outside the United States, cumulatively residing abroad for more than 3 years, while certifying timesheets as though they were teleworking from their authorized work location. The senior IT specialist also violated GSA's IT security policy by taking government-issued devices on international trips and using them without getting approval first. When GSA OIG investigators attempted to interview the senior IT specialist, they initially denied the allegations and then declined to cooperate with the investigation.

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On August 12, 2026, GSA terminated the senior IT specialist, removing them from federal service based on (1) Failure to Cooperate with an Investigation, (2) Lack of Candor, (3) Violation of GSA Telework Policy and (4) Violation of GSA IT Security Policy.

On January 6, 2026, the U.S. Attorney's Office for the District of Arizona declined criminal prosecution.

GSA DEPUTY DIRECTOR ASSESSED $98,274 DEBT FOR WORKING FROM EUROPE WHILE COLLECTING U.S. LOCALITY PAY

A GSA OIG investigation found that a GSA deputy director (GS-15) worked remotely from Europe for extensive periods of time over 5 years, receiving inflated locality pay which they were not entitled to. On average, the deputy director had been working overseas every 2 to 3 months for as many as 40 to 70 consecutive days at a time, as well as one instance where they did so for 313 consecutive days. The GSA official later took part in the Deferred Resignation Program, and in June 2026, GSA assessed a debt notice for $98,274.

On January 28, 2025, the U.S. Attorney's Office for the District of Maryland declined criminal prosecution.

NEW DEAL ART INVESTIGATIONS

During the New Deal era, the federal government created and administered four separate art projects that operated from 1933 to 1943 to create employment opportunities. The Works Progress Administration (WPA) was the largest of the New Deal era programs. New Deal artwork was produced by artists who created thousands of paintings, sculptures, and works on paper. The federal government loaned the available artwork to public agencies and nonprofit institutions throughout the nation.

GSA is responsible for inventorying and cataloging the loaned pieces of artwork. More than 23,000 pieces of artwork have been located. Some circumstances have contributed to the separation of the borrowers from the artwork, resulting in New Deal art changing hands, with some pieces finding their way into private possession. GSA's Fine Arts Program and GSA OIG work together to locate, identify, and recover lost works of artwork.

As a direct result of these cooperative efforts, three lost pieces of artwork were recovered and inventoried during this reporting period:

- An auction house in New York, New York, contacted the GSA OIG to report that it was in possession of "Houses and People" by O. Louis Guglielmi. The GSA OIG coordinated with the consignor and recovered the painting. GSA agreed to a formal loan of the painting to the Museum of the City of New York for display.

- An auction house in Davenport, Washington, contacted the GSA OIG to report that it was in possession of WPA Project # 9063, an oil painting by Thomas Flavell. The GSA OIG coordinated with the auction house and recovered the painting. GSA

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agreed to a formal loan of the painting to the Westmoreland Museum of American Art for display.

- Proactive use of super intelligence identified a potential WPA painting listed for sale on eBay by an auction house in Canaan, Connecticut. The OIG coordinated with the auction house and recovered the artwork, "Small Buildings," an oil painting by Walt Killam. The GSA OIG is working with the GSA to return the painting to public display.

While New Deal artwork is not subject to public sale, the internal estimated value of the pieces recovered and inventoried with the assistance of the OIG is $108,000. Since cooperative efforts began between the OIG and GSA in 2001, 823 pieces of art have been recovered, with an estimated value of $9,003,550.*



WPA Project #9063 by Thomas Flavell



"Houses and People" by O. Louis Guglielmi

**** This number includes all pieces of artwork recovered through the joint publicity/recovery efforts of GSA OIG and GSA. Not all recoveries require direct intervention by GSA OIG; some are direct "turn ins" to GSA as result of our combined public information campaigns and/or internet searches that reveal the claim of ownership by the government. The internal estimated value is for internal use only and is not a formal appraisal or representative of the market value of the artwork.***

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OTHER SIGNIFICANT WORK

SUSPENSION AND DEBARMENT INITIATIVE

The FAR authorizes federal agencies to suspend or debar individuals or companies for the commission of any offense indicating a lack of business integrity or business honesty that directly affects the present responsibility of a government contractor or subcontractor. The OIG has made it a priority to refer instances of misconduct by individuals and companies to GSA so it can take appropriate suspension and debarment actions and protect the government from fraud, waste, and abuse.

During this reporting period, the OIG made 13 referrals for consideration of suspension or debarment to the GSA Office of Acquisition Policy or other federal debarment officials. There were 16 actions issued based on current and previous OIG referrals.

STAKEHOLDER ENGAGEMENT

The OIG engages stakeholders nationwide to build and maintain relationships with partner agencies and individuals affected by, or who affect, its operations, and to educate GSA employees and others on the prevention of fraud, waste, and abuse. During this reporting period, the OIG conducted 62 stakeholder engagement activities, which were attended by 1,824 GSA employees, other government employees, government contractors, and partner agency personnel. These activities include briefings and presentations to partner agencies and industry groups, outreach meetings with GSA leadership and program officials, and coordination with other federal, state, and local agencies on shared initiatives. Through case studies, these engagements make GSA employees aware of actual instances of fraud in GSA and other federal agencies and help prevent recurrence.

HOTLINE

The GSA OIG hotline provides an avenue for employees and other concerned citizens to report suspected wrongdoing. Hotline posters located in GSA-controlled buildings encourage employees to use the hotline. Our hotline also allows online submission of complaints.

During the reporting period, we received 1,007 hotline contacts. Of these, 185 were referred to GSA program officials for review and appropriate action, 53 were referred to other federal agencies, 52 were referred to the OIG Office of Audits, and 89 were referred to investigative field offices for investigation or further review.

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STATISTICAL SUMMARY OF OIG INVESTIGATIONS

April 1 - September 30, 2026

OFFICE OF INVESTIGATIONS	
Referrals for criminal prosecution, civil litigation, administrative action, suspension, and debarment	97
Indictments and informations on criminal referrals*	24
Subjects accepted for criminal prosecution	13
Subjects accepted for civil action	11
Convictions	13
Civil settlements/judgments	9
Contractors/individuals suspended and debarred	16
Employee actions taken on administrative referrals involving government employees	15
Investigative reports**	12
Number of subpoenas	12
Total Investigative Receivables and Recoveries***	$51,805,512

*The total number of criminal indictments and criminal informations includes all criminal charging documents resulting from any prior referrals to prosecutive authorities.

**The total number of investigative reports includes reports of investigations and letterhead reports, which summarize the results of an official investigation, that were referred to GSA officials for a response in consideration of taking administrative action or for information only.

***This includes civil judgments and settlements; ordered criminal fines, penalties, and restitution; forfeiture; administrative recoveries; and recovered government property.

INVESTIGATIVE WORKLOAD

The OIG opened 71 investigative cases and closed 110 during this reporting period.

REFERRALS

The OIG makes criminal and civil referrals to the DOJ or other authorities for prosecutive and litigative consideration. The OIG also makes administrative referrals to GSA officials on certain cases disclosing wrongdoing by GSA employees, contractors, or private individuals doing business with the government.

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Table 1. Summary of OIG Referrals

TYPE OF REFERRAL	SUBJECTS	CASES
Civil	23	22
Criminal (DOJ)*	25	23
Criminal (State/Local)**	7	7
Administrative Referrals for Action/Response	29	25
Suspension	0	0
Debarment	13	3
TOTAL	**97**	**80**

*The total number of persons referred to DOJ for criminal prosecution includes both individuals and companies that have been referred to DOJ for criminal prosecutorial consideration.

**The total number of persons referred to state and local authorities includes both individuals and companies that have been referred to authorities, other than DOJ, for criminal prosecution. Referrals to military authority for prosecution under the Uniform Code of Military Justice are also included in this metric.

ACTIONS ON OIG REFERRALS

Based on these and prior referrals, 13 subjects were accepted for criminal prosecution, and 11 subjects were accepted for civil litigation. Criminal cases originating from OIG referrals resulted in 24 indictments or informations and 13 convictions. OIG civil referrals resulted in 9 subject settlements/judgments. Based on OIG administrative referrals, 5 contractors or individuals were suspended, 11 contractors or individuals were debarred, and 15 personnel actions were taken against a government employee.

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MONETARY RESULTS

Table 2 presents the amounts of fines, penalties, settlements, judgments, recoveries, forfeitures, and restitutions payable to the U.S. government and other victims as a result of criminal and civil actions arising from OIG referrals. Table 3 presents the amount of administrative recoveries, forfeitures, and restitution as a result of investigative activities. Criminal, civil, and other monetary recoveries arising from our work totaled more than $51.8 million.

Table 2. Criminal and Civil Results

	CRIMINAL	CIVIL
Fines and Penalties	$0	$0
Settlements/Judgments	$0	$43,966,061
Recoveries/Forfeitures	$109,800	$0
Restitutions	$149,953	$0
TOTAL	**$259,753**	**$43,966,061**

Table 3. Non-Judicial Recoveries*

Administrative Recoveries	$7,552,880
Forfeitures/Restitution	$26,816
TOTAL	**$7,579,697**

*This total includes the FAR disclosures reported on page 17.

ANNUAL REPORTING REQUIREMENT

TRAFFICKING VICTIMS PREVENTION AND PROTECTION REAUTHORIZATION ACT

The Trafficking Victims Prevention and Protection Reauthorization Act (TVPRA) is a series of laws that enhance the efforts to prevent human trafficking, identify and support victims, and holder offenders accountable. The TVPRA has been reauthorized several times since 2000, most recently on January 5, 2023, with different modifications and additions. TVPRA mandates a reporting requirement that the OIG, in consultation with the head of GSA, submit the following information in an annual report:

1) the number of suspected violations reported;
2) the number of investigations;
3) the status and outcomes of such investigations; and

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4) any recommended actions to improve the programs and operations of the agency.

As of the end of this reporting period, no suspected violations of the act were reported to the OIG, and no investigations were initiated.

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APPENDIXES

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APPENDIX I: ACRONYMS AND ABBREVIATIONS

AAS	Assisted Acquisition Services
BAT	Building Assessment Tool
Broadway	Broadway Electric Inc.
CICA	Competition in Contracting Act of 1984
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CID	Criminal Investigation Division
COR	Contracting Officer's Representative
Cornerstone	Cornerstone Contracting Inc.
CSP	Commercial Sales Practices
DCIS	Defense Criminal Investigative Service
DHS	U.S. Department of Homeland Security.
DOJ	U.S. Department of Justice
DoW	Department of War
EIDL	Economic Injury Disaster Loan
EITS	Enterprise Information Technology Services
ETS	Enterprise Technology Solutions, Inc.
FAR	Federal Acquisition Regulation
FAS	Federal Acquisition Service
FBI	Federal Bureau of Investigation
FY	Fiscal Year
GSA	U.S. General Services Administration
HUBZone	Historically Underutilized Business Zone
IRIS	Inventory Reporting Information System
IT	Information Technology
Lifeview	Lifeview Group, Inc. and its affiliates
MAS	Multiple Award Schedule
NASA	U.S. National Aeronautics and Space Administration
NCR	National Capital Region
O&M	Operations and Maintenance
OIG	Office of Inspector General
OMB	Office of Management and Budget
OSHA	Occupational Safety and Health Administration
PBS	Public Buildings Service
Permit space	Permit-required confined space
PIIA	Payment Integrity Information Act of 2019
PuriCloud	PuriCloud LLC
PPP	Paycheck Protection Program
SBA	U.S. Small Business Administration
SNC	Sierra Nevada Company
TAA	Trade Agreements Act
TDR	Transactional Data Reporting
TTS	Technology Transformation Services
TVPRA	Trafficking Victims Prevention and Protection Reauthorization Act
U.S.C.	United States Code
VA	U.S. Department of Veterans Affairs
WI	Work Items
WOSB	Women-Owned Small Business
WPA	Works Progress Administration

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APPENDIX II: UNIMPLEMENTED RECOMMENDATIONS

Section 405(b)(3) of the Inspector General Act of 1978, as amended, requires that this report includes an identification of each recommendation made before the reporting period for which corrective action has not been completed, and that it includes the potential cost savings associated with the recommendation. Additionally, this appendix includes a list of significant recommendations unimplemented due to Agency disagreement.

UNIMPLEMENTED RECOMMENDATIONS ISSUED DURING PRIOR PERIODS

FAS'S OFFICE OF ASSISTED ACQUISITION SERVICES SHOULD IMPROVE ITS OVERSIGHT AND ADMINISTRATION OF CLASSIFIED CONTRACTS (A230065/Q/3/P24001, SEPTEMBER 16, 2024)

We recommended that the FAS Commissioner:

- Conduct a review of all active Assisted Acquisition Services (AAS) Level 2 contracts to ensure that all contract security classifications adhere to AAS's current policy and definitions.
- Update existing controls to monitor and ensure compliance with contract security classifications by:
  - Including a review of the security classification level in contract file transfer checklists;
  - Verifying compliance with AAS security classification policies during existing internal contract reviews; and
  - Updating briefing templates to use consistent terminology.

GSA'S OFFICE OF ADMINISTRATIVE SERVICES AWARDED AN INVALID $13.7 MILLION TASK ORDER (A240066/H/3/F25003, JULY 10, 2025)

We recommended that the GSA Chief Administrative Services Officer:

- Ensure that justifications for other than full and open competition are completed prior to award and publicly posted.
- Revise the Office of Internal Acquisition's *Internal Quality Assurance Review* policy to reduce delays and employ a risk-based sampling methodology when selecting contracts for review.

GSA'S TECHNOLOGY TRANSFORMATION SERVICES VIOLATED HIRING RULES AND OVERPAID INCENTIVES (A240037/Q/6/P25001, JULY 14, 2025)

We recommended that the FAS Commissioner:

- Evaluate the Technology Transformation Services' (TTS's) use of Direct Hiring Authority to ensure it complies with 5 C.F.R. 337.205, *Critical hiring needs*.
- Ensure TTS's hiring procedures comply with GSA hiring requirements.
- Strengthen controls to ensure that:
  - TTS's hiring actions provide open and fair competition among qualified applicants and adhere to merit system principles;

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  - TTS's hiring actions are properly documented to allow for a complete and accurate third-party review, as required by the U.S. Office of Personnel Management;
  - Recruitment incentives are considered in lieu of Superior Qualifications Appointments and are documented to verify compliance with 5 C.F.R. 531.212(d), *Consideration of recruitment incentive*; and
  - The U.S. Digital Corps group recruitment incentive is reviewed and approved annually, as required by GSA Order HRM 9575.1 CHGE 1*, Recruitment, Relocation and Retention Incentives*; and 5 C.F.R. 575.105(b)(3), *Applicability to employees*. Additionally, evaluate and document the need to award a group recruitment incentive that exceeds GSA's recommended amount.
- Evaluate the Superior Qualifications Appointments awarded to TTS employees beginning April 1, 2021, to determine if the pay step granted is properly supported. If errors exist, refer to GSA's Office of General Counsel to determine the appropriate action.
- Evaluate the TTS Talent team's job series classifications to ensure they align with the team's primary responsibilities and develop necessary controls to ensure future compliance.
- Evaluate TTS's pay distribution and develop the controls necessary to ensure there is equal pay for work of equal value and consistency throughout TTS and GSA in accordance with 5 U.S.C. 2301(b)(3), *Merit system principles*.

AUDIT OF ROOF FALL PROTECTION AND SAFETY IN GSA-OWNED BUILDINGS (A240041/P/9/R25004, AUGUST 14, 2025)

We recommended that the PBS Commissioner:

- Require contractors to use OSHA-compliant fall protection.

PUBLIC BUILDINGS SERVICE IS NOT PROVIDING OVERSIGHT OF MAINTENANCE FOR INDOOR FIRING RANGES IN GSA-OWNED BUILDINGS (JE26-001, DECEMBER 9, 2025)

We recommended that the PBS Commissioner:

- Develop and issue a comprehensive policy that, at a minimum, establishes roles and responsibilities for the operation and maintenance of the indoor firing ranges; document retention requirements; and comprehensive inspection and cleaning procedures.

FEDERAL AGENCIES ARE AT RISK OF OVERPAYING FOR PRODUCTS IN THE MULTIPLE AWARD SCHEDULE PROGRAM DUE TO SIGNIFICANT PRICE VARIABILITY (A240052/Q/6/P26001, FEBRUARY 12, 2026)

We recommended that the FAS Commissioner:

- Resume iterations of the Competitive Pricing Initiative at the MAS Program level to identify, address, and reduce price variability.
- Strengthen policies and procedures to:
  - Address data inaccuracies within FAS pricing tools; and

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  - Ensure bilateral contract modifications are submitted and approved prior to catalog changes.
- Increase oversight and implement additional controls related to temporary price reductions.

PBS IS NOT EFFECTIVELY TRACKING AND MONITORING BUILDING STUDIES (A240084/P/6/R26002, MARCH 6, 2026)

We recommended that the PBS Commissioner:

- Develop and implement a method to track and monitor building studies and ensure that PBS can retrieve all studies efficiently.
- Develop and implement policies and procedures to ensure that:
  - PBS building study data is complete, accurate, and reliable;
  - PBS is not wasting tax dollars on unnecessary or duplicative building studies; and
  - Building studies are preserved in accordance with the Federal Records Act of 1950 and GSA records-retention policies.

GSA IS NOT CONSISTENTLY ADDRESSING DEFICIENT SECURITY FIXTURES AT GSA-CONTROLLED FACILITIES (A240039/P/5/R26004, MARCH 24, 2026)

We recommended that the GSA Administrator:

- Enforce internal procedures to ensure that the Office of Mission Assurance and Office of Facilities Management perform their required facility security responsibilities.
- In conjunction with the U.S. Department of Homeland Security's Federal Protective Service:
  - Conduct a nationwide assessment of outstanding deficient security fixtures.
  - Develop and implement a plan to repair, replace, or install security fixtures identified through the nationwide assessment.
  - Redacted
  - If GSA cannot secure funding to repair, replace, or install security fixtures, work with the Office of Management and Budget to establish a consistent funding stream to address current and future security fixture deficiencies.

AUDIT OF A GSA INFORMATION TECHNOLOGY SYSTEM (A240069/I/T/F26001, MARCH 26, 2026)

We provided the GSA Chief Information Officer three recommendations. They are currently unimplemented. Due to the sensitive nature of the audit, it is restricted from public release.

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UNIMPLEMENTED RECOMMENDATIONS DUE TO AGENCY DISAGREEMENT

GSA'S DECISIONS TO VACATE AND RENOVATE THE LEASED FEDERAL COURTHOUSE IN PENSACOLA ARE BASED ON FAULTY PREMISES (A150132/P/4/R17001, OCTOBER 25, 2016)

We recommended that the GSA Administrator direct PBS to:

- Reanalyze options for housing the tenants of the 1 North Palafox Street courthouse. As part of this analysis, PBS should:
  - Ensure an equal comparison of the options is reflected;
  - Ensure that the designs for the renovation, new, and leased construction options meet current building standards;
  - Ensure the designs for the new and leased construction options comply with the U.S. Courts Design Guide;
  - Ensure the estimated reversion values of the new and leased courthouse options are developed by an independent appraiser;
  - Ensure lease-buyout and other potential settlement costs are incorporated; and
  - Develop and incorporate realistic project schedules into the financial analysis that are based on historical performance of projects with similar scope or scale.
- Suspend all contracts and procurements for the prospectus project until PBS secures ownership of the 1 North Palafox Street courthouse, if PBS's revised analysis demonstrates that ownership is in the best interest of the government.

PBS NATIONAL CAPITAL REGION'S $1.2 BILLION ENERGY SAVINGS PERFORMANCE CONTRACT FOR WHITE OAK WAS NOT AWARDED OR MODIFIED IN ACCORDANCE WITH REGULATIONS AND POLICY (A150009/P/5/R17006, AUGUST 24, 2017)

We recommended that the Regional Commissioner, PBS NCR:

- Take immediate action to expedite the procurement of a new O&M contract that adheres to competition requirements specified in the Competition in Contracting Act of 1984 (CICA) and the FAR;
- Determine and implement the appropriate corrective action needed for PBS NCR personnel's noncompliance with competition requirements; and
- Once the procurement of a new O&M contract is secured, as stated in *Finding 1*, include the Limitation of Government Obligation clause on all non-energy savings performance contract O&M services.

EVALUATION OF GSA NONDISCLOSURE POLICY (JE18-002, MARCH 8, 2018)

We recommended that GSA's leadership should:

- Clarify GSA's policy on communications with Members of Congress in GSA's order on congressional and intergovernmental inquiries and relations.

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EVALUATION OF GSA's MANAGEMENT AND ADMINISTRATION OF THE OLD POST OFFICE BUILDING LEASE (JE19-002, JANUARY 16, 2019)

We recommended that GSA:

- Determine the purpose of the Interested Parties provision;
- Conduct a formal legal review by Office of General Counsel that includes consideration of the Foreign and Presidential Emoluments Clauses; and
- Revise the language to avoid ambiguity.

GSA'S TRANSACTIONAL DATA REPORTING PILOT IS NOT USED TO AFFECT PRICING DECISIONS (A140143/Q/6/P21002, JUNE 24, 2021)

We recommended that the FAS Commissioner:

- Take immediate action to mitigate the risks associated with the TDR pilot by restricting additional contractors from opting into the TDR pilot and restricting access to, and use of, the TDR pilot data; and
- Develop and implement an exit strategy for the TDR pilot and transition participating contractors out of the TDR pilot.

FAS CANNOT PROVIDE ASSURANCE THAT MAS CONTRACT PRICING RESULTS IN ORDERS ACHIEVING THE LOWEST OVERALL COST ALTERNATIVE (A200975/Q/3/P22002, SEPTEMBER 30, 2022)

We recommended that the FAS Commissioner:

- Cancel the TDR pilot in accordance with FAS Policy and Procedures 2016-11, *Transactional Data Reporting – Federal Supply Schedule Program Implementation*, Paragraph 8(G), Pilot Cancellation. We recognize that FAS rejected recommendations made in *GSA's Transactional Data Reporting Pilot Is Not Used to Affect Pricing Decisions* (Report Number A140143/Q/6/P21002), including that FAS develop and implement an exit strategy for the TDR pilot and transition participating contractors out of the TDR pilot. However, we continue to conclude that the TDR pilot should be canceled. After 6 years, the TDR pilot still has not resulted in a viable pricing methodology that ensures compliance with the CICA requirement for orders to result in the lowest overall cost alternative to meet the government's needs.
- Inform customer agencies that they should perform separate and independent price determinations because relying on MAS contract pricing and following the ordering procedures in FAR 8.405, *Ordering procedures for Federal Supply Schedules*, may not ensure compliance with the CICA requirement that orders and contracts result in the lowest overall cost alternative. This should continue until the requirements and controls outlined in Recommendation 3 are set in place to ensure compliance with CICA.
- Establish requirements and controls to ensure that FAS contracting personnel adequately analyze Commercial Sales Practices (CSP) information to negotiate pricing consistent with CICA, FAR, and GSA Regulation 538.270-1, *Evaluation of offers*, without access to transactional data and to clearly identify and support the determination of most favored customer pricing.

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- FAS should ensure that offerors provide its contracting personnel with detailed information about the sales volumes, terms and conditions of pricing agreements, and any additional transactional discounts or pricing terms offered to individual commercial customers that receive the best pricing for the products and services proposed for the MAS contract.
- FAS should establish protocols that require offerors to submit other than certified cost or pricing data to support proposed pricing when offerors do not have comparable sales to customers outside of their MAS contract.
- FAS should cancel FAS Policy and Procedures 2017-02, *Updated Procedures for Exercising the Option to Extend the Term of a Federal Supply Schedule Contract,* and develop and implement policy and procedures directing FAS's contracting personnel to perform price analyses of CSP disclosures provided by the offeror for MAS contract option extensions.

GSA'S ADMINISTRATION OF PERFORMANCE-BASED CONTRACTS PUTS THE GOVERNMENT AT RISK OF UNSATISFACTORY CONTRACTOR PERFORMANCE AND WASTED FUNDS (A210064/A/3/F23002, FEBRUARY 9, 2023)

We recommended that the GSA Administrator, through the FAS and PBS Commissioners, and the Assistant Administrator for the Office of Administrative Services:

- Revise or issue Agency policy to ensure:
  - The appropriate oversight of acquisition planning activities for performance-based service contracts, including the creation of a quality assurance surveillance plan that complies with applicable regulations; and
  - Contracting personnel have clear, descriptive instruction on how to monitor and enforce quality assurance surveillance plans during contract administration to ensure compliance and improve acquisition outcomes.
- Implement management oversight to ensure contracting personnel comply with policies and procedures intended to ensure sufficient government oversight of contractor performance.

FEDERAL AGENCIES ARE AT RISK OF OVERPAYING FOR PRODUCTS IN THE MULTIPLE AWARD SCHEDULE PROGRAM DUE TO SIGNIFICANT PRICE VARIABILITY (A240052/Q/6/P26001, FEBRUARY 12, 2026)

We recommended that the FAS Commissioner:

- Inform federal customer agencies that they should perform separate and independent price determinations because significant price variability puts federal customer agencies at risk of overpaying for products on MAS contracts.

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APPENDIX III: AUDIT AND INSPECTION REPORT REGISTER

DATE OF REPORT	REPORT NUMBER	TITLE	DECISION DATE	FINANCIAL RECOMMENDATIONS	
				FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS
Note: Because some audits pertain to contract awards or actions that have not yet been completed, the financial recommendations related to these reports are not listed in this Appendix.					
PBS PERFORMANCE AUDITS					
04/16/2026	A260017	Implementation Review of Corrective Action Plan: Audit of the Calexico West Land Port of Entry Expansion and Modernization Project, Report Number A210070/P/9/R23006, March 2, 2023	N/A		
05/15/2026	A260035	Implementation Review of Corrective Action Plan: Audit of PBS National Capital Region's Asbestos Management in Building 40 of the St. Elizabeths West Campus, Report Number A230046/P/R/R24003, May 1, 2024	N/A		
08/27/2026	A250021	Audit of PBS's Management of Permit-Required Confined Space			
08/28/2026	A260049	Implementation Review of Corrective Action Plan: Building Maintenance Contractors are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight, Report Number A230032/P/2/R24004, May 3, 2024	N/A		
09/09/2026	A250036	PBS Is Not Consistently Complying with Its Internal Guidance for the Building Assessment Tool, Resulting in Underreported Liabilities and Increasing the Risk of Errors			
PBS CONTRACT AUDITS					
05/04/2026	A250063	Independent Examination of a Request for Equitable Adjustment	08/21/2026		
07/23/2026	A260047	Independent Review of a Cost Accounting Standards Board Disclosure Statement	07/23/2026		
FAS PERFORMANCE AUDIT					
07/20/2026	A260034	Implementation Review of Corrective Action Plan: FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts, Report Number A230065/Q/3/P24001, September 16, 2024	N/A		
08/13/2026	A240054	The Processes FAS Uses to Ensure It Awards and Collects Accurate Product Data Are Ineffective			
FAS CONTRACT AUDITS					
04/09/2026	A250051	Independent Preaward Examination of Multiple Award Schedule Contract	06/04/2026		

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DATE OF REPORT	REPORT NUMBER	TITLE	DECISION DATE	FINANCIAL RECOMMENDATIONS	
				FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS
04/13/2026	A250041	Independent Preaward Examination of Multiple Award Schedule Contract	06/03/2026		
04/21/2026	A250058	Independent Preaward Examination of Multiple Award Schedule Contract	06/09/2026		$66,183
05/21/2026	A250049	Independent Preaward Examination of Multiple Award Schedule Contract	07/01/2026		$25,255
06/18/2026	A250056	Independent Preaward Examination of Multiple Award Schedule Contract	08/12/2026		$41,767
07/27/2026	A250045	Independent Preaward Examination of Multiple Award Schedule Contract	07/30/2026		$27,832
08/04/2026	A250070	Independent Preaward Examination of Multiple Award Schedule Contract			
08/18/2026	A250068	Independent Preaward Examination of Multiple Award Schedule Contract	09/24/2026		
09/22/2026	A240021	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract	10/01/2026		$7,432,672
09/29/2026	A240059	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract			$1,250,104
09/30/2026	A230022	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract			$212,081
09/30/2026	A250073	Independent Preaward Examination of Multiple Award Schedule Contract			
OTHER PERFORMANCE AUDITS					
05/15/2026	A260014	GSA Complied with the Payment Integrity Information Act for Fiscal Year 2025	05/15/2026		
06/18/2026	A260045	Implementation Review of Corrective Action Plan: GSA's Robotic Process Automation Program Lacks Evidence to Support Claimed Savings, Report Number A210057/B/5/F24001, November 30, 2023	N/A		
INSPECTIONS AND EVALUATIONS					
04/24/2026	JE26-002	Facility Security Inspection of a High-Risk GSA Building	06/26/2026		
09/23/2026	JE26-003	Public Buildings Service Failed to Ensure the Continued Maintenance and Security of the Peachtree Summit Federal Building			

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APPENDIX IV: OIG REPORTS OVER 12 MONTHS OLD, FINAL AGENCY ACTION PENDING

Section 6009 of the Federal Acquisition Streamlining Act of 1994, Pub. L. No. 103-355, as amended by Section 810 of Public Law 104-106, requires the head of a federal agency to complete final action on each management decision required regarding a recommendation in an OIG's report within 12 months after the date of the report. If the head of the agency fails to complete final action within the 12-month period, the Inspector General shall identify the matter in the semiannual report until final action is complete.

The GSA Audit Management Division provided the following list of reports with action items open beyond 12 months:

DATE OF REPORT	REPORT NUMBER	TITLE	
CONTRACT AUDITS			
02/11/2021	A200986	Independent Examination of a Claim	
06/09/2021	A201000	Independent Examination of a Claim	
08/27/2021	A200997	Independent Examination of a Claim	
07/14/2023	A201027	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract	
05/05/2025	A230064	Independent Examination of a Claim	
05/08/2025	A240080	Independent Examination of a Claim	
07/22/2025	A240082	Independent Examination of a Termination Settlement Proposal	
07/24/2025	A240043	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract	
07/30/2025	A240081	Independent Preaward Examination of Multiple Award Schedule Contract	
08/28/2025	A230025	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract	
09/25/2025	A220025	Independent Postaward Examination of Multiple Award Schedule Contract	
PERFORMANCE AUDITS, INSPECTIONS, AND EVALUATIONS			**PROJECTED FINAL ACTION DATE**
09/16/2024	A230065	FAS's Office of Assisted Acquisition Services Should Improve Its Oversight and Administration of Classified Contracts*	12/31/2026
07/10/2025	A240066	GSA's Office of Administrative Services Awarded an Invalid $13.7 Million Task Order	10/30/2026
07/14/2025	A240037	GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	10/14/2026
08/14/2025	A240041	Audit of Roof Fall Protection and Safety in GSA-Owned Buildings	10/15/2026

*Audit reopened based on the results of an implementation review.

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APPENDIX V: MANAGEMENT DECISIONS

Section 405(c)(2)-(3) of the Inspector General Act of 1978, as amended, requires each semiannual report to include information regarding any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period. The table presented below lists all such decisions.

			OIG RECOMMENDATION		GSA DECISION	
REPORT TITLE	REPORT DATE	DECISION DATE	FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS	FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS
GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives	07/14/2025	04/16/2026				
Independent Preaward Examination of Multiple Award Schedule Contract	01/29/2026	04/06/2026				
Federal Agencies Are at Risk of Overpaying for Products in the Multiple Award Schedule Program Due to Significant Price Variability	02/12/2026	08/04/2026				
Independent Preaward Examination of Multiple Award Schedule Contract	02/20/2026	04/22/2026				
PBS Is Not Effectively Tracking and Monitoring Building Studies	03/06/2026	05/14/2026				
PBS NCR Did Not Fully Comply with Fire Protection Requirements for the U.S. Tax Court Building	03/16/2026	07/10/2026				
Independent Preaward Examination of Multiple Award Schedule Contract	03/19/2026	05/18/2026		$2,962		$2,962
Independent Preaward Examination of Multiple Award Schedule Contract	03/23/2026	05/12/2026				
GSA Is Not Consistently Addressing Deficient Security Fixtures at GSA-Controlled Facilities	03/24/2026	06/26/2026				
Audit of a GSA Information Technology System	03/26/2026	07/16/2026				
TOTALS				**$2,962**		**$2,962**

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MANAGEMENT DECISION WITH WHICH THE INSPECTOR GENERAL DISAGREES

Audit follow-up is an integral part of good management and is a shared responsibility of agency management officials and auditors. Corrective action taken by management on resolved findings and recommendations is essential to improving the effectiveness and efficiency of government operations. When there are disagreements, it is the Inspector General's responsibility to report significant disagreements to the Audit Follow-up Official. It is then the Audit Follow-up Official's responsibility to ensure disagreements are resolved. However, during this reporting period, there was one management decision with which the Inspector General still disagrees.

FEDERAL AGENCIES ARE AT RISK OF OVERPAYING FOR PRODUCTS IN THE MULTIPLE AWARD SCHEDULE PROGRAM DUE TO SIGNIFICANT PRICE VARIABILITY

Report Number A240052/Q/6/P26001

On February 12, 2026, our office issued *Federal Agencies Are at Risk of Overpaying for Products in the Multiple Award Schedule Program Due to Significant Price Variability*. Our audit objective was to determine whether GSA's FAS addressed price variability in its MAS Program to ensure schedule pricing results in the lowest overall cost alternative to meet the government's needs in accordance with federal laws, regulations, and internal guidance.

Under the MAS Program, FAS establishes long-term, government-wide schedule contracts. The intent of the MAS Program is to leverage the government's buying power to provide federal customers with competitive, market-based pricing on millions of commercial products and services. According to FAR 8.404(d), *Pricing*, federal customer agencies using MAS contracts are not required to make a separate determination that the prices are fair and reasonable because GSA has already made that determination at contract award.

We examined schedule pricing for frequently purchased products and found significant price variability. At times, the difference between a product's lowest price and highest price exceeded 1,000 percent. The significant price variability exists because: (1) contracting officers did not adequately evaluate proposed product pricing, (2) contractors submitted inaccurate data to GSA Advantage!, and (3) key FAS policies and procedures addressing MAS Program pricing issues are unused and ineffective.

We recommended that the FAS Commissioner:

1. Resume iterations of the Competitive Pricing Initiative at the MAS Program level to identify, address, and reduce price variability.
2. Strengthen policies and procedures to:
    a. Address data inaccuracies within FAS pricing tools; and
    b. Ensure bilateral contract modifications are submitted and approved prior to catalog changes.
3. Provide additional guidance to contracting officers regarding adequate sampling techniques for large catalogs to ensure information accuracy.

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4. Inform federal customer agencies that they should perform separate and independent price determinations because significant price variability puts federal customer agencies at risk of overpaying for products on MAS contracts.
5. Increase oversight and implement additional controls related to Temporary Price Reductions.

On April 9, 2026, FAS issued a written response stating that FAS agreed with Recommendations 1, 3, and 5, partially agreed with Recommendation 2b, and disagreed with Recommendations 2a and 4. On May 20, 2026, we met with the Acting FAS Commissioner to resolve the areas of disagreement. We were able to come to a resolution regarding Recommendation 2a. However, we were unable to achieve audit resolution on Recommendation 4.

On June 25, 2026, we provided a Decision Paper for Resolution Action to GSA's Audit Follow-up Official, requesting a resolution of the disagreement. On July 24, 2026, the Audit Follow-up Official responded that:

> FAS agrees with OIG Recommendations 001, 003, and 005. FAS and OIG were able to reach agreement on corrective action for recommendation 002. FAS respectfully maintains its position on the disagreement of OIG Recommendation 004, and upon review of the facts I agree with the FAS position.

While we acknowledge the Audit Follow-up Official's management decision, we do not agree with it. As noted in our audit report and the Decision Paper, the significant price variability identified in the MAS Program and unsupported pricing puts customer agencies at risk of overpaying. Therefore, they should perform their own determinations for fair and reasonable pricing. We reaffirm our recommendation that FAS inform federal customer agencies that they should perform separate and independent price determinations because significant price variability puts federal customer agencies at risk of overpaying for products on MAS contracts.

Therefore, we consider this recommendation to be unimplemented.

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APPENDIX VI: PEER REVIEW RESULTS

Section 405(b)(14)-(16) of the Inspector General Act of 1978, as amended, requires each OIG to submit an appendix containing the results of any peer review conducted by another OIG during the reporting period. If no peer review was conducted during the period, the appendix must contain a statement identifying the date of the last peer review that was conducted by another OIG.

The appendix must also contain a list of any outstanding recommendations from any peer review conducted by another OIG that have not been fully implemented, including a description of the status of the recommendations, and an explanation as to why the recommendations have not been completed; and a list of any peer reviews conducted by the Inspector General of another OIG during the reporting period, including a list of any outstanding recommendations made from any previous peer review that have not been fully implemented.

In FY 2024, the GSA OIG Office of Audits underwent a peer review by the U.S. Agency for International Development OIG. On October 25, 2024, the Office of Audits received a peer review rating of "pass." The peer review team found that the Office of Audits' system of quality control is suitably designed and complied with to provide it with reasonable assurance of performing and reporting in conformity with the quality standards established by CIGIE in all material aspects. No outstanding recommendations exist from any peer review conducted by another OIG.

In FY 2025, the GSA OIG Office of Investigations underwent a peer review by the Federal Deposit Insurance Corporation OIG. The peer review team found that the Office of Investigations' system of internal safeguards and management procedures for the investigative operations of the Office of Investigations for the period ending September 2024 complied with the quality standards established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) and other applicable guidelines and statutes, and that these safeguards and procedures provide reasonable assurance of conforming to professional standards in the planning, execution, and reporting of GSA OIG investigations and in the use of law enforcement powers.

In FY 2026, the GSA OIG Office of Inspections underwent a peer review by the U.S. Consumer Product Safety Commission OIG. The peer review team determined that the Office of Inspections' policies and procedures were consistent with the December 2020 CIGIE *Quality Standards for Inspection and Evaluation* (Blue Book). The peer review team also found that the selected reports complied with the Office of Inspections' internal policies and procedures and applicable Blue Book standards. No outstanding recommendations exist for the Office of Inspections.

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APPENDIX VII: GOVERNMENT CONTRACTOR SIGNIFICANT AUDIT FINDINGS

The National Defense Authorization Act for FY 2008, Pub. L. No. 110-181, Section 845, requires each Inspector General appointed under the Inspector General Act of 1978, as amended, to submit an annex on final, completed contract audit reports issued to the contracting activity as part of its Semiannual Report to the Congress.

The annex addresses significant audit findings—defined as unsupported, questioned, or disallowed costs more than $10 million—or other significant contracting issues. During this reporting period, there were no GSA OIG reports that met these requirements.

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APPENDIX VIII: REPORTING REQUIREMENTS

The table below cross-references the reporting requirements prescribed by the Inspector General Act of 1978, as amended, to the specific pages where they are addressed. The information required by the National Defense Authorization Act for FY 2008 and the Federal Acquisition Streamlining Act of 1994, as amended, are also cross-referenced to the appropriate pages of the report.

REQUIREMENTS INSPECTOR GENERAL ACT OF 1978, AS AMENDED (5 U.S.C. CHAPTER 4)		
SECTION	**DESCRIPTION**	**PAGE**
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