FEDERAL REAL PROPERTY

Proposed Civilian Board Could Address Disposal of Unneeded Facilities

What GAO Found

In designating federal real property management as a high-risk area, GAO reported that despite the magnitude and complexity of real-property-related problems, there was no governmentwide strategic focus on real property issues and governmentwide data were unreliable and outdated. The administration and real-property-holding agencies have subsequently improved their strategic management of real property by establishing an interagency Federal Real Property Council designed to enhance real property planning processes and implementing controls to improve the reliability of federal real property data.

Even with this progress, problems related to unneeded property and leasing persist because the government has not yet addressed other challenges to effective real property management, such as legal and financial limitations and stakeholder influences. CPRA is somewhat responsive to these challenges. For example, CPRA proposes an independent board that would streamline the disposal process by selecting properties it considers appropriate for public benefit uses. This streamlined process could reduce disposal time and costs. CPRA would also establish an Asset Proceeds and Space Management Fund that could be used to reimburse agencies for necessary disposal costs. The proposed independent board would address stakeholder influences by recommending federal properties for disposal or consolidation after receiving recommendations from civilian landholding agencies and independently reviewing the agencies’ recommendations. CPRA does not explicitly address the government’s overreliance on leasing, but could help do so through board recommendations for consolidating operations where appropriate. GAO is currently examining issues related to leasing costs and excess property.

Certain key elements of DOD’s BRAC process—which, like CPRA, was designed to address obstacles to closures or realignments—may be applicable to the disposal and realignment of real property governmentwide. These elements include establishing goals, developing criteria for evaluating closures and realignments, estimating the costs and savings anticipated from implementing recommendations, and involving the audit community. A key similarity between BRAC and CPRA is that both establish an independent board to review agency recommendations. A key difference is that while the BRAC process places the Secretary of Defense in a central role to review and submit candidate recommendations to the independent board, CPRA does not provide for any similar central role for civilian agencies.