FEDERAL REAL PROPERTY

Measuring Actual Office Space Costs Would Provide More Accurate Information

What GAO Found

The Office of Management and Budget (OMB) issued the Reduce the Footprint (RTF) policy in 2015 to promote the more efficient use of federal space. The General Services Administration (GSA) and OMB track and report two RTF cost performance measures: estimated costs avoided and average cost per square foot. GAO found that the method for estimating costs avoided was reasonable. However, the average cost per square foot was not accurate for the federally-owned and leased office space GSA manages for agencies. Specifically, GAO found that from fiscal years 2015 through 2018 the actual average cost per square foot for this space was, on average, $1.31 per square foot higher than the costs GSA and OMB reported for the 23 civilian agencies subject to the Chief Financial Officers (CFO) Act. The actual cost per square foot was higher for 18 out of 23 of these agencies (see figure). Because GSA and OMB did not use readily available actual cost data, their method, which is based on 1 month’s data, excluded an average of $271 million per year in costs over this period. Consequently, stakeholders and agencies do not have accurate information to assess agencies’ performance or help manage their space decisions.

Percentage Difference between General Services Administration’s (GSA) and Office of Management and Budget’s Average Cost per Square Foot Calculation and Actual Costs for Agencies’ GSA-Managed Office Space, Fiscal Year 2015 through 2018

Note: This information covers the 23 Civilian Chief Financial Officers Act agencies.

What GAO Recommends

GAO recommends that GSA coordinate with OMB to use actual cost information to calculate the average cost per square foot performance measure for GSA-managed space. GSA agreed with the recommendation.

View GAO-20-130. For more information, contact Lori Rectanus at (202) 512-2834 or rectanusl@gao.gov.