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Comptroller General  
of the United States

**Accessible Version**

May 6, 2020

The Honorable Emily W. Murphy  
Administrator  
General Services Administration  
1800 F Street, N.W.  
Washington, D.C. 20405

**Priority Open Recommendations: General Services Administration**

Dear Administrator Murphy:

The purpose of this letter is to provide an update on the overall status of the General Services Administration's (GSA) implementation of GAO's recommendations and to call your personal attention to open recommendations that deserve high priority.<sup>1</sup> In November 2019, we reported that, on a government-wide basis, 77 percent of our recommendations made 5 years ago were implemented.<sup>2</sup> GSA implemented all 15 of the recommendations we made to GSA in fiscal year 2015. As of April 2020, GSA had 67 open recommendations. Fully implementing all of these recommendations could significantly improve GSA's operations.

Since our April 10, 2019, letter, GSA has implemented one of five priority recommendations. Specifically, the federal departments and agencies that form the government facilities sector have submitted their risk management reports for cybersecurity to the Department of Homeland Security (DHS) and the Office of Management and Budget (OMB). These reports described agencies' plans to implement a cybersecurity framework and could be used as a resource to inform the level and type of adoption of the National Institute of Standards and Technology's *Framework for Improving Critical Infrastructure Cybersecurity*.

We ask for your continued attention on the remaining four open priority recommendations identified in the 2019 letter. We are adding four new recommendations as priorities this year: two recommendations on cybersecurity, one on real property data, and one on improving GSA's broker program, bringing the total number of priority recommendations to eight. (See the enclosure for a list of these recommendations.)

The eight priority recommendations fall into the following two major areas listed below.

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<sup>1</sup>Priority recommendations are those that GAO believes warrant priority attention from heads of key departments or agencies. They are highlighted because, upon implementation, they may significantly improve government operations, for example, by realizing large dollar savings; improving congressional and/or executive branch decision-making on major issues; eliminating mismanagement, fraud, and abuse; or ensuring that programs comply with laws and that funds are legally spent, among other benefits. Since 2015, GAO has sent letters to selected agencies to highlight the importance of implementing priority recommendations.

<sup>2</sup>GAO, *Performance and Accountability Report: Fiscal Year 2019*, [GAO-20-1SP](#) (Washington, D.C.: Nov. 19, 2019).

### Federal Real Property Management:

Six priority recommendations would improve the management of real property and strengthen GSA's ability to make sound decisions. Two of these recommendations, from September 2014, could improve decision-making related to the Department of Homeland Security's (DHS) headquarters consolidation. We recommended that GSA and DHS conduct a comprehensive needs assessment and gap analysis of current and needed capabilities and an alternative analysis that identifies the costs and benefits of leasing and construction alternatives. We also recommended that they update cost and schedule estimates for the remaining portions of the consolidation project and viable alternatives. To implement these recommendations, GSA and DHS should finish drafting a revised consolidation plan.

The third recommendation in this area, from January 2016, could decrease leasing costs by millions of dollars by avoiding unnecessary interest charges. We recommended that GSA explore the possibility of loaning funds to agencies to cover needed improvements to newly leased space—costs that would otherwise have to be financed for new leases. To implement this recommendation, GSA should determine if legislation is needed and select a pilot project to test a new approach for loaning tenant agencies the costs of improving newly leased space. The fourth recommendation, from May 2018, would allow GSA to better understand the effect of design choices in new Design Excellence buildings on operations and maintenance costs at the time design decisions are made. We recommended that GSA estimate the full operations and maintenance costs of design choices during the planning and design process for new Design Excellence buildings. To implement this recommendation, GSA should complete and deploy a tool to help estimate the operations and maintenance costs of potential design choices.

The fifth recommendation, from February 2020, would address the accuracy of the street address information in the public real-property database. We recommended that GSA ensure that street address information in the public database is complete and correctly formatted. To implement this recommendation, GSA should instruct agencies to either report into the Federal Real Property Profile the latitude and longitude or report a correctly formatted street address, and review assets after the fiscal year 2020 submission to make sure that corrections were made.

The sixth recommendation, from March 2020, would address limitations that GAO found related to the data GSA uses to calculate reported cost savings for GSA's broker program. We recommended that GSA assess and address the reliability of the information used to calculate reported cost savings for the broker program. To implement this recommendation, GSA should take steps to assess the data it uses to calculate reported cost savings from the broker program and address any reliability issues it identifies.

### Cybersecurity:

One priority recommendation, from July 2019, would help ensure consistent cybersecurity risk management and oversight across the agency. We recommended that GSA designate and document a risk executive function with responsibilities for organization-wide cybersecurity risk management. To implement this recommendation, GSA needs to update its policies and procedures to document GSA's designated cybersecurity-risk executive function, including a description of the risk executive's responsibility for organization-wide cybersecurity risk management.

Another priority recommendation, also from July 2019, would help GSA consider the totality of risk derived from the operation and use of its information systems and from information

exchanges and connections with other internally and externally owned systems. We recommended that GSA establish a process for conducting an organization-wide cybersecurity risk assessment. To implement this recommendation, GSA needs to ensure that its process provides for aggregating information from system-level risk assessment results, continuous monitoring, and any relevant strategic risk considerations.

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In March 2019 we issued our biennial update to our high-risk program, which identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement or the need for transformation to address economy, efficiency, or effectiveness challenges.<sup>3</sup> Our high-risk program has served to identify and help resolve serious weaknesses in areas that involve substantial resources and provide critical services to the public.

One of our high-risk areas, managing federal real property, centers directly on GSA. Other government-wide high-risk areas—including (1) Strategic Human Capital Management, and (2) Ensuring the Cybersecurity of the Nation—also have direct implications for GSA and its operations.

Copies of this report are being sent to appropriate congressional committees including the Committees on Appropriations, Budget, and Homeland Security and Governmental Affairs of the United States Senate; and the Committees on Appropriations, Budget and Oversight and Reform of the House of Representatives. In addition, the report will be available at no charge on the GAO website at <http://www.gao.gov>

We urge your attention to managing federal real property and other government-wide high-risk issues as they relate to GSA. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, OMB, and the leadership and staff in agencies, including within GSA. We will continue to work with you on all 67 recommendations.

Sincerely yours,



Gene L. Dodaro  
Comptroller General  
of the United States

Enclosure(s) – 1

cc: Dan Mathews, Commissioner, Public Buildings Service  
Jessica Salmoiraghi, Associate Administrator, Office of Government-wide Policy  
David A. Shive, Chief Information Officer

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<sup>3</sup>GAO, *High Risk Series: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas*, [GAO-19-157SP](#) (Washington, D.C.: Mar. 6, 2019).

## Enclosure - GSA Priority Recommendations

### **Improving Federal Real Property Management**

*Federal Real Property: DHS and GSA Need to Strengthen the Management of DHS Headquarters Consolidation.* [GAO-14-648](#). Washington, D.C.: September 14, 2014.

The Secretary of Homeland Security should work jointly with the Administrator of the General Services Administration (GSA) to:

- conduct a comprehensive needs assessment and gap analysis of current and needed capabilities and an alternatives analysis that identifies the costs and benefits of leasing and construction alternatives.
- update cost and schedule estimates for the remaining portions of the consolidation project and viable alternatives.

**Action needed:** DHS and GSA agreed with the two recommendations. To fully implement the recommendations, DHS and GSA should complete a comprehensive needs assessment, a costs and benefits analysis, and updated cost and schedule estimates taking into consideration new Administration priorities and budget circumstances. After validating the revised consolidation plan, DHS and GSA should submit their findings to Congress in accordance with the Department of Homeland Security Headquarters Consolidation Accountability Act of 2015 (Pub. L. No. 114-150). DHS and GSA are currently drafting a revised consolidation plan per our recommendations, and officials expect that the final plan will be completed and approved in 2020.

**High Risk Area:** Managing Federal Real Property

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**Director:** David Trimble, Physical Infrastructure

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*Federal Real Property: GSA Could Decrease Leasing Costs by Encouraging Competition and Reducing Unneeded Fees.* [GAO-16-188](#). Washington, D.C.: January 13, 2016.

The Administrator of GSA should seek to reduce leasing costs for federal agencies by exploring, with relevant stakeholders, the possibility of loaning unobligated Federal Buildings Fund balances to agencies to cover needed improvements to newly leased space—costs that would otherwise have to be financed for new leases.

**Action needed:** GSA agreed with the recommendation. In October 2019, GSA officials said that after studying the issue they have decided to pursue GAO's January 2016 recommendation to loan unobligated Federal Buildings Fund balances to tenant agencies to cover the costs of improving newly leased space. GSA officials said that implementing the recommendation could save millions of dollars annually in interest-financing charges and that they were exploring ways to implement the recommendation through existing authorities without the need for additional legislation. As of April 2020, GSA officials said that they were in the process of developing an

implementation plan to test the new approach, possibly as part of legislation. While GSA believes that it can take the recommended action within its existing statutory authorities, officials said that OMB could decide to seek clarification of GSA's statutory authorities. GSA officials further noted that there is draft, but not yet introduced, legislation in the Senate to form a pilot program. Once this implementation plan is completed, we will consider closing this recommendation as implemented.

**High Risk Area:** Managing Federal Real Property

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Federal Buildings: More Consideration of Operations and Maintenance Costs Could Better Inform the Design Excellence Program. [GAO-18-420](#). GAO-18-420. Washington, D.C.: May 22, 2018.

The Administrator of GSA should update existing procedures to require GSA officials to estimate the full operations and maintenance costs of design choices during the planning and design process for new Design Excellence buildings. This update would allow GSA to better understand the effects of design choices at the time they are made on operations and maintenance costs.

**Action needed:** GSA agreed with the recommendation. Officials are in the process of developing a tool to estimate the full operations and maintenance costs of design choices during planning and design, including how those choices will affect operations and maintenance costs. This tool is scheduled for completion in 2020. Based on a demonstration GSA officials provided to GAO in January 2020, we believe that upon implementation, this tool will address our recommendation by allowing officials to better understand the effect of design choices as they are being made.

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Federal Real Property: GSA Should Improve Accuracy, Completeness, and Usefulness of Public Data. [GAO-20-135](#). Washington, D.C.: February 6, 2020.

The Administrator of GSA should coordinate with agencies to ensure that street address information in the public database is complete and correctly formatted.

**Action needed:** GSA agreed with the recommendation. GSA officials plan to revise the reporting requirements to emphasize reporting latitude and longitude values for the real property asset as the method to identify the asset's location. GSA officials plan to use street address as a secondary method if the agency cannot report latitude and longitude. GSA officials also plan to analyze the fiscal year 2019 Federal Real Property Profile's data and provide agencies a listing of those real property assets for which the street address value is not geo-codable. GSA officials plan to instruct agencies in fiscal year 2020 to either report the latitude and longitude for that asset or report a street address value that can be geo-coded. GSA officials plan to review these assets after agencies submit fiscal year 2020 data to the federal real property profile

database to make sure that the correction was made. Until these changes are made, location data for many real property assets will not be useful.

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Federal Leasing: Quality Information and Metrics Would Allow GSA to Better Assess the Value of Its Broker Program. GAO-20-361. Washington, D.C.: March 31, 2020.

The Administrator of GSA should assess and address the reliability of the information used to calculate reported cost savings for the broker program.

**Action needed:** GSA agreed with the recommendation. GSA's officials said that they were making changes and assessing its data systems. To fully implement this recommendation, GSA should assess the data it uses to calculate reported cost savings from the broker program to ensure the data are complete and accurate. These assessments include data used to develop GSA's market-rate-reports and leasing-program data. Once the assessments are complete, GSA should address any reliability issues of the information used to report cost savings.

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### **Cybersecurity**

Cybersecurity: Agencies Need to Fully Establish Risk Management Programs and Address Challenges. GAO-19-384. Washington, D.C.: July 25, 2019.

The Administrator of GSA should designate and document a risk executive function with responsibilities for organization-wide cybersecurity risk management.

**Action needed:** GSA agreed with the recommendation. As of January 2020, GSA stated that by June 30, 2020, the agency will update its IT security policies and other policies and procedures to document GSA's designated risk executive function, including a description of the risk executive's responsibility for organization-wide cybersecurity risk management. This action will address our recommendation by helping GSA ensure consistent implementation and oversight of cybersecurity risk-management activities and an effective agency-wide view for managing risk.

The Administrator of GSA should establish a process for conducting an organization-wide cybersecurity risk assessment.

**Action needed:** GSA agreed with our recommendation. As of January 2020, GSA stated that by June 30, 2020, the agency will document the process for conducting an organization-wide cybersecurity risk assessment. To fully implement this recommendation, GSA needs to ensure that its process provides for:

- the aggregation of information from a system-level risk assessment's results,
- continuous monitoring, and

- any relevant strategic risk considerations that will help the agency consider the totality of risk derived from the operation and use of its information systems and from information exchanges and connections with other internally and externally owned systems.

High Risk Area: Ensuring the Cybersecurity of the Nation

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